

By: Senator(s) Sojourner, McDaniel, Chism

To: Finance

SENATE BILL NO. 2923

1 AN ACT TO AMEND SECTION 27-31-1, MISSISSIPPI CODE OF 1972, TO
2 EXEMPT FROM AD VALOREM TAXES ALL PROPERTY, REAL OR PERSONAL,
3 BELONGING TO PERSONS AGED 65 YEARS OR OLDER; AND FOR RELATED
4 PURPOSES.

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

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

8 27-31-1. The following shall be exempt from taxation:

9 (a) All cemeteries used exclusively for burial
10 purposes.

11 (b) All property, real or personal, belonging to the
12 State of Mississippi or any of its political subdivisions, except
13 property of a municipality not being used for a proper municipal
14 purpose and located outside the county or counties in which such
15 municipality is located. A proper municipal purpose within the
16 meaning of this section shall be any authorized governmental or
17 corporate function of a municipality.

18 (c) All property, real or personal, owned by units of
19 the Mississippi National Guard, or title to which is vested in



20 trustees for the benefit of any unit of the Mississippi National
21 Guard; provided such property is used exclusively for such unit,
22 or for public purposes, and not for profit.

23 (d) All property, real or personal, belonging to any
24 religious society, or ecclesiastical body, or any congregation
25 thereof, or to any charitable society, or to any historical or
26 patriotic association or society, or to any garden or pilgrimage
27 club or association and used exclusively for such society or
28 association and not for profit; not exceeding, however, the amount
29 of land which such association or society may own as provided in
30 Section 79-11-33. All property, real or personal, belonging to
31 any foundation organized as a nonprofit corporation that is exempt
32 from federal income taxation under Section 501(c)(3) of the
33 Internal Revenue Code and that receives, invests and administers
34 private support for a state-supported institution of higher
35 learning, a public community college or junior college located in
36 the State of Mississippi or a nonprofit private university or
37 college located in the State of Mississippi, as the case may be.
38 For the sole purpose of applying the preceding sentence, all
39 property, real or personal, belonging to an entity that is wholly
40 owned by and controlled by such a foundation shall be treated as
41 belonging to the foundation. All property, real or personal,
42 belonging to any rural waterworks system or rural sewage disposal
43 system incorporated under the provisions of Section 79-11-1. All
44 property, real or personal, belonging to any college or



45 institution for the education of youths, used directly and
46 exclusively for such purposes, provided that no such college or
47 institution for the education of youths shall have exempt from
48 taxation more than six hundred forty (640) acres of land;
49 provided, however, this exemption shall not apply to commercial
50 schools and colleges or trade institutions or schools where the
51 profits of same inure to individuals, associations or
52 corporations. All property, real or personal, belonging to an
53 individual, institution or corporation and used for the operation
54 of a grammar school, junior high school, high school or military
55 school. All property, real or personal, owned and occupied by a
56 fraternal and benevolent organization, when used by such
57 organization, and from which no rentals or other profits accrue to
58 the organization, but any part rented or from which revenue is
59 received shall be taxed.

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

68 (f) All property, real or personal, whether belonging
69 to religious or charitable or benevolent organizations, which is



70 used for hospital purposes, and nurses' homes where a part
71 thereof, and which maintain one or more charity wards that are for
72 charity patients, and where all the income from said hospitals and
73 nurses' homes is used entirely for the purposes thereof and no
74 part of the same for profit. All property, real or personal,
75 belonging to a federally qualified health center where all the
76 income from such center is used entirely for the purposes thereof
77 and no part of the same for profit.

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

81 (h) Provisions on hand for family consumption.

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

90 (j) All guns and pistols kept by the owner for private
91 use.

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

93 (l) Household furniture, including all articles kept in
94 the home by the owner for his own personal or family use; but this



95 shall not apply to hotels, rooming houses or rented or leased
96 apartments.

97 (m) All cattle and oxen.

98 (n) All sheep, goats and hogs.

99 (o) All horses, mules and asses.

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

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

105 (r) The libraries of all persons.

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

108 (t) The tools of any mechanic necessary for carrying on
109 his trade.

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



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

124 (w) Any and all money on deposit in either national
125 banks, state banks or trust companies, on open account, savings
126 account or time deposit.

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

129 (y) (i) Boats, seines and fishing equipment used in
130 fishing and shrimping operations and in the taking or catching of
131 oysters.

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

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

137 (ii) Vessels while under construction and/or
138 conversion;

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



143 1. Vessels used for the exploration for, or
144 production of, oil, gas and other minerals offshore outside the
145 boundaries of this state; or

146 2. Vessels that were used for the exploration
147 for, or production of, oil, gas and other minerals that are
148 converted to a new service for use outside the boundaries of this
149 state;

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

153 a. Be operating or operable, generating
154 or capable of generating its own power or connected to some other
155 power source, and not removed from the service or use for which
156 manufactured or to which converted; and

157 b. The manufacturer, builder, converter
158 or other entity possessing the vessel must be in compliance with
159 any lease or other agreement with any applicable port authority or
160 other entity regarding the vessel and in compliance with all
161 applicable tax laws of this state and applicable federal tax laws.

162 2. A vessel exempt from taxation under
163 subparagraph (iii) of this paragraph (z) may not be exempt for a
164 period of more than three (3) years unless the board of
165 supervisors of the county and/or governing authorities of the
166 municipality, as the case may be, in which the vessel would
167 otherwise be taxable adopts a resolution or ordinance authorizing



168 the extension of the exemption and setting a maximum period for
169 the exemption.

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

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

179 (bb) All growing nursery stock.

180 (cc) A semitrailer used in interstate commerce.

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

189 (ee) All vessels while in the hands of bona fide
190 dealers as merchandise and which are not being operated upon the
191 waters of this state shall be exempt from ad valorem taxes. As
192 used in this paragraph, the terms "vessel" and "waters of this



193 state" shall have the meaning ascribed to such terms in Section
194 59-21-3.

195 (ff) All property, real or personal, owned by a
196 nonprofit organization that: (i) is qualified as tax exempt under
197 Section 501(c)(4) of the Internal Revenue Code of 1986, as
198 amended; (ii) assists in the implementation of the national
199 contingency plan or area contingency plan, and which is created in
200 response to the requirements of Title IV, Subtitle B of the Oil
201 Pollution Act of 1990, Public Law 101-380; (iii) engages primarily
202 in programs to contain, clean up and otherwise mitigate spills of
203 oil or other substances occurring in the United States coastal or
204 tidal waters; and (iv) is used for the purposes of the
205 organization.

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



218 (hh) All leases, lease contracts or lease agreements
219 (including, but not limited to, subleases, sublease contracts and
220 sublease agreements), and leaseholds or leasehold interests
221 (including, but not limited to, subleaseholds and subleasehold
222 interests), of or with respect to any and all property (real,
223 personal or mixed) constituting all or any part of a facility for
224 the manufacture, production, generation, transmission and/or
225 distribution of electricity, and any real property related
226 thereto, shall be exempt from ad valorem taxation during the
227 period as the United States is both the title owner of the
228 property and a sublessee of or with respect to the property;
229 however, the exemption authorized by this paragraph (hh) shall not
230 apply to any entity to whom the United States sub-subleases its
231 interest in the property nor to any entity to whom the United
232 States assigns its sublease interest in the property. As used in
233 this paragraph, the term "United States" includes an agency or
234 instrumentality of the United States of America. This paragraph
235 (hh) shall apply to all assessments for ad valorem taxation for
236 the 2003 calendar year and each calendar year thereafter.

237 (ii) All property, real, personal or mixed, including
238 fixtures and leaseholds, used by Mississippi nonprofit entities
239 qualified, on or before January 1, 2005, under Section 501(c)(3)
240 of the Internal Revenue Code to provide support and operate
241 technology incubators for research and development start-up
242 companies, telecommunication startup companies and/or other



243 technology startup companies, utilizing technology spun-off from
244 research and development activities of the public colleges and
245 universities of this state, State of Mississippi governmental
246 research or development activities resulting therefrom located
247 within the State of Mississippi.

248 (jj) All property, real, personal or mixed, including
249 fixtures and leaseholds, of start-up companies (as described in
250 paragraph (ii) of this section) for the period of time, not to
251 exceed five (5) years, that the startup company remains a tenant
252 of a technology incubator (as described in paragraph (ii) of this
253 section).

254 (kk) All leases, lease contracts or lease agreements
255 (including, but not limited to, subleases, sublease contracts and
256 sublease agreements), and leaseholds or leasehold interests, of or
257 with respect to any and all property (real, personal or mixed)
258 constituting all or any part of an auxiliary facility, and any
259 real property related thereto, constructed or renovated pursuant
260 to Section 37-101-41, Mississippi Code of 1972.

261 (ll) Equipment brought into the state temporarily for
262 use during a disaster response period as provided in Sections
263 27-113-1 through 27-113-9 and subsequently removed from the state
264 on or before the end of the disaster response period as defined in
265 Section 27-113-5.

266 (mm) For any lease or contractual arrangement to which
267 the Department of Finance and Administration and a nonprofit



268 corporation are a party to as provided in Section 39-25-1(5), the
269 nonprofit corporation shall, along with the possessory and
270 leasehold interests and/or real and personal property of the
271 corporation, be exempt from all ad valorem taxation, including,
272 but not limited to, school, city and county ad valorem taxes, for
273 the term or period of time stated in the lease or contractual
274 arrangement.

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

285 (oo) All property, real or personal, belonging to
286 persons aged sixty-five (65) years or older.

287 **SECTION 2.** This act shall take effect and be in force from
288 and after October 1, 2023.

