

By: Senator(s) Sojourner, McDaniel, Chism

To: Finance

SENATE BILL NO. 2927

1 AN ACT TO PHASE IN AN EXEMPTION FROM AD VALOREM TAXES ON
 2 COMMODITIES, RAW MATERIALS, WORKS-IN-PROCESS, PRODUCTS, GOODS,
 3 WARES AND MERCHANDISE HELD FOR RESALE BY ANY MANUFACTURER,
 4 DISTRIBUTOR, WHOLESALE OR RETAIL MERCHANT; TO REPEAL SECTION
 5 27-7-22.5, WHICH AUTHORIZES AN INCOME TAX CREDIT IN CERTAIN
 6 AMOUNTS FOR MANUFACTURERS, DISTRIBUTORS, WHOLESALE OR RETAIL
 7 MERCHANTS FOR AD VALOREM TAXES PAID ON COMMODITIES, RAW MATERIALS,
 8 WORKS-IN-PROCESS, PRODUCTS, GOODS, WARES AND MERCHANDISE HELD FOR
 9 RESALE BY ANY MANUFACTURER, DISTRIBUTOR, WHOLESALE OR RETAIL
 10 MERCHANT; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** (1) For calendar years 2024 through 2027,
 13 commodities, raw materials, works-in-process, products, goods,
 14 wares and merchandise held for resale by any manufacturer,
 15 distributor, wholesale or retail merchant shall be exempt from ad
 16 valorem tax as follows:

17 (a) For calendar year 2024, twenty percent (20%) of the
 18 assessed value of the property shall be exempt.

19 (b) For calendar year 2025, forty percent (40%) of the
 20 assessed value of the property shall be exempt.

21 (c) For calendar year 2026, sixty percent (60%) of the
 22 assessed value of the property shall be exempt.



23 (d) For calendar year 2027, eighty percent (80%) of the
24 assessed value of the property shall be exempt.

25 (2) From and after January 1, 2028, commodities, raw
26 materials, works-in-process, products, goods, wares and
27 merchandise held for resale by any manufacturer, distributor,
28 wholesale or retail merchant shall be exempt from ad valorem tax.

29 **SECTION 2.** Section 27-7-22.5, Mississippi Code of 1972,
30 which authorizes an income tax credit in certain amounts for
31 manufacturers, distributors, wholesale or retail merchants for ad
32 valorem taxes paid on commodities, raw materials,
33 works-in-process, products, goods, wares and merchandise held for
34 resale by any manufacturer, distributor, wholesale or retail
35 merchant, is repealed.

36 **SECTION 3.** This act shall take effect and be in force from
37 and after January 1, 2024.

