

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

House Bill No. 1561

BY: Committee

**Amend by striking all after the enacting clause and inserting
in lieu thereof the following:**

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.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

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.

