

By: Representatives Lamar, Yates

To: Ways and Means

HOUSE BILL NO. 1665
(As Passed the House)

1 AN ACT TO PROVIDE THAT THE DEPARTMENT OF FINANCE AND
 2 ADMINISTRATION SHALL ESTABLISH A PROGRAM TO PROVIDE INCENTIVE
 3 PAYMENTS FOR DEVELOPERS TO DEVELOP PROPERTY IN THE CAPITOL COMPLEX
 4 IMPROVEMENT DISTRICT AND TO PLACE SUCH PROPERTY INTO USE WHICH
 5 WILL INCREASE THE VALUE OF THE PROPERTY AND PROMOTE ECONOMIC
 6 DEVELOPMENT AND THE PUBLIC INTEREST WITHIN THE DISTRICT; TO DEFINE
 7 CERTAIN TERMS FOR THE PURPOSES OF THIS ACT; TO PROVIDE AN
 8 APPLICATION PROCESS FOR DEVELOPERS WHO DESIRE TO PARTICIPATE IN
 9 THE INCENTIVE PROGRAM; TO PROVIDE THAT WHEN PROPERTY IS DEVELOPED
 10 ACCORDING TO A DEVELOPMENT PLAN AND PLACED INTO USE, THE CITY OF
 11 JACKSON AND HINDS COUNTY SHALL REMIT TO THE DEPARTMENT OF FINANCE
 12 AND ADMINISTRATION FOR A CERTAIN PERIOD OF TIME, THE REVENUE
 13 DERIVED FROM THE APPLICABLE MUNICIPAL OR COUNTY AD VALOREM TAX
 14 LEVIED FOR GENERAL FUND PURPOSES ON A PORTION OF THE INCREASE IN
 15 THE ASSESSED VALUE OF THE PROPERTY; TO REQUIRE THE DEPARTMENT OF
 16 FINANCE AND ADMINISTRATION TO DEPOSIT SUCH REMITTED AMOUNTS INTO A
 17 SPECIAL FUND CREATED IN THIS ACT AND EXPEND MONIES IN THE FUND,
 18 UPON APPROPRIATION BY THE LEGISLATURE, TO PROVIDE INCENTIVE
 19 PAYMENTS TO SUCH DEVELOPERS; TO PROVIDE FOR THE AMOUNT OF THE
 20 INCENTIVE PAYMENTS AND PERIOD OF TIME THAT INCENTIVE PAYMENTS WILL
 21 BE MADE TO DEVELOPERS; TO PROVIDE THAT AFTER INCENTIVE PAYMENTS
 22 HAVE BEEN MADE TO A DEVELOPER FOR THE TIME PROVIDED IN THIS ACT,
 23 THE DEPARTMENT OF FINANCE AND ADMINISTRATION SHALL DEPOSIT FUNDS
 24 RECEIVED FROM PAYMENTS REMITTED BY THE CITY OF JACKSON AND HINDS
 25 COUNTY INTO THE CAPITOL COMPLEX IMPROVEMENT DISTRICT PROJECT FUND
 26 FOR A CERTAIN PERIOD OF TIME; AND FOR RELATED PURPOSES.

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

28 **SECTION 1.** (1) As used in this section, the following words
 29 and phrases shall have the meanings ascribed herein unless the
 30 context clearly requires otherwise:



31 (a) "Clerk" means the municipal clerk or county
32 chancery clerk, as the case may be.

33 (b) "County" means Hinds County, Mississippi.

34 (c) "Department" means the Department of Finance and
35 Administration.

36 (d) "Developer" means any person, firm, corporation,
37 partnership or other entity who constructs, repairs, renovates,
38 operates and/or maintains and/or procures the construction,
39 repair, renovation, operation and/or maintenance of property such
40 as buildings and other facilities within the district.

41 (e) "District" means the Capitol Complex Improvement
42 District created in Section 29-5-203, Mississippi Code of 1972.

43 (f) "Municipality" means the City of Jackson,
44 Mississippi.

45 (g) "Tax Assessor" means the Hinds County, Mississippi,
46 tax assessor.

47 (2) (a) The department shall establish a program to provide
48 incentive payments for developers to develop property such as
49 buildings and other facilities within the district and to place
50 such developed property into use, which will increase the value of
51 the property and promote economic development and the public
52 interest within the district.

53 (b) A developer desiring to participate in the
54 incentive program established under this section must submit an



55 application to the department. The application must contain a
56 development plan that provides:

57 (i) A description of:

58 1. The property to be developed,

59 2. The purpose or purposes for which the
60 property is being used at the time the application is submitted,

61 3. The type of work the developer will
62 perform as part of development of the property, the purpose or
63 purposes for which the property will be placed into use after
64 development, and whether the development of such property will be
65 complete before being placed into use, or developed in phases and
66 placed in use in phases before development is complete, and

67 (ii) Any other information requested by the
68 department.

69 (c) The department shall review such application and
70 determine whether the developer is eligible to participate in the
71 incentive program. If the department approves the developer for
72 participation in the program, it shall issue a certificate of
73 participation to the developer for the development plan. The
74 department shall also provide a copy of the certification of
75 participation and development plan to the clerk.

76 (d) After receipt of a certificate of participation and
77 development plan under paragraph (c) of this subsection, the tax
78 assessor shall certify the assessed value of the property to be
79 developed under the development plan according to its most



80 recently determined assessed value. This assessed value shall be
81 the original assessed value of the property for the purposes of
82 this section. Each year thereafter, the tax assessor shall
83 certify the assessed value of the property described in the
84 development plan and this assessed value shall be known as the
85 current assessed value of the property for the purposes of this
86 section.

87 (3) (a) (i) Beginning with the first year that property in
88 a development plan is developed and placed into use for which it
89 is developed, whether completely or in phases, and subject to ad
90 valorem taxation based on such use, any amount by which the
91 current assessed value of the property exceeds the original
92 assessed value shall be known as the enhanced assessed value of
93 the property for the purposes of this section.

94 (ii) For property in a development plan that for
95 which development is complete when the property is first placed
96 into use after development, the tax assessor shall annually
97 certify the amount of the enhanced assessed value of the property
98 to the municipality and county for the first year that the
99 property is placed into use and subject to ad valorem tax based on
100 such use and for each of the next succeeding four (4) years. For
101 each year of such years, the clerk shall annually remit to the
102 department an amount equal to the revenue derived from the ad
103 valorem tax levied for general fund purposes by the municipality



104 or county, as the case may be, on the enhanced assessed value of
105 the property.

106 (iii) For property in a development plan that is
107 developed in phases and placed into use in phases:

108 1. a. The tax assessor shall annually
109 certify the amount of the enhanced assessed value of the property
110 to the municipality and county for the first year of such years
111 that the property is placed into use and subject to ad valorem tax
112 based on such use and for each of the next succeeding years that
113 the property is developed and placed into use in phases until the
114 development is complete and the property is placed into use for
115 which it was developed, and

116 b. The clerk shall:

117 A. For the first year of the years
118 described in subitem a of this item 1, remit to the department an
119 amount equal to the revenue derived from the ad valorem tax levied
120 for general fund purposes by the municipality or county, as the
121 case may be, on the enhanced assessed value of the property for
122 such year, and

123 B. For each year of the succeeding
124 years after the first year described in subitem a of this item 1
125 through the first year after the development of the property is
126 complete and the property is subject to ad valorem tax based on
127 the use for which it was developed, remit to the department an
128 amount equal to the revenue derived from the ad valorem tax levied



129 for general fund purposes by the municipality or county, as the
130 case may be, on the amount of any increase of the enhanced
131 assessed value of the property for the applicable year from the
132 enhanced assessed value of the property for the immediately
133 preceding year.

134 2. After such property has completed
135 development according to a development plan and has been placed
136 into use for which it was developed, the tax assessor shall
137 annually certify the amount of the enhanced assessed value of the
138 property to the municipality and county for the first year that
139 the property is placed into use and subject to ad valorem tax
140 based on such use and for each of the next succeeding four (4)
141 years. For each of such years, the clerk shall annually remit to
142 the department an amount equal to the revenue derived from the ad
143 valorem tax levied by the municipality or county, as the case may
144 be, for general fund purposes on the enhanced assessed value of
145 the property.

146 (iv) The department shall deposit the funds
147 received from the clerk under this subsection (3) into the special
148 fund created in subsection (4) of this section.

149 (4) (a) There is created a special fund in the State
150 Treasury. The fund shall be maintained by the State Treasurer as
151 a separate and special fund, separate and apart from the General
152 Fund of the state. The fund shall consist of monies deposited
153 therein under subsection of this section and monies from any other



154 source designated for deposit into such fund. Monies in the fund
155 shall be expended by the department, upon appropriation by the
156 Legislature, to provide incentive payments to developers as
157 provided in this section. Unexpended amounts remaining in the
158 fund at the end of a fiscal year shall not lapse into the State
159 General Fund, and any interest earned or investment earnings on
160 amounts in the fund shall be deposited to the credit of the fund.

161 (b) The department shall allocate and distribute monies
162 in the special fund that are derived from payments made by a clerk
163 related to a certificate of approval for property that is
164 developed according to a development plan and placed into use
165 after development and use such monies for the purpose of making
166 incentive payments as follows:

167 (i) For property that has completed development
168 according to a plan and that has been first placed into use after
169 development is complete, the department shall:

170 1. Disburse to the developer an incentive
171 payment for an amount equal to the amount remitted to the
172 department under subsection (3)(a)(ii) of this section for the
173 first year of the five (5) year period described therein, and

174 2. Deposit an amount equal to the amount
175 remitted to the department under subsection (3)(a)(ii) of this
176 section for each of the next four (4) years into the Capitol
177 Complex Improvement District Project Fund created in Section
178 29-5-215, Mississippi Code of 1972; and



179 (ii) For property that is developed according to a
180 plan in phases and placed into use in phases:

181 1. The department shall disburse to the
182 developer for each applicable year an amount equal to the amount
183 remitted to the department under subsection (3)(a)(iii)1 of this
184 section, and

185 2. After such property has completed
186 development according to the plan and has been placed into use,
187 the department shall deposit an amount equal to the amount
188 remitted to the department under subsection (3)(a)(iii)2 of this
189 section for each of the next four (4) years into Capitol Complex
190 Improvement District Project Fund created in Section 29-5-215,
191 Mississippi Code of 1972.

192 (4) The Department of Finance and Administration shall have
193 all powers necessary to implement and administer the program
194 established under this section, and the Department of Finance and
195 Administration shall promulgate rules and regulations, in
196 accordance with the Mississippi Administrative Procedures Law,
197 necessary for the implementation of this section.

198 **SECTION 2.** This act shall take effect and be in force from
199 and after July 1, 2024.

