

By: Senator(s) Nunnelee

To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2119

1 AN ACT TO AMEND SECTIONS 27-31-53 AND 27-31-55, MISSISSIPPI
2 CODE OF 1972, TO AUTHORIZE THE BOARDS OF SUPERVISORS TO GRANT
3 PARTIAL AD VALOREM TAX EXEMPTIONS TO PROPERTY IN FREE PORT
4 WAREHOUSES THROUGH JUNE 30, 2012; AND FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 27-31-53, Mississippi Code of 1972, is
7 amended as follows:

8 [Through June 30, 2012, this section shall read as follows:]

9 27-31-53. All or a portion of the assessed value of personal
10 property in transit through this state which is (1) moving in
11 interstate commerce through or over the territory of the State of
12 Mississippi, or (2) which was consigned or transferred to a
13 licensed "free port warehouse," public or private, within the
14 State of Mississippi for storage in transit to a final destination
15 outside the State of Mississippi, whether specified when
16 transportation begins or afterward, may, in the discretion of the
17 board of supervisors of the county wherein the warehouse or
18 storage facility is located, and in the discretion of the
19 governing authorities of the municipality wherein the warehouse or
20 storage facility is located, as the case may be, and for such
21 period of time as the respective governing body may prescribe, be
22 exempt from all ad valorem taxes imposed by the respective county
23 or municipality and the property exempted therefrom shall not be
24 deemed to have acquired a situs in the State of Mississippi for
25 the purposes of such taxation. The board of supervisors of a
26 county or the governing authorities of a municipality may exempt
27 all or a portion of the assessed value of such property. Such
28 property shall not be deprived of such exemption because while in



29 a warehouse the property is bound, divided, broken in bulk,
30 labeled, relabeled or repackaged.

31 **[From and after July 1, 2012, this section shall read as**
32 **follows:]**

33 27-31-53. All personal property in transit through this
34 state which is (1) moving in interstate commerce through or over
35 the territory of the State of Mississippi, or (2) which was
36 consigned or transferred to a licensed "free port warehouse,"
37 public or private, within the State of Mississippi for storage in
38 transit to a final destination outside the State of Mississippi,
39 whether specified when transportation begins or afterward, may, in
40 the discretion of the board of supervisors of the county wherein
41 the warehouse or storage facility is located, and in the
42 discretion of the governing authorities of the municipality
43 wherein the warehouse or storage facility is located, as the case
44 may be, and for such period of time as the respective governing
45 body may prescribe, be exempt from all ad valorem taxes imposed by
46 the respective county or municipality and the property exempted
47 therefrom shall not be deemed to have acquired a situs in the
48 State of Mississippi for the purposes of such taxation. Such
49 property shall not be deprived of exemption because while in a
50 warehouse the property is bound, divided, broken in bulk, labeled,
51 relabeled or repackaged.

52 **SECTION 2.** Section 27-31-55, Mississippi Code of 1972, is
53 amended as follows:

54 **[Through June 30, 2012, this section shall read as follows:]**

55 27-31-55. Each licensed "free port warehouse" shall file
56 with the State Tax Commission and tax assessor of each taxing
57 jurisdiction in which such warehouse or storage facility may be
58 located an inventory of all personal property consigned or
59 transferred to such warehouse or storage facility and located
60 therein on January 1 of each year. Such inventory shall be
61 submitted on such forms and in such manner as the State Tax



62 Commission may prescribe and shall contain a separate statement of
63 all property eligible for exemption under Sections 27-31-51
64 through 27-31-61 and a separate statement of all property
65 consigned or transferred to such warehouse or storage facility.
66 Exemption shall be allowed for all eligible property in the amount
67 authorized by the board of supervisors or governing authorities of
68 a municipality, but accurate records shall be kept of all personal
69 property shipped from any such warehouse or storage facility,
70 together with the point of final destination of the same, and
71 reports thereof shall be filed with such taxing authorities of
72 this state and in such form and manner as the State Tax Commission
73 may prescribe. At the conclusion of each calendar year each
74 licensee under Sections 27-31-51 through 27-31-61 shall calculate
75 the actual percentage of all personal property consigned or
76 transferred to the warehouse or storage facility which was shipped
77 to a final destination outside the state in relation to the total
78 of all such personal property shipped to any destination during
79 such year. Such percentage reduced proportionately by any partial
80 exemption authorized by the board of supervisors or governing
81 authorities of a municipality shall then be applied to the total
82 value of all property contained in the inventory of such warehouse
83 or storage facility as of January 1 of such year which was
84 consigned or transferred to such warehouse or storage facility.
85 If the result thus obtained shall be less than the value of
86 property for which exemption was allowed, then the amount of such
87 difference shall be deducted from the amount of the exemption
88 previously allowed and taxes shall be levied and collected thereon
89 by the tax collecting officers concerned.

90 **[From and after July 1, 2012, this section shall read as**
91 **follows:]**

92 27-31-55. Each licensed "free port warehouse" shall file
93 with the State Tax Commission and Tax Assessor of each taxing
94 jurisdiction in which such warehouse or storage facility may be



95 located an inventory of all personal property consigned or
96 transferred to such warehouse or storage facility and located
97 therein on January 1 of each year. Such inventory shall be
98 submitted on such forms and in such manner as the State Tax
99 Commission may prescribe and shall contain a separate statement of
100 all property eligible for exemption under Sections 27-31-51
101 through 27-31-61 and a separate statement of all property
102 consigned or transferred to such warehouse or storage facility.
103 Exemption shall be allowed for all eligible property, but accurate
104 records shall be kept of all personal property shipped from any
105 such warehouse or storage facility, together with the point of
106 final destination of the same, and reports thereof shall be filed
107 with such taxing authorities of this state and in such form and
108 manner as the State Tax Commission may prescribe. At the
109 conclusion of each calendar year each licensee under Sections
110 27-31-51 through 27-31-61 shall calculate the actual percentage of
111 all personal property consigned or transferred to the warehouse or
112 storage facility which was shipped to a final destination outside
113 the state in relation to the total of all such personal property
114 shipped to any destination during such year. Such percentage
115 shall then be applied to the total value of all property contained
116 in the inventory of such warehouse or storage facility as of
117 January 1 of such year which was consigned or transferred to such
118 warehouse or storage facility. If the result thus obtained shall
119 be less than the value of property for which exemption was
120 allowed, then the amount of such difference shall be deducted from
121 the amount of the exemption previously allowed and taxes shall be
122 levied and collected thereon by the tax collecting officers
123 concerned.

124 **SECTION 3.** This act shall take effect and be in force from
125 and after January 1, 2002.

