

By: Senator(s) Pickering, Michel, Flowers,  
Chaney, Williamson, Morgan, Harvey,  
Albritton, Brown, Browning, Clarke, Dearing,  
Gordon, Hewes, Hyde-Smith, Lee (47th),  
Little, Ross, Thames, White

To: Finance

SENATE BILL NO. 2468  
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 27-33-19, MISSISSIPPI CODE OF 1972,  
2 TO INCLUDE WITHIN THE DEFINITION OF "HOME" OR "HOMESTEAD" THE  
3 FLOOR OR FLOORS OF A BUILDING USED SOLELY AS THE RESIDENCE OF A  
4 FAMILY GROUP WHEN THE BUILDING IS OWNED BY THE HEAD OF THE FAMILY  
5 AND ANOTHER FLOOR OR FLOORS OF THE BUILDING ARE USED FOR BUSINESS  
6 ACTIVITY; TO INCLUDE WITHIN THE DEFINITION OF "HOME" OR  
7 "HOMESTEAD" DWELLINGS THAT ARE THE BONA FIDE HOME OF A FAMILY  
8 GROUP ON LAND OWNED BY A CERTAIN INCORPORATED CLUB IN WHICH THE  
9 HEAD OF A FAMILY GROUP IS A SHAREHOLDER; TO AMEND SECTION  
10 27-33-21, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR  
11 RELATED PURPOSES.

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

13 **SECTION 1.** Section 27-33-19, Mississippi Code of 1972, is  
14 amended as follows:

15 27-33-19. The word "home" or "homestead" whenever used in  
16 this article shall mean the dwelling, the essential outbuildings  
17 and improvements, and the eligible land assessed on the land roll  
18 actually occupied as the primary home of a family group, eligible  
19 title to which is owned by the head of the family, a bona fide  
20 resident of this state, and when the dwelling is separately  
21 assessed on the land roll for the year in which the application is  
22 made, subject to the limitations and conditions contained in this  
23 article. And the meaning of the word is hereby extended to  
24 specifically include:

25 (a) One or more separate, bona fide dwellings and the  
26 land on which they are located, each occupied under eligible  
27 ownership rights by the widow or the widower, or the children of a  
28 deceased parent, each separate home being property or a portion of  
29 property owned by a deceased person whose estate has not been  
30 distributed or divided or vested in a person or persons for life.  
31 But in each case the property for which exemption is sought may

32 not be more than the applicant's inherited portion, and must be  
33 accurately described on the application and the conditions  
34 explained in writing. But the heirs may elect to accept one (1)  
35 homestead for the estate. The home occupied by the surviving  
36 spouse as provided by the laws of this state shall be preferred  
37 over the homes claimed by the children, and the exemption to any  
38 other heir shall not exceed the remaining amount obtained by  
39 deducting the assessed value of the surviving spouse's portion  
40 from the assessed value of the whole, divided by the number of  
41 heirs other than the surviving spouse. Each heir claiming  
42 exemption shall meet the requirements as to occupancy, residence  
43 and head of a family, and no part of the undivided inherited lands  
44 shall be combined with other lands and included in a homestead  
45 exemption under this article except in the case of the surviving  
46 spouse.

47 (b) One or more separated dwellings and eligible land,  
48 not apartments, occupied each by a family group as a bona fide  
49 home, eligible title to which entire property is held jointly by  
50 purchase or otherwise by the heads of the families, and each joint  
51 owner shall be allowed exemption on the proportion of the total  
52 assessed value of all the property, equal to his fractional  
53 interest (except as otherwise provided in paragraph (r) of this  
54 section), provided no part of the jointly owned property shall be  
55 exempted to a joint owner who has been allowed an exemption on  
56 another home in the state.

57 (c) A dwelling and eligible lands owned jointly or  
58 severally by a husband and wife, if they are actually and legally  
59 living together. But if husband and wife are living apart, not  
60 divorced, as provided by subparagraphs (c) and (d) of Section  
61 27-33-13, jointly owned land shall not be included except that the  
62 dwelling occupied as a home at the time of separation shall be  
63 eligible if owned jointly or severally.

64           (d) The dwelling and eligible land on which it is  
65 located, owned and actually occupied as a home by a minister of  
66 the gospel or by a licensed school teacher actively engaged whose  
67 duties as such require them to be away from the home for the major  
68 part of each year, including January 1, provided it was eligible  
69 before such absence, and no income is derived therefrom, and no  
70 part of the dwelling claimed as a home is rented, leased or  
71 occupied by another family group, and when the home is eligible  
72 except for the temporary absence of the owner.

73           (e) The dwelling and the eligible land on which it is  
74 located, consisting of not more than four (4) apartments; provided  
75 (1) if one (1) apartment is actually occupied as a home by the  
76 owner the exemption shall be limited to one-fourth (1/4) the  
77 exemption granted pursuant to this article, or (2) if the dwelling  
78 and land is owned by four (4) persons and the four (4) owners each  
79 occupy one (1) apartment as a home, the exemption shall be granted  
80 equally to each owner; provided revenue is not derived from any  
81 part of the property except as permitted by subparagraphs (g) and  
82 (h) of this section. If the dwelling and the eligible land on  
83 which it is located consists of not more than three (3)  
84 apartments, and one (1) apartment is actually occupied as a home  
85 by the owner, the exemption shall be limited to one-third (1/3)  
86 the exemption granted pursuant to this article, or if the dwelling  
87 and land is owned by three (3) persons and the three (3) owners  
88 each occupy one (1) apartment as a home, the exemption shall be  
89 granted equally to each owner; provided revenue is not derived  
90 from any part of the property except as permitted by subparagraphs  
91 (g) and (h) of this section. If the dwelling and the eligible  
92 land on which it is located consists of not more than two (2)  
93 apartments and one (1) apartment is actually occupied as a home by  
94 the owner, the exemption shall be limited to one-half (1/2) the  
95 exemption granted pursuant to this article, or if the dwelling and  
96 land is owned by two (2) persons and the two (2) owners each

97 occupy one (1) apartment as a home, the exemption shall be granted  
98 equally to each owner; provided revenue is not derived from any  
99 part of the property except as permitted by subparagraphs (g) and  
100 (h) of this section.

101 (f) The dwelling and eligible land on which it is  
102 located, actually occupied as the bona fide home of a family group  
103 owned by the head of the family whereof five (5) and not more than  
104 six (6) rooms are rented to tenants or boarders, and where there  
105 are rented rooms and an apartment, the apartment shall be counted  
106 as three (3) rooms; provided the exemption shall be limited to  
107 one-half (1/2) the exemption granted pursuant to this article.

108 (g) The dwelling and eligible land being the bona fide  
109 home of a family group owned by the head of the family used partly  
110 as a boarding house, or for the entertainment of paying guests, if  
111 the number of boarders or paying guests does not exceed eight (8).

112 (h) The dwelling and eligible land being the bona fide  
113 home of a family group owned by the head of the family wherein  
114 activity of a business nature is carried on, but where the  
115 assessed value of the property associated with the business  
116 activity is less than one-fifth (1/5) of the total assessed value  
117 of the bona fide home; provided, however, that when the owner's  
118 full-time business is located in the bona fide home of the head of  
119 the family, such owner shall be limited to one-half (1/2) of the  
120 exemption granted pursuant to this article.

121 (i) The dwelling and the eligible land on which it is  
122 located and other eligible land even though ownership of and title  
123 to the dwelling and the land on which it is located has been  
124 conveyed to a housing authority for the purpose of obtaining the  
125 benefits of the Housing Authorities Law as authorized by Sections  
126 43-33-1 through 43-33-53 or related laws.

127 (j) A dwelling and the eligible land on which it is  
128 located owned by a person who is physically or mentally unable to  
129 care for himself and confined in an institution for treatment

130 shall be eligible notwithstanding the absence of the owner unless  
131 the home is excluded under other provisions of this article. The  
132 exemption is available for a period of five (5) years from the day  
133 of confinement.

134 (k) The dwelling and the eligible land on which it is  
135 located owned by two (2) or more persons of a group, as defined in  
136 paragraph (f) of Section 27-33-13, when two (2) or more of the  
137 group have eligible title, or if the group holds a life estate, a  
138 joint estate or an estate in common; provided the title of the  
139 several owners shall be of the same class.

140 (l) A dwelling and the eligible land on which it is  
141 located under a lease of sixty (60) years by the Pearl River  
142 Valley Water Supply District at the reservoir known as the "Ross  
143 Barnett Reservoir" actually occupied as the home or homestead of a  
144 family or person as defined heretofore in this article. However,  
145 no such family group or any other person heretofore qualified and  
146 defined in this article shall be allowed to establish more than  
147 one (1) home or homestead for the purpose and intent of this  
148 article.

149 (m) Units of a condominium constructed in accordance  
150 with Section 89-9-1 et seq., Mississippi Code of 1972, known as  
151 the "Mississippi Condominium Law," and actually occupied as the  
152 home or homestead of a family or person as defined heretofore in  
153 this article. However, no such family group or any other person  
154 heretofore qualified and defined in this article shall be allowed  
155 to establish more than one (1) home or homestead for the purpose  
156 and intent of this article.

157 (n) A dwelling and the eligible land on which it is  
158 located held under a lease of ten (10) years or more or for life,  
159 from a fraternal or benevolent organization and actually occupied  
160 as the home or homestead of a family or person as defined  
161 heretofore in this article. No such family group or any other  
162 person heretofore qualified and defined in this article shall be

163 allowed to establish more than one (1) home or homestead for the  
164 purpose and intent of this article.

165 (o) A dwelling being the bona fide home of a family  
166 group owned by the head of the family and located on land owned by  
167 a corporation incorporated more than fifty (50) years ago and in  
168 which the homeowner is a shareholder, and which corporation owns  
169 no land outside Monroe and Itawamba Counties. No family group or  
170 any other person heretofore qualified and defined in this article  
171 shall be allowed to establish more than one (1) home or homestead  
172 for the purpose and intent of this article.

173 (p) A dwelling and the eligible land on which it is  
174 located under a lease of five (5) years or more by the  
175 Mississippi-Yazoo Delta Levee Board actually occupied as the home  
176 or homestead of a family or person as defined pursuant to this  
177 article. However, no such family group or any other person  
178 qualified and defined pursuant to this article shall be allowed to  
179 establish more than one (1) home or homestead for the purpose and  
180 intent of this article. The definition shall include all leases  
181 in existence that were entered into prior to July 1, 1992.

182 (q) A dwelling and the eligible land on which the  
183 spouse of a testator is granted the use of such dwelling for life  
184 or until the occurrence of certain contingencies and the children  
185 of such testator are granted a remainder interest in the dwelling  
186 and eligible land. Such dwelling and eligible land will only  
187 qualify as a home or homestead if (i) the spouse of the testator  
188 would otherwise qualify as head of a family if the interest were a  
189 tenancy for life (life estate) and (ii) the dwelling and eligible  
190 land is actually occupied as the home of the spouse of the  
191 testator. The children of the testator shall be allowed to  
192 establish an additional homestead for purposes of this article.

193 (r) A dwelling and the eligible land actually occupied  
194 as the bona fide home of a family group. If a person has been  
195 granted use and possession of a home in a divorce decree, that

196 individual is eligible for full exemption, regardless of whether  
197 the property is jointly owned.

198 (s) A dwelling being the bona fide home of a family  
199 group located on land owned by a corporation incorporated more  
200 than forty (40) years ago and in which the head of the family  
201 group is a shareholder, and which corporation owns no land outside  
202 Lee County, Mississippi. No family group or any other person  
203 qualified and defined in this article shall be allowed to  
204 establish more than one (1) home or homestead for the purpose and  
205 intent of this article.

206 (t) The floor or floors of a building used solely for  
207 the residence of a family group when the building is owned by the  
208 head of the family and another floor or floors of the building are  
209 used for business activity. This paragraph (t) shall stand  
210 repealed from and after January 1, 2007.

211 (u) A dwelling being the bona fide home of a family  
212 group located on land owned by an incorporated club and in which  
213 the head of the family group is a shareholder, and which  
214 incorporated club owns no land outside Union County, Mississippi;  
215 provided, the incorporated club pays all ad valorem taxes levied  
216 on the land upon which the dwelling is located. No family group  
217 or any other person qualified and defined in this article shall be  
218 allowed to establish more than one (1) home or homestead for the  
219 purpose and intent of this article.

220 **SECTION 2.** Section 27-33-21, Mississippi Code of 1972, is  
221 amended as follows:

222 27-33-21. There is excluded from the definition of a home  
223 and from homestead exemption the property enumerated in this  
224 section.

225 (a) Any building and land on which it is located, any  
226 part of which is used or intended to be used, by the owner or by  
227 anyone else, for business purposes; or from which revenue is  
228 derived or intended to be derived, except as permitted in

229 paragraphs (f), (g), (h) and (t) of Section 27-33-19 of this  
230 article; or which is rented or is available for rent, for business  
231 purposes; or any building and the land on which it is located used  
232 as a hotel, tourist court, apartment building except as provided  
233 in paragraph (e) of Section 27-33-19 of this article; or a  
234 dwelling whereof more than six (6) rooms are rented; and where  
235 there is one (1) apartment and rented rooms the apartment shall be  
236 counted as three (3) rooms; less than three (3) rooms rented and  
237 used for housekeeping shall be counted as rented rooms. A  
238 proportionate share of agricultural products, produced on the  
239 land, received for the use of the land and a tenant house, where  
240 the use of the tenant house is merely incidental to the use of the  
241 land (where no money is paid and no consideration is paid other  
242 than a proportionate share of agricultural products produced on  
243 the land), shall not be considered as rent or income from the  
244 property so as to exclude it from the definition of a home.

245 (b) Any buildings or structures and the land on which  
246 located used as gins, sawmills, stores, gasoline stations, repair  
247 shops, and the like; and any buildings and the land on which  
248 located used for the conduct of any business or private  
249 manufacture or processing, all whether used in connection with  
250 farming operations or not.

251 (c) Any dwelling house and the land on which it is  
252 located, or other land, which is owned by any person or family  
253 group to whom an exemption has been allowed on another home in  
254 this state except in cases defined in paragraphs (c) and (d) of  
255 Section 27-33-13; or any dwelling and the land on which it is  
256 located in which any person or family group owns a joint estate,  
257 an estate in common, a life estate or other estate defined in  
258 paragraph (a) of Section 27-33-17 of this article to whom an  
259 exemption has been allowed on another home in this state to the  
260 extent of such person's interest; provided, this exclusion shall  
261 not apply in the case of husband, or wife, allowed an exemption on



262 the home owned and occupied by them, and when either is a part  
263 owner, either as a joint tenant or tenant in common, of another  
264 home which is occupied by father, mother, brother, or sister as a  
265 bona fide home, eligible for exemption under paragraph (a) of  
266 Section 27-33-19 of this article.

267 (d) Any dwelling house and the land on which it is  
268 located, or other land, which is not held under eligible title of  
269 ownership, but is being occupied under an agreement to buy, or  
270 under a conveyance or contract of conditional sale, or purchase or  
271 any similar contract, except as permitted by paragraph (i) of  
272 Section 27-33-19 of this article.

273 (e) Any jointly owned land or jointly owned dwelling  
274 combined with individually owned land on which exemption has been  
275 claimed and allowed, except as provided in paragraphs (a) and (c)  
276 of Section 27-33-19 of this article; and no homestead shall  
277 consist of individually owned lands combined with lands held for  
278 life.

279 (f) Any dwelling and the land on which it is located  
280 acquired, other than by a bona fide gift or by inheritance, since  
281 July 1, 1938, for which one-fourth (1/4) of the full purchase  
282 price has not been actually paid by the purchaser, unless the deed  
283 or instrument by which title is acquired provides, bona fide, for  
284 annual payment of interest at the normal rate, and for substantial  
285 and regular payments on the principal debt at intervals of one (1)  
286 year or less.

287 (g) Any building of any kind and the land on which it  
288 is located, whether inside or outside a municipality, if any part  
289 thereof is rented out or held available to be rented out, except  
290 as provided in Section 27-33-19, paragraphs (e) and (f), and  
291 except rental of farm property for a proportionate share of the  
292 crop.

293           (h) Any land, whether inside or outside a municipality  
294 unless it is situated and described as provided in Sections  
295 27-33-23 and 27-33-25 of this article.

296           **SECTION 3.** Nothing in this act shall affect or defeat any  
297 claim, assessment, appeal, suit, right or cause of action for  
298 taxes due or accrued under the ad valorem tax laws before the date  
299 on which this act becomes effective, whether such claims,  
300 assessments, appeals, suits or actions have been begun before the  
301 date on which this act becomes effective or are begun thereafter;  
302 and the provisions of the ad valorem tax laws are expressly  
303 continued in full force, effect and operation for the purpose of  
304 the assessment, collection and enrollment of liens for any taxes  
305 due or accrued and the execution of any warrant under such laws  
306 before the date on which this act becomes effective, and for the  
307 imposition of any penalties, forfeitures or claims for failure to  
308 comply with such laws.

309           **SECTION 4.** This act shall take effect and be in force from  
310 and after January 1, 2005.