

By: Representative Warren

To: Ways and Means

HOUSE BILL NO. 565
(As Passed the House)

1 AN ACT TO AMEND SECTION 27-33-19, MISSISSIPPI CODE OF 1972,
2 TO EXTEND THE DATE OF THE REPEALER ON THE PROVISION THAT DEFINES
3 "HOME" FOR THE PURPOSES OF THE HOMESTEAD EXEMPTION LAW AS THE
4 FLOOR OR FLOORS OF A BUILDING USED SOLELY FOR THE RESIDENCE OF A
5 FAMILY GROUP WHEN THE BUILDING IS OWNED BY THE HEAD OF THE FAMILY
6 AND ANOTHER FLOOR OR FLOORS OF THE BUILDING ARE USED FOR BUSINESS
7 ACTIVITY; TO REVISE THE DEFINITION OF THE TERM "HOME" OR
8 "HOMESTEAD" UNDER THE HOMESTEAD EXEMPTION LAW TO EXTEND THE TIME
9 LIMIT ON THE EXEMPTION FOR THE PROPERTY OF PERSONS WHO ARE
10 PHYSICALLY OR MENTALLY UNABLE TO CARE FOR THEMSELVES AND ARE
11 CONFINED IN AN INSTITUTION FOR TREATMENT; AND FOR RELATED
12 PURPOSES.

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

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

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

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

32 But in each case the property for which exemption is sought may

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

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

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

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

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

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

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

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

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

122 (i) The dwelling and the eligible land on which it is
123 located and other eligible land even though ownership of and title
124 to the dwelling and the land on which it is located has been
125 conveyed to a housing authority for the purpose of obtaining the
126 benefits of the Housing Authorities Law as authorized by Sections
127 43-33-1 through 43-33-53 or related laws.

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

131 shall be eligible notwithstanding the absence of the owner unless
132 the home is excluded under other provisions of this article. The
133 exemption is available for a period of ten (10) years from the day
134 of confinement.

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

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

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

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

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

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

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

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

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

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

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

207 (t) The floor or floors of a building used solely for
208 the residence of a family group when the building is owned by the
209 head of the family and another floor or floors of the building are
210 used for business activity. This paragraph (t) shall stand
211 repealed from and after January 1, 2009.

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

221 **SECTION 2.** This act shall take effect and be in force from
222 and after July 1, 2006.