

By: Representative Harness

To: Public Health and Human Services

HOUSE BILL NO. 672

1 AN ACT TO AMEND SECTION 27-35-309, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT A PORTION OF THE PAYMENTS MADE BY A NUCLEAR  
3 GENERATING PLANT IN-LIEU OF AD VALOREM TAXES SHALL BE PAID TO  
4 CLAIBORNE COUNTY, MISSISSIPPI, TO BE USED BY THE COUNTY FOR  
5 ECONOMIC DEVELOPMENT PURPOSES IN THE COUNTY; AND FOR RELATED  
6 PURPOSES.

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

8 **SECTION 1.** Section 27-35-309, Mississippi Code of 1972, is  
9 amended as follows:

10 27-35-309. (1) The Department of Revenue shall, if  
11 practicable, on or before the first Monday of June of each year,  
12 make out for each person, firm, company or corporation listed in  
13 Section 27-35-303, Mississippi Code of 1972, an assessment of the  
14 company's property, both real and personal, tangible and  
15 intangible. The Department of Revenue shall apportion the  
16 assessment of value of each company's property according to the  
17 provisions of this article, except as provided in subsection (3)  
18 of this section, as follows:

19 (a) When the property of such public service company is  
20 located in more than one (1) county in this state, the Department



21 of Revenue shall direct the company to apportion the assessed  
22 value between the counties and municipalities and all other taxing  
23 districts therein, in the proportion which the property located  
24 therein bears to the entire value of the property of such company  
25 as valued by the department, so that to each county, municipality  
26 and taxing district therein, there shall be apportioned such part  
27 of the entire valuation as will fairly equalize the relative value  
28 of the property therein located to the whole value thereof.

29 (b) When the property of such public utility required  
30 to be assessed by the provisions of this article is located in  
31 more than one (1) state, the assessed value thereof shall be  
32 apportioned by the Department of Revenue in such manner as will  
33 fairly and equitably determine the principal sum for the value  
34 thereof in this state, and after ascertaining such value it shall  
35 be apportioned by them as herein provided.

36 The assessment roll shall contain all the property of any  
37 such public service company, railroad, person, firm or corporation  
38 and the value thereof, and so made that each county, municipality,  
39 and taxing district shall receive its just share of taxes  
40 proportionately to the amount of property therein situated.

41 (2) (a) The assessment when made shall remain open for  
42 twenty (20) days in the Office of the Department of Revenue, and  
43 be for such time subject to the objections thereto which may be  
44 filed with the Executive Director of the Board of Tax Appeals; but  
45 real estate belonging to railroads and which forms no part of the



46 road, and is wholly disconnected from its railroad business, shall  
47 not be assessed by the Department of Revenue, but shall be  
48 assessed as other real estate is assessed by the tax assessor of  
49 the county where situated.

50 (b) The apportionment of the assessed value as required  
51 by this section shall be filed with the Department of Revenue by  
52 such public service company on or before the last day of the  
53 objection period established in paragraph (a) of this subsection  
54 (2). If such company shall fail, refuse or neglect to render the  
55 apportionment of assessed value as required by this section, such  
56 company shall be subject to the penalties provided for in Section  
57 27-35-305. The filing of an objection by such public service  
58 company shall not preclude such company from filing the property  
59 apportionment as required by this section.

60 (3) Any nuclear generating plant which is located in the  
61 state, which is owned or operated by a public utility rendering  
62 electric service within the state and not exempt from ad valorem  
63 taxation under any other statute and which is not owned or  
64 operated by an instrumentality of the federal government shall be  
65 exempt from county, municipal and district ad valorem taxes. In  
66 lieu of the payment of county, municipal and district ad valorem  
67 taxes, such public utility shall pay to the Department of Revenue  
68 a sum based on the assessed value of such nuclear generating plant  
69 in an amount to be determined and distributed as follows:



70 (a) The Department of Revenue shall annually assign an  
71 assessed value to any nuclear generating plant described in this  
72 subsection in the same manner as for ad valorem tax purposes by  
73 using accepted industry methods for appraising and assessing  
74 public utility property. The assessed value assigned shall be  
75 used for the purpose of determining the in-lieu tax due under this  
76 section and shall not be included on the ad valorem tax rolls of  
77 the situs taxing authority nor be subject to ad valorem taxation  
78 by the situs taxing authority nor shall the assessed value  
79 assigned be used in determining the debt limit of the situs taxing  
80 authority. However, the assessed value so assigned may be used by  
81 the situs taxing authority for the purpose of determining salaries  
82 of its public officials.

83 (b) On or before February 1, 1987, for the 1986 taxable  
84 year and on or before February 1 of each year through the 1989  
85 taxable year, such utility shall pay to the Department of Revenue  
86 a sum equal to two percent (2%) of the assessed value as  
87 ascertained by the Department of Revenue, but such payment shall  
88 not be less than Sixteen Million Dollars (\$16,000,000.00) for any  
89 of the four (4) taxable years; all such payments in excess of  
90 Sixteen Million Dollars (\$16,000,000.00) for these four (4)  
91 taxable years shall be paid into the General Fund of the state.  
92 On or before February 1, 1991, for the 1990 taxable year and on or  
93 before February 1 of each year thereafter, such utility shall pay  
94 to the Department of Revenue a sum equal to two percent (2%) of



95 the assessed value as ascertained by the Department of Revenue,  
96 but such payment shall not be less than Twenty Million Dollars  
97 (\$20,000,000.00) for any taxable year for as long as such nuclear  
98 power plant is licensed to operate and is not being permanently  
99 decommissioned; all such payments in excess of Sixteen Million  
100 Dollars (\$16,000,000.00) for taxable years 1990 and thereafter  
101 shall be paid as follows:

102 (i) An amount of Three Million Forty Thousand  
103 Dollars (\$3,040,000.00) annually, beginning with fiscal year 1991,  
104 shall be transferred by the Department of Revenue to Claiborne  
105 County. Such payments may be expended by the Board of Supervisors  
106 of Claiborne County for any purpose for which a county is  
107 authorized by law to levy an ad valorem tax and shall not be  
108 included or considered as proceeds of ad valorem taxes for the  
109 purposes of the growth limitation on ad valorem taxes under  
110 Sections 27-39-305 and 27-39-321. However, should the Board of  
111 Supervisors of Claiborne County withdraw its support of the Grand  
112 Gulf Nuclear Station off-site emergency plan or otherwise fail to  
113 satisfy its off-site emergency plan commitments as determined by  
114 the Mississippi Emergency Management Agency and the Federal  
115 Emergency Management Agency, Five Hundred Thousand Dollars  
116 (\$500,000.00) annually of the funds designated for Claiborne  
117 County as described by this \* \* \* subparagraph (i) shall be  
118 deposited in the Grand Gulf Disaster Assistance Fund as provided  
119 in Section 33-15-51.



120 (ii) An amount of One Hundred Sixty Thousand  
121 Dollars (\$160,000.00) annually, beginning with fiscal year 1991,  
122 shall be transferred by the Department of Revenue to the City of  
123 Port Gibson, Mississippi. Such payments may be expended by the  
124 Board of Aldermen of the City of Port Gibson for any purpose for  
125 which a municipality is authorized by law to levy an ad valorem  
126 tax and shall not be included or considered as proceeds of ad  
127 valorem taxes for the purposes of the growth limitation on ad  
128 valorem taxes under Sections 27-39-305 and 27-39-321. However,  
129 should the Board of Aldermen of the City of Port Gibson withdraw  
130 its support of the Grand Gulf Nuclear Station off-site emergency  
131 plan or otherwise fail to satisfy its off-site emergency plan  
132 commitment, as determined by the Mississippi Emergency Management  
133 Agency and the Federal Emergency Management Agency, Fifty Thousand  
134 Dollars (\$50,000.00) annually of the funds designated for the City  
135 of Port Gibson as described by this \* \* \* subparagraph (ii) shall  
136 be deposited in the Grand Gulf Disaster Assistance Fund as  
137 provided in Section 33-15-51.

138 (iii) The remaining balance of the payments in  
139 excess of Sixteen Million Dollars (\$16,000,000.00) annually, less  
140 amounts transferred under (i) and (ii) of this subsection,  
141 beginning with fiscal year 1991, shall be allocated in accordance  
142 with subsection (3) (f) of this section.

143 (c) Pursuant to certification by the Attorney General  
144 to the State Treasurer and the Department of Revenue that the suit



145 against the State of Mississippi pending on the effective date of  
146 House Bill 8, First Extraordinary Session of 1990, [Laws, 1990 Ex  
147 Session, Ch. 12, eff June 26, 1990], in the Chancery Court for the  
148 First Judicial District of Hinds County, Mississippi, styled  
149 Albert Butler et al v. the Mississippi State Tax Commission et al,  
150 has been voluntarily dismissed with prejudice as to all plaintiffs  
151 at the request of the complainants and that no attorney's fees or  
152 court costs have been assessed against the state and each of the  
153 parties, including Claiborne County and each municipality and  
154 school district located in the county, have signed and delivered  
155 to the Attorney General a full and complete release in favor of  
156 the State of Mississippi and its elected officials of all claims  
157 that have been asserted or may be asserted in the suit pending on  
158 the effective date of House Bill 8, First Extraordinary Session of  
159 1990, [Laws, 1990 Ex Session, Ch. 12, eff June 26, 1990], in the  
160 Chancery Court for the First Judicial District of Hinds County,  
161 Mississippi, styled Albert Butler et al v. the Mississippi State  
162 Tax Commission et al, and the deposit into the State General Fund  
163 of in-lieu payments and interest thereon due the state under  
164 subsection (3) (b) of this section but placed in escrow because of  
165 the lawsuit described above, the state shall promptly transfer to  
166 the Board of Supervisors of Claiborne County out of the State  
167 General Fund an amount of Two Million Dollars (\$2,000,000.00)  
168 which shall be a one-time distribution to Claiborne County from  
169 the state. Such payment may be expended by the Board of



170 Supervisors of Claiborne County for any purposes for which a  
171 county is authorized by law to levy an ad valorem tax and shall  
172 not be included or considered as proceeds of ad valorem taxes for  
173 the purposes of the growth limitation on ad valorem taxes for the  
174 1991 fiscal year under Sections 27-39-321 and 27-39-305.

175 (d) After distribution of the one-time payment to  
176 Claiborne County as set forth in subsection (3)(c) of this  
177 section, the Department of Revenue upon certification that the  
178 pending lawsuit as described in subsection (3)(c) of this section  
179 has been voluntarily dismissed shall promptly deposit an amount of  
180 Five Hundred Thousand Dollars (\$500,000.00) into the Grand Gulf  
181 Disaster Assistance Trust Fund as provided for in Section  
182 33-15-51, which shall be a one-time payment, to be utilized in  
183 accordance with the provisions of such section.

184 (e) After distribution of the one-time payment to  
185 Claiborne County as set forth in subsection (3)(c) of this section  
186 and the payment to the Grand Gulf Disaster Assistance Trust Fund  
187 as set forth in subsection (3)(d) of this section, the Department  
188 of Revenue upon certification that the pending lawsuit as  
189 described in subsection (3)(c) of this section has been  
190 voluntarily dismissed shall promptly distribute ten percent (10%)  
191 of the remainder of the prior payments remaining in escrow to the  
192 General Fund of the state and the balance of the prior payments  
193 remaining in escrow shall be distributed to the counties and  
194 municipalities in this state wherein such public utility has





195 rendered electric service in the proportion that the amount of  
196 electric energy consumed by the retail customers of such public  
197 utility in each county, excluding municipalities therein, and in  
198 each municipality, for the next preceding fiscal year bears to the  
199 total amount of electric energy consumed by all retail customers  
200 of such public utility in the State of Mississippi for the next  
201 preceding fiscal year. The payments distributed to the counties  
202 and municipalities under this paragraph (e) may be expended by  
203 such counties and municipalities for any lawful purpose and shall  
204 not be included or considered as proceeds of ad valorem taxes for  
205 the purposes of the growth limitation on ad valorem taxes under  
206 Sections 27-39-321 and 27-39-305.

207 (f) After distribution of the payments for fiscal year  
208 1991 as set forth in Section 19-9-151 and distribution of the  
209 payments as provided for in subsection (3)(b) of this section, the  
210 Department of Revenue shall distribute ten percent (10%) of the  
211 remainder of the payments to \* \* \* Claiborne County to be used by  
212 the county for economic development purposes in the county and the  
213 balance to the counties and municipalities in this state wherein  
214 such public utility renders electric service in the proportion  
215 that the amount of electric energy consumed by the retail  
216 customers of such public utility in each county, excluding  
217 municipalities therein, and in each municipality for the next  
218 preceding fiscal year bears to the total amount of electric energy



219 consumed by all retail customers of such public utility in the  
220 State of Mississippi for the next preceding fiscal year.

221 (g) No county, including municipalities therein, shall  
222 receive in excess of twenty percent (20%) of the funds distributed  
223 under paragraph (f) of this subsection.

224 (h) The revenues received by counties and  
225 municipalities under paragraph (f) of this subsection shall not be  
226 included or considered as proceeds of ad valorem taxes for the  
227 purposes of the growth limitation on ad valorem taxes under  
228 Sections 27-39-305 and 27-39-321.

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

