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Chapter No. 441
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SENATE BILL NO. 2578

Originated in Senate _____ Secretary

SENATE BILL NO. 2578

AN ACT TO AMEND SECTION 27-35-157, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT IF PROPERTY IS FOUND TO HAVE ESCAPED AD VALOREM TAXATION DUE TO A COUNTY BOARD OF SUPERVISORS HAVING GRANTED AN AD VALOREM TAX EXEMPTION AUTHORIZED BY LAW AND THEN INADVERTENTLY ALLOWING THE EXEMPTION TO EXTEND BEYOND THE PERIOD AUTHORIZED BY LAW FOR THE EXEMPTION, A TAXPAYER MAY PAY THE AD VALOREM TAXES, WITHOUT ANY PENALTY OR INTEREST, WHICH OTHERWISE WOULD HAVE BEEN LEVIED ON THE PROPERTY HAD IT NOT BEEN INADVERTENTLY EXEMPTED FROM AD VALOREM TAXATION BY THE COUNTY BOARD OF SUPERVISORS; TO BRING FORWARD SECTION 27-35-155, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE ASSESSMENT OF PROPERTY HAVING ESCAPED AD VALOREM TAXATION, FOR THE PURPOSES OF POSSIBLE AMENDMENT; TO AMEND SECTION 27-33-75, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT A QUALIFIED HOMEOWNER CLAIMING A HOMESTEAD EXEMPTION ALLOWED FOR A PERSON WHO IS SIXTY-FIVE YEARS OF AGE OR OLDER OR TOTALLY DISABLED SHALL BE ALLOWED AN ADDITIONAL EXEMPTION FROM ALL AD VALOREM TAXES ON AN AMOUNT EQUAL TO THE DIFFERENCE BETWEEN THE ASSESSED VALUE OF THE HOMESTEAD PROPERTY ON JANUARY 1, 2018, OR JANUARY 1 OF THE FIRST YEAR FOR WHICH THE QUALIFIED HOMEOWNER CLAIMS AN EXEMPTION ON THE PROPERTY, AND ANY INCREASE IN THE ASSESSED VALUE OF THE HOMESTEAD PROPERTY RESULTING FROM AN UPDATE IN VALUATION OF THE HOMESTEAD PROPERTY THAT IS COMPLETED DURING THE TIME THE QUALIFIED HOMEOWNER OWNS THE PROPERTY; TO PROVIDE THAT IF A SUBSEQUENT UPDATE IN VALUATION OF THE HOMESTEAD PROPERTY THAT IS COMPLETED DURING THE TIME THE QUALIFIED HOMEOWNER OWNS THE PROPERTY RESULTS IN THE ASSESSED VALUE OF THE HOMESTEAD PROPERTY BEING LESS THAN THE ASSESSED VALUE OF THE PROPERTY ON JANUARY 1, 2018, OR JANUARY 1 OF THE FIRST YEAR FOR WHICH THE QUALIFIED HOMEOWNER CLAIMS HOMESTEAD EXEMPTION FOR THE PROPERTY, THEN THE EXEMPTION AUTHORIZED UNDER THIS ACT SHALL BE ON AN AMOUNT EQUAL TO THE DIFFERENCE BETWEEN

SUCH LOWER ASSESSED VALUE AND ANY INCREASE IN THE ASSESSED VALUE OF THE HOMESTEAD PROPERTY RESULTING FROM A SUBSEQUENT UPDATE IN VALUATION OF THE HOMESTEAD PROPERTY THAT IS COMPLETED DURING THE TIME THE QUALIFIED HOMEOWNER OWNS THE PROPERTY; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-35-157, Mississippi Code of 1972, is amended as follows:

[Through June 30, 2020, this section shall read as follows:]

27-35-157. When the assessor shall assess the persons or property, as provided in Section 27-35-155 and shall file the same with the clerk as therein provided, the clerk shall enter the same on the last approved roll or rolls in his hands, separately for former years, and for the current year. The clerk shall immediately give ten (10) days' notice in writing, to the person or corporation whose property is thus assessed, that all objections to such assessment must be made in writing to the board of supervisors, and will be heard and determined at the next regular meeting of the board. The board at its regular meeting may continue the matter to any other regular, special or adjourned meeting of said board. When the assessment is finally fixed and approved by the board, an appeal to the circuit court may be taken from the order of the board approving or disapproving such assessment, by the owner of the property, or by the Attorney General or other officer authorized by law, in the manner, and within the time, provided by law. If the assessment be approved and no appeal be taken, when the same has been finally determined,

the clerk shall certify the said assessment to the tax collector, setting forth in his certificate the year or years for which such assessment is made, and separately the current assessment, the name of the municipality, road district, school district, or other taxing district in which the same is located. Taxes for the current year shall be collected as provided by law for other nondelinquent taxes. Except as otherwise provided in this section, the tax collector shall proceed forthwith to collect all taxes due on said assessment for the former year or years at the rates fixed by law and, in addition thereto, shall collect as a penalty ten percent (10%) of the amount of the taxes due for each year, together with interest at six percent (6%) per annum computed from the first day of February on which the taxes should have been paid. If property is found to have escaped taxation due to a county board of supervisors having granted any ad valorem tax exemption authorized under Sections 27-31-101 through 27-31-117 and then inadvertently allowing the exemption to extend beyond the period authorized by law for the exemption, a taxpayer may pay the ad valorem taxes, without any penalty or interest, which otherwise would have been levied on the property had it not been inadvertently exempted from ad valorem taxation by the county board of supervisors. If the taxes, penalties and interest shall not be paid within thirty (30) days after the final assessment is certified to him, the property, if it be real estate, shall be sold as provided by law, and if it be personal property, the tax

collector shall proceed to collect by distress, or otherwise, as provided by law.

[From and after July 1, 2020, this section shall read as follows:]

27-35-157. When the assessor shall assess the persons or property, as provided in Section 27-35-155 and shall file the same with the clerk as therein provided, the clerk shall enter the same on the last approved roll or rolls in his hands, separately for former years, and for the current year. The clerk shall immediately give ten (10) days' notice in writing, to the person or corporation whose property is thus assessed, that all objections to such assessment must be made in writing to the board of supervisors, and will be heard and determined at the next regular meeting of the board. The board at its regular meeting may continue the matter to any other regular, special or adjourned meeting of said board. When the assessment is finally fixed and approved by the board, an appeal to the circuit court may be taken from the order of the board approving or disapproving such assessment, by the owner of the property, or by the Attorney General or other officer authorized by law, in the manner, and within the time, provided by law. If the assessment be approved and no appeal be taken, when the same has been finally determined, the clerk shall certify the said assessment to the tax collector, setting forth in his certificate the year or years for which such assessment is made, and separately the current assessment, the

name of the municipality, road district, school district, or other taxing district in which the same is located. Taxes for the current year shall be collected as provided by law for other nondelinquent taxes. The tax collector shall proceed forthwith to collect all taxes due on said assessment for the former year or years at the rates fixed by law and, in addition thereto, shall collect as a penalty ten percent (10%) of the amount of the taxes due for each year, together with interest at six percent (6%) per annum computed from the first day of February on which the taxes should have been paid. If the taxes, penalties and interest shall not be paid within thirty (30) days after the final assessment is certified to him, the property, if it be real estate, shall be sold as provided by law, and if it be personal property, the tax collector shall proceed to collect by distress, or otherwise, as provided by law.

SECTION 2. Section 27-35-155, Mississippi Code of 1972, is brought forward as follows:

27-35-155. When the assessor shall discover any persons or property that have escaped taxation in any former year or years, or shall discover that any person or property is escaping taxation for the current year, after the final approval of the assessment roll, as provided by Section 27-35-127, Mississippi Code of 1972, by reason of not being assessed, he shall make the proper assessment by way of an additional assessment for such year or years, distinctly specifying the property, its location, its

value, the name of the owner, if known, and the year or years it has escaped assessment and taxation, separately assessing the person or property for the current year. When such assessments are completed, he shall file the same, under his affidavit, with the clerk of the board of supervisors; and shall at the same time notify the board of supervisors, in writing, of the assessment. The power of the assessor to assess property that has escaped taxation by way of additional assessments for a former year or years shall expire at the end of the seven (7) years from the date when his right so to do first accrued.

No leasehold interest in any property, real or personal, belonging to the State of Mississippi, counties, districts, municipalities or any political subdivisions, shall be subjected to ad valorem taxation for any past year on the basis of it having been omitted from the ad valorem tax rolls.

SECTION 3. Section 27-33-75, Mississippi Code of 1972, is amended as follows:

* * *

27-33-75. (1) Qualified homeowners described in subsection (1) of Section 27-33-67 shall be allowed an exemption from ad valorem taxes according to the following table:

ASSESSED VALUE OF HOMESTEAD	HOMESTEAD EXEMPTION
$ 1 - $ 150	$ 6.00
151 - 300	12.00

301 - 450	18.00
451 - 600	24.00
601 - 750	30.00
751 - 900	36.00
901 - 1,050	42.00
1,051 - 1,200	48.00
1,201 - 1,350	54.00
1,351 - 1,500	60.00
1,501 - 1,650	66.00
1,651 - 1,800	72.00
1,801 - 1,950	78.00
1,951 - 2,100	84.00
2,101 - 2,250	90.00
2,251 - 2,400	96.00
2,401 - 2,550	102.00
2,551 - 2,700	108.00
2,701 - 2,850	114.00
2,851 - 3,000	120.00
3,001 - 3,150	126.00
3,151 - 3,300	132.00
3,301 - 3,450	138.00
3,451 - 3,600	144.00
3,601 - 3,750	150.00
3,751 - 3,900	156.00
3,901 - 4,050	162.00

4,051 - 4,200	168.00
4,201 - 4,350	174.00
4,351 - 4,500	180.00
4,501 - 4,650	186.00
4,651 - 4,800	192.00
4,801 - 4,950	198.00
4,951 - 5,100	204.00
5,101 - 5,250	210.00
5,251 - 5,400	216.00
5,401 - 5,550	222.00
5,551 - 5,700	228.00
5,701 - 5,850	234.00
5,851 - 6,000	240.00
6,001 - 6,150	246.00
6,151 - 6,300	252.00
6,301 - 6,450	258.00
6,451 - 6,600	264.00
6,601 - 6,750	270.00
6,751 - 6,900	276.00
6,901 - 7,050	282.00
7,051 - 7,200	288.00
7,201 - 7,350	294.00
7,351 and above	300.00

Assessed values shall be rounded to the next whole dollar (Fifty Cents (50¢) rounded to the next highest dollar) for the purposes of the above table.

One-half (1/2) of the exemption allowed in the above table shall be from taxes levied for school district purposes and one-half (1/2) shall be from taxes levied for county general fund purposes.

(2) (a) Except as otherwise provided in this subsection, qualified homeowners described in subsection (2) of Section 27-33-67 shall be allowed an exemption from all ad valorem taxes on not in excess of Seven Thousand Five Hundred Dollars ($7,500.00) of the assessed value of the homestead property.

(b) From and after January 1, 2015, qualified homeowners described in subsection (2)(a) of Section 27-33-67 and unremarried surviving spouses of such homeowners shall be allowed an exemption from all ad valorem taxes on the assessed value of the homestead property.

(c) Except as otherwise provided in this paragraph (c), a qualified homeowner claiming an exemption under paragraph (a) of this subsection shall be allowed an additional exemption from all ad valorem taxes on an amount equal to the difference between (i) the assessed value of the homestead property on January 1, 2018, or January 1 of the first year for which the qualified homeowner claims an exemption for the homestead property under paragraph (a) of this subsection, and (ii) any increase in the assessed value of

the homestead property resulting from a subsequent update in valuation of the homestead property that is completed during the time the qualified homeowner owns the property. In addition, if a subsequent update in valuation of the homestead property that is completed during the time the qualified homeowner owns the property results in the assessed value of the homestead property being less than the assessed value of the property on January 1, 2018, or January 1 of the first year for which the qualified homeowner claims an exemption for the homestead property under paragraph (a) of this subsection, then the exemption authorized under this paragraph (c) shall be on an amount equal to the difference between (i) such lower assessed value and (ii) any increase in the assessed value of the homestead property resulting from a subsequent update in valuation of the homestead property that is completed during the time the qualified homeowner owns the property. However, except for renovations, expansions, improvements or additions to promote energy efficiency, safety or access to the homestead property, the exemption authorized in this paragraph (c) shall not apply to any portion of increase in the assessed value of the homestead property that is attributable to renovations, expansions or improvements of or additions to the property during such time. For the purposes of this paragraph (c), an update in valuation of the homestead property occurs when a county has completed an update in the valuation of Class I property, as designated by Section 112, Mississippi Constitution

of 1890, in the county according to procedures prescribed by the Department of Revenue and in effect on January 1, 2018, and for which the Department of Revenue has certified that such new valuations have been implemented for the purposes of ad valorem taxation.

(3) Except as otherwise provided in this subsection, this section shall apply to exemptions claimed in the 2001 calendar year for which reimbursement is made in the 2002 calendar year and to exemptions claimed for which reimbursement is made in subsequent years. The exemption provided for in subsection (2)(b) of this section shall apply to exemptions claimed in the 2015 calendar year for which reimbursement is made in the 2016 calendar year and to exemptions claimed for which reimbursement is made in subsequent years. The exemption provided for in subsection (2)(c) of this section shall apply to exemptions claimed in the 2018 calendar year for which reimbursement is made in the 2019 calendar year and to exemptions claimed for which reimbursement is made in subsequent years.

SECTION 4. The amendments by this act to Section 27-35-157, Mississippi Code of 1972, shall apply to ad valorem taxes for which the initial assessment of such taxes was made, or is made, on or after January 1, 2017.

SECTION 5. Nothing in Section 3 of this act shall affect or defeat any claim, assessment, appeal, suit, right or cause of action for taxes due or accrued under the ad valorem tax laws

before the date on which Section 3 of this act becomes effective, whether such claims, assessments, appeals, suits or actions have been begun before the date on which this act becomes effective or are begun thereafter; and the provisions of the ad valorem tax laws are expressly continued in full force, effect and operation for the purpose of the assessment, collection and enrollment of liens for any taxes due or accrued and the execution of any warrant under such laws before the date on which this act becomes effective, and for the imposition of any penalties, forfeitures or claims for failure to comply with such laws.

SECTION 6. Section 3 of this act shall take effect and be in force from and after January 1, 2018, and the remainder of this act shall take effect and be in force from and after its passage.

PASSED BY THE SENATE
March 27, 2018

Tate Reeves

PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
March 27, 2018

Philip Gunn

SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR

Phil Bryant

GOVERNOR

April 12, 2018
5:16 pm