

## **Real & Personal Property Tax Exemptions for Tupelo/Lee County**

The following packet is a guideline for existing industries to utilize in making decisions regarding tax exemptions. Necessary applications are included, as well as a brief overview of the types of property that can be exempted from ad valorem taxation.

Current Mississippi statutes, at the discretion of the Lee County Board of Supervisors, allow for non-school ad valorem tax exemptions of certain properties granted to industries. The period of exemption cannot exceed 10 years. Real property consists of land and improvements, while personal property includes machinery/equipment, furniture/fixtures, raw materials, and work in process.

Allowable enterprises, which are defined by state codes, that are eligible under State Code include:

- Warehouse and/or distribution centers
- Manufacturing, processors, and refiners
- Research facilities
- Corporate Regional and National Headquarters
- Movie Industry Studios
- Air transportation and maintenance facilities
- Recreational facilities that impact tourism
- Telecommunications enterprises

**Requests for ad valorem tax exemptions on any expansions or improvements to facilities must be made before June 1<sup>st</sup> of the year immediately following the completion or purchase of the exempted item.**

Separate applications must be filed with the Lee County Board of Supervisors and/or municipal offices on any improvements or equipment purchases that may qualify for exemptions. The original application and three copies plus the first and final resolutions (See attached documents) should be completed and filed with these appropriate offices.

Once these applications and resolutions are filed they are reviewed internally by the Lee County Tax Assessor's Office and returned to the appropriate governmental offices for resolution approval. The application and Lee County Tax Assessor's position statement are then forwarded to the Mississippi State Tax Commission within thirty (30) days of the Certified Transcript of the Resolution. After approval by the State Tax Commission, the appropriate governmental authorities may approve a final resolution granting the requested exemptions.

Lee County further states that the listed eligible uses or enterprises creating a minimum of \$500,000 in new capital investment within a single calendar year and/or creating at least 25 full-time jobs with wages exceeding 125% of the most recent state average annual wage are eligible for review of local real and personal property tax exemptions. These minimum guidelines may be waived if it is determined, by a majority vote of the Board of Supervisors, to be a necessary benefit for new economic development growth.

For additional information, Mississippi Code sections, which are amended from time to time, regarding local government real and personal tax exemptions include the following:

- 27-31-7. Certain manufactured products held for sale or shipment to other than final consumer
- 27-31-101. Enumeration of new enterprises which may be exempted
- 27-31-104. Grant of fee in lieu of taxes for certain projects

- 27-31-105. Additions to or expansions of facilities or properties or replacement of equipment used in connection with certain enterprises
- 27-31-107. Applications for exemptions
- 27-31-109. Granting of exemptions
- 27-31-111. Cessation of exempted operations
- 27-31-113. Cancellation of exemption obtained by fraud, etc.
- 27-31-115. Grant of exemptions by municipalities

# APPLICATION FOR AD VALOREM TAX EXEMPTION

AS AUTHORIZED BY SECTION 27-31-101, et seq.,  
MISSISSIPPI CODE OF 1972, AS AMENDED

NAME OF ENTERPRISE \_\_\_\_\_

PHYSICAL ADDRESS \_\_\_\_\_

TYPE OF INDUSTRY \_\_\_\_\_ PRODUCT/SERVICE \_\_\_\_\_

LOCATION - COUNTY \_\_\_\_\_ CITY \_\_\_\_\_

DATE OF COMPLETION \_\_\_\_\_ YEARS REQUESTED \_\_\_\_\_

NEW (SECTION 27-31-101) \_\_\_\_\_ EXPANSION (SECTION 27-31-105) \_\_\_\_\_

NEW JOBS \_\_\_\_\_ ESTIMATED PAYROLL \_\_\_\_\_

TRUE VALUE OF PROPERTY EXEMPTED \_\_\_\_\_

\*Attach an itemized list of property to be exempted as Exhibit "A".

*The applicant requests that the Board approve this application by an order spread on its minutes declaring that the above property be exempt from all ad valorem taxation except school taxation for the period requested. The applicant further request that the application and certified approval of exemption be forwarded to the State Tax Commission and upon approval and certification by the Commission, the Board enter a final order on its minutes granting the exemption. The above information is true and correct as certified by the applicant. This application is submitted on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.*

\_\_\_\_\_  
Applicant (Name of Taxpayer)

By: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:



**(INITIAL, forwarded to Tax Commission)**  
**RESOLUTION GRANTING EXEMPTION**  
*FROM AD VALOREM TAXES*

The \_\_\_\_\_ (governing authority) of \_\_\_\_\_  
(county/municipality) this day considered the matter of granting exemption from ad  
valorem taxes, except school district taxes, to

\_\_\_\_\_  
The governing authority finds that the above named enterprise has submitted verification and  
documentation as to the authenticity and accuracy of the application in regard to the true value  
of the property to be exempted and the date of completion of said enterprise. The authority also  
finds that the property described in the application constitutes an industrial enterprise as  
described in Section 27-31-101, Mississippi Code of 1972, as amended.

This governing authority does hereby grant, subject to approval and certification of the State  
Tax Commission, ad valorem tax exemption to the above taxpayer for a period of \_\_\_ years,  
beginning \_\_\_\_\_, 20\_\_\_, on the property described in the application with a total true  
value of \_\_\_\_\_.

Therefore the resolution to grant ad valorem tax exemption to the above named enterprise is  
hereby approved by \_\_\_\_\_ (governing authority) of  
\_\_\_\_\_ (county/municipality) for a period of \_\_\_\_\_ years as authorized by  
Section 27-31-101 et seq., Mississippi Code of 1972, as amended, on this the \_\_\_\_\_ day of  
\_\_\_\_\_, 20\_\_\_.

\_\_\_\_\_  
Granting Authority

\_\_\_\_\_  
Name & Title  
(SEAL)

Attest:

**FINAL**  
**RESOLUTION GRANTING EXEMPTION**  
**FROM AD VALOREM TAXES**

*The Board of Supervisors of \_\_\_\_\_  
(county/municipality) this day considered the matter of granting exemption from ad  
valorem taxes, except school district taxes, to  
\_\_\_\_\_.*

*The governing authority finds that the State Tax Commission has certified that the applicant is  
eligible for exemption. The authority also finds that the property described in the application  
constitutes an industrial enterprise as described in Section 27-31-101, Mississippi Code of 1972,  
as amended.*

*This governing authority does hereby grant ad valorem tax exemption to the above taxpayer for  
a period of \_\_\_ years, beginning \_\_\_\_\_, 20\_\_\_, and expiring \_\_\_\_\_,  
20\_\_\_ on the property described in the application with a total true value of  
\_\_\_\_\_.*

*Therefore the resolution to grant ad valorem tax exemption to the above named enterprise is  
hereby approved by \_\_\_\_\_ (governing authority) of  
\_\_\_\_\_ (county/municipality) for a period of \_\_\_\_\_ years as authorized by  
Section 27-31-101 et seq., Mississippi Code of 1972, as amended, on this the \_\_\_\_\_ day of  
\_\_\_\_\_, 20\_\_\_.*

\_\_\_\_\_  
*Granting Authority*

\_\_\_\_\_  
*Name & Title*  
*(SEAL)*  
*Attest:*