

## Property:

### Mississippi Supreme Court Holds Locality Has No Grounds for Assessment of Back Taxes Based on Freeport Exemption

*Case No. 2022-CA-00371-SCT, Miss. (11/30/23).* In a case involving an in-state warehouse operator that intakes manufactured goods from out-of-state, stores them for a brief period within the Mississippi locality concerned, and then ships a significant portion of them back out-of-state, the Mississippi Supreme Court (Court) held that while the locality may assess ad valorem taxes on the company's in-transit personal property for the 2019 year, it had no grounds for its assessment of back taxes for the 2012 through 2018 years given the company's free-port-warehouse license that had been valid and in effect since 1981. In doing so, the Court explained that the company's free-port-warehouse license is subject to discretionary renewal, and that, under the facts, the locality had put the company on sufficient notice that it intended to tax its in-transit personal property only for the 2019 year. Please contact us with any questions.

**URL:** <https://courts.ms.gov/images/Opinions/CO173059.pdf>

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