



MEMORANDUM

To: Airline Companies

From: Paul J. (Jeff) Foreman, Director
Exemptions & Public Utilities Bureau

Date: March 15, 2017

Subject: Notice of Assessment Methodology Change/Reporting Requirement Change

Section 27-35-703 of the Mississippi Code, Annotated, establishes the Mississippi Department of Revenue (Department) as the appraiser for ad valorem tax purposes of all aircraft operated in the State of Mississippi by an airline company. Beginning with tax year 2017, the Department will use the Airliner Price Guide (APG) in determining aircraft values for the purposes of appraisal for ad valorem taxation.

For aircraft not reported in the APG, the Department will determine value for the purposes of appraisal for ad valorem taxation using the Department's guidelines for other personal property in the State of Mississippi.

A residual value for all aircraft will also be established according to the Department's guidelines for other personal property in the State of Mississippi. The Mississippi Administrative Code Part VI, Sub-part 02, Chapter 7, Section 100, establishes a depreciation floor of 20% of original or gross investment. This calculation will set the minimum value of all aircraft appraised by the Department.

In light of the above, the Annual Report forms prescribed by the Department for airline companies have been revised for 2017. These revised forms are available on our website at www.dor.ms.gov/Pages/Property-Forms → Centrally Assessed Properties → 01 Annual Report – Airlines Bundle.

Please note that the deadline for filing your Annual Report is the first Monday in April. All forms should be prepared in spreadsheet file format and submitted via email to pscreports@dor.ms.gov. If you wish to request a 30 day extension of time to file your Annual Reports, please complete and submit an Extension Request form which can be found at http://www.dor.ms.gov/Forms/prop_ExtensionRequestforCentrallyAssessedProperties.pdf.