

In re: Payments in Lieu of Tax Obligation of Nissan North America, Inc. and Related Entities for 2019

ORDER PROVIDING FOR THE PAYMENT AND DISTRIBUTION OF PAYMENT IN LIEU OF TAXES TO BE RECEIVED FROM NISSAN NORTH AMERICA, INC. AND FOR RELATED PURPOSES

WHEREAS, on November 8, 2000 Madison County, together with the State of Mississippi, the City of Canton, Mississippi, and numerous other governmental bodies entered into a certain Memorandum of Understanding (“MOU”) with Nissan North America, Inc., commonly known as the “Delta I” MOU, a true and correct copy of which may be found in the Miscellaneous Appendix to the Minutes of this Board of January 31, 2005, and

WHEREAS, heretofore Madison County entered into an “Agreement to Make Payments in Lieu of Ad Valorem Taxes” (hereinafter, “PILOT Agreement”) dated April 23, 2003, said PILOT Agreement having been approved by the Madison County Board of Supervisors on March 21, 2003, a true and correct copy of which may be found in the Miscellaneous Appendix to the Minutes of this Board of January 31, 2005, and

WHEREAS, the Board finds it necessary, pursuant to Miss. Code Ann. § 27-31-104, to (1) establish the amount due from Nissan North America, Inc. in satisfaction of its PILOT obligation for 2019, and (2) provide for the payment, distribution, and apportionment of such sums as shall be remitted from Nissan North America, Inc. and related entities in satisfaction thereof,

WHEREFORE, PREMISES CONSIDERED, and pursuant to the provisions of Miss. Code Ann. § 27-31-104, and upon the advice of counsel, the Board of Supervisors of Madison County, Mississippi does find and order as follows:

1. That, based on statutory authority set forth in Miss. Code Ann. § 27-31-104, Nissan North America, Inc. has been granted a ten-year exemption from ad valorem taxation pursuant to Section 1.3(d)(i) of the “Delta I” MOU.
2. That, in exchange for said exemption, Nissan North America, Inc. is obligated to make annual payments in lieu of taxes to Madison County, and that such payments in lieu of taxes are fee payments, not ad valorem taxes or taxes of any other nature.
3. That the Madison County Board of Supervisors has the authority, pursuant to Miss. Code Ann. § 27-31-104, to determine the amount of the payment in lieu of taxes owed by Nissan North America, Inc. and to apportion said amount between Madison County and the Canton Public School District as directed in said code section and pursuant to the “Delta I” MOU and the PILOT Agreement.
4. That the Tax Assessor of Madison County has prepared and submitted to the Madison County Board of Supervisors a calculation of the amount owed by Nissan North America, Inc. as its payment in lieu of taxes for 2019, which calculation is attached hereto as

Collective Exhibit A to this Order (Exhibit ___ to these Minutes), spread hereupon and incorporated herein by reference and which is summarized as follows, to-wit:

Payment due based upon Nissan North America, Inc.'s real property values	\$ 328,315.67
Payment due based upon Nissan North America, Inc.'s personal property values.....	1,599,956.48
2017 amount due =	<u>\$1,928,272.15</u>

5. That the Board hereby adopts said calculation and, in accordance therewith, the amount to be paid by Nissan North America, Inc. pursuant to said code section and Section 3, paragraphs (a) and (b) of the PILOT Agreement is \$1,989,224.02 and shall be made payable to "Madison County, Mississippi."
6. That the Chancery Clerk shall prepare invoices reflecting the above amounts and submit the same unto Nissan North America, Inc. who shall promptly deliver the aforesaid sum to the Madison County Board of Supervisors, 146 West Center Street, P.O. Box 608, Canton, Mississippi 39046, Attention Mr. Ronald W. Lott, Chancery Clerk and County Treasurer.
7. That upon receipt of the balance due from Nissan, of the total PILOT payment of \$1,928,272.15, **\$1,165,406.23** is to be apportioned unto the Canton Public School District and **\$762,865.92** is to be apportioned unto Madison County to be applied to the appropriate bond fund, all applicable tax levies other than School District levies notwithstanding.
8. That the apportionment set forth in paragraph 7 is computed and shown in Exhibit B.
9. That, therefore, upon receipt of the entirety of said funds from Nissan North America, Inc. for 2016, the County Treasurer shall pay unto the Canton Public School District the sum of **\$1,165,406.23** and shall pay unto Madison County, to be directed to the appropriate bond fund, the sum of **\$762,865.92**.

Following discussion, Mr. _____ did offer and Mr. _____ did second a motion to approve, adopt and enter the foregoing Order. The vote on the matter being as follows:

Supervisor Sheila Jones	_____
Supervisor Trey Baxter	_____
Supervisor Gerald Steen	_____
Supervisor David Bishop	_____
Supervisor Paul Griffin	_____

the matter carried by the unanimous vote of those present and the above and foregoing Order was and is hereby approved, adopted and entered.

SO ORDERED this the 2nd day of December, 2019.



MADISON COUNTY BOARD OF SUPERVISORS

125 West North Street • Post Office Box 608
Canton, Mississippi 39046
601-855-5500 • Facsimile 601-855-5759
www.madison-co.com

December 2, 2019

TO: NISSAN NORTH AMERICA, INC.
ATTN: Hailey Kirk
P.O. Box 685013
Mail Stop B-6-A
Franklin, TN 37068-5016

SEPARATE INVOICE FOR PAYMENTS IN LIEU OF TAX

On behalf of Madison County, Mississippi, and in accordance with Section 1.3(d)(i) of that certain Memorandum of Understanding ("MOU") with Nissan North America, Inc., commonly known as the "Delta I" MOU and Section 6, paragraph (b) and Section 3, paragraphs (a) and (b) of that certain "Agreement to Make Payments in Lieu of Ad Valorem Taxes" (hereinafter, "PILOT Agreement") dated April 23, 2003, the following payment in lieu of tax is now due of and from Nissan North America, Inc. for 2018, to-wit:

Payment due based upon Nissan North America, Inc.'s property values. \$1,928,272.15.

These figures are based upon the calculations set forth in Exhibit A hereto (prepared by Tax Assessor Norman Cannady in accordance with Section 5 of the aforesaid PILOT Agreement).

Respectfully submitted this the 4th day of December 2019.

Ronald W. Lott
Chancery Clerk

Exhibit A

11/19/2019

Nissan - Tax 2019 Values and Estimated Taxes - In Lieu Only							
Tax Dist	FD	PPIN	Parcel	NAME	Tr Total	Assessed Total	Estimated 2019 Taxes
4 CX	N/A	54686	092G-35 -005/03.00	MISSISSIPPI MAJOR ECONOMIC IMPACT	\$ 67,102,011.00	\$ 10,065,302.00	
4 CX	N/A	57686	092G-35 -001/06.00	MISSISSIPPI MAJOR ECONOMIC IMPACT	\$ 422,931.00	\$ 63,440.00	
4 CX	N/A	57691	092G-35 -001/07.00	MISSISSIPPI MAJOR ECONOMIC IMPACT	\$ 604,464.00	\$ 90,670.00	
				1/3 Assessed Total		\$ 3,406,471.00	\$ 328,315.67
Exempt Real Property					\$ 68,129,406.00	\$ 10,219,412.00	\$ 328,315.67
Tax Dist	FD	PPIN	Parcel	NAME	Tr Total	Assessed Total	Estimated 2019 Taxes
4 CX	N/A	3413		NISSAN NORTH AMERICA, INC	\$ 332,010,095.00	\$ 49,801,510.00	
				1/3 Assessed Total		\$ 16,600,503.00	\$ 1,599,956.48
Exempt Personal Property					\$ 332,010,095.00	\$ 49,801,510.00	\$ 1,599,956.48

The information in this document is provided by the Tax Assessor's office. The values are shown as they were approved by the Board of Supervisors at the August 19, 2019 meeting. Values are subject to change.

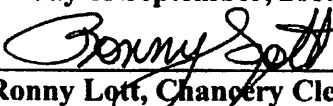
Exhibit B
Nissan North America
Apportionment of PILOT Obligation
Between Madison County and Canton Public School District (CPSD)

Property	Value	Assessed Value	County Millage	CPSD Millage	County Portion	CPSD Portion	1/3 Total Tax
Nissan Exempt Personal Property (3413)	\$ 332,010,095.00	\$ 49,801,510.00	38.13	58.25	\$ 632,977.18	\$ 966,979.30	\$ 1,599,956.48
Nissan Exempt Real Property (92G-35-5/03.00)	\$ 67,102,011.00	\$ 10,065,302.00	38.13	58.25	\$ 127,930.00	\$ 195,434.63	\$ 323,364.63
Nissan Exempt Real Property (92G-35-1/06.00)	\$ 422,931.00	\$ 63,440.00	38.13	58.25	\$ 806.32	\$ 1,231.80	\$ 2,038.12
Nissan Exempt Real Property (92G-35-1/07.00)	\$ 604,464.00	\$ 90,670.00	38.13	58.25	\$ 1,152.41	\$ 1,760.51	\$ 2,912.92
Total Due		<u>\$ 60,020,922.00</u>			<u>\$ 762,865.92</u>	<u>\$ 1,165,406.23</u>	<u>\$ 1,928,272.15</u>

**MADISON COUNTY, MISSISSIPPI
TAX LEVIES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020**

	<u>Miss. Code</u> <u>Section</u>	<u>Fund</u> <u>Number</u>	<u>Levy</u> <u>Mills</u>
General County	27-39-303	001	15.94
Reappraisal Trust	27-39-329	002	1.00
Library	39-3-5	095	1.07
Mapping and Reappraisal	27-39-325	096	.06
Solid Waste	19-5-21	105	3.45
Fire Protection	83-1-39	115	1.50
Economic Development	HB 1874, 1988	137	.45
	Local & Private		
Road and Bridge Maintenance	27-39-305	150	3.66
Bridge and Culvert	65-15-7	160	1.20
Countywide Interest and Sinking	19-9-9	226	7.55
Holmes Community College Maintenance	37-29-141	690	1.00
Holmes Community College Special	37-29-141	691	1.25
TOTAL MILLS			38.13
Fire Districts:			
South Madison	19-5-189	116	8.00
Valley View	19-5-189	117	9.00
Kearney Park	19-5-189	118	6.00
Farmhaven	19-5-189	119	10.00
Southwest Madison	19-5-189	120	5.62
Camden	19-5-189	121	2.00
<u>Madison County School District</u>			
Mississippi Code Section 37-57-1, et.seq.			
Maintenance			47.55
Bond and Interest Sinking			7.00
TOTAL MILLS			54.55
<u>Canton Municipal Separate School District (to be provided by City of Canton)</u>			
Mississippi Code Section 37-57-1, et.seq.			
Maintenance			45.81
Debt Service			12.44
TOTAL MILLS			58.25
<u>Forest Acreage</u>	49-19-115		.09/acre
<u>Persimmon Burnt Corn</u>			
<u>Water Management District</u>	51-29-33		.4236

Sworn to and Certified by Ronny Lott, Clerk of the Board of Supervisors this the 3rd day of September, 2019.



Ronny Lott, Chancery Clerk

