

In re: Payments in Lieu of Tax Obligation of Nissan North America, Inc. and Related Entities for 2014

**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 2014, 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 2014, 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
 personal property values.....\$1,462,903.00

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 \$1,462,903.00 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 \$1,462,903.00, **\$832,684.39** is to be apportioned unto the Canton Public School District and **\$630,218.61** is to be apportioned unto the General Fund of 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 as follows:

| | | | |
|----------------------------|---|--------------|-------------------------|
| Canton Public School mills | = | 50.39 | (50.39 ÷ 88.52= 56.92) |
| General County mills | = | <u>38.13</u> | (38.13 ÷ 88.52 = 43.08) |
| Total Tax Levy for Project | = | 88.52 | |

Total due Canton Public= \$1,462,903x .5692 = **\$832,684.39**
 Total due General County= \$1,462,903x .4308 = **\$630,218.61**

Total due from Nissan = \$1,462,903.00

9. That, therefore, upon receipt of the entirety of said funds from Nissan North America, Inc. for 2012, the County Treasurer shall pay unto the Canton Public School District the sum of **\$832,684.39** and shall pay unto the General Fund of Madison County, to be directed to the appropriate bond fund, the sum of **\$630,218.61**.

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 John Bell Crosby | _____ |
| Supervisor John Howland | _____ |
| Supervisor Gerald Steen | _____ |
| Supervisor Karl M. Banks | _____ |
| 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 17th day of November, 2014.