

By: Representative Moak

To: Transportation

## HOUSE BILL NO. 123

1 AN ACT TO PROHIBIT ANY MOTOR VEHICLE FOR WHICH A SALVAGE OR  
2 JUNK CERTIFICATE OF TITLE HAS BEEN ISSUED FROM BEING OPERATED ON  
3 THE HIGHWAYS OF THIS STATE AND TO PROVIDE EXCEPTIONS THERETO; TO  
4 PROVIDE THAT WHEN THE FRAME OR ENGINE IS REMOVED FROM A MOTOR  
5 VEHICLE AND NOT IMMEDIATELY REPLACED BY ANOTHER FRAME OR ENGINE,  
6 OR WHEN AN INSURANCE COMPANY HAS MADE A SETTLEMENT FOR A TOTAL  
7 LOSS OF THE MOTOR VEHICLE, THE MOTOR VEHICLE SHALL BE CONSIDERED  
8 SALVAGE; TO REQUIRE THAT THE OWNER OF EVERY MOTOR VEHICLE IN WHICH  
9 TOTAL LOSS HAS OCCURRED TO MAKE APPLICATION FOR A SALVAGE  
10 CERTIFICATE OF TITLE WITHIN 72 HOURS AFTER THE LOSS OCCURS; TO  
11 PROVIDE THE TITLING PROCEDURE TO BE FOLLOWED BY AN INSURANCE  
12 COMPANY IF IT OBTAINS A MOTOR VEHICLE IN SETTLEMENT OF AN  
13 INSURANCE CLAIM AND THE VEHICLE IS NOT A TOTAL LOSS; TO PROVIDE  
14 THAT A TOTAL LOSS OCCURS WHEN AN INSURANCE COMPANY OR ANY OTHER  
15 PERSON PAYS OR MAKES OTHER MONETARY SETTLEMENT TO A PERSON WHEN A  
16 VEHICLE IS DAMAGED AND THE DAMAGE TO THE VEHICLE IS GREATER THAN  
17 OR EQUAL TO 75% OF THE FAIR RETAIL VALUE OF THE VEHICLE BEFORE  
18 DAMAGE; TO PROVIDE THAT ANY PERSON ACQUIRING OWNERSHIP OF A  
19 DAMAGED MOTOR VEHICLE THAT MEETS THE DEFINITION OF TOTAL LOSS AND  
20 FOR WHICH A SALVAGE CERTIFICATE OR TITLE HAS NOT BEEN ISSUED SHALL  
21 APPLY FOR A SALVAGE CERTIFICATE OF TITLE AND TO PROVIDE EXCEPTIONS  
22 THERETO; TO MAKE IT UNLAWFUL FOR JUNK YARDS AND AUTOMOBILE  
23 DISMANTLERS OR RECYCLERS TO HAVE IN THEIR POSSESSION ANY MOTOR  
24 VEHICLE THAT IS JUNK OR SALVAGE OR A TOTAL LOSS WHEN THE  
25 MANUFACTURER'S VEHICLE IDENTIFICATION NUMBER PLATE OR PLATES HAVE  
26 BEEN REMOVED AND TO PROVIDE EXCEPTIONS THERETO; TO MAKE IT  
27 UNLAWFUL TO POSSESS, SELL OR EXCHANGE, OR GIVE AWAY A CERTIFICATE  
28 OF TITLE, MANUFACTURER'S IDENTIFICATION NUMBER PLATE, OR MOTOR  
29 VEHICLE LICENSE PLATE OF ANY MOTOR VEHICLE THAT HAS BEEN SCRAPPED,  
30 DISMANTLED OR SOLD AS JUNK OR SALVAGE OR AS A TOTAL LOSS CONTRARY  
31 TO THIS ACT; TO PROVIDE FOR THE ISSUANCE OF A SALVAGE CERTIFICATE  
32 OF TITLE BY THE STATE TAX COMMISSION AND TO PROVIDE THE FEE  
33 THEREFOR; TO AUTHORIZE THE STATE TAX COMMISSION TO ISSUE A  
34 CERTIFICATE OF TITLE TO ANY MOTOR VEHICLE FOR WHICH A SALVAGE  
35 CERTIFICATE OF TITLE HAS BEEN ISSUED IF THE VEHICLE HAS BEEN  
36 COMPLETELY RESTORED TO ITS OPERATING CONDITION WHICH EXISTED  
37 BEFORE THE EVENT THAT CAUSED THE SALVAGE CERTIFICATE OF TITLE TO  
38 ISSUE AND TO PROVIDE THE PROCEDURE FOR OBTAINING A CERTIFICATE OF  
39 TITLE FOR SUCH A VEHICLE; TO PROVIDE THAT A SALVAGE VEHICLE THAT  
40 HAS BEEN RESTORED TO ITS OPERATING CONDITION WHICH EXISTED BEFORE  
41 THE EVENT WHICH CAUSED THE SALVAGE CERTIFICATE OF TITLE TO ISSUE  
42 SHALL BE ISSUED A CERTIFICATE OF TITLE WHICH SHALL CONTAIN THE  
43 WORD "REBUILT"; TO PROVIDE THAT EACH SALVAGE VEHICLE THAT IS  
44 REBUILT SHALL BE ISSUED A DECAL, PLATE OR OTHER EMBLEM AS  
45 PRESCRIBED BY THE DEPARTMENT OF PUBLIC SAFETY TO REFLECT THAT THE  
46 VEHICLE IS REBUILT; TO REQUIRE THAT ANY PERSON WHO SELLS OR  
47 OTHERWISE TRANSFERS ANY INTEREST IN ANY VEHICLE FOR WHICH A TITLE  
48 BEARING THE DESIGNATION "SALVAGE" OR "REBUILT" HAS BEEN ISSUED  
49 SHALL DISCLOSE IN WRITING THE EXISTENCE OF THIS TITLE TO THE  
50 TRANSFEREE; TO AMEND SECTIONS 63-21-15, 63-21-33 AND 63-21-39,

51 MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR RELATED  
52 PURPOSES.

53 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

54 SECTION 1. (1) No motor vehicle for which a salvage or junk  
55 certificate of title has been issued by this state or any other  
56 state shall be driven or operated on the highways or other public  
57 places of this state. A vehicle which is in this state and for  
58 which a salvage certificate of title has been issued, and the  
59 vehicle is being restored to its operating condition that existed  
60 before the event which caused the salvage certificate of title to  
61 issue, may be moved to and from repair points as necessary by the  
62 rebuilder to complete the restoration or may be moved as permitted  
63 by the Department of Public Safety on the day the vehicle is  
64 scheduled for inspection or for any other purpose.

65 (2) When the frame or engine is removed from a motor vehicle  
66 and not immediately replaced by another frame or engine, or when  
67 an insurance company has paid money or made other monetary  
68 settlement as compensation for a total loss of any motor vehicle,  
69 the motor vehicle shall be considered to be salvage. The owner of  
70 every motor vehicle in which total loss or salvage has occurred  
71 shall, within seventy-two (72) hours after the total loss or  
72 salvage occurs, make application for a salvage certificate of  
73 title to a designated agent and forward to the State Tax  
74 Commission the certificate of title to the motor vehicle,  
75 whereupon the State Tax Commission shall process the certificate  
76 of title in a manner prescribed by law or regulation. An  
77 insurance company that pays money or makes other monetary  
78 settlement as compensation for total loss of a motor vehicle shall  
79 obtain, at the time of payment or monetary settlement, the  
80 vehicle's certificate of title and, within seventy-two (72) hours  
81 after receiving the certificate of title, shall forward such  
82 certificate along with an application for a salvage certificate of  
83 title, to the State Tax Commission for processing. In the event

84 the payment or monetary settlement was made because of the theft  
85 of the vehicle, which shall be considered a total loss as defined  
86 in this section, the insurance company shall forward the vehicle's  
87 properly assigned certificate of title as provided in this section  
88 to the State Tax Commission as soon as practicable after the  
89 vehicle is recovered. When a stolen motor vehicle for which a  
90 salvage certificate of title has been issued is later recovered,  
91 the owner recorded on the salvage certificate shall assign that  
92 certificate to the purchaser.

93 (3) If an insurance company acquires a motor vehicle in  
94 settlement of an insurance claim and holds the vehicle for resale  
95 and procures the properly assigned certificate of title from the  
96 owner or lienholder within fifteen (15) days after delivery of the  
97 vehicle to the insurance company, and if the vehicle was not a  
98 total loss as defined by this section, the insurance company need  
99 not send the certificate of title to the State Tax Commission but,  
100 upon transferring the vehicle to another person other than by the  
101 creation of a security interest, the insurance company shall  
102 execute the space reserved on the reverse of the title for first  
103 reassignment by licensed dealer naming therein the transferee and  
104 complete an affidavit of acquisition and disposition of the motor  
105 vehicle on a form prescribed by the State Tax Commission and  
106 deliver the certificate of title, affidavit and any other  
107 documents required by the State Tax Commission to the transferee  
108 at the time of delivery of the motor vehicle.

109 (4) For the purposes of this section, a total loss occurs  
110 when an insurance company or any other person pays or makes other  
111 monetary settlement to a person when a vehicle is damaged and the  
112 damage to the vehicle is equal to or greater than seventy-five  
113 percent (75%) of the fair retail value of the vehicle prior to  
114 damage as set forth in a current edition of a nationally  
115 recognized compilation of retail values, including automated data  
116 bases, as approved by the State Tax Commission. The compensation

for total loss as defined in this subsection does not include payments by an insurer or other person for medical care, bodily injury, vehicle rental, or for anything other than the amount paid for the actual damage to the motor vehicle. Actual damage includes the cost of both labor and parts. A vehicle that has sustained minor damage as a result of theft or vandalism shall not be considered a total loss. Any person acquiring ownership of a damaged motor vehicle that meets the definition of total loss for which a salvage certificate of title has not been issued, other than a scrap metal processor acquiring such vehicle for purposes of recycling into metallic scrap for remelting purposes only, shall apply for a salvage certificate of title. This application shall be made before the vehicle is further transferred but, in any event, within thirty (30) days after ownership is acquired.

(5) It is unlawful for the owner of any junkyard, salvage yard or motor vehicle dismantler and parts recycler or his or her agents or employees to have in his possession any motor vehicle that is junk or salvage or a total loss when the manufacturer's vehicle identification number plate or plates, authorized replacement vehicle identification number plate or plates, or serial plate or plates have been removed, unless previously required to be removed by a statute or law of this state or another jurisdiction.

(6) It is unlawful for a person, firm or corporation to possess, sell or exchange, offer to sell or exchange, or to give away any certificate of title, salvage certificate of title, manufacturer's identification number plate or plates, authorized replacement vehicle identification number plate or plates, serial plate or plates, or motor vehicle license plate or plates of any motor vehicle which has been scrapped, dismantled or sold as junk or salvage or as a total loss contrary to this section, and every officer, agent or employee of a person, firm or corporation, and every person who authorizes, directs, aids in or consents to the

possession, sale or exchange, or offer to sell, exchange or give away such certificate of origin, certificate of title, salvage certificate of title, manufacturer's vehicle identification number plate or plates, authorized replacement vehicle identification number plate or plates, serial plate or plates, or motor vehicle license plate or plates contrary to this section, upon conviction, is guilty of a misdemeanor and shall be punished as provided in Section 63-21-71.

(7) The State Tax Commission may issue a salvage certificate of title for a fee of Fifteen Dollars (\$15.00) on a form prescribed by the State Tax Commission which provides for assignments of this title. The salvage certificate of title is to replace a certificate of title required to be surrendered by this section. The State Tax Commission shall prescribe necessary forms and procedures to comply with this subsection. Salvage and rebuilt brands contained in certificates of title last issued by another jurisdiction shall be carried forward on the Mississippi certificate of title. The State Tax Commission may carry forward other brand or brands comparable on the Mississippi certificate of title.

(8) It is unlawful for a person to sign as assignor, or for a person to have in his or her possession a salvage certificate of title or any other certificate of title that has been signed by the owner as assignor, without the name of the assignee and other information called for on the title document prescribed by the State Tax Commission. A person who violates this subsection, upon conviction, is guilty of a misdemeanor and shall be punished as provided by law.

(9) Every owner of a salvage or junk motor vehicle who sells or transfers the vehicle to any person other than to a scrap metal processor for purposes of recycling into metallic scrap for remelting purposes only shall provide at the time of the sale or transfer a properly executed assignment and warranty of title to

183 the transferee in the space provided therefor on the salvage  
184 certificate of title or junk certificate or as the State Tax  
185 Commission prescribes.

186       (10) The State Tax Commission may issue a certificate of  
187 title containing the word "rebuilt" to any motor vehicle for which  
188 a salvage certificate has been issued by this or any other state,  
189 and the vehicle has, in this state, been completely restored to  
190 its operating condition which existed before the event which  
191 caused the salvage certificate of title to issue, provided that  
192 all requirements of this section have been met. No certificate of  
193 title may be issued for any motor vehicle for which a junk  
194 certificate of title, junk certificate, permit to dismantle, parts  
195 only, or ownership documents issued by another jurisdiction having  
196 the same meaning has been issued or for a vehicle which is sold  
197 for parts only.

198       (11) Every owner of a salvage motor vehicle that is in this  
199 state and that has been restored in this state to its operating  
200 condition which existed before the event which caused the salvage  
201 certificate of title to issue shall make application to the  
202 Department of Public Safety for an inspection of the vehicle in  
203 the form and content as determined by the Department of Public  
204 Safety. Each application for inspection of a salvage vehicle that  
205 has been so restored shall be accompanied by all of the following:

206           (a) The outstanding salvage certificate of title or  
207 out-of-state title previously issued for the salvage vehicle.

208           (b) Notarized bills of sale evidencing acquisition of  
209 all major component parts (listing the manufacturer's vehicle  
210 identification number of the vehicle from which the parts were  
211 removed, if parts contain or should contain the manufacturer's  
212 vehicle identification number) used to restore the vehicle and  
213 bills of sale evidencing acquisition of all minor component parts.

214       Notarization is not required on bills of sale for minor component  
215 parts; however, a notarized bill of sale that lists the

216 manufacturer's vehicle identification number of the vehicle from  
217 which the parts were removed, if parts contain or should contain  
218 the manufacturer's vehicle identification number. A notarized  
219 bill of sale bearing the manufacturer's vehicle identification  
220 number is required for a transmission.

221 (c) The owner shall also provide a written affirmation  
222 which states the following:

223 (i) That the owner has rebuilt the vehicle or  
224 supervised its rebuilders, and what has been done to restore the  
225 vehicle to its operating condition which existed before the event  
226 that caused the salvage certificate to issue.

227 (ii) That the owner personally inspected the  
228 completed vehicle and it complies with all safety requirements set  
229 forth by the State of Mississippi and any regulations promulgated  
230 thereunder.

231 (iii) That the identification numbers of the  
232 restored vehicle and its parts have not, to the knowledge of the  
233 owner, been removed, destroyed, falsified, altered or defaced.

234 (iv) That the salvage certificate of title or  
235 out-of-state title certificate attached to the application has  
236 not, to the knowledge of the owner, been forged, falsified,  
237 altered or counterfeited.

238 (v) That all information contained on the  
239 application and its attachments is true and correct to the  
240 knowledge of the owner.

241 (12) (a) The application fee for each inspection of a  
242 restored vehicle shall be Seventy-five Dollars (\$75.00), payable  
243 by certified funds to the Department of Public Safety, which shall  
244 accompany the application for inspection.

245 (b) All application for inspection fees received by the  
246 Department of Public Safety shall be applied toward the personnel  
247 and maintenance costs of the vehicle inspection program. Persons  
248 seeking to have vehicles inspected as provided in this section

shall first contact the Department of Public Safety substation for the purpose of reserving a specified time to present the vehicle for inspection. Upon receipt of the application for inspection and the Seventy-five Dollar (\$75.00) fee, the Department of Public Safety shall inspect the vehicle. Upon successfully passing inspection a completed inspection certificate shall be issued according to procedures of the Department of Public Safety. Following inspection, the applicant shall make his application for a new certificate of title to the State Tax Commission, as provided in Section 63-21-15, and shall attach the inspection certificate issued by the Department of Public Safety, the salvage certificate of title of the vehicle, affidavits, bills of sale and other documents that may be required by the State Tax Commission, and the designated agent shall cause such documents to be forwarded to the State Tax Commission, along with the required title fee.

(c) The inspection and certification shall include an examination of the vehicle and its parts to determine that the identification numbers of the vehicle or its parts have not been removed, falsified, altered, defaced, destroyed or tampered with; that the vehicle information contained in the application for certificate of title and supporting documents is true and correct; and that there are no indications that the vehicle or any of its parts are stolen. The certification shall not attest to the roadworthiness or safety condition of the vehicle.

(13) Component parts are defined as:

(a) Passenger vehicles.

(i) Major components:

1. Motor or engine.
2. Trunk floor pan or rear section and roof.
3. Frame or any portion thereof (except frame horn), or, in the case of a unitized body, the supporting structure which serves as the frame, except when it is a part of

282 the trunk floor pan, or rear section and roof.

283 4. Cowl, firewall, or any portion thereof.

284 5. Roof assembly.

285 (ii) Minor components:

286 1. Each door allowing entrance to or egress  
287 from the passenger compartment.

288 2. Hood.

289 3. Each front fender or each rear fender when  
290 used with a rear section and roof.

291 4. Deck lid, tailgate or hatchback (whichever  
292 is present).

293 5. Each quarter panel.

294 6. Each bumper.

295 7. T-tops, moon roof, or whichever is  
296 present.

297 8. Transmission or trans-axle.

298 (b) Truck, truck type or bus type vehicles.

299 (i) Major components:

300 1. Motor or engine.

301 2. Transmission or trans-axle.

302 3. Frame or any portion thereof (except frame  
303 horn), or, in the case of a unitized body, the supporting  
304 structure which serves as the frame.

305 4. Cab.

306 5. Cowl or firewall or any portion thereof.

307 6. Roof assembly.

308 7. Cargo compartment floor panel or passenger  
309 compartment floor pan.

310 (ii) Minor components:

311 1. Each door.

312 2. Hood.

313 3. Grill, except on one-ton truck or smaller  
314 trucks.

- 315                   4. Each bumper.
- 316                   5. Each front fender.
- 317                   6. Roof panel and rear cab panel.
- 318                   7. Each rear fender or side panel.
- 319                   8. Pickup box.
- 320                   9. Body or bed.

321           (c) Motorcycle: component parts.

- 322                   (i) Engine or motor.
- 323                   (ii) Transmission or trans-axle.
- 324                   (iii) Frame.
- 325                   (iv) Front fork.
- 326                   (v) Crankcase.

327           (14) A salvage vehicle that has been restored in this state  
328 to its operating condition that existed before the event which  
329 caused the salvage certificate of title to issue shall be issued a  
330 certificate of title that contains the word "rebuilt."

331           (15) (a) Each salvage vehicle restored or rebuilt in this  
332 state that is required to be inspected by the Department of Public  
333 Safety pursuant to subsection (12) of this section and for which a  
334 certificate of title may be issued pursuant to subsection (14) of  
335 this section shall be issued a decal, plate or other emblem as  
336 prescribed by the Department of Public Safety to reflect that the  
337 vehicle is rebuilt. The decal, plate or other emblem shall be  
338 attached to the vehicle in a place and in a manner prescribed by  
339 the Department of Public Safety.

340           (b) A person who willfully removes, mutilates, tampers  
341 with, obliterates or destroys a decal, plate or other emblem  
342 issued and attached to a salvage vehicle pursuant to this  
343 subsection is guilty of a misdemeanor and shall be punished as  
344 provided in Section 63-21-71.

345           (16) Each person who sells, exchanges, delivers or otherwise  
346 transfers any interest in any vehicle for which a title bearing  
347 the designation "salvage" or "rebuilt" has been issued shall

disclose in writing the existence of this designation contained on the title to the prospective purchaser, recipient in exchange, recipient by donation, or recipient by other act of transfer. The disclosure, which shall be made at the time of or prior to the completion of the sale, exchange, donation or other act of transfer shall contain the following information in no smaller than ten-point type: "This vehicle's title contains the designation 'salvage' or 'rebuilt.'"

(17) This section does not apply to any motor vehicle that is ten (10) years old or older with a value of One Thousand Five Hundred Dollars (\$1,500.00) or less.

SECTION 2. Section 63-21-15, Mississippi Code of 1972, is amended as follows:

63-21-15. (1) The application for the certificate of title of a vehicle in this state shall be made by the owner to a designated agent, on the form the State Tax Commission prescribes, and shall contain or be accompanied by:

(a) The name, current residence and mailing address of the owner;

(b) A description of the vehicle, including the following data: year, make, model, vehicle identification number, type of body, the number of cylinders, odometer reading at the time of application, and whether new or used;

(c) The date of purchase by applicant, the name and address of the person from whom the vehicle was acquired, and the names and addresses of any lienholders in the order of their priority and the dates of their security agreements; and

(d) An odometer disclosure statement made by the transferor of the vehicle. The statement shall read:

"Federal and state law requires that you state the mileage in connection with the transfer of ownership. Failure to complete or providing a false statement may result in fine and/or imprisonment.

I state that the odometer now reads \_\_\_\_ (no tenths) miles and to the best of my knowledge that it reflects the actual mileage of the vehicle described herein, unless one (1) of the following statements is checked:

\_\_\_ (1) I hereby certify that to the best of my knowledge the odometer reading reflects the amount of mileage in excess of its mechanical limits.

\_\_\_ (2) I hereby certify that the odometer reading is not the actual mileage.--WARNING--ODOMETER DISCREPANCY!"

(e) In connection with the transfer of ownership of a motor vehicle, each transferor shall disclose the mileage to the transferee in writing on the title or on the document being used to reassign the title, which form shall be prescribed and furnished by the State Tax Commission. This written disclosure must be signed by the transferor and transferee, including the printed name of both parties.

Notwithstanding the requirements above, the following exemptions as to odometer disclosure shall be in effect:

(i) A vehicle having a gross vehicle weight rating of more than sixteen thousand (16,000) pounds.

(ii) A vehicle that is not self-propelled.

(iii) A vehicle that is ten (10) years old or older.

(iv) A vehicle sold directly by the manufacturer to any agency of the United States in conformity with contractual specifications.

(v) A transferor of a new vehicle prior to its first transfer for purposes other than resale need not disclose the vehicle's odometer mileage.

(f) Any person who knowingly gives a false statement concerning the odometer reading on an odometer disclosure statement shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine of up to One Thousand Dollars

414 (\$1,000.00) or imprisonment of up to one (1) year, or both, at the  
415 discretion of the court. These penalties shall be cumulative,  
416 supplemental and in addition to the penalties provided by any  
417 other law.

418 (2) The application shall be accompanied by such evidence as  
419 the State Tax Commission reasonably requires to identify the  
420 vehicle and to enable the State Tax Commission to determine  
421 whether the owner is entitled to a certificate of title and the  
422 existence or nonexistence of security interests in the vehicle,  
423 and whether the applicant is liable for a use tax as provided by  
424 Sections 27-67-1 through 27-67-33.

425 (3) If the application is for a vehicle purchased from a  
426 dealer, it shall contain the name and address of any lienholder  
427 holding a security interest created or reserved at the time of the  
428 sale and the date of his security agreement and it shall be signed  
429 by the dealer as well as the owner. The designated agent shall  
430 promptly mail or deliver the application to the State Tax  
431 Commission.

432 (4) If the application is for a new vehicle, it shall  
433 contain the certified manufacturer's statement of origin showing  
434 proper assignments to the applicant and a copy of each security  
435 interest document.

436 (5) Each application shall contain or be accompanied by the  
437 certificate of a designated agent that the vehicle has been  
438 physically inspected by him and that the vehicle identification  
439 number and descriptive data shown on the application, pursuant to  
440 the requirements of subsection (1)(b) of this section, are  
441 correct, and also that he has identified the person signing the  
442 application and witnessed the signature. \* \* \*

443 (6) If the application is for a first certificate of title  
444 on a vehicle other than a new vehicle, then the application shall  
445 conform with the requirements of this section except that in lieu  
446 of the manufacturer's statement of origin, the application shall

be accompanied by a copy of the bill of sale of said motor vehicle whereby the applicant claims title or in lieu thereof certified copies of the last two (2) years' tag and tax receipts or in lieu thereof such other information the State Tax Commission may reasonably require to identify the vehicle and to enable the State Tax Commission to determine ownership of the vehicle and the existence or nonexistence of security interest in it. If the application is for a vehicle last previously registered in another state or country, the application shall also be accompanied by the certificate of title issued by the other state or country, if any, properly assigned.

(7) Every designated agent within this state shall, no later than the next business day after they are received by him, forward to the State Tax Commission by mail, postage prepaid, the originals of all applications received by him, together with such evidence of title as may have been delivered to him by the applicants.

(8) An application for certificate of title and information to be placed on an application for certificate of title may be transferred electronically as provided in Section 63-21-16.

SECTION 3. Section 63-21-33, Mississippi Code of 1972, is amended as follows:

63-21-33. If a dealer buys a vehicle and holds it for resale and procures the certificate of title from the owner or the lienholder within ten (10) days after delivery to him of the vehicle, he need not send the certificate to the State Tax Commission. However, upon transferring the vehicle to another person other than by the creation of a security interest, he shall promptly execute the assignment and warranty of title by a dealer, showing the names and addresses of the transferee and of any lienholder holding a security interest created or reserved at the time of the resale and the date of his security agreement, in the spaces provided therefor on the certificate or as the State Tax

480 Commission prescribes, and deliver the certificate to a designated  
481 agent with the transferee's application for a new certificate.

482       Every dealer shall maintain for five (5) years a record in the  
483 form the State Tax Commission prescribes of every vehicle bought,  
484 sold or exchanged by him or received by him for sale or exchange,  
485 which shall be open to inspection by a representative of the State  
486 Tax Commission or patrol or peace officer during reasonable  
487 business hours.

488       \* \* \*

489       SECTION 4. Section 63-21-39, Mississippi Code of 1972, is  
490 amended as follows:

491       63-21-39. \* \* \* An owner who scraps, dismantles or destroys  
492 a vehicle and a person who purchases a vehicle as scrap or to be  
493 dismantled or destroyed shall indicate same on the back of the  
494 certificate of title and shall immediately cause the certificate  
495 of title and any other documents required by the State Tax  
496 Commission to be mailed or delivered to the State Tax Commission  
497 for cancellation. A certificate of title of the vehicle shall not  
498 again be issued except upon application containing the information  
499 the State Tax Commission requires, accompanied by a certificate of  
500 inspection in the form and content specified in Section  
501 63-21-15 \* \* \*.

502       \* \* \*

503       SECTION 5. Section 1 of this act shall be codified in  
504 Chapter 21 of Title 63, Mississippi Code of 1972.

505       SECTION 6. This act shall take effect and be in force from  
506 and after July 1, 1999.