

By: Representative Janus

To: Transportation

HOUSE BILL NO. 529

1 AN ACT TO AMEND SECTION 63-21-33, MISSISSIPPI CODE OF 1972,
2 TO REQUIRE A MOTOR VEHICLE DEALER WHO PURCHASES A MOTOR VEHICLE
3 FROM AN OWNER OR WHO TAKES A MOTOR VEHICLE AS A TRADE-IN TO PAY
4 ALL LIENHOLDERS OF RECORD WITHIN TEN DAYS AFTER TAKING POSSESSION;
5 TO PRESCRIBE PENALTIES FOR VIOLATIONS OF THIS ACT; AND FOR RELATED
6 PURPOSES.

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

8 SECTION 1. Section 63-21-33, Mississippi Code of 1972, is
9 amended as follows:

10 63-21-33. If a dealer buys a vehicle and holds it for resale
11 and procures the certificate of title from the owner or the
12 lienholder within ten (10) days after delivery to him of the
13 vehicle, he need not send the certificate to the State Tax
14 Commission. However, upon transferring the vehicle to another
15 person other than by the creation of a security interest, he shall
16 promptly execute the assignment and warranty of title by a dealer,
17 showing the names and addresses of the transferee and of any
18 lienholder holding a security interest created or reserved at the
19 time of the resale and the date of his security agreement, in the
20 spaces provided therefor on the certificate or as the State Tax
21 Commission prescribes, and deliver the certificate to a designated
22 agent with the transferee's application for a new certificate.

23 Every dealer who purchases a motor vehicle from an owner or
24 who takes a motor vehicle from an owner as a trade-in on the
25 purchase of another vehicle, within ten (10) days after taking
26 possession of the vehicle, shall pay the entire outstanding
27 balance owing to all lienholders that are noted on the certificate
28 of title. Any dealer who violates the provisions of this

29 paragraph shall be subject to the penalties provided for under
30 Section 63-21-71.

31 Every dealer shall maintain for five (5) years a record in the
32 form the State Tax Commission prescribes of every vehicle bought,
33 sold or exchanged by him or received by him for sale or exchange,
34 which shall be open to inspection by a representative of the State
35 Tax Commission or patrol or peace officer during reasonable
36 business hours.

37 Any person found to be in possession of a vehicle with an
38 improperly assigned title which fails to identify the transferee
39 shall immediately establish ownership of the vehicle, register the
40 vehicle and pay the required tax and penalty. The vehicle shall
41 be impounded by state or local law enforcement officials until
42 such time as the person in possession can prove ownership or until
43 the rightful owner is located. In the event the rightful owner
44 cannot be established within thirty (30) days, the vehicle shall
45 be deemed abandoned and shall be disposed of as provided by law.

46 An insurance company which obtains title to a motor vehicle
47 as a result of paying a total loss claim resulting from collision,
48 fire, flood or other cause shall obtain a salvage certificate of
49 title in its name for such vehicle from the State Tax Commission.
50 The provisions of this subsection shall not apply to vehicles ten
51 (10) years old or older with a value of One Thousand Five Hundred
52 Dollars (\$1,500.00) or less, or to vehicles with damage which
53 requires the replacement of five (5) or fewer minor components,
54 which such insurer may dispose of by endorsing change in ownership
55 on the certificate of title using space reserved for reassignment
56 of title by licensed dealer without obtaining a salvage
57 certificate of title.

58 SECTION 2. This act shall take effect and be in force from
59 and after July 1, 1999.