

By: Representatives King, Davis

To: Ways and Means

## HOUSE BILL NO. 1176

1 AN ACT TO AMEND SECTIONS 27-19-141 AND 27-51-41, MISSISSIPPI  
2 CODE OF 1972, TO AUTHORIZE THE OWNERS OF MOTOR VEHICLES FOR WHICH  
3 PERSONALIZED LICENSE TAGS OR CERTAIN DISTINCTIVE LICENSE TAGS HAVE  
4 BEEN ISSUED TO RECEIVE CREDIT FOR THE PRORATED AMOUNT OF THE  
5 SPECIAL LICENSE TAG FEE REMAINING FOR THE TAX YEAR WHENEVER THE  
6 VEHICLE IS SOLD, ASSIGNED OR TRANSFERRED; AND FOR RELATED  
7 PURPOSES.

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

9 SECTION 1. Section 27-19-141, Mississippi Code of 1972, is  
10 amended as follows:

11 27-19-141. (1) In case any person, other than a dealer or  
12 agent, shall sell, assign or transfer any vehicle to another  
13 person, the person acquiring such vehicle shall register the  
14 vehicle with the county tax collector of his residence or the  
15 State Tax Commission within seven (7) working days after such  
16 sale, assignment or transfer and pay the annual privilege license  
17 taxes. The seller or transferor shall remove the license plate  
18 from the vehicle and retain same. Such license plate must be  
19 surrendered to the issuing authority with the corresponding tax  
20 receipt if required, and credit shall be allowed for the taxes  
21 paid for the remaining tax year on like privilege or ad valorem  
22 taxes due on another vehicle owned by the seller or transferor, or  
23 by the seller's or transferor's spouse or dependent child.  
24 Privilege taxes on vehicles registered in excess of ten thousand  
25 (10,000) pounds gross vehicle weight, apportioned vehicles, rental  
26 and commercial trailers and buses, shall be considered like taxes  
27 only for vehicles registered in excess of ten thousand (10,000)  
28 pounds gross vehicle weight, apportioned vehicles, rental and

29 commercial trailers and buses. Privilege or ad valorem taxes on  
30 vehicles with a gross vehicle weight of ten thousand (10,000)  
31 pounds or less shall be considered like taxes only for vehicles  
32 with a gross vehicle weight of ten thousand (10,000) pounds or  
33 less. If the seller or transferor does not elect to receive such  
34 credit at the time the license plate is surrendered, the issuing  
35 authority shall issue a certificate of credit to the seller or  
36 transferor, or to the seller's or transferor's spouse or dependent  
37 child, or to any other person, business or corporation, at the  
38 direction of the seller or transferor, for the remaining unexpired  
39 taxes prorated from the first day of the month following the month  
40 in which the license plate is surrendered. Any credit allowed for  
41 taxes due or any certificate of credit issued may be applied to  
42 like taxes owed in any county by the person to whom the credit is  
43 allowed or by the person possessing the certificate of credit.  
44 Except as provided in subsection (2) of this section, no credit,  
45 however, shall be allowed on the charge made for registration fees  
46 and any tag fees. Such license plates surrendered to the tax  
47 collector shall be retained by him, and in no event shall such  
48 license plate be attached to any motor vehicle after being  
49 surrendered to the tax collector, nor shall any license plate be  
50 transferred from one (1) motor vehicle to any other motor vehicle.  
51 Certificates of credit shall be designed and furnished by the  
52 commissioner.

53 (2) If the owner of a motor vehicle for which a personalized  
54 license tag has been issued under Section 27-19-48, or for which a  
55 distinctive license tag has been issued under Section 27-19-56.1,  
56 27-19-56.2, 27-19-56.3, 27-19-56.4, 27-19-56.5, 27-19-56.7,  
57 27-19-56.8, 27-19-56.10 or 27-19-56.14, sells, assigns or  
58 transfers the vehicle before expiration of the current tax year,  
59 then, in addition to being entitled to receive credit or a  
60 certificate of credit for privilege and ad valorem taxes paid on  
61 that vehicle for the remaining tax year as provided in subsection  
62 (1) of this section, he shall be allowed credit for the special  
63 tag fee he paid for the personalized or distinctive license tag  
64 for the remaining tax year on like fees due on another vehicle  
65 owned by the seller or transferor. If the seller or transferor

66 does not elect to receive such credit at the time the vehicle is  
67 sold or transferred, then the issuing authority shall issue a  
68 certificate of credit to the seller or transferor for the  
69 remaining unexpired special tag fee prorated from the first day of  
70 the month following the month in which the vehicle is sold or  
71 transferred. Any such credit allowed or certificate of credit  
72 issued may be applied to like fees owed in any county on a  
73 personalized or distinctive license tag for another vehicle owned  
74 by the person to whom the credit was allowed or certificate of  
75 credit was issued.

76 SECTION 2. Section 27-51-41, Mississippi Code of 1972, is  
77 amended as follows:

78 27-51-41. (1) The exemptions from the provisions of this  
79 chapter shall be confined to those persons or property exempted by  
80 this chapter or by the provisions of the Constitution of the  
81 United States or the State of Mississippi. No exemption as now  
82 provided by any other statute shall be valid as against the tax  
83 levied by this chapter. Any subsequent exemption from the tax  
84 levied hereunder shall be provided by amendment to this section  
85 which shall be inserted in the bill at length.

86 (2) The following shall be exempt from ad valorem taxation:

87 (a) All motor vehicles, as defined in this chapter, and  
88 including motor-propelled farm implements and vehicles, while in  
89 the hands of bona fide dealers as merchandise and which are not  
90 being operated upon the highways of this state, shall be exempt  
91 from all ad valorem taxes.

92 (b) All motor vehicles belonging to the federal  
93 government or the State of Mississippi or any agencies or  
94 instrumentalities thereof shall be exempt from all ad valorem  
95 taxes.

96 (c) All motor vehicles owned by any school district in  
97 the state shall be exempt from all ad valorem taxes.

98 (d) All motor vehicles owned by any fire protection

99 district incorporated in accordance with Sections 19-5-151 through  
100 19-5-207 or by any fire protection grading district incorporated  
101 in accordance with Sections 19-5-215 through 19-5-243 shall be  
102 exempt from all ad valorem taxes.

103 (e) All motor vehicles owned by units of the  
104 Mississippi National Guard shall be exempt from all ad valorem  
105 taxes.

106 (f) All motor vehicles which are exempted from highway  
107 privilege taxes under Section 27-19-1 et seq. shall be exempt from  
108 ad valorem taxes.

109 (g) All motor vehicles operated in this state as common  
110 and contract carriers of property, private commercial carriers of  
111 property, private carriers of property and buses, all of which  
112 have a gross weight in excess of ten thousand (10,000) pounds,  
113 shall be exempt from all ad valorem taxes.

114 (h) Antique automobiles as defined in Section 27-19-47  
115 shall be exempt from all ad valorem taxes.

116 (i) Street rods as defined in Section 27-19-56.6 shall  
117 be exempt from all ad valorem taxes.

118 (j) Motor vehicles owned by disabled American veterans,  
119 or by spouses of deceased disabled American veterans, in  
120 accordance with Section 27-19-53, shall be exempt from all ad  
121 valorem taxes.

122 (k) One (1) motor vehicle owned by the unremarried  
123 surviving spouse of a member of the Armed Forces of the United  
124 States who, while on active duty, is killed or dies and one (1)  
125 motor vehicle owned by the unremarried surviving spouse of a  
126 member of a reserve component of the Armed Forces of the United  
127 States or of the National Guard who, while on active duty for  
128 training, is killed or dies shall be exempt from ad valorem taxes.

129 (l) Motor vehicles owned by recipients of the  
130 Congressional Medal of Honor or by former prisoners of war, or by  
131 spouses of such deceased persons, in accordance with Section

132 27-19-54, shall be exempt from all ad valorem taxes.

133 (m) Any religious society, ecclesiastical body or any  
134 congregation thereof shall be exempt from ad valorem taxation on  
135 one (1) private carrier of passengers, as defined in Section  
136 27-19-3, owned by it, which is used exclusively for such society  
137 and not for profit. All motor vehicles owned by any such  
138 religious society or any educational institution having a seating  
139 capacity greater than seven (7) passengers and used exclusively  
140 for transporting passengers for religious or educational purposes  
141 and not for profit shall be exempt from all ad valorem taxes.

142 (n) All motor vehicles primarily used as rentals under  
143 rental agreements with a term of not more than thirty (30)  
144 continuous days each and under the control of persons who are  
145 engaged in the business of renting such motor vehicles and who are  
146 subject to the tax under Section 27-65-231 shall be exempt from  
147 all ad valorem taxes.

148 (o) Antique motorcycles as defined in Section  
149 27-19-47.1, shall be exempt from all ad valorem taxes.

150 (3) Any claim for tax exemption by authority of the  
151 above-mentioned code sections or by any other legal authority  
152 shall be set out in the application for the road and bridge  
153 privilege license, and the specific legal authority for such tax  
154 exemption claim shall be cited in said application, and such  
155 authority cited shall be shown by the tax collector on the tax  
156 receipt as his authority for not collecting such ad valorem taxes,  
157 and the tax collector shall carry forward such information in his  
158 tax collection reports.

159 (4) Any motor vehicle driven over the highways of this state  
160 to the extent that the owner of such motor vehicle is required to  
161 purchase a road and bridge privilege license in this state, yet  
162 the legal situs of such motor vehicle is located in another state,  
163 shall be exempt from ad valorem taxes authorized by this chapter.

164 (5) If a taxpayer shall sell, trade or otherwise dispose of

165 a vehicle on which the ad valorem and road and bridge privilege  
166 taxes have been paid in any county in the state, he shall remove  
167 the license plate from the vehicle. Such license plate must be  
168 surrendered to the issuing authority with the corresponding tax  
169 receipt, if required, and credit shall be allowed for the taxes  
170 paid for the remaining tax year on like privilege or ad valorem  
171 taxes due on another vehicle owned by the seller or transferor or  
172 by the seller's or transferor's spouse or dependent child. If the  
173 seller or transferor does not elect to receive such credit at the  
174 time the license plate is surrendered, the issuing authority shall  
175 issue a certificate of credit to the seller or transferor, or to  
176 the seller's or transferor's spouse or dependent child, or to any  
177 other person, business or corporation, at the direction of the  
178 seller or transferor, for the remaining unexpired taxes prorated  
179 from the first day of the month following the month in which the  
180 license plate is surrendered. The total of such credit may be  
181 used by the person or entity to whom the certificate of credit is  
182 issued, regardless of the relative amounts attributed to privilege  
183 taxes or to county, school or municipal ad valorem taxes. Any  
184 credit allowed for taxes due or any certificate of credit issued  
185 may be applied to like taxes owed in any county by the person to  
186 whom the credit is allowed or by the person possessing the  
187 certificate of credit. Except as provided in subsection (6) of  
188 this section, no credit, however, shall be allowed on the charge  
189 made for the license plate. Such license plates surrendered to  
190 the tax collector shall be retained by him, and in no event shall  
191 such license plate be attached to any vehicle after being  
192 surrendered to the tax collector, nor shall any license plate be  
193 transferred from one (1) vehicle to any other vehicle.

194 (6) If the owner of a motor vehicle for which a personalized  
195 license tag has been issued under Section 27-19-48, or for which a  
196 distinctive license tag has been issued under Section 27-19-56.1,  
197 27-19-56.2, 27-19-56.3, 27-19-56.4, 27-19-56.5, 27-19-56.7,

198 27-19-56.8, 27-19-56.10 or 27-19-56.14, sells, assigns or  
199 transfers the vehicle before expiration of the current tax year,  
200 then, in addition to being entitled to receive credit or a  
201 certificate of credit for privilege and ad valorem taxes paid on  
202 that vehicle for the remaining tax year as provided in subsection  
203 (5) of this section, he shall be allowed credit for the special  
204 tag fee he paid for the personalized or distinctive license tag  
205 for the remaining tax year on like fees due on another vehicle  
206 owned by the seller or transferor. If the seller or transferor  
207 does not elect to receive such credit at the time the vehicle is  
208 sold or transferred, then the issuing authority shall issue a  
209 certificate of credit to the seller or transferor for the  
210 remaining unexpired special tag fee prorated from the first day of  
211 the month following the month in which the vehicle is sold or  
212 transferred. Any such credit allowed or certificate of credit  
213 issued may be applied to like fees owed in any county on a  
214 personalized or distinctive license tag for another vehicle owned  
215 by the person to whom the credit was allowed or certificate of  
216 credit was issued.

217       (7) If the person owning a vehicle subject to taxation under  
218 the provisions of this chapter does not operate such vehicle on  
219 the highways of this state from the date of acquisition or, if  
220 previously registered, from the end of the anniversary month of  
221 the tag and decals to the date on which he makes application for a  
222 current license tag or decals, he shall pay such ad valorem tax  
223 for a period of twelve (12) months beginning with the first day of  
224 the month in which he applies for a current license tag or decals  
225 under Chapter 19, Title 27, Mississippi Code of 1972. The owner  
226 shall submit an affidavit with an application attesting to the  
227 fact that the vehicle was not operated on the highways of this  
228 state from the date of acquisition or, if previously registered,  
229 from the end of the anniversary month of the tag and decals to the  
230 date on which he makes application for the current license tag or

231 decals.

232       (8) Any person found violating any of the provisions of this  
233 section shall be arrested and tried, and if found guilty shall be  
234 fined in an amount double the total amount of taxes involved.

235       SECTION 3. This act shall take effect and be in force from  
236 and after July 1, 1999.