

*****Pending*****

AMENDMENT No. 1 PROPOSED TO

House Bill NO. 1480

By Senator(s) Committee

**Amend by striking all after the enacting clause and inserting
in lieu thereof the following:**

11 SECTION 1. Section 27-21-3, Mississippi Code of 1972, is
12 amended as follows:

13 27-21-3. There is hereby levied a statewide privilege tax
14 upon every person, firm, corporation, or association, other than
15 banks, state or national, doing business of lending money secured
16 by mortgages, trust receipts, retained-title or purchase
17 contracts, on motor vehicles, furniture, refrigerators containing
18 mechanical freezing units operated by gas or electricity, or
19 radios or any other tangible personal property, located in the
20 State of Mississippi, or doing a business of purchasing,
21 discounting, or otherwise acquiring notes, trust receipts, or
22 other forms of indebtedness secured by liens, in the form of
23 mortgages, retained-title or purchase contracts, or other liens,
24 upon motor vehicles, furniture, refrigerators containing
25 mechanical units operated by gas or electricity or other fuels, or
26 radios or any other tangible personal property, located in this
27 state (not including, however, cotton, cotton seed or agricultural
28 products); the amount of said tax to bear a direct relationship to
29 the value of the securities held, owned, or acquired by such
30 person, firm, corporation or association, and exacted in return
31 for the protection afforded by the government and laws of this

32 state in the enjoyment of such ownership and rights acquired
33 thereby; the tax to be computed by application of the rate
34 hereinafter set out to the total value of such securities, other
35 than those securities representing loans for the payment of the
36 wholesale sales price and those securities representing
37 transactions known as "floor plan," upon which no tax is to be
38 imposed. Provided, however, that the tax imposed in this chapter
39 shall not apply to (a) persons, firms or corporations engaged in
40 the general mercantile business, who make advancements of money,
41 merchandise and supplies to their customers and who take
42 mortgages, deeds of trust or other liens upon personal property to
43 secure the payment of the indebtedness thus incurred; * * * (b) a
44 member of an affiliated group as defined by Section 1504 of the
45 Internal Revenue Code of 1986, as amended, on July 1, 1995, with
46 respect to loans made by one member of the affiliated group to
47 another and who is not otherwise engaged in the business of
48 loaning money secured by tangible personal property; or (c) loans
49 which are secured by mortgages, security interests, trust
50 receipts, retained-title or purchase contracts or other liens,
51 when the lender is neither a dealer in such security documents nor
52 a dealer selling the tangible personal property which secures the
53 monetary obligation.

54 SECTION 2. Section 75-67-135, Mississippi Code of 1972, is
55 amended as follows:

56 75-67-135. (1) This article shall not apply to any person,
57 firm, partnership, corporation or association doing business under
58 any of the laws of this state relating to banks, savings banks,
59 trust companies, building and loan associations, insurance
60 companies, pawnbrokers or credit unions; nor shall this article
61 apply to any person, firm, partnership, corporation or association
62 concerning loans made to the employees or farm tenants of such
63 person, firm, partnership or corporation or association; nor to
64 loans or advances made to be used in or in the furtherance of

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65 farming or agricultural operations; nor to loans insured or
66 guaranteed by the United States or any of its agencies; nor to
67 persons, firms, partnerships, associations or corporations making
68 loans only secured by real estate; nor to dealers and sellers or
69 purchasers of conditional sales or retained title contracts on
70 real or personal property; nor an occasional lender not regularly
71 engaged in the business of lending money, but such lender shall be
72 governed by the usury statutes of this state; nor in the case of
73 any loan that is exempt from the federal Truth in Lending Act and
74 Regulation Z.

75 (2) Nothing in this article shall limit the amount or type
76 of any noncredit life insurance policies which a licensee may sell
77 to a borrower, nor the premium for any such insurance, if such
78 insurance is provided by an insurer qualified to do business in
79 Mississippi, and if the licensee is not a beneficiary or loss
80 payee under such insurance. This subsection shall not apply to
81 sales of credit insurance, or the limits on credit life insurance,
82 as provided by Section 75-67-121.

83 SECTION 3. Section 75-67-241, Mississippi Code of 1972, is
84 amended as follows:

85 75-67-241. This article shall not apply to any person, firm,
86 partnership, corporation or association doing business under any
87 of the laws of this state relating to banks, savings banks, trust
88 companies, building and loan associations, insurance companies,
89 credit unions or pawnbrokers; nor shall this article apply to any
90 person, firm, partnership, corporation or association concerning
91 loans made to the employees or farm tenants of such person, firm,
92 partnership or corporation or association; nor to loans or
93 advances made to be used in or in the furtherance of farming or
94 agricultural operations; nor to loans insured or guaranteed by the
95 United States or any of its agencies; nor to persons, firms,
96 partnerships, associations or corporations making loans only
97 secured by real estate; nor to dealers and sellers or purchasers

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98 of conditional sales or retained title contracts on real or
99 personal property; nor a member of an affiliated group as defined
100 by Section 1504 of the Internal Revenue Code of 1986, as amended,
101 on May 24, 1995, with respect to loans made by one member of the
102 affiliated group to another and who is not otherwise engaged in
103 the business of loaning money secured by tangible personal
104 property; nor an occasional lender not regularly engaged in the
105 business of lending money, but such lender shall be governed by
106 the usury statutes of this state; nor in the case of any loan that
107 is exempt from the federal Truth in Lending Act and Regulation Z.

108 SECTION 4. This act shall take effect and be in force from
109 and after July 1, 1999.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTION 27-21-3, MISSISSIPPI CODE OF 1972, TO
2 EXEMPT CERTAIN LOANS FROM THE FINANCE COMPANY PRIVILEGE TAX; TO
3 AMEND SECTION 75-67-135, MISSISSIPPI CODE OF 1972, TO EXEMPT
4 CERTAIN LOANS FROM THE SMALL LOAN REGULATORY LAW AND TO PROVIDE
5 THAT THE SMALL LOAN REGULATORY LAW SHALL NOT LIMIT THE AMOUNT OR
6 TYPE OF ANY NONCREDIT LIFE INSURANCE POLICIES THAT A LICENSEE
7 UNDER SUCH LAW MAY SELL TO A BORROWER; TO AMEND SECTION 75-67-241,
8 MISSISSIPPI CODE OF 1972, TO EXEMPT CERTAIN LOANS FROM THE SMALL
9 LOAN PRIVILEGE TAX LAW; AND FOR RELATED PURPOSES.