

By: Warren

To: Ways and Means

HOUSE BILL NO. 385

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:[JWB1]

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 (p) Motor vehicles owned by recipients of the Purple
151 Heart as provided in Section 27-19-56.5.

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

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

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

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

195 transferred from one (1) vehicle to any other vehicle.

196 (6) If the owner of a motor vehicle for which a personalized
197 license tag has been issued under Section 27-19-48, or for which a
198 distinctive license tag has been issued under Section 27-19-56.1,
199 27-19-56.2, 27-19-56.3, 27-19-56.4, 27-19-56.5, 27-19-56.7,
200 27-19-56.8, 27-19-56.10 or 27-19-56.14, sells, assigns or
201 transfers the vehicle before expiration of the current tax year,
202 then, in addition to being entitled to receive credit or a
203 certificate of credit for privilege and ad valorem taxes paid on
204 that vehicle for the remaining tax year as provided in subsection
205 (5) of this section, he shall be allowed credit for the special
206 tag fee he paid for the personalized or distinctive license tag
207 for the remaining tax year on like fees due on another vehicle
208 owned by the seller or transferor. If the seller or transferor
209 does not elect to receive such credit at the time the vehicle is
210 sold or transferred, then the issuing authority shall issue a
211 certificate of credit to the seller or transferor for the
212 remaining unexpired special tag fee prorated from the first day of
213 the month following the month in which the vehicle is sold or
214 transferred. Any such credit allowed or certificate of credit
215 issued may be applied to like fees owed in any county on a
216 personalized or distinctive license tag for another vehicle owned
217 by the person to whom the credit was allowed or certificate of
218 credit was issued.

219 (7) If the person owning a vehicle subject to taxation under
220 the provisions of this chapter does not operate such vehicle on
221 the highways of this state from the date of acquisition or, if
222 previously registered, from the end of the anniversary month of

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

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

237 SECTION 3. This act shall take effect and be in force from
238 and after July 1, 2000.