HOUSE BILL NO. 918

AN ACT TO AMEND SECTION 27-51-41, MISSISSIPPI CODE OF 1972, TO PROVIDE AN EXEMPTION FROM A CERTAIN PORTION OF THE MOTOR VEHICLE AD VALOREM TAXES ON ANY VEHICLE OWNED BY A RESIDENT OF THE STATE OF MISSISSIPPI WHO IS ON ACTIVE DUTY SERVICE AS A MEMBER OF THE ARMED FORCES OF THE UNITED STATES AND WHO IS STATIONED OUTSIDE OF THE STATE OF MISSISSIPPI PURSUANT TO MILITARY ORDERS; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-51-41, Mississippi Code of 1972, is amended as follows:

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

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

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

(b) All motor vehicles belonging to the federal government or the State of Mississippi or any agencies or instrumentalities thereof shall be exempt from all ad valorem taxes.
(c) All motor vehicles owned by any school district in the state shall be exempt from all ad valorem taxes.

(d) All motor vehicles owned by any fire protection district incorporated in accordance with Sections 19-5-151 through 19-5-207 or by any fire protection grading district incorporated in accordance with Sections 19-5-215 through 19-5-243 shall be exempt from all ad valorem taxes.

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

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

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

(h) Antique automobiles as defined in Section 27-19-47, and antique pickup trucks as provided for under Section 27-19-47.2, Mississippi Code of 1972, shall be exempt from all ad valorem taxes.

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

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

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

(1) Motor vehicles owned by recipients of the
Congressional Medal of Honor or by former prisoners of war, or by
spouses of such deceased persons, in accordance with Section
27-19-54, shall be exempt from all ad valorem taxes.

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

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

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

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

(q) Any motor vehicle owned by a resident of the State
of Mississippi who is on active duty service as a member of the
Armed Forces of the United States and who is stationed outside of
the State of Mississippi pursuant to military orders is exempt
from ad valorem taxes in an amount equal to the amount by which
the ad valorem taxes when added to the privilege taxes exceeds:

(i) Fifty Dollars ($50.00) for a vehicle that is
five (5) years old or less; or
(ii) Twenty-five Dollars ($25.00) for a vehicle that is older than five (5) years.

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

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

(5) If a taxpayer shall sell, trade or otherwise dispose of a vehicle on which the ad valorem and road and bridge privilege taxes have been paid in any county in the state, he shall remove the license plate from the vehicle. Such license plate must be surrendered to the issuing authority with the corresponding tax receipt, if required, and credit shall be allowed for the taxes paid for the remaining tax year on like privilege or ad valorem taxes due on another vehicle owned by the seller or transferor or by the seller’s or transferor’s spouse or dependent child. If the seller or transferor does not elect to receive such credit at the time the license plate is surrendered, the issuing authority shall issue a certificate of credit to the seller or transferor, or to the seller’s or transferor’s spouse or dependent child, or to any other person, business or corporation, at the direction of the seller or transferor, for the remaining unexpired taxes prorated from the first day of the month following the month in which the license plate is surrendered. The total of such credit may be
used by the person or entity to whom the certificate of credit is issued, regardless of the relative amounts attributed to privilege taxes or to county, school or municipal ad valorem taxes. Any credit allowed for taxes due or any certificate of credit issued may be applied to like taxes owed in any county by the person to whom the credit is allowed or by the person possessing the certificate of credit. No credit, however, shall be allowed on the charge made for the license plate. Such license plates surrendered to the tax collector shall be retained by him, and in no event shall such license plate be attached to any vehicle after being surrendered to the tax collector, nor shall any license plate be transferred from one (1) vehicle to any other vehicle.

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

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

SECTION 2. Nothing in this act shall affect or defeat any claim, assessment, appeal, suit, right or cause of action for taxes due or accrued under the motor vehicle ad valorem laws.
before the date on which this act becomes effective, whether such
claims, assessments, appeals, suits or actions have been begun
before the date on which this act becomes effective or are begun
thereafter; and the provisions of the motor vehicle ad valorem tax
laws are expressly continued in full force, effect and operation
for the purpose of the assessment, collection and enrollment of
liens for any taxes due or accrued and the execution of any
warrant under such laws before the date on which this act becomes
effective, and for the imposition of any penalties, forfeitures or
claims for failure to comply with such laws.

SECTION 3. This act shall take effect and be in force from
and after July 1, 2001.