SENATE BILL NO. 2982

AN ACT TO AMEND SECTION 27-19-303, MISSISSIPPI CODE OF 1972, TO REVISE THE DEFINITION OF THE TERMS "MOTOR VEHICLE DEALER" AND "LIMITED MOTOR VEHICLE DEALER" IN THE MOTOR VEHICLE DEALER TAG PERMIT LAW BY REVISIONING THE NUMBER OF VEHICLES THAT MUST BE SOLD IN ORDER TO BE INCLUDED IN SUCH DEFINITIONS; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-19-303, Mississippi Code of 1972, is amended as follows:

The following words and phrases, when used in this article, shall for purposes thereof have the meaning respectively ascribed thereto as follows:

(1) "Motor vehicle" shall mean every vehicle intended primarily for use and operation on the public highways, which is self-propelled and every vehicle intended primarily for operation on the public highways, which is not driven or propelled by its own power, but which is designed either to be attached to and become a part of or to be drawn by a self-propelled vehicle, but not including farm tractors and other machines and tools used in production, harvesting and care of farm products.

(2) "Person" shall mean every natural person, firm, copartnership, association or corporation.

(3) "Motor vehicle dealer" shall mean any business engaged in the selling or exchanging of new or new and used motor vehicles or used vehicles; and, which has an established place of business open for inspection at any time by any peace officer or the Chairman of the State Tax Commission or one of his authorized
representatives during reasonable hours; and, which buys and sells
or exchanges at least five (5) vehicles per year.

(4) "Dealer" shall mean such of the principal officers of a
corporation registered as a motor vehicle dealer, and such of the
partners of a copartnership registered as a motor vehicle dealer
as are actively and principally engaged in the motor vehicle
business. The term "dealer" shall not include:

(a) Directors, stockholders or inactive partners; or
(b) Receivers, trustees, administrators, executors,
guardians, or other persons appointed by or acting under any
judgment or order of any court, whether state or federal; or
(c) Public officers while performing their official
   duties; or
(d) Persons disposing of motor vehicles acquired for
   their own use and actually so used when the same shall have been
   used, so acquired in good faith, and not for the purpose of
   avoiding the provisions of this article; or
(e) Persons who shall sell motor vehicles as an
   incident to their principal business but who are not engaged
   primarily in selling motor vehicles. The foregoing shall include
   only finance companies or banks which sell repossessed motor
   vehicles, and insurance companies which sell motor vehicles which
   they have taken into their possession as an incident of payment
   made under policies of insurance, and which do not maintain a used
   car lot or building with one or more employed motor vehicle
   salesmen.

(5) "New motor vehicle dealer" shall mean a business dealing
in new motor vehicles, tractors, trailers or semitrailers, or new
and used motor vehicles, tractors, trailers or semitrailers.

(6) "Used motor vehicle dealer" shall mean a business
dealing in used motor vehicles, tractors, trailers or
semitrailers. "Automobile dismantlers" shall also be classified
as used motor vehicle dealers.
(7) "Established place of business" shall mean any place owned or leased and regularly occupied by any person for the primary and principal purpose of engaging in selling, buying, bartering, exchanging or dealing in motor vehicles, tractors, trailers or semitrailers, whether same may be displayed or offered for sale and where the books and records required of the conduct of such business are maintained and kept. Established places of business shall be open for inspection at any time by any peace officer or employee of the motor vehicle comptroller's office during reasonable hours. To constitute a place of business, it shall be apparent that there is a holding out to the general public that an establishment is offering motor vehicles, tractors, trailers and semitrailers for sale. There shall be an office separate from and not in conjunction with or related to any other business for the purpose of transacting the business of offering motor vehicles, tractors, trailers or semitrailers for sale, or in lieu of such office there shall be an adequate display of identification as a motor vehicle dealer as specified by the Chairman of the State Tax Commission.

(8) "Automobile dismantler" shall mean any person who maintains an established place of business and who is engaged in the business of buying, selling or exchanging used motor vehicles, mobile homes or house trailers for the purpose of remodeling, taking apart or rebuilding same or buying and selling of parts of used motor vehicles and shall be classified as a used motor vehicle dealer.

(9) "Automobile auction" shall mean any person, firm, association, corporation or trust, resident or nonresident, acting as an agent for the purchaser or seller of motor vehicles.

(10) "Motor vehicle comptroller" shall mean the Chairman of the State Tax Commission, who shall be charged with the administration and enforcement of this article.
"Department" or "commission" shall mean the Chairman of
the State Tax Commission.
"Limited motor vehicle dealer" or "limited dealer"
shall mean any business engaged in the selling or exchanging of
new or used motor vehicles, or both, which buys and sells or
exchanges fewer than five (5) vehicles and is granted a limited
license at the discretion of the Chairman of the State Tax
Commission. Such limited dealer shall be awarded all privileges
of a "motor vehicle dealer," except for the purchase and use of
distinguishing number tags. A limited dealer shall abide by all
provisions and requirements of this article associated with a
"motor vehicle dealer."
"Wholesale motor vehicle dealer" or "wholesale dealer"
shall mean any business engaged in the selling or exchanging of
new or used motor vehicles, or both, strictly on a wholesale basis
with no inventory being maintained which is granted a wholesale
license at the discretion of the Chairman of the State Tax
Commission. Such wholesale dealer shall be awarded all privileges
of a "motor vehicle dealer," except for the purchase and use of
distinguishing number tags. A wholesale dealer shall abide by all
provisions and requirements of this article associated with a
"motor vehicle dealer," except for the requirement of the
"established place of business" and the requirement to buy, sell
or exchange at least five (5) motor vehicles per year.

SECTION 2. This act shall take effect and be in force from
and after its passage.