

By: Representative Creel

To: Ways and Means

## HOUSE BILL NO. 1195

1 AN ACT TO AMEND SECTION 27-19-40, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT A MOTOR VEHICLE DEALER SHALL ISSUE A TEMPORARY  
3 LICENSE TAG TO PERSONS WHO PURCHASE A MOTOR VEHICLE FROM THE  
4 DEALER; TO PROVIDE THAT THE TEMPORARY LICENSE TAG SHALL BE VALID  
5 FOR A PERIOD OF SEVEN DAYS; TO AUTHORIZE A MOTOR VEHICLE DEALER TO  
6 CHARGE A FEE FOR THE ISSUANCE OF SUCH TEMPORARY LICENSE TAGS; AND  
7 FOR RELATED PURPOSES.

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

9 **SECTION 1.** Section 27-19-40, Mississippi Code of 1972, is  
10 amended as follows:

11 27-19-40. (1) A motor vehicle dealer or automobile auction  
12 may apply to the State Tax Commission for special in-transit tags  
13 or plates, which when properly displayed shall authorize the motor  
14 vehicle dealer or automobile auction to operate a motor vehicle  
15 upon the highways of this state without paying the annual highway  
16 privilege tax upon such vehicle and without attaching any other  
17 license tag or plate to such vehicle, if:

18 (a) The movement of the motor vehicle is for the  
19 purpose of sale of such vehicle to another motor vehicle dealer or  
20 automobile auction;

21 (b) The motor vehicle is being moved from the place of  
22 business of one motor vehicle dealer or automobile auction to the  
23 place of business of another motor vehicle dealer or automobile  
24 auction; and

25 (c) The special in-transit tag or plate is displayed in  
26 plain view on the motor vehicle in the manner prescribed by the  
27 State Tax Commission.

28 (2) A motor vehicle dealer or automobile auction may apply  
29 for a temporary tag or plate to be used when a motor vehicle in



30 this state is sold by the motor vehicle dealer or automobile  
31 auction to a nonresident of the State of Mississippi or when a  
32 motor vehicle is sold by a motor vehicle dealer or automobile  
33 auction to a Mississippi resident who may temporarily exit this  
34 state before obtaining a Mississippi tag or plate. Such tag or  
35 plate when properly displayed shall authorize the purchaser of  
36 such a motor vehicle to operate the motor vehicle upon the  
37 highways of this state. The temporary tag or plate shall be valid  
38 for a period of seven (7) full working days, exclusive of the date  
39 of purchase, after the date the motor vehicle is purchased.

40 (3) The State Tax Commission shall issue such tags or plates  
41 to each motor vehicle dealer or automobile auction who applies for  
42 them upon payment of a fee in an amount equal to Two Dollars  
43 (\$2.00) for each in-transit tag or plate and Five Dollars (\$5.00)  
44 for each temporary tag or plate.

45 (4) The tags or plates authorized pursuant to this section  
46 shall be designed by the State Tax Commission. The State Tax  
47 Commission shall adopt rules and regulations necessary to  
48 implement this section, including, but not limited to, rules and  
49 regulations establishing procedures for issuing such tags or  
50 plates and for the use and display of such tags or plates. Each  
51 motor vehicle dealer or automobile auction who is issued tags or  
52 plates pursuant to this section shall keep such records as may be  
53 required by the State Tax Commission.

54 (5) Whenever a person purchases a motor vehicle from a motor  
55 vehicle dealer, he shall be issued a temporary tag or plate by the  
56 dealer. Each temporary tag or plate shall display the date of  
57 delivery of the vehicle and shall have a number to distinguish it  
58 from other such tags or plates. Application for such tags and  
59 plates shall be made on forms prepared by the State Tax Commission  
60 and provided to the dealer. Such tag or plate, when properly  
61 displayed, authorizes the person to operate the motor vehicle upon  
62 the highways of this state for a period of seven (7) full working



days, exclusive of the date of delivery, after the motor vehicle is purchased. Any dealer issuing a temporary tag or plate under this subsection may collect from the purchaser the cost of the temporary tag as determined by the State Tax Commission and a fee to cover the dealer's costs of complying with this subsection in an amount not to exceed Five Dollars (\$5.00). The penalties established under Section 27-19-63, are not applicable until after the expiration of the seven-day period under this subsection. The State Tax Commission may adopt and promulgate such rules and regulations as may be necessary to implement the provisions of this section.

(6) Any motor vehicle dealer or automobile auction who uses a tag or plate issued pursuant to this section for a purpose that is not authorized by this section shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of One Thousand Dollars (\$1,000.00) and the use of all tags or plates issued to such motor vehicle dealer or automobile auction pursuant to this section shall be suspended for a period of one (1) year.

(7) As used in this section, the terms "motor vehicle dealer" and "automobile auction" shall have the meanings ascribed to such terms in Section 27-19-303.

**SECTION 2.** This act shall take effect and be in force from and after July 1, 2002.

