

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



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

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

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

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

