

By: Senator(s) Kirby

To: Finance

SENATE BILL NO. 3045
(As Passed the Senate)

1 AN ACT TO AMEND SECTION 27-19-40, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT TEMPORARY TAGS OR PLATES ISSUED TO NONRESIDENTS
3 SHALL BE VALID FOR THE NUMBER OF DAYS WITHIN WHICH THE NONRESIDENT
4 IS REQUIRED TO OBTAIN A PERMANENT MOTOR VEHICLE LICENSE TAG OR
5 PLATE BY THE LAWS OF THE NONRESIDENT'S STATE OF RESIDENCE; TO
6 AUTHORIZE A MOTOR VEHICLE RENTAL COMPANY TO BE ISSUED A TEMPORARY
7 LICENSE TAG UPON THE PURCHASE OF A MOTOR VEHICLE FROM A DEALER; TO
8 PROVIDE THAT THE LICENSE TAG SHALL BE VALID FOR A PERIOD OF THIRTY
9 DAYS; TO AUTHORIZE A MOTOR VEHICLE DEALER TO CHARGE A FEE FOR THE
10 ISSUANCE OF SUCH LICENSE; AND FOR RELATED PURPOSES.

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

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

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

21 (a) The movement of the motor vehicle is for the
22 purpose of sale of such vehicle to another motor vehicle dealer or
23 automobile auction;

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

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



31 (2) A motor vehicle dealer or automobile auction may apply
32 for a temporary tag or plate to be used when a motor vehicle in
33 this state is sold by the motor vehicle dealer or automobile
34 auction to a nonresident of the State of Mississippi or when a
35 motor vehicle is sold by a motor vehicle dealer or automobile
36 auction to a Mississippi resident who may temporarily exit this
37 state before obtaining a Mississippi tag or plate. Such tag or
38 plate when properly displayed shall authorize the purchaser of
39 such a motor vehicle to operate the motor vehicle upon the
40 highways of this state. The temporary tag or plate shall be valid
41 for a period of seven (7) full working days, exclusive of the date
42 of purchase, after the date the motor vehicle is purchased;
43 however, if the temporary tag or plate is issued to a nonresident
44 of the State of Mississippi, the temporary tag or plate shall be
45 valid for the number of days within which the nonresident is
46 required to obtain a permanent motor vehicle license tag or plate
47 by the laws of the nonresident's state of residence.

48 (3) The State Tax Commission shall issue such tags or plates
49 to each motor vehicle dealer or automobile auction who applies for
50 them upon payment of a fee in an amount equal to Two Dollars
51 (\$2.00) for each in-transit tag or plate and Five Dollars (\$5.00)
52 for each temporary tag or plate.

53 (4) Whenever a rental company acquires a vehicle from a
54 dealer by sale or otherwise, the rental company may apply for a
55 temporary tag or plate to be issued by the dealer. Such tag or
56 plate, when properly displayed, authorizes the rental company to
57 operate the motor vehicle upon the highways of this state. The
58 temporary tag or plate is valid for a period of thirty (30) full
59 working days, exclusive of the date of delivery. Any dealer
60 issuing a temporary tag under this subsection may collect from the
61 purchaser requesting the issuance of the temporary tag a fee in
62 the amount of Five Dollars (\$5.00). The penalties established
63 under Section 27-19-63, are not applicable until after the



64 expiration of the thirty-day period under this subsection. For
65 the purposes of this subsection, the term "rental company" means
66 any person or entity in the business of providing primarily motor
67 vehicles to the public under a rental agreement for a rental
68 period not to exceed thirty (30) days.

69 (5) The tags or plates authorized pursuant to this section
70 shall be designed by the State Tax Commission. The State Tax
71 Commission shall adopt rules and regulations necessary to
72 implement this section, including, but not limited to, rules and
73 regulations establishing procedures for issuing such tags or
74 plates and for the use and display of such tags or plates. Each
75 motor vehicle dealer or automobile auction who is issued tags or
76 plates pursuant to this section shall keep such records as may be
77 required by the State Tax Commission.

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

85 (7) As used in this section, the terms "motor vehicle
86 dealer" and "automobile auction" shall have the meanings ascribed
87 to such terms in Section 27-19-303, Mississippi Code of 1972.

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

