HOUSE BILL NO. 112

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:

(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.

(b) All motor vehicles belonging to the federal government or the State of Mississippi or any agencies or instrumentalities thereof.

(c) All motor vehicles owned by any school district in the state.
(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 19-5-241.

(e) All motor vehicles owned by units of the Mississippi National Guard.

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

(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.

(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.

(i) Street rods as defined in Section 27-19-56.6.

(j) Motor vehicles owned by disabled American veterans, or by spouses of deceased disabled American veterans, in accordance with Section 27-19-53.

(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 or of the National Guard who, while on active duty for training, is killed or dies.

(l) 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.

(m) (i) One (1) private carrier of passengers, as defined in Section 27-19-3, owned by any religious society,
ecclesiastical body or any congregation thereof which is used exclusively for such society and not for profit.

(ii) 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.

(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.

(o) Antique motorcycles as defined in Section 27-19-47.1.

(p) One (1) motor vehicle owned by a recipient of the Purple Heart as provided in Section 27-19-56.5.

(q) Motor vehicles that are eligible to display an authentic historical license plate as provided for in Section 27-19-56.11.

(r) 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, 2003.