

By: Representative Moak

To: Transportation

HOUSE BILL NO. 162

1 AN ACT TO PROHIBIT ANY MOTOR VEHICLE FOR WHICH A SALVAGE OR
2 JUNK CERTIFICATE OF TITLE HAS BEEN ISSUED FROM BEING OPERATED ON
3 THE HIGHWAYS OF THIS STATE AND TO PROVIDE EXCEPTIONS THERETO; TO
4 PROVIDE THAT WHEN THE FRAME OR ENGINE IS REMOVED FROM A MOTOR
5 VEHICLE AND NOT IMMEDIATELY REPLACED BY ANOTHER FRAME OR ENGINE,
6 OR WHEN AN INSURANCE COMPANY HAS MADE A SETTLEMENT FOR A TOTAL
7 LOSS OF THE MOTOR VEHICLE, THE MOTOR VEHICLE SHALL BE CONSIDERED
8 SALVAGE; TO REQUIRE THAT THE OWNER OF EVERY MOTOR VEHICLE IN WHICH
9 TOTAL LOSS HAS OCCURRED TO MAKE APPLICATION FOR A SALVAGE
10 CERTIFICATE OF TITLE WITHIN 72 HOURS AFTER THE LOSS OCCURS; TO
11 PROVIDE THE TITLING PROCEDURE TO BE FOLLOWED BY AN INSURANCE
12 COMPANY IF IT OBTAINS A MOTOR VEHICLE IN SETTLEMENT OF AN
13 INSURANCE CLAIM AND THE VEHICLE IS NOT A TOTAL LOSS; TO PROVIDE
14 THAT A TOTAL LOSS OCCURS WHEN AN INSURANCE COMPANY OR ANY OTHER
15 PERSON PAYS OR MAKES OTHER MONETARY SETTLEMENT TO A PERSON WHEN A
16 VEHICLE IS DAMAGED AND THE DAMAGE TO THE VEHICLE IS GREATER THAN
17 OR EQUAL TO 75% OF THE FAIR RETAIL VALUE OF THE VEHICLE BEFORE
18 DAMAGE; TO PROVIDE THAT ANY PERSON ACQUIRING OWNERSHIP OF A
19 DAMAGED MOTOR VEHICLE THAT MEETS THE DEFINITION OF TOTAL LOSS AND
20 FOR WHICH A SALVAGE CERTIFICATE OR TITLE HAS NOT BEEN ISSUED SHALL
21 APPLY FOR A SALVAGE CERTIFICATE OF TITLE AND TO PROVIDE EXCEPTIONS
22 THERETO; TO MAKE IT UNLAWFUL FOR JUNK YARDS AND AUTOMOBILE
23 DISMANTLERS OR RECYCLERS TO HAVE IN THEIR POSSESSION ANY MOTOR
24 VEHICLE THAT IS JUNK OR SALVAGE OR A TOTAL LOSS WHEN THE
25 MANUFACTURER'S VEHICLE IDENTIFICATION NUMBER PLATE OR PLATES HAVE
26 BEEN REMOVED AND TO PROVIDE EXCEPTIONS THERETO; TO MAKE IT
27 UNLAWFUL TO POSSESS, SELL OR EXCHANGE, OR GIVE AWAY A CERTIFICATE
28 OF TITLE, MANUFACTURER'S IDENTIFICATION NUMBER PLATE, OR MOTOR
29 VEHICLE LICENSE PLATE OF ANY MOTOR VEHICLE THAT HAS BEEN SCRAPPED,
30 DISMANTLED OR SOLD AS JUNK OR SALVAGE OR AS A TOTAL LOSS CONTRARY
31 TO THIS ACT; TO PROVIDE FOR THE ISSUANCE OF A SALVAGE CERTIFICATE
32 OF TITLE BY THE STATE TAX COMMISSION AND TO PROVIDE THE FEE
33 THEREFOR; TO AUTHORIZE THE STATE TAX COMMISSION TO ISSUE A
34 CERTIFICATE OF TITLE TO ANY MOTOR VEHICLE FOR WHICH A SALVAGE
35 CERTIFICATE OF TITLE HAS BEEN ISSUED IF THE VEHICLE HAS BEEN
36 COMPLETELY RESTORED TO ITS OPERATING CONDITION WHICH EXISTED
37 BEFORE THE EVENT THAT CAUSED THE SALVAGE CERTIFICATE OF TITLE TO
38 BE ISSUED AND TO PROVIDE THE PROCEDURE FOR OBTAINING A CERTIFICATE
39 OF TITLE FOR SUCH A VEHICLE; TO PROVIDE THAT A SALVAGE VEHICLE
40 THAT HAS BEEN RESTORED TO ITS OPERATING CONDITION WHICH EXISTED
41 BEFORE THE EVENT WHICH CAUSED THE SALVAGE CERTIFICATE OF TITLE TO
42 BE ISSUED SHALL BE ISSUED A CERTIFICATE OF TITLE WHICH SHALL
43 CONTAIN THE WORD "REBUILT"; TO PROVIDE THAT EACH SALVAGE VEHICLE
44 THAT IS REBUILT SHALL BE ISSUED A DECAL, PLATE OR OTHER EMBLEM AS
45 PRESCRIBED BY THE DEPARTMENT OF PUBLIC SAFETY TO REFLECT THAT THE
46 VEHICLE IS REBUILT; TO REQUIRE THAT ANY PERSON WHO SELLS OR
47 OTHERWISE TRANSFERS ANY INTEREST IN ANY VEHICLE FOR WHICH A TITLE
48 BEARING THE DESIGNATION "SALVAGE" OR "REBUILT" HAS BEEN ISSUED
49 SHALL DISCLOSE IN WRITING THE EXISTENCE OF THIS TITLE TO THE
50 TRANSFEREE; TO AMEND SECTIONS 63-21-15, 63-21-33 AND 63-21-39,
51 MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR RELATED
52 PURPOSES.

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

54 **SECTION 1.** (1) No motor vehicle for which a salvage or junk
55 certificate of title has been issued by this state or any other
56 state shall be driven or operated on the highways or other public
57 places of this state. A vehicle which is in this state and for
58 which a salvage certificate of title has been issued, and the
59 vehicle is being restored to its operating condition that existed
60 before the event which caused the salvage certificate of title to
61 issue, may be moved to and from repair points as necessary by the
62 rebuilder to complete the restoration or may be moved as permitted
63 by the Department of Public Safety on the day the vehicle is
64 scheduled for inspection or for any other purpose.

65 (2) When the frame or engine is removed from a motor vehicle
66 and not immediately replaced by another frame or engine, or when
67 an insurance company has paid money or made other monetary
68 settlement as compensation for a total loss of any motor vehicle,
69 the motor vehicle shall be considered to be salvage. The owner of
70 every motor vehicle in which total loss or salvage has occurred
71 shall, within seventy-two (72) hours after the total loss or
72 salvage occurs, make application for a salvage certificate of
73 title to a designated agent and forward to the State Tax
74 Commission the certificate of title to the motor vehicle,
75 whereupon the State Tax Commission shall process the certificate
76 of title in a manner prescribed by law or regulation. An
77 insurance company that pays money or makes other monetary
78 settlement as compensation for total loss of a motor vehicle shall
79 obtain, at the time of payment or monetary settlement, the
80 vehicle's certificate of title and, within seventy-two (72) hours
81 after receiving the certificate of title, shall forward such
82 certificate along with an application for a salvage certificate of
83 title, to the State Tax Commission for processing. In the event
84 the payment or monetary settlement was made because of the theft
85 of the vehicle, which shall be considered a total loss as defined

86 in this section, the insurance company shall forward the vehicle's
87 properly assigned certificate of title as provided in this section
88 to the State Tax Commission as soon as practicable after the
89 vehicle is recovered. When a stolen motor vehicle for which a
90 salvage certificate of title has been issued is later recovered,
91 the owner recorded on the salvage certificate shall assign that
92 certificate to the purchaser.

93 (3) If an insurance company acquires a motor vehicle in
94 settlement of an insurance claim and holds the vehicle for resale
95 and procures the properly assigned certificate of title from the
96 owner or lienholder within fifteen (15) days after delivery of the
97 vehicle to the insurance company, and if the vehicle was not a
98 total loss as defined by this section, the insurance company need
99 not send the certificate of title to the State Tax Commission but,
100 upon transferring the vehicle to another person other than by the
101 creation of a security interest, the insurance company shall
102 execute the space reserved on the reverse of the title for first
103 reassignment by licensed dealer naming therein the transferee and
104 complete an affidavit of acquisition and disposition of the motor
105 vehicle on a form prescribed by the State Tax Commission and
106 deliver the certificate of title, affidavit and any other
107 documents required by the State Tax Commission to the transferee
108 at the time of delivery of the motor vehicle.

109 (4) For the purposes of this section, a total loss occurs
110 when an insurance company or any other person pays or makes other
111 monetary settlement to a person when a vehicle is damaged and the
112 damage to the vehicle is equal to or greater than seventy-five
113 percent (75%) of the fair retail value of the vehicle prior to
114 damage as set forth in a current edition of a nationally
115 recognized compilation of retail values, including automated data
116 bases, as approved by the State Tax Commission. The compensation
117 for total loss as defined in this subsection does not include
118 payments by an insurer or other person for medical care, bodily

119 injury, vehicle rental, or for anything other than the amount paid
120 for the actual damage to the motor vehicle. Actual damage
121 includes the cost of both labor and parts. A vehicle that has
122 sustained minor damage as a result of theft or vandalism shall not
123 be considered a total loss. Any person acquiring ownership of a
124 damaged motor vehicle that meets the definition of total loss for
125 which a salvage certificate of title has not been issued, other
126 than a scrap metal processor acquiring such vehicle for purposes
127 of recycling into metallic scrap for remelting purposes only,
128 shall apply for a salvage certificate of title. This application
129 shall be made before the vehicle is further transferred but, in
130 any event, within thirty (30) days after ownership is acquired.

131 (5) It is unlawful for the owner of any junkyard, salvage
132 yard or motor vehicle dismantler and parts recycler or his or her
133 agents or employees to have in his possession any motor vehicle
134 that is junk or salvage or a total loss when the manufacturer's
135 vehicle identification number plate or plates, authorized
136 replacement vehicle identification number plate or plates, or
137 serial plate or plates have been removed, unless previously
138 required to be removed by a statute or law of this state or
139 another jurisdiction.

140 (6) It is unlawful for a person, firm or corporation to
141 possess, sell or exchange, offer to sell or exchange, or to give
142 away any certificate of title, salvage certificate of title,
143 manufacturer's identification number plate or plates, authorized
144 replacement vehicle identification number plate or plates, serial
145 plate or plates, or motor vehicle license plate or plates of any
146 motor vehicle which has been scrapped, dismantled or sold as junk
147 or salvage or as a total loss contrary to this section, and every
148 officer, agent or employee of a person, firm or corporation, and
149 every person who authorizes, directs, aids in or consents to the
150 possession, sale or exchange, or offer to sell, exchange or give
151 away such certificate of origin, certificate of title, salvage

152 certificate of title, manufacturer's vehicle identification number
153 plate or plates, authorized replacement vehicle identification
154 number plate or plates, serial plate or plates, or motor vehicle
155 license plate or plates contrary to this section, upon conviction,
156 is guilty of a misdemeanor and shall be punished as provided in
157 Section 63-21-71.

158 (7) The State Tax Commission may issue a salvage certificate
159 of title for a fee of Fifteen Dollars (\$15.00) on a form
160 prescribed by the State Tax Commission which provides for
161 assignments of this title. The salvage certificate of title is to
162 replace a certificate of title required to be surrendered by this
163 section. The State Tax Commission shall prescribe necessary forms
164 and procedures to comply with this subsection. Salvage and
165 rebuilt brands contained in certificates of title last issued by
166 another jurisdiction shall be carried forward on the Mississippi
167 certificate of title. The State Tax Commission may carry forward
168 other brand or brands comparable on the Mississippi certificate of
169 title.

170 (8) It is unlawful for a person to sign as assignor, or for
171 a person to have in his or her possession a salvage certificate of
172 title or any other certificate of title that has been signed by
173 the owner as assignor, without the name of the assignee and other
174 information called for on the title document prescribed by the
175 State Tax Commission. A person who violates this subsection, upon
176 conviction, is guilty of a misdemeanor and shall be punished as
177 provided by law.

178 (9) Every owner of a salvage or junk motor vehicle who sells
179 or transfers the vehicle to any person other than to a scrap metal
180 processor for purposes of recycling into metallic scrap for
181 remelting purposes only shall provide at the time of the sale or
182 transfer a properly executed assignment and warranty of title to
183 the transferee in the space provided therefor on the salvage

184 certificate of title or junk certificate or as the State Tax
185 Commission prescribes.

186 (10) The State Tax Commission may issue a certificate of
187 title containing the word "rebuilt" to any motor vehicle for which
188 a salvage certificate has been issued by this or any other state,
189 and the vehicle has, in this state, been completely restored to
190 its operating condition which existed before the event which
191 caused the salvage certificate of title to issue, provided that
192 all requirements of this section have been met. No certificate of
193 title may be issued for any motor vehicle for which a junk
194 certificate of title, junk certificate, permit to dismantle, parts
195 only, or ownership documents issued by another jurisdiction having
196 the same meaning has been issued or for a vehicle which is sold
197 for parts only.

198 (11) Every owner of a salvage motor vehicle that is in this
199 state and that has been restored in this state to its operating
200 condition which existed before the event which caused the salvage
201 certificate of title to issue shall make application to the
202 Department of Public Safety for an inspection of the vehicle in
203 the form and content as determined by the Department of Public
204 Safety. Each application for inspection of a salvage vehicle that
205 has been so restored shall be accompanied by all of the following:

206 (a) The outstanding salvage certificate of title or
207 out-of-state title previously issued for the salvage vehicle.

208 (b) Notarized bills of sale evidencing acquisition of
209 all major component parts (listing the manufacturer's vehicle
210 identification number of the vehicle from which the parts were
211 removed, if parts contain or should contain the manufacturer's
212 vehicle identification number) used to restore the vehicle and
213 bills of sale evidencing acquisition of all minor component parts.
214 Notarization is not required on bills of sale for minor component
215 parts; however, a notarized bill of sale that lists the
216 manufacturer's vehicle identification number of the vehicle from

217 which the parts were removed, if parts contain or should contain
218 the manufacturer's vehicle identification number. A notarized
219 bill of sale bearing the manufacturer's vehicle identification
220 number is required for a transmission.

221 (c) The owner shall also provide a written affirmation
222 which states the following:

223 (i) That the owner has rebuilt the vehicle or
224 supervised its rebuilders, and what has been done to restore the
225 vehicle to its operating condition which existed before the event
226 that caused the salvage certificate to issue.

227 (ii) That the owner personally inspected the
228 completed vehicle and it complies with all safety requirements set
229 forth by the State of Mississippi and any regulations promulgated
230 thereunder.

231 (iii) That the identification numbers of the
232 restored vehicle and its parts have not, to the knowledge of the
233 owner, been removed, destroyed, falsified, altered or defaced.

234 (iv) That the salvage certificate of title or
235 out-of-state title certificate attached to the application has
236 not, to the knowledge of the owner, been forged, falsified,
237 altered or counterfeited.

238 (v) That all information contained on the
239 application and its attachments is true and correct to the
240 knowledge of the owner.

241 (12) (a) The application fee for each inspection of a
242 restored vehicle shall be Seventy-five Dollars (\$75.00), payable
243 by certified funds to the Department of Public Safety, which shall
244 accompany the application for inspection.

245 (b) All applications for inspection fees received by
246 the Department of Public Safety shall be applied toward the
247 personnel and maintenance costs of the vehicle inspection program.
248 Persons seeking to have vehicles inspected as provided in this
249 section shall first contact the Department of Public Safety

250 substation for the purpose of reserving a specified time to
251 present the vehicle for inspection. Upon receipt of the
252 application for inspection and the Seventy-five Dollar (\$75.00)
253 fee, the Department of Public Safety shall inspect the vehicle.
254 Upon successfully passing inspection a completed inspection
255 certificate shall be issued according to procedures of the
256 Department of Public Safety. Following inspection, the applicant
257 shall make his application for a new certificate of title to the
258 State Tax Commission, as provided in Section 63-21-15, and shall
259 attach the inspection certificate issued by the Department of
260 Public Safety, the salvage certificate of title of the vehicle,
261 affidavits, bills of sale and other documents that may be required
262 by the State Tax Commission, and the designated agent shall cause
263 such documents to be forwarded to the State Tax Commission, along
264 with the required title fee.

265 (c) The inspection and certification shall include an
266 examination of the vehicle and its parts to determine that the
267 identification numbers of the vehicle or its parts have not been
268 removed, falsified, altered, defaced, destroyed or tampered with;
269 that the vehicle information contained in the application for
270 certificate of title and supporting documents is true and correct;
271 and that there are no indications that the vehicle or any of its
272 parts are stolen. The certification shall not attest to the
273 roadworthiness or safety condition of the vehicle.

274 (13) Component parts are defined as:

275 (a) Passenger vehicles.

276 (i) Major components:

- 277 1. Motor or engine.
- 278 2. Trunk floor pan or rear section and roof.
- 279 3. Frame or any portion thereof (except frame
280 horn), or, in the case of a unitized body, the supporting
281 structure which serves as the frame, except when it is a part of
282 the trunk floor pan, or rear section and roof.

- 283 4. Cowl, firewall, or any portion thereof.
- 284 5. Roof assembly.
- 285 (ii) Minor components:
- 286 1. Each door allowing entrance to or egress
- 287 from the passenger compartment.
- 288 2. Hood.
- 289 3. Each front fender or each rear fender when
- 290 used with a rear section and roof.
- 291 4. Deck lid, tailgate or hatchback (whichever
- 292 is present).
- 293 5. Each quarter panel.
- 294 6. Each bumper.
- 295 7. T-tops, moon roof, or whichever is
- 296 present.
- 297 8. Transmission or transaxle.
- 298 (b) Truck, truck type or bus type vehicles.
- 299 (i) Major components:
- 300 1. Motor or engine.
- 301 2. Transmission or transaxle.
- 302 3. Frame or any portion thereof (except frame
- 303 horn), or, in the case of a unitized body, the supporting
- 304 structure which serves as the frame.
- 305 4. Cab.
- 306 5. Cowl or firewall or any portion thereof.
- 307 6. Roof assembly.
- 308 7. Cargo compartment floor panel or passenger
- 309 compartment floor pan.
- 310 (ii) Minor components:
- 311 1. Each door.
- 312 2. Hood.
- 313 3. Grill, except on one-ton truck or smaller
- 314 trucks.
- 315 4. Each bumper.

- 316 5. Each front fender.
317 6. Roof panel and rear cab panel.
318 7. Each rear fender or side panel.
319 8. Pickup box.
320 9. Body or bed.

321 (c) Motorcycle: component parts.

- 322 (i) Engine or motor.
323 (ii) Transmission or transaxle.
324 (iii) Frame.
325 (iv) Front fork.
326 (v) Crankcase.

327 (14) A salvage vehicle that has been restored in this state
328 to its operating condition that existed before the event which
329 caused the salvage certificate of title to issue shall be issued a
330 certificate of title that contains the word "rebuilt."

331 (15) (a) Each salvage vehicle restored or rebuilt in this
332 state that is required to be inspected by the Department of Public
333 Safety pursuant to subsection (12) of this section and for which a
334 certificate of title may be issued pursuant to subsection (14) of
335 this section shall be issued a decal, plate or other emblem as
336 prescribed by the Department of Public Safety to reflect that the
337 vehicle is rebuilt. The decal, plate or other emblem shall be
338 attached to the vehicle in a place and in a manner prescribed by
339 the Department of Public Safety.

340 (b) A person who willfully removes, mutilates, tampers
341 with, obliterates or destroys a decal, plate or other emblem
342 issued and attached to a salvage vehicle pursuant to this
343 subsection is guilty of a misdemeanor and shall be punished as
344 provided in Section 63-21-71.

345 (16) Each person who sells, exchanges, delivers or otherwise
346 transfers any interest in any vehicle for which a title bearing
347 the designation "salvage" or "rebuilt" has been issued shall
348 disclose in writing the existence of this designation contained on

349 the title to the prospective purchaser, recipient in exchange,
350 recipient by donation, or recipient by other act of transfer. The
351 disclosure, which shall be made at the time of or prior to the
352 completion of the sale, exchange, donation or other act of
353 transfer shall contain the following information in no smaller
354 than ten-point type: "This vehicle's title contains the
355 designation 'salvage' or 'rebuilt.'"

356 (17) This section does not apply to any motor vehicle that
357 is ten (10) years old or older with a value of One Thousand Five
358 Hundred Dollars (\$1,500.00) or less.

359 **SECTION 2.** Section 63-21-15, Mississippi Code of 1972, is
360 amended as follows:

361 63-21-15. (1) The application for the certificate of title
362 of a vehicle, manufactured home or mobile home in this state shall
363 be made by the owner to a designated agent, on the form the State
364 Tax Commission prescribes, and shall contain or be accompanied by
365 the following, if applicable:

366 (a) The name, current residence and mailing address of
367 the owner;

368 (b) (i) If a vehicle, a description of the vehicle,
369 including the following data: year, make, model, vehicle
370 identification number, type of body, the number of cylinders,
371 odometer reading at the time of application, and whether new or
372 used; and

373 (ii) If a manufactured home or mobile home, a
374 description of the manufactured home or mobile home, including the
375 following data: year, make, model number, serial number and
376 whether new or used;

377 (c) The date of purchase by applicant, the name and
378 address of the person from whom the vehicle, manufactured home or
379 mobile home was acquired, and the names and addresses of any
380 lienholders in the order of their priority and the dates of their
381 security agreements;

382 (d) In connection with the transfer of ownership of a
383 manufactured home or mobile home sold by a sheriff's bill of sale,
384 a copy of the sheriff's bill of sale;

385 (e) (i) An odometer disclosure statement made by the
386 transferor of a motor vehicle. The statement shall read:

387 "Federal and state law requires that you state the mileage in
388 connection with the transfer of ownership. Failure to complete or
389 providing a false statement may result in fine and/or
390 imprisonment.

391 I state that the odometer now reads _____ (no tenths)
392 miles and to the best of my knowledge that it reflects the actual
393 mileage of the vehicle described herein, unless one of the
394 following statements is checked:

395 _____ (1) I hereby certify that to the best of my
396 knowledge the odometer reading reflects the amount of mileage in
397 excess of its mechanical limits.

398 _____ (2) I hereby certify that the odometer reading is
399 not the actual mileage. WARNING-ODOMETER DISCREPANCY!"

400 (ii) In connection with the transfer of ownership
401 of a motor vehicle, each transferor shall disclose the mileage to
402 the transferee in writing on the title or on the document being
403 used to reassign the title, which form shall be prescribed and
404 furnished by the State Tax Commission. This written disclosure
405 must be signed by the transferor and transferee, including the
406 printed name of both parties.

407 Notwithstanding the requirements above, the following
408 exemptions as to odometer disclosure shall be in effect:

409 1. A vehicle having a gross vehicle weight
410 rating of more than sixteen thousand (16,000) pounds.

411 2. A vehicle that is not self-propelled.

412 3. A vehicle that is ten (10) years old or
413 older.

414 4. A vehicle sold directly by the
415 manufacturer to any agency of the United States in conformity with
416 contractual specifications.

417 5. A transferor of a new vehicle prior to its
418 first transfer for purposes other than resale need not disclose
419 the vehicle's odometer mileage.

420 (iii) Any person who knowingly gives a false
421 statement concerning the odometer reading on an odometer
422 disclosure statement shall be guilty of a misdemeanor and, upon
423 conviction, shall be subject to a fine of up to One Thousand
424 Dollars (\$1,000.00) or imprisonment of up to one (1) year, or
425 both, at the discretion of the court. These penalties shall be
426 cumulative, supplemental and in addition to the penalties provided
427 by any other law; and

428 (f) For previously used manufactured homes and mobile
429 homes that previously have not been titled in this state or any
430 other state, a disclosure statement shall be made by the owner of
431 the manufactured home or mobile home applying for the certificate
432 of title. That statement shall read:

433 "I state that the previously used manufactured home or mobile
434 home owned by me for which I am applying for a certificate of
435 title, to the best of my knowledge:

436 _____ (i) Has never been declared a total loss due
437 to flood damage, fire damage, wind damage or other damage; or

438 _____ (ii) Has previously been declared a total
439 loss due to:

440 _____ 1. Collision;

441 _____ 2. Flood;

442 _____ 3. Fire;

443 _____ 4. Wind;

444 _____ 5. Other (please describe): _____

445 _____."

446 (2) The application shall be accompanied by such evidence as
447 the State Tax Commission reasonably requires to identify the
448 vehicle, manufactured home or mobile home and to enable the State
449 Tax Commission to determine whether the owner is entitled to a
450 certificate of title and the existence or nonexistence of security
451 interests in the vehicle, manufactured home or mobile home and
452 whether the applicant is liable for a use tax as provided by
453 Sections 27-67-1 through 27-67-33.

454 (3) If the application is for a vehicle, manufactured home
455 or mobile home purchased from a dealer, it shall contain the name
456 and address of any lienholder holding a security interest created
457 or reserved at the time of the sale and the date of his security
458 agreement and it shall be signed by the dealer as well as the
459 owner. The designated agent shall promptly mail or deliver the
460 application to the State Tax Commission.

461 (4) If the application is for a new vehicle, manufactured
462 home or mobile home, it shall contain the certified manufacturer's
463 statement of origin showing proper assignments to the applicant
464 and a copy of each security interest document.

465 (5) Each application shall contain or be accompanied by the
466 certificate of a designated agent that the vehicle, manufactured
467 home or mobile home has been physically inspected by him and that
468 the vehicle identification number and descriptive data shown on
469 the application, pursuant to the requirements of subsection (1)(b)
470 of this section, are correct, and also that he has identified the
471 person signing the application and witnessed the signature. * * *

472 (6) If the application is for a first certificate of title
473 on a vehicle, manufactured home or mobile home other than a new
474 vehicle, manufactured home or mobile home, then the application
475 shall conform with the requirements of this section except that in
476 lieu of the manufacturer's statement of origin, the application
477 shall be accompanied by a copy of the bill of sale of said motor
478 vehicle, manufactured home or mobile home whereby the applicant

479 claims title or in lieu thereof, in the case of a motor vehicle,
480 certified copies of the last two (2) years' tag and tax receipts
481 or in lieu thereof, in any case, such other information the State
482 Tax Commission may reasonably require to identify the vehicle,
483 manufactured home or mobile home and to enable the State Tax
484 Commission to determine ownership of the vehicle, manufactured
485 home or mobile home and the existence or nonexistence of security
486 interest in it. If the application is for a vehicle, manufactured
487 home or mobile home last previously registered in another state or
488 country, the application shall also be accompanied by the
489 certificate of title issued by the other state or country, if any,
490 properly assigned.

491 (7) Every designated agent within this state shall, no later
492 than the next business day after they are received by him, forward
493 to the State Tax Commission by mail, postage prepaid, the
494 originals of all applications received by him, together with such
495 evidence of title as may have been delivered to him by the
496 applicants.

497 (8) An application for certificate of title and information
498 to be placed on an application for certificate of title may be
499 transferred electronically as provided in Section 63-21-16.

500 **SECTION 3.** Section 63-21-33, Mississippi Code of 1972, is
501 amended as follows:

502 63-21-33. If a dealer buys a vehicle, manufactured home or
503 mobile home and holds it for resale and procures the certificate
504 of title from the owner or the lienholder within ten (10) days
505 after delivery to him of the vehicle, manufactured home or mobile
506 home, he need not send the certificate to the State Tax
507 Commission. However, upon transferring the vehicle, manufactured
508 home or mobile home to another person other than by the creation
509 of a security interest, he shall promptly execute the assignment
510 and warranty of title by a dealer, showing the names and addresses
511 of the transferee and of any lienholder holding a security

512 interest created or reserved at the time of the resale and the
513 date of his security agreement, in the spaces provided therefor on
514 the certificate or as the State Tax Commission prescribes, and
515 deliver the certificate to a designated agent with the
516 transferee's application for a new certificate.

517 Every dealer shall maintain for five (5) years a record in
518 the form the State Tax Commission prescribes of every vehicle,
519 manufactured home or mobile home bought, sold or exchanged by him
520 or received by him for sale or exchange, which shall be open to
521 inspection by a representative of the State Tax Commission or
522 patrol or peace officer during reasonable business hours.

523 Any person found to be in possession of a vehicle,
524 manufactured home or mobile home with an improperly assigned title
525 which fails to identify the transferee shall immediately establish
526 ownership of the vehicle, manufactured home or mobile home,
527 register the vehicle, manufactured home or mobile home and pay the
528 required tax and penalty. The vehicle, manufactured home or
529 mobile home shall be impounded by state or local law enforcement
530 officials until such time as the person in possession can prove
531 ownership or until the rightful owner is located. In the event
532 the rightful owner cannot be established within thirty (30) days,
533 the vehicle, manufactured home or mobile home shall be deemed
534 abandoned and shall be disposed of as provided by law.

535 * * *

536 **SECTION 4.** Section 63-21-39, Mississippi Code of 1972, is
537 amended as follows:

538 63-21-39. * * * An owner who scraps, dismantles or destroys
539 a vehicle and a person who purchases a vehicle as scrap or to be
540 dismantled or destroyed shall indicate same on the back of the
541 certificate of title and shall immediately cause the certificate
542 of title and any other documents required by the State Tax
543 Commission to be mailed or delivered to the State Tax Commission
544 for cancellation. A certificate of title of the vehicle shall not

545 again be issued except upon application containing the information
546 the State Tax Commission requires, accompanied by a certificate of
547 inspection in the form and content specified in Section
548 63-21-15 * * *.

549 * * *

550 **SECTION 5.** Section 1 of this act shall be codified in
551 Chapter 21 of Title 63, Mississippi Code of 1972.

552 **SECTION 6.** This act shall take effect and be in force from
553 and after July 1, 2004.