

By: Representative Zuber

To: Ways and Means

HOUSE BILL NO. 189

1 AN ACT TO AMEND SECTION 27-51-41, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE AN EXEMPTION FROM A CERTAIN PORTION OF THE MOTOR  
3 VEHICLE AD VALOREM TAXES ON ANY VEHICLE OWNED BY A RESIDENT OF THE  
4 STATE OF MISSISSIPPI WHO IS ON ACTIVE DUTY SERVICE AS A MEMBER OF  
5 THE ARMED FORCES OF THE UNITED STATES AND WHO IS STATIONED OUTSIDE  
6 OF THE STATE OF MISSISSIPPI PURSUANT TO MILITARY ORDERS; AND FOR  
7 RELATED PURPOSES.

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

9 **SECTION 1.** Section 27-51-41, Mississippi Code of 1972, is  
10 amended as follows:

11 27-51-41. (1) The exemptions from the provisions of this  
12 chapter shall be confined to those persons or property exempted by  
13 this chapter or by the provisions of the Constitution of the  
14 United States or the State of Mississippi. No exemption as now  
15 provided by any other statute shall be valid as against the tax  
16 levied by this chapter. Any subsequent exemption from the tax  
17 levied hereunder shall be provided by amendment to this section  
18 which shall be inserted in the bill at length.

19 (2) The following shall be exempt from ad valorem taxation:

20 (a) All motor vehicles, as defined in this chapter, and  
21 including motor-propelled farm implements and vehicles, while in  
22 the hands of bona fide dealers as merchandise and which are not  
23 being operated upon the highways of this state.

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

27 (c) All motor vehicles owned by any school district in  
28 the state.

29           (d) All motor vehicles owned by any fire protection  
30 district incorporated in accordance with Sections 19-5-151 through  
31 19-5-207 or by any fire protection grading district incorporated  
32 in accordance with Sections 19-5-215 through 19-5-241.

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

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

37           (g) All motor vehicles operated in this state as common  
38 and contract carriers of property, private commercial carriers of  
39 property, private carriers of property and buses, all of which  
40 have a gross weight in excess of ten thousand (10,000) pounds.

41           (h) Antique automobiles as defined in Section 27-19-47,  
42 and antique pickup trucks as provided for under Section  
43 27-19-47.2, Mississippi Code of 1972.

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

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

48           (k) One (1) motor vehicle owned by the unremarried  
49 surviving spouse of a member of the Armed Forces of the United  
50 States who, while on active duty, is killed or dies and one (1)  
51 motor vehicle owned by the unremarried surviving spouse of a  
52 member of a reserve component of the Armed Forces of the United  
53 States or of the National Guard who, while on active duty for  
54 training, is killed or dies.

55           (l) Motor vehicles owned by recipients of the  
56 Congressional Medal of Honor or by former prisoners of war, or by  
57 spouses of such deceased persons, in accordance with Section  
58 27-19-54.

59           (m) (i) One (1) private carrier of passengers, as  
60 defined in Section 27-19-3, owned by any religious society,

61 ecclesiastical body or any congregation thereof which is used  
62 exclusively for such society and not for profit.

63 (ii) All motor vehicles owned by any such  
64 religious society or any educational institution having a seating  
65 capacity greater than seven (7) passengers and used exclusively  
66 for transporting passengers for religious or educational purposes  
67 and not for profit.

68 (n) All motor vehicles primarily used as rentals under  
69 rental agreements with a term of not more than thirty (30)  
70 continuous days each and under the control of persons who are  
71 engaged in the business of renting such motor vehicles and who are  
72 subject to the tax under Section 27-65-231.

73 (o) Antique motorcycles as defined in Section  
74 27-19-47.1.

75 (p) One (1) motor vehicle owned by a recipient of the  
76 Purple Heart, and one (1) motor vehicle owned by the unremarried  
77 surviving spouse of a recipient of the Purple Heart, as provided  
78 in Section 27-19-56.5.

79 (q) Motor vehicles that are eligible to display an  
80 authentic historical license plate as provided for in Section  
81 27-19-56.11.

82 (r) Motor vehicles that are (i) designed or adapted to  
83 be used exclusively in the preparation and loading of chemicals or  
84 other material for aerial agricultural application to crops; and  
85 (ii) only incidentally used on public roadways in this state.

86 (s) Any motor vehicle owned by a resident of the State  
87 of Mississippi who is on active duty service as a member of the  
88 Armed Forces of the United States and who is stationed outside of  
89 the State of Mississippi pursuant to military orders is exempt  
90 from ad valorem taxes in an amount equal to the amount by which  
91 the ad valorem taxes when added to the privilege taxes exceeds:

92 (i) Fifty Dollars (\$50.00) for a vehicle that is  
93 five (5) years old or less; or

94                    (ii) Twenty-five Dollars (\$25.00) for a vehicle  
95 that is older than five (5) years.

96            (3) Any claim for tax exemption by authority of the  
97 above-mentioned code sections or by any other legal authority  
98 shall be set out in the application for the road and bridge  
99 privilege license, and the specific legal authority for such tax  
100 exemption claim shall be cited in said application, and such  
101 authority cited shall be shown by the tax collector on the tax  
102 receipt as his authority for not collecting such ad valorem taxes,  
103 and the tax collector shall carry forward such information in his  
104 tax collection reports.

105            (4) Any motor vehicle driven over the highways of this state  
106 to the extent that the owner of such motor vehicle is required to  
107 purchase a road and bridge privilege license in this state, yet  
108 the legal situs of such motor vehicle is located in another state,  
109 shall be exempt from ad valorem taxes authorized by this chapter.

110            (5) If a taxpayer shall sell, trade or otherwise dispose of  
111 a vehicle on which the ad valorem and road and bridge privilege  
112 taxes have been paid in any county in the state, he shall remove  
113 the license plate from the vehicle. Such license plate must be  
114 surrendered to the issuing authority with the corresponding tax  
115 receipt, if required, and credit shall be allowed for the taxes  
116 paid for the remaining tax year on like privilege or ad valorem  
117 taxes due on another vehicle owned by the seller or transferor or  
118 by the seller's or transferor's spouse or dependent child. If the  
119 seller or transferor does not elect to receive such credit at the  
120 time the license plate is surrendered, the issuing authority shall  
121 issue a certificate of credit to the seller or transferor, or to  
122 the seller's or transferor's spouse or dependent child, or to any  
123 other person, business or corporation, at the direction of the  
124 seller or transferor, for the remaining unexpired taxes prorated  
125 from the first day of the month following the month in which the  
126 license plate is surrendered. The total of such credit may be

127 used by the person or entity to whom the certificate of credit is  
128 issued, regardless of the relative amounts attributed to privilege  
129 taxes or to county, school or municipal ad valorem taxes. Any  
130 credit allowed for taxes due or any certificate of credit issued  
131 may be applied to like taxes owed in any county by the person to  
132 whom the credit is allowed or by the person possessing the  
133 certificate of credit. No credit, however, shall be allowed on  
134 the charge made for the license plate. Such license plates  
135 surrendered to the tax collector shall be retained by him, and in  
136 no event shall such license plate be attached to any vehicle after  
137 being surrendered to the tax collector, nor shall any license  
138 plate be transferred from one (1) vehicle to any other vehicle.

139 (6) If the person owning a vehicle subject to taxation under  
140 the provisions of this chapter does not operate such vehicle on  
141 the highways of this state from the date of acquisition or, if  
142 previously registered, from the end of the anniversary month of  
143 the tag and decals to the date on which he makes application for a  
144 current license tag or decals, he shall pay such ad valorem tax  
145 for a period of twelve (12) months beginning with the first day of  
146 the month in which he applies for a current license tag or decals  
147 under Chapter 19, Title 27, Mississippi Code of 1972. The owner  
148 shall submit an affidavit with an application attesting to the  
149 fact that the vehicle was not operated on the highways of this  
150 state from the date of acquisition or, if previously registered,  
151 from the end of the anniversary month of the tag and decals to the  
152 date on which he makes application for the current license tag or  
153 decals.

154 (7) Any person found violating any of the provisions of this  
155 section shall be arrested and tried, and if found guilty shall be  
156 fined in an amount double the total amount of taxes involved.

157 **SECTION 2.** Nothing in this act shall affect or defeat any  
158 claim, assessment, appeal, suit, right or cause of action for  
159 taxes due or accrued under the motor vehicle ad valorem laws

160 before the date on which this act becomes effective, whether such  
161 claims, assessments, appeals, suits or actions have been begun  
162 before the date on which this act becomes effective or are begun  
163 thereafter; and the provisions of the motor vehicle ad valorem tax  
164 laws are expressly continued in full force, effect and operation  
165 for the purpose of the assessment, collection and enrollment of  
166 liens for any taxes due or accrued and the execution of any  
167 warrant under such laws before the date on which this act becomes  
168 effective, and for the imposition of any penalties, forfeitures or  
169 claims for failure to comply with such laws.

170       **SECTION 3.** This act shall take effect and be in force from  
171 and after July 1, 2004.