

By: Senator(s) Butler

To: Finance

SENATE BILL NO. 2430

1 AN ACT TO AMEND SECTION 27-51-41, MISSISSIPPI CODE OF 1972,  
2 TO EXEMPT FROM AD VALOREM TAXATION ALL MOTOR VEHICLES OWNED BY  
3 PERSONS SIXTY-FIVE YEARS OF AGE OR OLDER; AND FOR RELATED  
4 PURPOSES.

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

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

8 27-51-41. (1) The exemptions from the provisions of this  
9 chapter shall be confined to those persons or property exempted by  
10 this chapter or by the provisions of the Constitution of the  
11 United States or the State of Mississippi. No exemption as now  
12 provided by any other statute shall be valid as against the tax  
13 levied by this chapter. Any subsequent exemption from the tax  
14 levied hereunder shall be provided by amendment to this section  
15 which shall be inserted in the bill at length.

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

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

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

24 (c) All motor vehicles owned by any school district in  
25 the state.

26 (d) All motor vehicles owned by any fire protection  
27 district incorporated in accordance with Sections 19-5-151 through

28 19-5-207 or by any fire protection grading district incorporated  
29 in accordance with Sections 19-5-215 through 19-5-241.

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

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

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

38 (h) Antique automobiles as defined in Section 27-19-47,  
39 and antique pickup trucks as provided for under Section  
40 27-19-47.2, Mississippi Code of 1972.

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

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

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

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

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

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

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

70 (o) Antique motorcycles as defined in Section  
71 27-19-47.1.

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

76 (q) Motor vehicles that are eligible to display an  
77 authentic historical license plate as provided for in Section  
78 27-19-56.11.

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

83 (s) All motor vehicles owned by persons sixty-five (65)  
84 years of age or older.

85 (3) Any claim for tax exemption by authority of the  
86 above-mentioned code sections or by any other legal authority  
87 shall be set out in the application for the road and bridge  
88 privilege license, and the specific legal authority for such tax  
89 exemption claim shall be cited in said application, and such  
90 authority cited shall be shown by the tax collector on the tax  
91 receipt as his authority for not collecting such ad valorem taxes,

92 and the tax collector shall carry forward such information in his  
93 tax collection reports.

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

99 (5) If a taxpayer shall sell, trade or otherwise dispose of  
100 a vehicle on which the ad valorem and road and bridge privilege  
101 taxes have been paid in any county in the state, he shall remove  
102 the license plate from the vehicle. Such license plate must be  
103 surrendered to the issuing authority with the corresponding tax  
104 receipt, if required, and credit shall be allowed for the taxes  
105 paid for the remaining tax year on like privilege or ad valorem  
106 taxes due on another vehicle owned by the seller or transferor or  
107 by the seller's or transferor's spouse or dependent child. If the  
108 seller or transferor does not elect to receive such credit at the  
109 time the license plate is surrendered, the issuing authority shall  
110 issue a certificate of credit to the seller or transferor, or to  
111 the seller's or transferor's spouse or dependent child, or to any  
112 other person, business or corporation, at the direction of the  
113 seller or transferor, for the remaining unexpired taxes prorated  
114 from the first day of the month following the month in which the  
115 license plate is surrendered. The total of such credit may be  
116 used by the person or entity to whom the certificate of credit is  
117 issued, regardless of the relative amounts attributed to privilege  
118 taxes or to county, school or municipal ad valorem taxes. Any  
119 credit allowed for taxes due or any certificate of credit issued  
120 may be applied to like taxes owed in any county by the person to  
121 whom the credit is allowed or by the person possessing the  
122 certificate of credit. No credit, however, shall be allowed on  
123 the charge made for the license plate. Such license plates  
124 surrendered to the tax collector shall be retained by him, and in

125 no event shall such license plate be attached to any vehicle after  
126 being surrendered to the tax collector, nor shall any license  
127 plate be transferred from one (1) vehicle to any other vehicle.

128 (6) If the person owning a vehicle subject to taxation under  
129 the provisions of this chapter does not operate such vehicle on  
130 the highways of this state from the date of acquisition or, if  
131 previously registered, from the end of the anniversary month of  
132 the tag and decals to the date on which he makes application for a  
133 current license tag or decals, he shall pay such ad valorem tax  
134 for a period of twelve (12) months beginning with the first day of  
135 the month in which he applies for a current license tag or decals  
136 under Chapter 19, Title 27, Mississippi Code of 1972. The owner  
137 shall submit an affidavit with an application attesting to the  
138 fact that the vehicle was not operated on the highways of this  
139 state from the date of acquisition or, if previously registered,  
140 from the end of the anniversary month of the tag and decals to the  
141 date on which he makes application for the current license tag or  
142 decals.

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

146 **SECTION 2.** This act shall take effect and be in force from  
147 and after July 1, 2004.