

By: Representative Fleming

To: Ways and Means

## HOUSE BILL NO. 105

1 AN ACT TO PROVIDE THAT AD VALOREM TAXES ON MOTOR VEHICLES  
2 SHALL BE CHARGED TO THE BUYER OF THE VEHICLE AND SHALL BE PAID ON  
3 AN ANNIVERSARY DATE OR IN INSTALLMENTS AT THE ELECTION OF THE  
4 BUYER; TO PROVIDE THAT SUCH TAXES SHALL BE SUBJECT TO THE SAME  
5 LIEN LAWS AS OTHER PERSONAL PROPERTY; TO AMEND SECTIONS 27-41-1,  
6 27-51-7, 27-51-9 AND 27-51-11, MISSISSIPPI CODE OF 1972, IN  
7 CONFORMITY THERETO; TO AMEND SECTION 27-19-48, MISSISSIPPI CODE OF  
8 1972, TO PROVIDE THAT THE FEE FOR PERSONALIZED LICENSE TAGS SHALL  
9 BE \$10.00; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** (1) All ad valorem taxes on motor vehicles which  
12 are currently paid upon purchase of the license tag for such  
13 vehicles shall be charged to the buyer of the vehicle and shall be  
14 paid either on an anniversary date or in installments, at the  
15 election of the buyer. Ad valorem tax payments on motor vehicles  
16 shall be subject to the same lien laws as personal property and  
17 shall be collected in the same manner.

18 (2) If the ad valorem taxes due on a motor vehicle are paid  
19 in installments, the installment payments shall be made as  
20 follows:

21 (a) One-third (1/3) of all ad valorem taxes due on a  
22 motor vehicle shall be paid at the same time the road and bridge  
23 privilege tax is paid;

24 (b) One-third (1/3) of all ad valorem taxes due on a  
25 motor vehicle shall be paid not later than three (3) months after  
26 the date the road and bridge privilege tax is paid; and

27 (c) One-third (1/3) of all ad valorem taxes due on a  
28 motor vehicle shall be paid not later than six (6) months after  
29 the date the road and bridge privilege tax is paid.

30           (3) Upon payment of all ad valorem taxes due on a motor  
31 vehicle, the tax collector for the local government to which the  
32 ad valorem taxes were paid shall issue a sticker indicating that  
33 all ad valorem taxes due on such motor vehicle have been paid.  
34 Such sticker shall be displayed on the driver's side of the  
35 windshield of such motor vehicle and shall indicate the month and  
36 year the ad valorem taxes were paid, the local government to which  
37 the ad valorem taxes were paid and the month and year in which the  
38 sticker will expire.

39           **SECTION 2.** Section 27-41-1, Mississippi Code of 1972, is  
40 amended as follows:

41           27-41-1. Except as may otherwise be provided in Section  
42 27-41-2, all state, county, school, road, levee and other taxing  
43 districts and municipal ad valorem taxes, except ad valorem taxes  
44 levied for county or district or municipal bonds and other  
45 evidences of indebtedness for money borrowed, and interest  
46 thereon, heretofore or hereafter assessed or levied shall be due,  
47 payable and collectible by the tax collector and shall be paid on  
48 or before the first day of February next succeeding the date of  
49 the assessment and levying of such taxes. All taxes levied for  
50 county and district and municipal bonds and interest thereon, or  
51 betterment or improvement assessments, shall be paid by each  
52 person assessed therewith on or before the first day of February  
53 next succeeding the date of the assessment and levying of the  
54 same, at the time of payment of the state and county ad valorem  
55 taxes, except as otherwise hereinafter provided in this chapter.  
56 The tax collector shall begin to accept payment for such ad  
57 valorem taxes or assessments not later than December 26 of the  
58 year prior to the year in which such taxes are required to be  
59 paid.

60           Any county may, by an order spread upon the minutes of the  
61 board of supervisors, allow the acceptance of partial payments for  
62 ad valorem taxes. Any municipality wherein municipal taxes are

63 not collected by the county may, by an order spread upon the  
64 minutes of the governing authority of said municipality, allow the  
65 acceptance of partial payments for ad valorem taxes. If said  
66 partial payments are allowed by the county or municipality, said  
67 partial payments shall be made as follows:

68 (a) One-half (1/2) of all ad valorem taxes due shall be  
69 paid on or before February 1.

70 (b) One-fourth (1/4) of all ad valorem taxes, interest  
71 and penalty due shall be paid on or before May 1.

72 (c) One-fourth (1/4) of all ad valorem taxes, interest  
73 and penalty due shall be paid on or before July 1.

74 If any unpaid balance exists on August 1, then the lands  
75 shall be sold at the land sale on the last Monday in August for  
76 said unpaid balance.

77 All ad valorem taxes, however, assessed against motor  
78 vehicles as prescribed by the Motor Vehicle Ad Valorem Tax Law of  
79 1958, for any and all purposes and in any and all jurisdictions,  
80 shall be paid in full on the date such taxes are due and payable,  
81 or paid in installments as provided in Section 1 of House Bill No.  
82 \_\_\_\_, 2005 Regular Session.

83 **SECTION 3.** Section 27-51-7, Mississippi Code of 1972, is  
84 amended as follows:

85 27-51-7. Any person required by law to pay a road and bridge  
86 privilege license tax on any motor vehicle shall also be liable  
87 for the ad valorem taxes due on such motor vehicle, unless  
88 otherwise specifically exempt herein. Such ad valorem taxes due  
89 shall be paid at the same time the road and bridge privilege  
90 license tax is paid, and the payment of the said ad valorem taxes  
91 due shall be a prerequisite to the issuance of the said road and  
92 bridge privilege license. However, ad valorem taxes due on a  
93 motor vehicle may be paid in installments as provided in Section 1  
94 of House Bill No. \_\_\_\_\_, 2005 Regular Session, and the payment of

95 the first installment shall be a prerequisite to the issuance of  
96 the road and bridge privilege license.

97 \* \* \*

98 In all cases, however, where the time for complying with the  
99 road and bridge privilege tax law has been extended by law as to  
100 time of payment, then the same extension of time shall apply to  
101 the date on which the ad valorem taxes on such motor vehicle must  
102 be paid. Ad valorem taxes on all motor vehicles, defined in this  
103 chapter, shall be calculated as of the first day of the month in  
104 which such taxes were due, regardless of any extension of time for  
105 payment of such taxes as provided hereinabove.

106 **SECTION 4.** Section 27-51-9, Mississippi Code of 1972, is  
107 amended as follows:

108 27-51-9. For the purposes of this chapter, the fiscal year  
109 shall commence on August 1 and shall end on July 31 of each year.  
110 The taxable year shall run concurrently with the taxable year in  
111 effect in the law pertaining to the payment of the road and bridge  
112 privilege license tax on motor vehicles. Except as otherwise  
113 provided in Section 27-41-2, ad valorem taxes on motor vehicles  
114 shall be collected by the county tax collector for the county and  
115 state and by the municipal tax collector for the municipalities.  
116 Ad valorem taxes for any ensuing year may be paid during the month  
117 as provided in Section 27-19-31, however, and said ad valorem  
118 taxes on any motor vehicle must be paid at the same time or prior  
119 to the time that the road and bridge privilege license is issued  
120 for the subject motor vehicle, unless such ad valorem taxes are  
121 paid in installments as provided in Section 1 of House Bill No.  
122 \_\_\_\_\_ , 2005 Regular Session, or herein otherwise specifically  
123 exempt from such ad valorem taxes. The ad valorem tax on motor  
124 vehicles shall be computed on the millage rates in effect at the  
125 time such privilege license tax is to be paid.

126 **SECTION 5.** Section 27-51-11, Mississippi Code of 1972, is  
127 amended as follows:

128           27-51-11. In cases where the road and bridge privilege tax  
129 license is issued by the administrator of the road and bridge  
130 privilege tax law, before he shall issue such license he shall  
131 require that a tax receipt, made out on the prescribed form and  
132 properly issued, be presented to him showing that all ad valorem  
133 taxes due on such motor vehicle have been paid according to the  
134 situs of the subject motor vehicle as shown by the written  
135 application for such privilege license. However, if ad valorem  
136 taxes due on such motor vehicle are being paid in installments as  
137 provided in Section 1 of House Bill No. \_\_\_\_\_, 2005 Regular  
138 Session, the administrator of the road and bridge privilege tax  
139 shall require that a tax receipt, made out on the prescribed form  
140 and properly issued, be presented to him showing that the first  
141 installment payment of such ad valorem taxes has been made. If  
142 the application for such privilege license reveals that the situs  
143 of the subject motor vehicle is in a municipality, then the  
144 administrator of the road and bridge privilege tax law, before  
145 issuing said privilege license, shall require that a tax receipt,  
146 made out on the prescribed form and properly issued, be presented  
147 to him showing that such ad valorem taxes due have also been paid.  
148 However, if ad valorem taxes due on such motor vehicle are being  
149 paid in installments as provided in Section 1 of House Bill No.  
150 \_\_\_\_\_, 2005 Regular Session, the administrator of the road and  
151 bridge privilege tax shall require that a tax receipt, made out on  
152 the prescribed form and properly issued, be presented to him  
153 showing that the first installment payment of such ad valorem  
154 taxes has been made. The administrator of the road and bridge  
155 privilege tax law shall secure a rubber stamp to be used in  
156 stamping each such ad valorem tax receipt so presented to him.  
157 This stamp shall show the date of issuance and the receipt number  
158 of the privilege license issued for each corresponding ad valorem  
159 tax receipt, date and license receipt number to be filled in with  
160 ink, or with indelible pencil, by and in the name of the

161 administrator of the road and bridge privilege tax law and  
162 countersigned by the issuing deputy or clerk. The number of the  
163 corresponding ad valorem tax receipt presented shall be written by  
164 him on the privilege license receipt. In cases where a separate  
165 municipal ad valorem tax receipt for motor vehicles is necessary,  
166 the same procedure as outlined herein shall be followed with  
167 reference to the municipal tax receipt.

168 The administrator of the road and bridge privilege tax law,  
169 his deputies or clerks violating the provisions of this section  
170 shall be liable on their official bonds in double the amount of  
171 the ad valorem taxes due on each such motor vehicle.

172 Twice each fiscal year the administrator of the road and  
173 bridge privilege tax law shall file a report with the State  
174 Auditor showing the privilege license receipt number, the  
175 corresponding ad valorem tax receipt number or numbers, and the  
176 name under which such license receipt was issued, for each such  
177 license receipt issued by him. A separate report shall be made  
178 for each county involved, and a duplicate copy of such report  
179 shall be furnished the respective tax collector of each county  
180 involved, and the tax collector of each municipality in said  
181 county. One (1) of these reports shall be made on or before May  
182 15 covering all such license receipts issued by him for the then  
183 current fiscal year, including those issued through the month of  
184 April. Another such report shall be made on or before November 15  
185 covering all such license receipts issued by him for the remaining  
186 portion of the immediately prior fiscal year.

187 The aforesaid reports shall be preserved by the State  
188 Auditor, and, in auditing the tax collector for the corresponding  
189 fiscal year, such tax receipts indicated on these reports shall be  
190 reconciled with the corresponding ad valorem tax receipt number in  
191 the office of the tax collector.

192 **SECTION 6.** Section 27-19-48, Mississippi Code of 1972, is  
193 amended as follows:

194           27-19-48. (1) Owners of motor vehicles who are residents of  
195 this state, upon complying with the motor vehicle laws relating to  
196 registration and licensing of motor vehicles, and upon payment of  
197 the road and bridge privilege taxes, ad valorem taxes and  
198 registration fees as prescribed by law for private carriers of  
199 passengers, pickup trucks and other noncommercial motor vehicles,  
200 and upon payment of an additional fee in the amount provided in  
201 subsection (4)(a) of this section, shall be issued a personalized  
202 license tag of the same color as regular license tags to consist  
203 of the name of the county and not more than seven (7) letters of  
204 the alphabet or seven (7) numbers in lieu of the license tag  
205 numbering system prescribed by law. The purchaser of the  
206 personalized license tag may choose the combination of such  
207 letters or numbers, but no two (2) motor vehicles shall have the  
208 same combination of letters or numbers. In the event that the  
209 same combination of letters has been chosen by two (2) or more  
210 purchasers, the State Tax Commission shall assign a different  
211 number to each such purchaser which shall appear on the license  
212 tag following the combination of letters; provided, however, this  
213 combination shall not exceed seven (7) letters and/or numbers.  
214 The combination of letters and/or numbers written across the  
215 license tag shall be sufficiently large to be easily read but  
216 shall not be less than three (3) inches in height. No combination  
217 of letters or numbers which comprise words or expressions that are  
218 considered obscene, slandering, insulting or vulgar in ordinary  
219 usage shall be permitted, with the Chairman of the State Tax  
220 Commission having the responsibility of making such determination.  
221 If, however, such license plate is issued in error or otherwise  
222 and is determined by the chairman to be obscene, slanderous,  
223 insulting, vulgar or offensive, the chairman shall notify such  
224 owner that the license plate must be surrendered and that another  
225 personalized license plate may be selected by him and issued at no  
226 cost. Should the vehicle owner not desire another personalized

227 license plate, the fee for such plate shall be refunded. In the  
228 event the owner fails to surrender the license plate after  
229 receiving proper notification, the chairman shall issue an order  
230 directing that the license plate be seized by agents of the State  
231 Tax Commission or any other duly authorized law enforcement  
232 personnel. If such owner is aggrieved by this determination, the  
233 appeal procedure and the provisions provided in Section 27-19-337  
234 shall be followed.

235 (2) For the purposes of this section the terms "motor  
236 vehicle" and "vehicle" include motorcycles.

237 (3) Application for the personalized license tags shall be  
238 made to the county tax collector on forms prescribed by the State  
239 Tax Commission. The application form shall contain space for the  
240 applicant to make five (5) different choices for the combination  
241 of the letters and numbers in the order in which said combination  
242 is desired by the applicant. The application and the additional  
243 fee, less five percent (5%) thereof to be retained by the tax  
244 collector, shall be remitted to the State Tax Commission within  
245 seven (7) days of the date the application is made. The portion  
246 of the additional fee retained by the tax collector shall be  
247 deposited into the county general fund.

248 (4) (a) Beginning with any registration year commencing on  
249 or after November 1, 1986, any person applying for a personalized  
250 license tag shall pay an additional fee which shall be in addition  
251 to all other taxes and fees. The additional fee paid shall be for  
252 a period of time to run concurrent with the vehicle's established  
253 license tag year. The additional fee of Ten Dollars (\$10.00) is  
254 due and payable at the time the original application is made for a  
255 personalized tag and thereafter annually at the time of renewal  
256 registration as long as the owner retains the personalized tag.  
257 If the owner does not wish to retain such personalized tag, he  
258 must surrender it to the local county tax collector. The  
259 additional fee due at the time of renewal registration shall be



260 collected by the county tax collector and remitted to the State  
261 Tax Commission on a monthly basis as prescribed by the commission.

262 (b) The State Tax Commission shall deposit all taxes  
263 and fees into the State Treasury on the day collected. At the end  
264 of each month, the State Tax Commission shall certify the total  
265 fees collected under this section to the State Treasurer who shall  
266 distribute to the credit of the State General Fund Six Dollars and  
267 Twenty-five Cents (\$6.25) of each additional fee and the remainder  
268 of each such additional fee shall be deposited to the credit of  
269 the State Highway Fund to be expended solely for the repair,  
270 maintenance, construction or reconstruction of highways.

271 (5) A regular license tag must be properly displayed as  
272 required by law until replaced by a personalized license tag; and  
273 the regular license tag must be surrendered to the tax collector  
274 upon issuance of the personalized license tag. The tax collector  
275 shall issue up to two (2) license decals for the personalized  
276 license tag, which will expire the same month and year as the  
277 original license tag.

278 (6) The applicant shall receive a refund of the fee paid for  
279 a personalized license tag if the personalized license tag is not  
280 issued to him because the combination of letters and numbers  
281 requested to be placed thereon is not available for any reason.

282 (7) In the case of loss or theft of a personalized license  
283 tag, the owner may make application and affidavit for a  
284 replacement license tag as provided by Section 27-19-37. The fee  
285 for a replacement personalized license tag shall be Ten Dollars  
286 (\$10.00). The tax collector receiving such application and  
287 affidavit shall be entitled to retain and deposit into the county  
288 general fund five percent (5%) of the fee for such replacement  
289 license tag and the remainder shall be distributed in the same  
290 manner as funds from the sale of regular license tags.

291 (8) The owner of a personalized license tag may make  
292 application for a duplicate of such tag. The fee for such

293 duplicate personalized license tag shall be Ten Dollars (\$10.00).  
294 The tax collector receiving such application shall be entitled to  
295 retain and deposit into the county general fund five percent (5%)  
296 of the fee for such duplicate personalized license tag and the  
297 remainder shall be distributed in the same manner as funds from  
298 the sale of regular license tags. A duplicate personalized  
299 license tag may not be fastened to the rear of a vehicle and may  
300 not be utilized as a replacement for any personalized license tag  
301 issued pursuant to this section. Month decals and year decals  
302 shall not be issued for duplicate personalized license tags and  
303 month decals and year decals shall not be attached to duplicate  
304 personalized license tags.

305       **SECTION 7.** This act shall take effect and be in force from  
306 and after July 1, 2005.