

By: Senator(s) Hyde-Smith

To: Finance

SENATE BILL NO. 2821

1 AN ACT TO AMEND SECTION 27-51-15, MISSISSIPPI CODE OF 1972,
2 TO REQUIRE THE STATE TAX COMMISSION TO REDUCE THE ASSESSMENT
3 SCHEDULE VALUES OF MOTOR VEHICLES THAT IS UTILIZED FOR AD VALOREM
4 TAX PURPOSES BY 10% UNDER CERTAIN CIRCUMSTANCES; TO AMEND SECTIONS
5 27-51-19 AND 27-51-20, MISSISSIPPI CODE OF 1972, IN CONFORMITY
6 THERETO; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** Section 27-51-15, Mississippi Code of 1972, is
9 amended as follows:

10 27-51-15. (1) Motor vehicles shall be assessed uniformly
11 according to value and such assessed value shall be determined by
12 an assessment schedule which shall be prepared and made of minute
13 record by the State Tax Commission and shall be certified to the
14 president of the board of supervisors of the various counties of
15 the state, and to the mayor or the presiding officer of the
16 municipal boards of the various municipalities, and municipal
17 separate school districts of the state, in care of the clerk of
18 said respective boards, as the official motor vehicle assessment
19 schedule which shall be used by the proper officials of both
20 respective jurisdictions in assessing motor vehicle ad valorem
21 taxes for the ensuing fiscal year.

22 (2) If the assessment schedule utilized pursuant to this
23 section is based on the manufacturer's suggested retail price of
24 motor vehicles, the commission shall reduce the values by not less
25 than ten percent (10%) to take into account the reduction of the
26 sales price of the vehicle from the manufacturer's suggested
27 retail price that normally occurs in negotiations with motor
28 vehicle dealers.

29 **SECTION 2.** Section 27-51-19, Mississippi Code of 1972, is
30 amended as follows:

31 27-51-19. The State Tax Commission shall, on or before the
32 fifteenth day of June of each year, prepare and adopt by minute
33 record, an assessment schedule of motor vehicles, as defined in
34 this chapter, which such assessment schedule, and no other,
35 excepting as may be hereinafter provided, shall be used by the tax
36 collector of each county and each municipality in the state, in
37 assessing, calculating and collecting ad valorem taxes in each
38 respective jurisdiction on all motor vehicles liable for such tax
39 as authorized by this chapter.

40 In preparing the assessment schedule, the Tax Commission may
41 make use of, as a base, the values of the various makes, models,
42 year of manufacture, and types of motor vehicles as adopted by
43 some reputable nationwide agency or association which regularly
44 compiles and furnishes such information as to actual value of the
45 different motor vehicles as to make, model, type and year of
46 manufacture, or by any other method or methods or combination of
47 methods which in its judgment will tend to equalize the assessed
48 value of property of this class with property of other classes in
49 general. These various motor vehicles, together with any special
50 equipment, may be grouped into as many categories as, in the
51 judgment of the Tax Commission, will be most practical in
52 effecting equalization.

53 In preparing the assessment schedule, the Tax Commission
54 shall apply such a percentage to the base value of such motor
55 vehicles which, in its best judgment, will produce an assessed
56 value which will equalize the assessed value of motor vehicles
57 with the assessed value of other property in general, throughout
58 the state, so far as is practical. The Tax Commission shall make
59 the reduction provided for in Section 27-51-15 if the value of
60 motor vehicles in the schedule is based on the manufacturer's
61 suggested retail price.

62 The Tax Commission shall also make necessary corrections and
63 amendments to this schedule from time to time throughout the
64 fiscal year, and in so doing the general procedure set out above
65 shall be followed.

66 **SECTION 3.** Section 27-51-20, Mississippi Code of 1972, is
67 amended as follows:

68 27-51-20. (1) Except as otherwise provided in Section
69 27-51-15(2), any assessment schedule prepared and adopted by the
70 State Tax Commission pursuant to Section 27-51-19, Mississippi
71 Code of 1972, shall have:

72 (a) The same depreciation periods and methods of
73 valuation as used in the assessment schedule used for valuation of
74 motor vehicles for the 1993 fiscal year; and

75 (b) The same assessed value for motor vehicles at the
76 end of such depreciation periods as contained in the assessment
77 schedule used for valuation of motor vehicles during the 1993
78 fiscal year.

79 (2) The difference between the assessment of a motor vehicle
80 at true value and the assessment of such motor vehicle under an
81 assessment schedule meeting the criteria established pursuant to
82 subsection (1) of this section, shall be exempt from ad valorem
83 taxation.

84 **SECTION 4.** This act shall take effect and be in force from
85 and after its passage.