

By: Representative Zuber

To: Ways and Means

HOUSE BILL NO. 140

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,



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

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

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

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

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

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

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

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

(i) Fifty Dollars (\$50.00) for a vehicle that is 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



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

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

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

SECTION 2. Nothing in this act shall affect or defeat any claim, assessment, appeal, suit, right or cause of action for 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, 2007.

