

By: Representative Fleming

To: Ways and Means

HOUSE BILL NO. 410

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 AT
3 THE TIME THE ROAD AND BRIDGE PRIVILEGE TAX IS PAID OR IN
4 INSTALLMENTS AT THE ELECTION OF THE BUYER; TO PROVIDE THAT SUCH
5 TAXES SHALL BE SUBJECT TO THE SAME LIEN LAWS AS OTHER PERSONAL
6 PROPERTY; TO AMEND SECTIONS 27-41-1, 27-51-7, 27-51-9 AND
7 27-51-11, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO
8 AMEND SECTION 27-19-48, MISSISSIPPI CODE OF 1972, TO REDUCE FROM
9 \$30.00 TO \$20.00 THE FEE FOR PERSONALIZED LICENSE TAGS; AND FOR
10 RELATED PURPOSES.

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

12 **SECTION 1.** (1) All ad valorem taxes on motor vehicles which
13 are currently paid upon purchase of the license tag for such
14 vehicles shall be charged to the buyer of the vehicle and shall be
15 paid in full at the same time the road and bridge privilege
16 license tax is paid and on each anniversary date thereafter, or,
17 at the election of the buyer, may be paid in installments. Ad
18 valorem tax payments on motor vehicles shall be subject to the
19 same lien laws as personal property and shall be collected in the
20 same manner.

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

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

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

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

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

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

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

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

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

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

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

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

80 All ad valorem taxes, however, assessed against motor
81 vehicles as prescribed by the Motor Vehicle Ad Valorem Tax Law of
82 1958, for any and all purposes and in any and all jurisdictions,
83 shall be paid in full on the date such taxes are due and payable,
84 or paid in installments as provided in Section 1 of House Bill No.
85 _____, 2007 Regular Session.

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

88 27-51-7. Any person required by law to pay a road and bridge
89 privilege license tax on any motor vehicle shall also be liable
90 for the ad valorem taxes due on such motor vehicle, unless
91 otherwise specifically exempt herein. Such ad valorem taxes due
92 shall be paid at the same time the road and bridge privilege
93 license tax is paid, and the payment of the said ad valorem taxes
94 due shall be a prerequisite to the issuance of the said road and
95 bridge privilege license. However, ad valorem taxes due on a

96 motor vehicle may be paid in installments as provided in Section 1
97 of House Bill No. _____, 2007 Regular Session, and the payment of
98 the first installment shall be a prerequisite to the issuance of
99 the road and bridge privilege license.

100 * * *

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

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

111 27-51-9. For the purposes of this chapter, the fiscal year
112 shall commence on August 1 and shall end on July 31 of each year.
113 The taxable year shall run concurrently with the taxable year in
114 effect in the law pertaining to the payment of the road and bridge
115 privilege license tax on motor vehicles. Except as otherwise
116 provided in Section 27-41-2, ad valorem taxes on motor vehicles
117 shall be collected by the county tax collector for the county and
118 state and by the municipal tax collector for the municipalities.
119 Ad valorem taxes for any ensuing year may be paid during the month
120 as provided in Section 27-19-31, however, and said ad valorem
121 taxes on any motor vehicle must be paid at the same time or prior
122 to the time that the road and bridge privilege license is issued
123 for the subject motor vehicle, unless such ad valorem taxes are
124 paid in installments as provided in Section 1 of House Bill No.
125 _____ , 2007 Regular Session, or herein otherwise specifically
126 exempt from such ad valorem taxes. The ad valorem tax on motor
127 vehicles shall be computed on the millage rates in effect at the
128 time such privilege license tax is to be paid.

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

131 27-51-11. In cases where the road and bridge privilege tax
132 license is issued by the administrator of the road and bridge
133 privilege tax law, before he shall issue such license he shall
134 require that a tax receipt, made out on the prescribed form and
135 properly issued, be presented to him showing that all ad valorem
136 taxes due on such motor vehicle have been paid according to the
137 situs of the subject motor vehicle as shown by the written
138 application for such privilege license. However, if ad valorem
139 taxes due on such motor vehicle are being paid in installments as
140 provided in Section 1 of House Bill No. _____, 2007 Regular
141 Session, the administrator of the road and bridge privilege tax
142 shall require that a tax receipt, made out on the prescribed form
143 and properly issued, be presented to him showing that the first
144 installment payment of such ad valorem taxes has been made. If
145 the application for such privilege license reveals that the situs
146 of the subject motor vehicle is in a municipality, then the
147 administrator of the road and bridge privilege tax law, before
148 issuing said privilege license, shall require that a tax receipt,
149 made out on the prescribed form and properly issued, be presented
150 to him showing that such ad valorem taxes due have also been paid.
151 However, if ad valorem taxes due on such motor vehicle are being
152 paid in installments as provided in Section 1 of House Bill No.
153 _____, 2007 Regular Session, the administrator of the road and
154 bridge privilege tax shall require that a tax receipt, made out on
155 the prescribed form and properly issued, be presented to him
156 showing that the first installment payment of such ad valorem
157 taxes has been made. The administrator of the road and bridge
158 privilege tax law shall secure a rubber stamp to be used in
159 stamping each such ad valorem tax receipt so presented to him.
160 This stamp shall show the date of issuance and the receipt number
161 of the privilege license issued for each corresponding ad valorem

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

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

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

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

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

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

228 personalized license plate may be selected by him and issued at no
229 cost. Should the vehicle owner not desire another personalized
230 license plate, the fee for such plate shall be refunded. In the
231 event the owner fails to surrender the license plate after
232 receiving proper notification, the chairman shall issue an order
233 directing that the license plate be seized by agents of the State
234 Tax Commission or any other duly authorized law enforcement
235 personnel.

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

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

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

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

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

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

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

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

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

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

306 **SECTION 7.** This act shall take effect and be in force from
307 and after July 1, 2007.