

By: Representative Wilson

To: Ways and Means

HOUSE BILL NO. 1735

1 AN ACT TO AMEND SECTION 27-51-41, MISSISSIPPI CODE OF 1972,
2 TO EXEMPT FROM AD VALOREM TAXATION ZERO TURN MOWERS,
3 MINI-EXCAVATORS, DISCS, BUSH HOGS, BOX BLADES AND SIMILAR ITEMS
4 WHILE IN THE HANDS OF BONA FIDE DEALERS AS MERCHANDISE; AND FOR
5 RELATED PURPOSES.

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

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

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

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

18 (a) (i) All motor vehicles, as defined in this
19 chapter, and including motor-propelled farm implements and



20 vehicles, while in the hands of bona fide dealers as merchandise
21 and which are not being operated upon the highways of this state.

22 (ii) Zero turn mowers, mini-excavators, discs,
23 bush hogs, box blades and similar items while in the hands of bona
24 fide dealers as merchandise.

25 (b) All motor vehicles belonging to the federal
26 government or the State of Mississippi or any agencies or
27 instrumentalities thereof.

28 (c) All motor vehicles owned by any school district in
29 the state.

30 (d) All motor vehicles owned by any fire protection
31 district incorporated in accordance with Sections 19-5-151 through
32 19-5-207 or by any fire protection grading district incorporated
33 in accordance with Sections 19-5-215 through 19-5-241.

34 (e) All motor vehicles owned by units of the
35 Mississippi National Guard.

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

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

42 (h) Antique automobiles as defined in Section 27-19-47,
43 and antique pickup trucks as provided for under Section
44 27-19-47.2, Mississippi Code of 1972.



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

46 (j) One (1) motor vehicle owned by a disabled American
47 veteran, or by the spouse of a deceased disabled American veteran,
48 who is entitled to purchase a distinctive license plate or tag in
49 accordance with Section 27-19-53, regardless of the license plate
50 or tag issued to the disabled American veteran or the veteran's
51 spouse if the disabled American veteran is deceased.

52 (k) One (1) motor vehicle owned by the unremarried
53 surviving spouse of a member of the Armed Forces of the United
54 States who, while on active duty, is killed or dies and one (1)
55 motor vehicle owned by the unremarried surviving spouse of a
56 member of a reserve component of the Armed Forces of the United
57 States or of the National Guard who, while on active duty for
58 training, is killed or dies.

59 (l) Motor vehicles owned by recipients of the
60 Congressional Medal of Honor or by former prisoners of war, or by
61 spouses of such deceased persons, in accordance with Section
62 27-19-54.

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

67 (ii) All motor vehicles owned by any such
68 religious society or any educational institution having a seating
69 capacity greater than seven (7) passengers and used exclusively



70 for transporting passengers for religious or educational purposes
71 and not for profit.

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

77 (o) Antique motorcycles as defined in Section
78 27-19-47.1.

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

83 (q) Motor vehicles that are eligible to display an
84 authentic historical license plate as provided for in Section
85 27-19-56.11.

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

90 (s) One (1) motor vehicle owned by the mother of a
91 service member who was killed in action or died in a combat zone
92 after September 11, 2001, while serving in the Armed Forces of the
93 United States as provided for in Section 27-19-56.162.



94 (t) One (1) motor vehicle owned by the unremarried
95 spouse of a service member who was killed in action or died in a
96 combat zone after September 11, 2001, while serving in the Armed
97 Forces of the United States as provided for in Section
98 27-19-56.162.

99 (u) Buses and other motor vehicles that are (a) owned
100 and operated by an entity that has entered into a contract with a
101 school board under Section 37-41-31 for the purpose of
102 transporting students to and from schools and (b) used by the
103 entity for such transportation purposes. This paragraph (u) shall
104 apply to contracts entered into or renewed on or after July 1,
105 2010.

106 (v) One (1) motor vehicle owned by a recipient of the
107 Silver Star, and one (1) motor vehicle owned by the unremarried
108 surviving spouse of a recipient of the Silver Star, as provided in
109 Section 27-19-56.284.

110 (w) One (1) motor vehicle owned by a person who is a
111 law enforcement officer and who (i) was wounded or otherwise
112 received intentional or accidental bodily injury, regardless of
113 whether occurring before or after July 1, 2014, while engaged in
114 the performance of his official duties, provided the wound or
115 injury was not self-inflicted, (ii) was required to receive
116 medical treatment for the wound or injury due to the nature and
117 extent of the wound or injury, and (iii) is eligible to receive a
118 special license plate or tag under Section 27-19-56 as a result of



119 such wound or injury, regardless of whether the person obtains
120 such a plate or tag. Application for the exemption provided in
121 this paragraph (w) may be made at the time of initial registration
122 of a vehicle and renewal of registration. In addition, an
123 applicant for the exemption must provide official written
124 documentation that (i) the applicant is a law enforcement officer
125 who was wounded or otherwise received intentional or accidental
126 bodily injury while engaged in the performance of his official
127 duties and that the wound or injury was not self-inflicted along
128 with official written documentation verifying receipt of medical
129 treatment for the wound or injury and the nature and extent of the
130 wound or injury, and (ii) the applicant is eligible to receive a
131 special license plate or tag under Section 27-19-56 as a result of
132 such wound or injury, regardless of whether the person obtains
133 such a plate or tag.

134 (x) One (1) motor vehicle owned by an honorably
135 discharged veteran of the Armed Forces of the United States who
136 served during World War II, and one (1) motor vehicle owned by the
137 unremarried surviving spouse of such veteran, as provided in
138 Section 27-19-56.438.

139 (3) Any claim for tax exemption by authority of the
140 above-mentioned code sections or by any other legal authority
141 shall be set out in the application for the road and bridge
142 privilege license, and the specific legal authority for such tax
143 exemption claim shall be cited in said application, and such



144 authority cited shall be shown by the tax collector on the tax
145 receipt as his authority for not collecting such ad valorem taxes,
146 and the tax collector shall carry forward such information in his
147 tax collection reports.

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

153 (5) If a taxpayer shall sell, trade or otherwise dispose of
154 a vehicle on which the ad valorem and road and bridge privilege
155 taxes have been paid in any county in the state, he shall remove
156 the license plate from the vehicle. Such license plate must be
157 surrendered to the issuing authority with the corresponding tax
158 receipt, if required, and credit shall be allowed for the taxes
159 paid for the remaining tax year on like privilege or ad valorem
160 taxes due on another vehicle owned by the seller or transferor or
161 by the seller's or transferor's spouse or dependent child. If the
162 seller or transferor does not elect to receive such credit at the
163 time the license plate is surrendered, the issuing authority shall
164 issue a certificate of credit to the seller or transferor, or to
165 the seller's or transferor's spouse or dependent child, or to any
166 other person, business or corporation, at the direction of the
167 seller or transferor, for the remaining unexpired taxes prorated
168 from the first day of the month following the month in which the



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

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



194 from the end of the anniversary month of the tag and decals to the
195 date on which he makes application for the current license tag or
196 decals.

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

200 **SECTION 2.** Nothing in this act shall affect or defeat any
201 claim, assessment, appeal, suit, right or cause of action for
202 taxes due or accrued under the ad valorem tax laws before the date
203 on which this act becomes effective, whether such claims,
204 assessments, appeals, suits or actions have been begun before the
205 date on which this act becomes effective or are begun thereafter;
206 and the provisions of the ad valorem tax laws are expressly
207 continued in full force, effect and operation for the purpose of
208 the assessment, collection and enrollment of liens for any taxes
209 due or accrued and the execution of any warrant under such laws
210 before the date on which this act becomes effective, and for the
211 imposition of any penalties, forfeitures or claims for failure to
212 comply with such laws.

213 **SECTION 3.** This act shall take effect and be in force from
214 and after January 1, 2017.

