

By: Representative Tullos

To: Ways and Means

HOUSE BILL NO. 655

1 AN ACT TO PROVIDE AN AD VALOREM TAX AND PRIVILEGE TAX
2 EXEMPTION FOR ONE MOTOR VEHICLE OWNED BY A PERSON WHO IS SERVING
3 AS A MEMBER OF THE ARMED FORCES OF THE UNITED STATES IN AN ACTIVE
4 DUTY STATUS; TO AMEND SECTION 27-51-41, MISSISSIPPI CODE OF 1972,
5 IN CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** (1) (a) Any legal resident of the State of
8 Mississippi who is a member of the Armed Forces of the United
9 States in an active duty status is privileged to purchase annually
10 under this subsection one (1) motor vehicle license plate or tag
11 in his or her county of legal residence, for the sum of One Dollar
12 (\$1.00) in total cost for each plate or tag, regardless of make or
13 model of motor vehicle. The registration year of such exemption
14 shall commence the first day of the month in which application for
15 registration or renewal registration is made for a license plate
16 or tag, as provided in Section 27-19-31. Vehicles owned by such
17 persons are exempt under this subsection from all ad valorem and
18 privilege taxes. At the time of application or renewal
19 registration, a person desiring the exemption authorized in this



20 section must present to the issuing official proof that the person
21 is a member of the Armed Forces of the United States in an active
22 duty status. Any such vehicle when so registered shall be exempt
23 from all ad valorem and privilege taxes. For the purposes of this
24 section, the term "active duty" means and has the same definition
25 as that term has in 38 USCS 101(21).

26 (b) This section pertains only to taxes or plates for
27 private passenger motor vehicles or pickup trucks.

28 (c) Proof of ownership of a particular motor vehicle
29 for which an exemption is requested must be shown at the time of
30 application or renewal registration for a license plate or tag.

31 (2) An exemption authorized under this section shall not be
32 transferable to any other person.

33 (3) Any person evading or violating any of the provisions of
34 this section, or attempting to secure benefits under this section
35 to which he is not entitled, shall be guilty of a misdemeanor and,
36 upon conviction, shall be fined not less than One Thousand Dollars
37 (\$1,000.00) or imprisoned in the county jail for not less than
38 ninety (90) days, or both.

39 **SECTION 2.** Section 27-51-41, Mississippi Code of 1972, is
40 amended as follows:

41 27-51-41. (1) The exemptions from the provisions of this
42 chapter shall be confined to those persons or property exempted by
43 this chapter or by the provisions of the Constitution of the
44 United States or the State of Mississippi. No exemption as now



provided by any other statute shall be valid as against the tax levied by this chapter. Any subsequent exemption from the tax levied hereunder shall be provided by amendment to this section which shall be inserted in the bill at length.

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

(a) All motor vehicles, as defined in this chapter, and including motor-propelled farm implements and vehicles, while in the hands of bona fide dealers as merchandise and which are not being operated upon the highways of this state.

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

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

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

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

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

(g) All motor vehicles operated in this state as common and contract carriers of property, private commercial carriers of



property, private carriers of property and buses, all of which have a gross weight in excess of ten thousand (10,000) pounds.

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

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

(j) Two (2) motor vehicles owned by a disabled American veteran, or by the spouse of a deceased disabled American veteran, who is entitled to purchase a distinctive license plate or tag in accordance with Section 27-19-53, regardless of the license plate or tag issued to the disabled American veteran or the veteran's spouse if the disabled American veteran is deceased.

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

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

(m) (i) One (1) private carrier of passengers, as 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.



119 (s) One (1) motor vehicle owned by the mother of a
120 service member who died while serving on active duty in the Armed
121 Forces of the United States while the United States was engaged in
122 hostile activities or a time of war after September 11, 2001, as
123 provided for in Section 27-19-56.162.

124 (t) One (1) motor vehicle owned by the unremarried
125 spouse of a service member who died while serving on active duty
126 in the Armed Forces of the United States while the United States
127 was engaged in hostile activities or a time of war after September
128 11, 2001, as provided for in Section 27-19-56.162.

129 (u) Buses and other motor vehicles that are (a) owned
130 and operated by an entity that has entered into a contract with a
131 school board under Section 37-41-31 for the purpose of
132 transporting students to and from schools and (b) used by the
133 entity for such transportation purposes. This paragraph (u) shall
134 apply to contracts entered into or renewed on or after July 1,
135 2010.

136 (v) One (1) motor vehicle owned by a recipient of the
137 Silver Star, and one (1) motor vehicle owned by the unremarried
138 surviving spouse of a recipient of the Silver Star, as provided in
139 Section 27-19-56.284.

140 (w) One (1) motor vehicle owned by a person who is a
141 law enforcement officer and who (i) was wounded or otherwise
142 received intentional or accidental bodily injury, regardless of
143 whether occurring before or after July 1, 2014, while engaged in



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

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



169 (y) One (1) motor vehicle owned by a person who is a
170 member of the Armed Forces of the United States in an active duty
171 status, as provided in Section 1 of this act.

172 (3) Any claim for tax exemption by authority of the
173 above-mentioned code sections or by any other legal authority
174 shall be set out in the application for the road and bridge
175 privilege license, and the specific legal authority for such tax
176 exemption claim shall be cited in said application, and such
177 authority cited shall be shown by the tax collector on the tax
178 receipt as his authority for not collecting such ad valorem taxes,
179 and the tax collector shall carry forward such information in his
180 tax collection reports.

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

186 (5) If a taxpayer shall sell, trade or otherwise dispose of
187 a vehicle on which the ad valorem and road and bridge privilege
188 taxes have been paid in any county in the state, he shall remove
189 the license plate from the vehicle. Such license plate must be
190 surrendered to the issuing authority with the corresponding tax
191 receipt, if required, and credit shall be allowed for the taxes
192 paid for the remaining tax year on like privilege or ad valorem
193 taxes due on another vehicle owned by the seller or transferor or



194 by the seller's or transferor's spouse or dependent child. If the
195 seller or transferor does not elect to receive such credit at the
196 time the license plate is surrendered, the issuing authority shall
197 issue a certificate of credit to the seller or transferor, or to
198 the seller's or transferor's spouse or dependent child, or to any
199 other person, business or corporation, at the direction of the
200 seller or transferor, for the remaining unexpired taxes prorated
201 from the first day of the month following the month in which the
202 license plate is surrendered. The total of such credit may be
203 used by the person or entity to whom the certificate of credit is
204 issued, regardless of the relative amounts attributed to privilege
205 taxes or to county, school or municipal ad valorem taxes. Any
206 credit allowed for taxes due or any certificate of credit issued
207 may be applied to like taxes owed in any county by the person to
208 whom the credit is allowed or by the person possessing the
209 certificate of credit. No credit, however, shall be allowed on
210 the charge made for the license plate. Such license plates
211 surrendered to the tax collector shall be retained by him, and in
212 no event shall such license plate be attached to any vehicle after
213 being surrendered to the tax collector, nor shall any license
214 plate be transferred from one (1) vehicle to any other vehicle.

215 (6) If the person owning a vehicle subject to taxation under
216 the provisions of this chapter does not operate such vehicle on
217 the highways of this state from the date of acquisition or, if
218 previously registered, from the end of the anniversary month of



219 the tag and decals to the date on which he makes application for a
220 current license tag or decals, he shall pay such ad valorem tax
221 for a period of twelve (12) months beginning with the first day of
222 the month in which he applies for a current license tag or decals
223 under Chapter 19, Title 27, Mississippi Code of 1972. The owner
224 shall submit an affidavit with an application attesting to the
225 fact that the vehicle was not operated on the highways of this
226 state from the date of acquisition or, if previously registered,
227 from the end of the anniversary month of the tag and decals to the
228 date on which he makes application for the current license tag or
229 decals.

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

233 **SECTION 3.** This act shall take effect and be in force from
234 and after July 1, 2020.

