

By: Representative Summers

To: Business and Commerce;
Ways and Means

HOUSE BILL NO. 107

1 AN ACT TO AMEND SECTION 27-19-40, MISSISSIPPI CODE OF 1972,
 2 TO AUTHORIZE THE ISSUANCE OF TEMPORARY MOTOR VEHICLE LICENSE TAGS
 3 OR PLATES TO PERSONS WHO PURCHASE MOTOR VEHICLES FROM DEALERS; TO
 4 PROVIDE THE TIME FOR WHICH THE TEMPORARY TAGS OR PLATES WILL BE
 5 VALID; TO AUTHORIZE A MOTOR VEHICLE DEALER TO CHARGE A FEE FOR THE
 6 ISSUANCE OF SUCH TAGS OR PLATES; TO BRING FORWARD SECTIONS
 7 27-19-59, 27-19-61 AND 27-19-63, MISSISSIPPI CODE OF 1972, WHICH
 8 ARE SECTIONS OF THE MOTOR VEHICLE PRIVILEGE TAX LAWS, FOR THE
 9 PURPOSES OF POSSIBLE AMENDMENT; TO BRING FORWARD SECTION 63-21-69,
 10 MISSISSIPPI CODE OF 1972, WHICH IS A SECTION OF THE MISSISSIPPI
 11 MOTOR VEHICLE AND MANUFACTURED HOUSING TITLE LAW, FOR THE PURPOSES
 12 OF POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.

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

14 **SECTION 1.** Section 27-19-40, Mississippi Code of 1972, is
 15 amended as follows:

16 27-19-40. (1) A motor vehicle dealer or automobile auction
 17 may apply to the * * * department for special in-transit tags or
 18 plates, which when properly displayed shall authorize the motor
 19 vehicle dealer or automobile auction to operate a motor vehicle
 20 upon the highways of this state without paying the annual highway
 21 privilege tax upon such vehicle and without attaching any other
 22 license tag or plate to such vehicle, if:



23 (a) The movement of the motor vehicle is for the
24 purpose of sale of such vehicle to another motor vehicle dealer or
25 automobile auction;

26 (b) The motor vehicle is being moved from the place of
27 business of one motor vehicle dealer or automobile auction to the
28 place of business of another motor vehicle dealer or automobile
29 auction; and

30 (c) The special in-transit tag or plate is displayed in
31 plain view on the motor vehicle in the manner prescribed by
32 the * * * department.

33 (2) A motor vehicle dealer or automobile auction may apply
34 for a temporary tag or plate to be used when a motor vehicle in
35 this state is sold by the motor vehicle dealer or automobile
36 auction to a nonresident of the State of Mississippi or when a
37 motor vehicle is sold by a motor vehicle dealer or automobile
38 auction to a Mississippi resident who may temporarily exit this
39 state before obtaining a Mississippi tag or plate. Such tag or
40 plate when properly displayed shall authorize the purchaser of
41 such a motor vehicle to operate the motor vehicle upon the
42 highways of this state. The temporary tag or plate shall be valid
43 for a period of seven (7) full working days, exclusive of the date
44 of purchase, after the date the motor vehicle is purchased;
45 however, if the temporary tag or plate is issued to a nonresident
46 of the State of Mississippi, the temporary tag or plate shall be
47 valid for the number of days within which the nonresident is



48 required to obtain a permanent motor vehicle license tag or plate
49 by the laws of the nonresident's state of residence.

50 (3) The * * * department shall issue such tags or plates to
51 each motor vehicle dealer or automobile auction who applies for
52 them upon payment of a fee in an amount equal to Two Dollars
53 (\$2.00) for each in-transit tag or plate and Five Dollars (\$5.00)
54 for each temporary tag or plate.

55 (4) Whenever a rental company acquires a vehicle from a
56 dealer by sale or otherwise, the rental company may apply for a
57 temporary tag or plate to be issued by the dealer. Such tag or
58 plate, when properly displayed, authorizes the rental company to
59 operate the motor vehicle upon the highways of this state. The
60 temporary tag or plate is valid for a period of thirty (30) full
61 working days, exclusive of the date of delivery. Any dealer
62 issuing a temporary tag under this subsection may collect from the
63 purchaser requesting the issuance of the temporary tag a fee of
64 Five Dollars (\$5.00). The penalties established under Section
65 27-19-63, are not applicable until after the expiration of the
66 thirty-day period under this subsection. For the purposes of this
67 subsection, the term "rental company" means any person or entity
68 in the business of providing primarily motor vehicles to the
69 public under a rental agreement for a rental period not to exceed
70 thirty (30) days.

71 (5) Whenever a person purchases a motor vehicle from a motor
72 vehicle dealer, the person may apply for a temporary tag or plate



73 to be issued by the dealer. Such temporary tag or plate, when
74 properly displayed, authorizes the person to operate the motor
75 vehicle upon the highways of this state. The temporary tag or
76 plate is valid for a period equal to the lesser of thirty (30)
77 full working days, exclusive of the date of delivery, or until the
78 person is issued a tag or plate, other than a temporary tag or
79 plate, under this chapter. The person must surrender the
80 temporary tag or plate to the tax collector upon issuance of such
81 other tag or plate. Any dealer issuing a temporary tag or plate
82 under this subsection may collect from the purchaser requesting
83 the issuance of the temporary tag or plate a fee of Five Dollars
84 (\$5.00).

85 (5) The tags or plates authorized pursuant to this section
86 shall be designed by the * * * department. The * * * department
87 shall adopt rules and regulations necessary to implement this
88 section, including, but not limited to, rules and regulations
89 establishing procedures for issuing such tags or plates and for
90 the use and display of such tags or plates. Each motor vehicle
91 dealer or automobile auction who is issued tags or plates pursuant
92 to this section shall keep such records as may be required by
93 the * * * department.

94 (6) Any motor vehicle dealer or automobile auction who uses
95 a tag or plate issued pursuant to this section for a purpose that
96 is not authorized by this section shall be guilty of a misdemeanor
97 and, upon conviction thereof, shall be punished by a fine of One



98 Thousand Dollars (\$1,000.00) and the use of all tags or plates
99 issued to such motor vehicle dealer or automobile auction pursuant
100 to this section shall be suspended for a period of one (1) year.

101 (7) As used in this section, the terms "motor vehicle
102 dealer" and "automobile auction" shall have the meanings ascribed
103 to such terms in Section 27-19-303, Mississippi Code of 1972.

104 **SECTION 2.** Section 27-19-59, Mississippi Code of 1972, is
105 brought forward as follows:

106 27-19-59. Any person required under the provisions of this
107 article to register and pay a privilege license tax on any vehicle
108 shall make application therefor, on forms to be prescribed by the
109 commission, and such forms shall require information as the
110 commission may deem necessary.

111 All motor vehicles owned by the State of Mississippi or any
112 agency, department or political subdivision thereof, when such
113 agency or department is supported wholly or in part by
114 appropriations from public funds, when used in the transportation
115 of passengers, shall have painted on both sides, and, if
116 practical, on the rear of each such vehicle the name of the state
117 agency or department, in letters at least three (3) inches in
118 height in a color which is in contrast with the color of the
119 vehicle, and no privilege license tag and decals shall be issued
120 for such vehicle until the name has been painted thereon as
121 required by this section. Provided, however, the provisions of



122 this paragraph shall not apply to vehicles used by the Chief
123 Executive of the State of Mississippi.

124 The tax collector, or the commission, as the case may be,
125 shall attach to or write upon such application the number of the
126 license tag and decals issued to such owner, and such other
127 information as may be deemed necessary. The tax collector and his
128 deputies, and all representatives and employees of the commission,
129 who are authorized to issue privilege licenses, and all other
130 persons authorized by law to issue privilege licenses, shall have
131 the power to administer oaths and take acknowledgments of
132 signatures, without cost to the applicant. All applications for
133 licenses, or a microfilm copy or a computer-generated microfilm
134 copy of every such application, shall be preserved as a public
135 record for a period of not less than three (3) years from the date
136 thereof.

137 Each person who shall make application to the commission for
138 the registration of and a privilege license for a common or
139 contract carrier of passengers which is not required by law to
140 qualify with and obtain a certificate or permit from the
141 Mississippi Public Service Commission shall, before being issued a
142 license, present with his application therefor satisfactory proof
143 that such person has in force covering such vehicle a policy or
144 policies of insurance conditioned to pay any final judgment
145 against said carrier for personal injuries and property damage
146 arising or resulting from the use, maintenance or operation of the



147 vehicles of such carrier, said policy or policies of insurance to
148 be in an amount of not less than Five Thousand Dollars (\$5,000.00)
149 for the death or injury to any one (1) person, Ten Thousand
150 Dollars (\$10,000.00) total public liability for any one (1)
151 accident, and Five Thousand Dollars (\$5,000.00) property damage
152 liability for any one (1) accident. Unless such proof that such
153 insurance policy or policies are in force is presented, no license
154 tag shall be issued to such carrier. If any person shall operate
155 a motor vehicle, required by the provisions of this paragraph to
156 furnish proof that the insurance mentioned is in force without
157 having in force such insurance and without having obtained the
158 proper license tag and decals from the commission, such person
159 shall, notwithstanding the provisions of this paragraph, be liable
160 for the full privilege license tax and the penalty thereon as is
161 otherwise provided by this article and the commission shall
162 collect such tax and penalty from such person. The commission
163 shall not, however, issue a license tag and decals for such
164 vehicle unless the owner or operator thereof shall thereafter
165 furnish proof that such insurance is in force, at which time the
166 proper license tag and decals shall be issued. If, after a
167 license tag and decals shall have been issued for any vehicle
168 required to present proof that the insurance required by this
169 paragraph is in force, the commission shall receive notice or
170 otherwise acquire knowledge that such policy or policies of
171 insurance have been cancelled, have lapsed, or are no longer in



172 force for any reason, then the commission shall have the authority
173 to require and compel the surrender of such license tag and decals
174 and to retain same until presented with proof that the policy or
175 policies of insurance required by this section are again in force,
176 at which time such license tag and decals shall be returned to
177 such taxpayer. None of the provisions of this paragraph shall
178 apply, however, to private carriers of passengers.

179 **SECTION 3.** Section 27-19-61, Mississippi Code of 1972, is
180 brought forward as follows:

181 27-19-61. When any person shall make application to a tax
182 collector for an annual privilege license upon any vehicle which
183 was subject to, and liable for, state and county ad valorem taxes
184 within this state for the preceding taxable year as defined by
185 Section 27-51-9, such person shall present with his application
186 the original or a duplicate of the tax receipt evidencing the
187 payment of such tax, or other sufficient proof of the payment of
188 such state and county ad valorem taxes on such vehicle for the
189 preceding taxable year, and if such vehicle was subject to
190 municipal ad valorem taxes for the preceding taxable year within
191 this state such person shall also present with his application the
192 original or a duplicate of the tax receipt evidencing the payment
193 of such tax or other sufficient proof of the payment of such
194 municipal ad valorem taxes on such vehicle for the preceding
195 taxable year, and no privilege license shall be issued for any
196 vehicle which is liable for state and county ad valorem taxes or



197 for municipal ad valorem taxes in this state for the preceding
198 year upon which such taxes have not been paid. Provided, however,
199 that the provisions of this section shall not apply to any person,
200 firm or corporation whose property is subject to assessment by the
201 State Tax Commission. The provisions of this section shall not
202 apply to applications made by dealers for dealer's tags or
203 licenses for demonstration purposes.

204 **SECTION 4.** Section 27-19-63, Mississippi Code of 1972, is
205 brought forward as follows:

206 27-19-63. (1) Except as otherwise provided in this section,
207 the privilege license tax levied by the provisions of this article
208 shall be paid annually during the anniversary month of the
209 acquisition of the vehicle. The privilege license tax levied
210 shall be based on a period of twelve (12) months, even though the
211 actual time from the acquisition of the vehicle to the end of the
212 anniversary month of the next succeeding year may be more than
213 twelve (12) months. Any person subject to the provisions of this
214 article shall have an additional fifteen (15) days from the end of
215 the anniversary month in which to purchase the tag and/or decals
216 and to pay the privilege license tax without being in violation of
217 this section. Any person owning a vehicle subject to taxation
218 under the provisions of this article who fails or refuses to pay
219 such tax and obtain the privilege license required within the
220 prescribed period of time shall be guilty of violating the
221 provisions of this article, and shall be liable for the amount of



222 such tax plus a penalty as provided for in this section. If the
223 person owning a vehicle subject to taxation under the provisions
224 of this article does not operate such vehicle on the highways of
225 this state from the date of acquisition or, if previously
226 registered, from the end of the anniversary month of his tag and
227 decals to the date on which he makes application for the privilege
228 license, he shall pay such license tax for a period of twelve (12)
229 months beginning with the first day of the month in which he
230 applies for such privilege license. The owner shall submit an
231 affidavit with his application attesting to the fact that his
232 vehicle was not operated on the highways of this state from the
233 date of acquisition or, if previously registered, from the end of
234 the anniversary month of his tag and decals to the date on which
235 he makes application for the privilege license.

236 (2) Except as may be otherwise provided in subsection (3) of
237 this section, the privilege license tax levied by the provision of
238 this article on operators of motor vehicles in excess of ten
239 thousand (10,000) pounds, gross vehicle weight, apportioned
240 vehicles, rental and commercial trailers and buses shall be due
241 annually during the anniversary month which shall be established
242 by the Commissioner of Revenue; however, there shall be an
243 additional fifteen (15) days from the end of the anniversary month
244 in which to file an application with the department and pay the
245 privilege license tax. The annual license tag and/or decals
246 issued by the department for the license tax year shall be valid



247 for a period of time to be determined by the chairman but not to
248 exceed fifteen (15) months following the anniversary month;
249 provided, however, this does not extend the time for filing the
250 application with the department and the payment of the license
251 tax. Any person who fails or refuses to pay such tax and obtain
252 the privilege license required when due shall be guilty of
253 violating the provision of this article and shall be liable for
254 the entire amount of such tax from the date the liability was
255 incurred, plus penalty as provided for in this section.

256 (3) The privilege license tax levied by the provisions of
257 this article on operators of a motor vehicle that is in a
258 corporate fleet or an individual fleet registered under Section
259 27-19-66 or a trailer in a fleet registered under Section
260 27-19-66.1 shall be due annually during the anniversary month
261 which shall be established by the Commissioner of Revenue for
262 corporate fleets and trailer fleets, and by the county tax
263 collectors for individual fleets; however, there shall be an
264 additional fifteen (15) days from the end of the anniversary month
265 in which to file an application with the department or the county
266 tax collector, as the case may be, and to purchase the tag or
267 renew the registration of such motor vehicle and pay the privilege
268 license tax. The department or the county tax collector, as the
269 case may be, shall issue a tag or renew the annual registration of
270 such motor vehicle for the license tax year only after all ad
271 valorem taxes and privilege taxes due on such motor vehicle have



272 been paid. Any person who fails or refuses to pay the privilege
273 tax and obtain the privilege license required when due shall be
274 guilty of violating the provisions of this article and shall be
275 liable for the entire amount of such tax from the date the
276 liability was incurred, plus penalty as provided for in this
277 section.

278 (4) Penalties shall be assessed on the privilege license tax
279 at the rate of five percent (5%) for the first fifteen (15) days
280 of delinquency, or part thereof, and five percent (5%) for each
281 additional thirty-day period of delinquency, or part thereof, not
282 to exceed a maximum penalty of twenty-five percent (25%); however,
283 a penalty of Two Hundred Fifty Dollars (\$250.00), in addition to
284 the maximum penalty for delinquency, shall be assessed against any
285 person who is liable for the motor vehicle privilege license tax
286 but who (a) displays an out-of-state license tag on the motor
287 vehicle; or (b) displays a license tag or privilege license decal
288 on the motor vehicle which was issued for another vehicle. The
289 department, for good reason shown, may waive all or any part of
290 the penalties imposed. No private passenger vehicle registered
291 under this chapter shall have displayed on the front of such
292 vehicle, or elsewhere, the official license tag of another state,
293 whether or not such license tag has expired. Law enforcement
294 officers of this state may remove from private passenger vehicles
295 any out-of-state license tags so displayed.



296 (5) The requirement that the privilege tax be paid during
297 the anniversary month of each year shall not apply in the
298 following cases:

299 (a) When a motor vehicle is acquired, the owner or
300 operator of the vehicle purchased shall have seven (7) full
301 working days, exclusive of the date of delivery, after the vehicle
302 has been delivered to him, within which to make the application
303 for the required privilege license, otherwise such person shall be
304 liable for penalty as provided for in this section. Provided,
305 however, that when any person shall acquire a vehicle as herein
306 provided, and it shall be necessary that such vehicle be
307 remodeled, changed or altered by such person before same is
308 suitable for the purposes for which it was acquired, then such
309 person shall have seven (7) full working days, exclusive of the
310 day of the completion of such remodeling, change or alteration,
311 after the completion thereof within which to make application for
312 the required privilege license; provided, that if such person
313 fails to make application within such period, such person shall be
314 liable for penalty as provided for in this section.

315 "Delivery" as used herein shall be construed to mean receipt
316 of such vehicle by the purchaser thereof at his residence or place
317 of business, and, in the event the vehicle is purchased at any
318 place other than in the county of residence or place of business
319 of such person, he shall be entitled to forty-eight (48) hours
320 within which to transport such vehicle to the county of his



321 residence or place of business. At all times during such
322 transportation, the owner or operator of such vehicle shall have
323 in his possession a true bill of sale, giving the description of
324 the vehicle, the name and address of the dealer from whom
325 purchased, the name and address of the owner or operator, and the
326 date on which the vehicle was acquired. For failure to have such
327 bill of sale in his possession during the entire time during which
328 the vehicle is being transported, the owner or operator shall be
329 liable for the annual privilege tax plus penalty as provided for
330 in this section.

331 (b) Where a person has paid the current privilege
332 license tax required by the laws of another state and applies for
333 a privilege license in this state within thirty (30) days, no
334 penalty shall be assessed; however, any person who fails to comply
335 herewith shall be liable for the full annual tax, plus penalty as
336 provided for in this section.

337 (6) Any nonresident of the State of Mississippi who has paid
338 the current privilege license required by the laws of another
339 state upon a private carrier of passengers, and thereafter becomes
340 a resident of the State of Mississippi, or brings such vehicle
341 into the State of Mississippi for use in connection with his
342 business in this state, or who is gainfully employed in this state
343 shall be entitled to operate such vehicle without obtaining a
344 privilege license in this state for a period of not more than
345 thirty (30) days.



346 "Resident" for the purpose of registration and operation of
347 motor vehicles shall include, but not be limited to, the
348 following:

349 (a) Any person, except a tourist or out-of-town
350 student, who owns, leases or rents a place within the state and
351 occupies same as a place of residence.

352 (b) Any person who engages in a trade, profession or
353 occupation in this state or who accepts employment in other than
354 seasonal agricultural work.

355 **SECTION 5.** Section 63-21-69, Mississippi Code of 1972, is
356 brought forward as follows:

357 63-21-69. When a vehicle subject to titling under this
358 chapter is acquired from a dealer or another person by sale or
359 otherwise, the new owner of the vehicle shall have seven (7) full
360 working days, exclusive of the date of delivery, within which to
361 make application for the required privilege license tag.

362 No privilege license tag shall be issued by any tax collector
363 or the State Tax Commission if the vehicle is subject to titling
364 under this chapter unless the vehicle owner makes an application
365 therefor and shall thereupon tender his application for
366 certificate of title with the application for a privilege license.
367 If, however, the vehicle owner already has a certificate of title,
368 then the original certificate or, if his original certificate be
369 in the hands of a lienholder, then his duplicate certificate or
370 other official document as prescribed by the State Tax Commission



371 shall be tendered to the tax collector or the State Tax
372 Commission. The tax collector or the State Tax Commission, as the
373 case may be, shall thereupon enter the number of the application
374 or certificate on the privilege license application and on the
375 privilege license receipt.

376 The provisions and requirements of this section implement the
377 provisions and requirements of Section 27-19-59 and Section
378 27-19-61. Nothing contained in this section or in this chapter
379 shall in any way amend or supersede any of the existing statutes
380 of this state or any of the provisions or requirements of such
381 statutes with respect to the registration of vehicles and making
382 applications for privilege licenses for vehicles. However, the
383 State Tax Commission shall by suitable rules and regulations
384 provide for the implementation of the requirements of this section
385 and this chapter with the requirements of existing statutes with
386 respect to the registration of vehicles and with respect to
387 obtaining privilege licenses therefor.

388 **SECTION 6.** This act shall take effect and be in force from
389 and after July 1, 2024.

