

By: Representative Sanford

To: Judiciary A

HOUSE BILL NO. 178

1 AN ACT TO AMEND SECTIONS 63-21-251, 63-21-253, 63-21-257,
2 63-21-259 AND 63-21-261, MISSISSIPPI CODE OF 1972, TO INCREASE THE
3 NUMBER OF DESIGNATED BENEFICIARIES THAT A MOTOR VEHICLE OWNER MAY
4 INCLUDE IN A BENEFICIARY DESIGNATION DOCUMENT TO TRANSFER
5 OWNERSHIP OF SAID MOTOR VEHICLE AT THE TIME OF THE OWNER'S DEATH,
6 UP TO FOUR BENEFICIARIES; TO BRING FORWARD SECTION 63-21-255,
7 MISSISSIPPI CODE OF 1972, FOR THE PURPOSE OF POSSIBLE AMENDMENT;
8 AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** Section 63-21-251, Mississippi Code of 1972, is
11 amended as follows:

12 63-21-251. The following terms shall have the following
13 meanings, unless the context clearly indicates otherwise:

14 (a) "Beneficiary designation" means the designation by
15 an owner of a motor vehicle of * * * one or more beneficiaries of
16 the vehicle as provided by Section 63-21-261.

17 (b) "Designated beneficiary" means a person designated
18 as a beneficiary or persons designated as beneficiaries of an
19 owner's interest in a motor vehicle under Section 63-21-261. The
20 total number of designated beneficiaries shall not exceed four (4)
21 persons.



(c) "Joint owner with right of survivorship" or "joint owner" means a person who owns a motor vehicle concurrently with one or more other persons with a right of survivorship.

(d) "Motor vehicle" shall have the same meaning as the term as defined in Section 63-21-5(1).

SECTION 2. Section 63-21-253, Mississippi Code of 1972, is amended as follows:

63-21-253. (1) An owner of a motor vehicle may transfer the owner's interest in the motor vehicle to a sole beneficiary or multiple beneficiaries effective on the owner's death by designating * * * beneficiaries as provided by Section 63-21-261.

(2) A beneficiary designation is:

(a) Subject to Section 63-21-255, revocable and may be changed at any time without the consent of the designated beneficiary or beneficiaries as provided by Section 63-21-261;

(b) A nontestamentary instrument; and

(c) Effective without:

(A) Notice or delivery to or acceptance by the designated beneficiary or beneficiaries during the owner's life; or

(B) Consideration.

(3) A will may not revoke or supersede a beneficiary designation, regardless of when the will is made.



(4) A designated beneficiary or designated beneficiaries may disclaim the designated beneficiary's interest in the motor vehicle as provided by applicable law.

SECTION 3. Section 63-21-255, Mississippi Code of 1972, is brought forward as follows:

63-21-255. (1) If a motor vehicle that is the subject of a beneficiary designation is owned by joint owners with right of survivorship, the beneficiary designation must be made by all of the joint owners.

(2) A beneficiary designation made by joint owners with right of survivorship:

(a) May be revoked or changed as provided by Section 63-21-261, only if it is revoked or changed by all of the joint owners; and

(b) May be revoked or changed by the last surviving joint owner as provided by Section 63-21-261.

SECTION 4. Section 63-21-257, Mississippi Code of 1972, is amended as follows:

63-21-257. During a motor vehicle owner's life, a beneficiary designation does not:

(a) Affect an interest or right of the owner or owners making the designation, including the right to transfer or encumber the motor vehicle that is the subject of the designation;

(b) Create a legal or equitable interest in favor of the designated beneficiary or beneficiaries in the motor vehicle



that is the subject of the designation, even if the beneficiary or
beneficiaries * * * have actual or constructive notice of the
designation;

(c) Affect an interest or right of a secured or
unsecured creditor or future creditor of the owner or owners
making the designation, even if the creditor has actual or
constructive notice of the designation; or

(d) Affect an owner's or the designated beneficiary's
eligibility for any form of public assistance, subject to
applicable federal law.

SECTION 5. Section 63-21-259, Mississippi Code of 1972, is
amended as follows:

63-21-259. (1) On the death of the owner of a motor vehicle
that is the subject of a beneficiary designation, the following
rules apply to an interest in the motor vehicle:

(a) If the designated beneficiary or
beneficiaries * * * survive the owner making the designation by
one hundred twenty (120) hours, the interest in the motor vehicle
is transferred to the designated beneficiary or beneficiaries; and

(b) If the designated beneficiary or
beneficiaries * * * fail to survive the owner making the
designation by one hundred twenty (120) hours, the share of the
designated beneficiary or beneficiaries lapses and is subject to
and passes as if the beneficiary designation were a devise made in
a will.



(2) If an owner is a joint owner with right of survivorship who is survived by one or more other joint owners, the motor vehicle that is the subject of the beneficiary designation belongs to the surviving joint owner or owners. If an owner is a joint owner with right of survivorship who is the last surviving joint owner, the beneficiary designation is effective.

(3) A designated beneficiary or designated beneficiaries * * * take the motor vehicle subject to all encumbrances, assignments, contracts, liens and other interests to which the vehicle is subject at the owner's or last surviving owner's death, as applicable. The transfer to the designated beneficiary or beneficiaries does not affect the ability of a lienholder to pursue an existing means of debt collection permitted under the laws of this state.

(4) The transfer to the designated beneficiary or beneficiaries upon death is not a taxable event, regardless of the designated beneficiary's relationship to the deceased owner of the motor vehicle.

SECTION 6. Section 63-21-261, Mississippi Code of 1972, is amended as follows:

63-21-261. (1) The owner of a motor vehicle may designate a sole beneficiary or up to four (4) beneficiaries to whom the owner's interest in the vehicle transfers on the owner's death as provided by this article, by submitting an application for title with the designation. To be effective, the designation must state



that the transfer of an interest in the vehicle to the designated beneficiary or beneficiaries is to occur at the transferor's death.

(2) The legal name of a beneficiary or all beneficiaries designated under this section must be included on the title.

(3) The department shall transfer title of a motor vehicle to a sole beneficiary or to all beneficiaries designated under this section for the vehicle if the beneficiary or beneficiaries

* * * submit:

(a) An application for title not later than the 180th day after the date of the owner's death or, if the vehicle is owned by joint owners, the last surviving owner's death, as applicable; and

(b) Satisfactory proof of the death of the owner or owners, as applicable.

(4) A beneficiary designation may be changed or revoked by submitting a new application for title.

(5) A beneficiary designation or a change or revocation of a beneficiary designation made on an application for title of a motor vehicle that has not been submitted to the department before the death of a vehicle's owner or owners who made, changed, or revoked the designation, as applicable, is invalid.

(6) The Department of Revenue may adopt rules to administer this section.



144 **SECTION 7.** This act shall take effect and be in force from
145 and after July 1, 2025.

