

By: Representative Eubanks

To: Business and Commerce

HOUSE BILL NO. 1035

1 AN ACT TO AMEND SECTION 27-19-63, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT IF THE OWNER OR OPERATOR OF A PURCHASED VEHICLE
3 ACQUIRED THE VEHICLE FROM A DEALER AND AS PART OF THE TRANSACTION
4 OF PURCHASING THE VEHICLE TRADED IN A VEHICLE TO THE DEALER, THE
5 PERSON MAY RETAIN THE LICENSE PLATE REMOVED FROM THE TRADED
6 VEHICLE AND USE THE LICENSE PLATE ON THE VEHICLE PURCHASED AND
7 REGISTERED IF THE LICENSE PLATE IS OF THE SAME SERIES AS THAT OF A
8 NEW LICENSE PLATE REQUIRED FOR THE VEHICLE THAT IS PURCHASED AND
9 TO BE REGISTERED, THE LICENSE PLATE IS AUTHORIZED FOR USE ON THE
10 TYPE OF VEHICLE PURCHASED AND TO BE REGISTERED AND THE COUNTY IN
11 WHICH THE LICENSE PLATE WAS ISSUED IS THE SAME AS THE COUNTY IN
12 WHICH THE PURCHASED VEHICLE IS TO BE REGISTERED; TO AMEND SECTION
13 27-19-141, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT IF A PERSON,
14 OTHER THAN A DEALER OR AGENT, SELLS OR TRANSFERS A VEHICLE TO
15 ANOTHER PERSON, IN LIEU OF SURRENDERING THE LICENSE PLATE, THE
16 PERSON MAY RETAIN AND USE THE LICENSE PLATE ON ANOTHER VEHICLE
17 THAT IS TO BE REGISTERED BY SUCH PERSON FOR THE FIRST TIME IF THE
18 LICENSE PLATE IS OF THE SAME SERIES AS THAT OF A NEW LICENSE PLATE
19 REQUIRED FOR SUCH VEHICLE THAT IS TO BE REGISTERED, THE LICENSE
20 PLATE REMOVED FROM THE VEHICLE IS AUTHORIZED FOR USE ON THE TYPE
21 OF VEHICLE TO BE REGISTERED AND THE COUNTY IN WHICH THE LICENSE
22 PLATE WAS ISSUED IS THE SAME AS THE COUNTY IN WHICH THE VEHICLE IS
23 TO BE REGISTERED; AND FOR RELATED PURPOSES.

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

25 **SECTION 1.** Section 27-19-63, Mississippi Code of 1972,
26 is amended as follows:

27 * * *



28 27-19-63. (1) Except as otherwise provided in this section,
29 the privilege license tax levied by the provisions of this article
30 shall be paid annually during the anniversary month of the
31 acquisition of the vehicle. The privilege license tax levied
32 shall be based on a period of twelve (12) months, even though the
33 actual time from the acquisition of the vehicle to the end of the
34 anniversary month of the next succeeding year may be more than
35 twelve (12) months. Any person subject to the provisions of this
36 article shall have an additional fifteen (15) days from the end of
37 the anniversary month in which to purchase the tag and/or decals
38 and to pay the privilege license tax without being in violation of
39 this section. Any person owning a vehicle subject to taxation
40 under the provisions of this article who fails or refuses to pay
41 such tax and obtain the privilege license required within the
42 prescribed period of time shall be guilty of violating the
43 provisions of this article, and shall be liable for the amount of
44 such tax plus a penalty as provided for in this section. If the
45 person owning a vehicle subject to taxation under the provisions
46 of this article does not operate such vehicle on the highways of
47 this state from the date of acquisition or, if previously
48 registered, from the end of the anniversary month of his tag and
49 decals to the date on which he makes application for the privilege
50 license, he shall pay such license tax for a period of twelve (12)
51 months beginning with the first day of the month in which he
52 applies for such privilege license. The owner shall submit an



53 affidavit with his application attesting to the fact that his
54 vehicle was not operated on the highways of this state from the
55 date of acquisition or, if previously registered, from the end of
56 the anniversary month of his tag and decals to the date on which
57 he makes application for the privilege license.

58 (2) Except as may be otherwise provided in subsection (3) of
59 this section, the privilege license tax levied by the provision of
60 this article on operators of motor vehicles in excess of ten
61 thousand (10,000) pounds, gross vehicle weight, apportioned
62 vehicles, rental and commercial trailers and buses shall be due
63 annually during the anniversary month which shall be established
64 by the Commissioner of Revenue; however, there shall be an
65 additional fifteen (15) days from the end of the anniversary month
66 in which to file an application with the department and pay the
67 privilege license tax. The annual license tag and/or decals
68 issued by the department for the license tax year shall be valid
69 for a period of time to be determined by the Commissioner of
70 Revenue but not to exceed fifteen (15) months following the
71 anniversary month; provided, however, this does not extend the
72 time for filing the application with the department and the
73 payment of the license tax. Any person who fails or refuses to
74 pay such tax and obtain the privilege license required when due
75 shall be guilty of violating the provision of this article and
76 shall be liable for the entire amount of such tax from the date



77 the liability was incurred, plus penalty as provided for in this
78 section.

79 (3) The privilege license tax levied by the provisions of
80 this article on operators of a motor vehicle that is in a
81 corporate fleet or an individual fleet registered under Section
82 27-19-66, a trailer in a fleet registered under Section
83 27-19-66.1, or a motor vehicle that is in a rental fleet
84 registered under Section 27-19-66.2 shall be due annually during
85 the anniversary month which shall be established by the
86 Commissioner of Revenue for corporate fleets, rental fleets and
87 trailer fleets, and by the county tax collectors for individual
88 fleets; however, there shall be an additional fifteen (15) days
89 from the end of the anniversary month in which to file an
90 application with the department or the county tax collector, as
91 the case may be, and to purchase the tag or renew the registration
92 of such motor vehicle and pay the privilege license tax. The
93 department or the county tax collector, as the case may be, shall
94 issue a tag or renew the annual registration of such motor vehicle
95 for the license tax year only after all ad valorem taxes and
96 privilege taxes due on such motor vehicle have been paid. Any
97 person who fails or refuses to pay the privilege tax and obtain
98 the privilege license required when due shall be guilty of
99 violating the provisions of this article and shall be liable for
100 the entire amount of such tax from the date the liability was
101 incurred, plus penalty as provided for in this section. If a



motor vehicle registered in a rental fleet is removed from the fleet and the rental fleet license tag is removed from the motor vehicle and transferred to and used on another motor vehicle that is added to the fleet during the registration year to replace the removed motor vehicle, the remaining portion of privilege tax paid on the removed motor vehicle for the registration year shall be transferred to the replacement motor vehicle and there shall be no other privilege tax liability for the replacement motor vehicle for the remaining portion of the registration year.

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



officers of this state may remove from private passenger vehicles any out-of-state license tags so displayed.

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

(a) When a motor vehicle is acquired, the owner or operator of the vehicle purchased shall have thirty (30) full working days, exclusive of the date of delivery, after the vehicle has been delivered to him, within which to make the application for the required privilege license, otherwise such person shall be liable for penalty as provided for in this section. Provided, however, that when any person shall acquire a vehicle as herein provided, and it shall be necessary that such vehicle be remodeled, changed or altered by such person before same is suitable for the purposes for which it was acquired, then such person shall have seven (7) full working days, exclusive of the day of the completion of such remodeling, change or alteration, after the completion thereof, or thirty (30) full working days, exclusive of the date of delivery, after the vehicle has been delivered to him, whichever is greater, within which to make application for the required privilege license; provided, that if such person fails to make application within such period, such person shall be liable for penalty as provided for in this section. In addition, if the owner or operator of the purchased vehicle acquired the vehicle from a dealer and as part of the



transaction of purchasing the vehicle he traded in a vehicle to
the dealer, the person may retain the license plate removed from
the traded vehicle and use the license plate on the vehicle
purchased and registered if (i) the license plate is of the same
series as that of a new license plate required for the vehicle
that is purchased and to be registered, (ii) the license plate is
authorized for use on the type of vehicle purchased and to be
registered and (iii) the county in which the license plate was
issued is the same as the county in which the purchased vehicle is
to be registered.

"Delivery" as used herein shall be construed to mean receipt
of such vehicle by the purchaser thereof at his residence or place
of business, and, in the event the vehicle is purchased at any
place other than in the county of residence or place of business
of such person, he shall be entitled to forty-eight (48) hours
within which to transport such vehicle to the county of his
residence or place of business. At all times during such
transportation, the owner or operator of such vehicle shall have
in his possession a true bill of sale, giving the description of
the vehicle, the name and address of the dealer from whom
purchased, the name and address of the owner or operator, and the
date on which the vehicle was acquired. For failure to have such
bill of sale in his possession during the entire time during which
the vehicle is being transported, the owner or operator shall be



176 liable for the annual privilege tax plus penalty as provided for
177 in this section.

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

184 (6) Any nonresident of the State of Mississippi who has paid
185 the current privilege license required by the laws of another
186 state upon a private carrier of passengers, and thereafter becomes
187 a resident of the State of Mississippi, or brings such vehicle
188 into the State of Mississippi for use in connection with his
189 business in this state, or who is gainfully employed in this state
190 shall be entitled to operate such vehicle without obtaining a
191 privilege license in this state for a period of not more than
192 thirty (30) days.

193 "Resident" for the purpose of registration and operation of
194 motor vehicles shall include, but not be limited to, the
195 following:

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



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

SECTION 2. Section 27-19-141, Mississippi Code of 1972, is amended as follows:

27-19-141. In case any person, other than a dealer or agent, shall sell, assign or transfer any vehicle to another person, the person acquiring such vehicle shall register the vehicle with the county tax collector of his residence or the * * * Department of Revenue within seven (7) working days after such sale, assignment or transfer and pay the annual privilege license taxes. The seller or transferor shall remove the license plate from the vehicle and retain same. Such license plate must be surrendered to the issuing authority with the corresponding tax receipt if required, or retained by the seller or transferor as authorized herein, and credit shall be allowed for the taxes paid for the remaining tax year on like privilege or ad valorem taxes due on another vehicle owned by the seller or transferor, or by the seller's or transferor's spouse or dependent child. In lieu of surrendering the license plate to the issuing authority, the seller or transferor may retain and use the license plate on another vehicle that is to be registered by such person for the first time if (a) the license plate is of the same series as that of a new license plate required for such vehicle that is to be registered, (b) the license plate removed from the vehicle is



224 authorized for use on the type of vehicle to be registered and (c)
225 the county in which the license plate was issued is the same as
226 the county in which the vehicle is to be registered. Privilege
227 taxes on vehicles registered in excess of ten thousand (10,000)
228 pounds gross vehicle weight, apportioned vehicles, rental and
229 commercial trailers and buses, shall be considered like taxes only
230 for vehicles registered in excess of ten thousand (10,000) pounds
231 gross vehicle weight, apportioned vehicles, rental and commercial
232 trailers and buses. Privilege or ad valorem taxes on vehicles
233 with a gross vehicle weight of ten thousand (10,000) pounds or
234 less shall be considered like taxes only for vehicles with a gross
235 vehicle weight of ten thousand (10,000) pounds or less. If the
236 seller or transferor does not elect to receive such credit at the
237 time the license plate is surrendered or retained for use on
238 another vehicle, the issuing authority shall issue a certificate
239 of credit to the seller or transferor, or to the seller's or
240 transferor's spouse or dependent child, or to any other person,
241 business or corporation, at the direction of the seller or
242 transferor, for the remaining unexpired taxes prorated from the
243 first day of the month following the month in which the license
244 plate is surrendered. Any credit allowed for taxes due or any
245 certificate of credit issued may be applied to like taxes owed in
246 any county by the person to whom the credit is allowed or by the
247 person possessing the certificate of credit. No credit, however,
248 shall be allowed on the charge made for registration fees and any



249 tag fees. Such license plates surrendered to the tax collector
250 shall be retained by him, and in no event shall such license plate
251 be attached to any motor vehicle after being surrendered to the
252 tax collector, nor shall any license plate be transferred from one
253 (1) motor vehicle to any other motor vehicle. Certificates of
254 credit shall be designed and furnished by the commissioner.

255 The credit authorized by this section shall not apply to
256 trailers or semitrailers subject to the tax levied in Section
257 27-19-18.

258 **SECTION 3.** This act shall take effect and be in force from
259 and after July 1, 2025.

