

By: Representative Bourdeaux

To: Ways and Means

HOUSE BILL NO. 426

1 AN ACT TO AMEND SECTIONS 27-19-69, 27-19-71, 27-19-141,
2 27-51-27 AND 27-51-41, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT A
3 PERSON SHALL RECEIVE A CASH REFUND INSTEAD OF A CREDIT FOR MOTOR
4 VEHICLE PRIVILEGE AND AD VALOREM TAXES PAID WHEN HIS VEHICLE IS
5 DESTROYED, IS NO LONGER USED IN MISSISSIPPI OR IS SOLD OR
6 TRANSFERRED DURING THE TAXABLE YEAR; AND FOR RELATED PURPOSES.

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

8 SECTION 1. Section 27-19-69, Mississippi Code of 1972, is
9 amended as follows:

10 27-19-69. If a carrier of property with a gross vehicle
11 weight of sixteen thousand (16,000) pounds or greater on which the
12 privilege tax prescribed by this article has been paid shall be
13 totally destroyed by fire, tornado, flood, collision, accident or
14 acts of Providence, then the person or operator who has paid the
15 privilege tax or the owner of the vehicle, in the event of a sale
16 thereof after the payment of such taxes, shall be entitled to a
17 cash refund for the * * * remaining unexpired portion of the
18 privilege tax on the vehicle destroyed. * * * In order to obtain
19 the cash refund, such person claiming same must present the
20 damaged license tag and decals to the tax collector of the county
21 of his residence or the commission or must present proof that such
22 tag and decals have been destroyed, and must prove to the
23 satisfaction of the tax collector or commission that the vehicle
24 for which the tag was issued has been totally destroyed, as above
25 set forth. * * *

26 When a cash refund is made under the provisions of this
27 section, the certificate of registration and payment of privilege
28 taxes on the destroyed vehicle shall be cancelled by the

29 commission. * * *

30 SECTION 2. Section 27-19-71, Mississippi Code of 1972, is
31 amended as follows:

32 27-19-71. If any vehicle on which the privilege tax has been
33 paid, either as a common or contract carrier of property, a
34 private commercial carrier of property, a private carrier of
35 property, a dray, a common and contract carrier of passengers, or
36 a passenger coach, is removed from the State of Mississippi by the
37 operator thereof, or the use thereof in Mississippi is
38 discontinued entirely by such operator or owner for any reason,
39 and such vehicle is replaced by another and different vehicle,
40 then the person or operator who has paid such taxes, or the owner
41 of such vehicle in the event of the sale thereof after the payment
42 of such tax, shall be entitled to a cash refund for the remaining
43 unexpired portion of the privilege tax on the vehicle whose use
44 has been discontinued in Mississippi.

45 In order to obtain the cash refund, the owner or operator
46 claiming same must present an affidavit to the commission or tax
47 collector of the county of his residence, setting forth that the
48 use of the vehicle upon which the original tax was paid has been
49 entirely discontinued in Mississippi by such owner or operator and
50 giving the reasons for such discontinuance, and full details with
51 reference thereto, and no cash refund shall be made unless the tax
52 collector or commission is absolutely satisfied that the * * *
53 vehicle is no longer to be used in Mississippi by such owner or
54 operator. When a cash refund is requested under this section,
55 such owner or operator must surrender the license tag and decals
56 originally issued, to the tax collector of the county of his
57 residence, or the commission, and the commission shall cancel the
58 certificate of registration and payment of the privilege tax on
59 the original vehicle. * * *

60 SECTION 3. Section 27-19-141, Mississippi Code of 1972, is
61 amended as follows:

62 27-19-141. If any person, other than a dealer or
63 agent, * * * sells, assigns or transfers any vehicle to another
64 person, the person acquiring such vehicle shall register the
65 vehicle with the county tax collector of his residence or the

66 State Tax Commission within seven (7) working days after such
67 sale, assignment or transfer and pay the annual privilege license
68 taxes. The seller or transferor shall remove the license plate
69 from the vehicle and retain same. Such license plate must be
70 surrendered to the issuing authority with the corresponding tax
71 receipt if required, and the seller or transferor shall be
72 entitled to a cash refund. * * * Such license plates surrendered
73 to the tax collector shall be retained by him, and in no event
74 shall such license plate be attached to any motor vehicle after
75 being surrendered to the tax collector, nor shall any license
76 plate be transferred from one (1) motor vehicle to any other motor
77 vehicle. * * *

78 SECTION 4. Section 27-51-27, Mississippi Code of 1972, is
79 amended as follows:

80 27-51-27. If any motor vehicle on which the ad valorem taxes
81 prescribed in this chapter have been paid is totally destroyed by
82 fire, tornado, flood, collision, accident or acts of Providence,
83 then the owner of such motor vehicle, upon filing a petition and
84 submission of sufficient proof, shall be entitled to a cash refund
85 for the amount of the ad valorem taxes on the proportional part of
86 the taxable year remaining, less ad valorem taxes accruing on the
87 salvage price, if any * * *. In order to obtain the cash refund,
88 such person must submit proof supported by affidavit of three (3)
89 reputable citizens that such motor vehicle has been totally
90 destroyed and a statement must be made as to the estimated amount
91 of salvage value remaining. The application for this credit and
92 the three (3) supporting affidavits must be notarized by an
93 officer who has legal authority to notarize such instruments.

94 Any person who makes or swears to a false statement or makes
95 or swears to a statement of facts without personal knowledge of
96 such facts, in any connection with an adjustment claim as referred
97 to above, shall be guilty of perjury and upon conviction shall be
98 punished as now provided by law. The same procedure as outlined

99 above shall apply to municipalities and municipal separate school
100 districts in proper cases, if the subject motor vehicle has been
101 totally destroyed as outlined above.

102 SECTION 5. Section 27-51-41, Mississippi Code of 1972, is
103 amended as follows:

104 27-51-41. (1) The exemptions from the provisions of this
105 chapter shall be confined to those persons or property exempted by
106 this chapter or by the provisions of the Constitution of the
107 United States or the State of Mississippi. No exemption as now
108 provided by any other statute shall be valid as against the tax
109 levied by this chapter. Any subsequent exemption from the tax
110 levied hereunder shall be provided by amendment to this section
111 which shall be inserted in the bill at length.

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

113 (a) All motor vehicles, as defined in this chapter, and
114 including motor-propelled farm implements and vehicles, while in
115 the hands of bona fide dealers as merchandise and which are not
116 being operated upon the highways of this state, shall be exempt
117 from all ad valorem taxes.

118 (b) All motor vehicles belonging to the federal
119 government or the State of Mississippi or any agencies or
120 instrumentalities thereof shall be exempt from all ad valorem
121 taxes.

122 (c) All motor vehicles owned by any school district in
123 the state shall be exempt from all ad valorem taxes.

124 (d) All motor vehicles owned by any fire protection
125 district incorporated in accordance with Sections 19-5-151 through
126 19-5-207 or by any fire protection grading district incorporated
127 in accordance with Sections 19-5-215 through 19-5-243 shall be
128 exempt from all ad valorem taxes.

129 (e) All motor vehicles owned by units of the
130 Mississippi National Guard shall be exempt from all ad valorem
131 taxes.

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

(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, shall be exempt from all ad valorem taxes.

(h) Antique automobiles as defined in Section 27-19-47 shall be exempt from all ad valorem taxes.

(i) Street rods as defined in Section 27-19-56.6 shall be exempt from all ad valorem taxes.

(j) Motor vehicles owned by disabled American veterans, or by spouses of deceased disabled American veterans, in accordance with Section 27-19-53, shall be exempt from all ad valorem taxes.

(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 shall be exempt from ad valorem taxes.

(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, shall be exempt from all ad valorem taxes.

(m) Any religious society, ecclesiastical body or any congregation thereof shall be exempt from ad valorem taxation on one (1) private carrier of passengers, as defined in Section 27-19-3, owned by it, which is used exclusively for such society and not for profit. 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 shall be exempt from all ad valorem taxes.

(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 shall be exempt from all ad valorem taxes.

(o) Antique motorcycles as defined in Section 27-19-47.1 shall be exempt from all ad valorem taxes.

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

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

(5) If a taxpayer sells, trades or otherwise disposes of a vehicle on which the ad valorem and road and bridge privilege taxes have been paid in any county in the state, he shall remove the license plate from the vehicle. Such license plate must be surrendered to the issuing authority with the corresponding tax receipt, if required, and the seller or transferor shall be entitled to a cash refund for the amount of the ad valorem taxes on the proportioned part of the taxable year remaining. Such

198 license plates surrendered to the tax collector shall be retained
199 by him, and in no event shall such license plate be attached to
200 any- vehicle after being surrendered to the tax collector, nor
201 shall any license plate be transferred from one (1) vehicle to any
202 other vehicle.

203 (6) If the person owning a vehicle subject to taxation under
204 the provisions of this chapter does not operate such vehicle on
205 the highways of this state from the date of acquisition or, if
206 previously registered, from the end of the anniversary month of
207 the tag and decals to the date on which he makes application for a
208 current license tag or decals, he shall pay such ad valorem tax
209 for a period of twelve (12) months beginning with the first day of
210 the month in which he applies for a current license tag or decals
211 under Chapter 19, Title 27, Mississippi Code of 1972. The owner
212 shall submit an affidavit with an application attesting to the
213 fact that the- vehicle was not operated on the highways of this
214 state from the date of acquisition or, if previously registered,
215 from the end of the anniversary month of the tag and decals to the
216 date on which he makes application for the current license tag or
217 decals.

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

221 SECTION 6. This act shall take effect and be in force from
222 and after October 1, 1999.