

By: Representative Reynolds

To: Ways and Means

HOUSE BILL NO. 1417

1 AN ACT TO AMEND SECTIONS 27-19-71 AND 27-51-27, MISSISSIPPI
2 CODE OF 1972, TO AUTHORIZE OWNERS OF CERTAIN VEHICLES THAT HAVE
3 BEEN REMOVED FROM THE STATE OR THAT HAVE BEEN TOTALLY DESTROYED
4 AND UPON WHICH MOTOR VEHICLE PRIVILEGE TAXES AND MOTOR VEHICLE AD
5 VALOREM TAXES HAVE BEEN PAID TO DIRECT THE TAX COLLECTOR OR
6 ISSUING AUTHORITY TO ISSUE A CERTIFICATE OF CREDIT TO ANY PERSON
7 AS THE OWNER DIRECTS; TO BRING FORWARD FOR THE PURPOSES OF
8 AMENDING SECTIONS 27-19-69, 27-19-141 AND 27-51-41, MISSISSIPPI
9 CODE OF 1972, WHICH RELATE TO THE ISSUANCE OF CERTIFICATES OF
10 CREDIT FOR MOTOR VEHICLE PRIVILEGE TAXES AND MOTOR VEHICLE AD
11 VALOREM TAXES UPON THE DESTRUCTION, SALE OR TRANSFER OF A MOTOR
12 VEHICLE; AND FOR RELATED PURPOSES.

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

14 SECTION 1. Section 27-19-71, Mississippi Code of 1972, is
15 amended as follows:

16 27-19-71. If any vehicle on which the privilege tax has been
17 paid, either as a common or contract carrier of property, a
18 private commercial carrier of property, a private carrier of
19 property, a dray, a common and contract carrier of passengers, or
20 a passenger coach, is removed from the State of Mississippi by the
21 operator thereof, or the use thereof in Mississippi is
22 discontinued entirely by such operator or owner for any reason,
23 and such vehicle is replaced by another and different vehicle,
24 then the person or operator who has paid such taxes, or the owner
25 of such vehicle in the event of the sale thereof after the payment
26 of such tax, shall be entitled to the issuance of new privilege
27 license for the replacement vehicle for the remainder of the
28 registration year in the same tax classification and of the same
29 privilege tax value or to a credit for the taxes paid for the
30 remaining tax year on like privilege or ad valorem taxes due on
31 another vehicle of the owner, or by the owner's spouse or

32 dependent child. If the seller does not elect to receive such
33 credit at the time the license tag is surrendered, then the
34 issuing authority shall issue a certificate of credit to the owner
35 as set forth in Section 27-19-141. In no event shall such person
36 be entitled to a cash refund under this provision, but he shall
37 only be entitled to the issuance of a license tag and decals for
38 the replacement vehicle in the same tax classification and of the
39 same privilege tax value as the license tag and decals issued for
40 the vehicle, the use of which has been discontinued, or to the
41 issuance of a certificate of credit.

42 In order to obtain the issuance of a replacement license or
43 to a credit the owner or operator claiming same must present an
44 affidavit to the commission or tax collector of the county of his
45 residence, setting forth that the use of the vehicle upon which
46 the original tax was paid has been entirely discontinued in
47 Mississippi by such owner or operator and giving the reasons for
48 such discontinuance, and full details with reference thereto, and
49 no replacement license or credit shall be issued unless the tax
50 collector or commission is absolutely satisfied that the said
51 vehicle is no longer to be used in Mississippi by such owner or
52 operator. When any * * * replacement license or credit is applied
53 for under this section, such owner or operator must surrender the
54 license tag and decals originally issued, to the tax collector of
55 the county of his residence, or the commission, and the commission
56 shall cancel the certificate of registration and payment of the
57 privilege tax on the original vehicle. The only charge which
58 shall be made for the issuance of such a replacement license is
59 the registration or tag fee, unless the replacement vehicle
60 requires a greater amount of privilege tax than the vehicle upon
61 which the license was originally paid, in which case the owner or
62 operator thereof shall pay the increased amount of tax upon such
63 vehicle prorated from the first day of the month in which the
64 replacement license is issued until the expiration date thereon.

65 SECTION 2. Section 27-51-27, Mississippi Code of 1972, is
66 amended as follows:

67 27-51-27. If any motor vehicle on which the ad valorem taxes
68 prescribed in this chapter have been paid shall be totally

69 destroyed by fire, tornado, flood, collision, accident or acts of
70 Providence, then the owner of such motor vehicle, upon filing a
71 petition and submission of sufficient proof, may be credited with
72 the amount of the ad valorem taxes on the proportional part of the
73 taxable year remaining, less ad valorem taxes accruing on the
74 salvage price, if any, in calculating the amount of ad valorem
75 taxes due on any replacement for such a motor vehicle, if replaced
76 during the then current taxable year. If the seller does not
77 elect to receive such credit at the time of filing the petition,
78 then the issuing authority shall issue a certificate of credit to
79 the owner as set forth in Section 27-19-141. In no event,
80 however, shall such person claiming credit under this provision be
81 entitled to a cash refund.

82 In order to obtain benefit of this credit, such person must
83 submit proof supported by affidavit of three (3) reputable
84 citizens that such motor vehicle has been totally destroyed and a
85 statement must be made as to the estimated amount of salvage value
86 remaining. The application for this credit and the three (3)
87 supporting affidavits must be notarized by an officer who has
88 legal authority to notarize such instruments.

89 Any person who makes or swears to a false statement or makes
90 or swears to a statement of facts without personal knowledge of
91 such facts, in any connection with an adjustment claim as referred
92 to above, shall be guilty of perjury and upon conviction shall be
93 punished as now provided by law. The same procedure as outlined
94 above shall apply to municipalities and municipal separate school
95 districts in proper cases, if the subject motor vehicle has been
96 totally destroyed as outlined above.

97 SECTION 3. Section 27-19-69, Mississippi Code of 1972, is
98 brought forward as follows:

99 27-19-69. If a carrier of property with a gross vehicle
100 weight of sixteen thousand (16,000) pounds or greater on which the
101 privilege tax prescribed by this article has been paid shall be

102 totally destroyed by fire, tornado, flood, collision, accident or
103 acts of Providence, then the person or operator who has paid the
104 privilege tax or the owner of the vehicle, in the event of a sale
105 thereof after the payment of such taxes, shall be entitled to the
106 issuance of a new privilege license for the remainder of the
107 registration year for any vehicle acquired by such owner or
108 operator as a replacement for the vehicle so destroyed, which
109 privilege license shall be of the same tax value as the unexpired
110 portion of the privilege tax on the vehicle destroyed. In no
111 event shall such person claiming credit under this provision be
112 entitled to a cash refund, but he shall only be entitled to the
113 issuance of a license tag and decals in the same classification
114 and of the same unexpired value as the license tag issued for the
115 vehicle so destroyed.

116 In order to obtain the issuance of the replacement license,
117 such person claiming same must present the damaged license tag and
118 decals to the tax collector of the county of his residence or the
119 commission or must present proof that such tag and decals have
120 been destroyed, and must prove to the satisfaction of the tax
121 collector or commission that the vehicle for which the tag was
122 issued has been totally destroyed, as above set forth. If the
123 owner does not elect to receive such credit at the time the tag is
124 surrendered or proof is offered, the issuing authority shall issue
125 a certificate of credit to the owner as set forth in Section
126 27-19-141.

127 When a replacement license is issued under the provisions of
128 this article, the certificate of registration and payment of
129 privilege taxes on the destroyed vehicle shall be cancelled by the
130 commission. The only charges which shall be made for the issuance
131 of such a replacement license is the registration or tag fee,
132 unless the replacement vehicle shall require a greater amount of
133 privilege tax than the vehicle for which the tag was originally
134 issued, in which event the person obtaining such license shall be

135 required to pay the increased amount of tax, prorated from the
136 first day of the month during which the replacement tag and decals
137 are obtained until the expiration date thereon.

138 SECTION 4. Section 27-19-141, Mississippi Code of 1972, is
139 brought forward as follows:

140 27-19-141. In case any person, other than a dealer or agent,
141 shall sell, assign or transfer any vehicle to another person, the
142 person acquiring such vehicle shall register the vehicle with the
143 county tax collector of his residence or the State Tax Commission
144 within seven (7) working days after such sale, assignment or
145 transfer and pay the annual privilege license taxes. The seller
146 or transferor shall remove the license plate from the vehicle and
147 retain same. Such license plate must be surrendered to the
148 issuing authority with the corresponding tax receipt if required,
149 and credit shall be allowed for the taxes paid for the remaining
150 tax year on like privilege or ad valorem taxes due on another
151 vehicle owned by the seller or transferor, or by the seller's or
152 transferor's spouse or dependent child. Privilege taxes on
153 vehicles registered in excess of ten thousand (10,000) pounds
154 gross vehicle weight, apportioned vehicles, rental and commercial
155 trailers and buses, shall be considered like taxes only for
156 vehicles registered in excess of ten thousand (10,000) pounds
157 gross vehicle weight, apportioned vehicles, rental and commercial
158 trailers and buses. Privilege or ad valorem taxes on vehicles
159 with a gross vehicle weight of ten thousand (10,000) pounds or
160 less shall be considered like taxes only for vehicles with a gross
161 vehicle weight of ten thousand (10,000) pounds or less. If the
162 seller or transferor does not elect to receive such credit at the
163 time the license plate is surrendered, the issuing authority shall
164 issue a certificate of credit to the seller or transferor, or to
165 the seller's or transferor's spouse or dependent child, or to any
166 other person, business or corporation, at the direction of the
167 seller or transferor, for the remaining unexpired taxes prorated

168 from the first day of the month following the month in which the
169 license plate is surrendered. Any credit allowed for taxes due or
170 any certificate of credit issued may be applied to like taxes owed
171 in any county by the person to whom the credit is allowed or by
172 the person possessing the certificate of credit. No credit,
173 however, shall be allowed on the charge made for registration fees
174 and any tag fees. Such license plates surrendered to the tax
175 collector shall be retained by him, and in no event shall such
176 license plate be attached to any motor vehicle after being
177 surrendered to the tax collector, nor shall any license plate be
178 transferred from one (1) motor vehicle to any other motor vehicle.
179 Certificates of credit shall be designed and furnished by the
180 commissioner.

181 SECTION 5. Section 27-51-41, Mississippi Code of 1972, is
182 brought forward as follows:

183 27-51-41. (1) The exemptions from the provisions of this
184 chapter shall be confined to those persons or property exempted by
185 this chapter or by the provisions of the Constitution of the
186 United States or the State of Mississippi. No exemption as now
187 provided by any other statute shall be valid as against the tax
188 levied by this chapter. Any subsequent exemption from the tax
189 levied hereunder shall be provided by amendment to this section
190 which shall be inserted in the bill at length.

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

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

197 (b) All motor vehicles belonging to the federal
198 government or the State of Mississippi or any agencies or
199 instrumentalities thereof shall be exempt from all ad valorem
200 taxes.

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

203 (d) All motor vehicles owned by any fire protection
204 district incorporated in accordance with Sections 19-5-151 through
205 19-5-207 or by any fire protection grading district incorporated
206 in accordance with Sections 19-5-215 through 19-5-243 shall be
207 exempt from all ad valorem taxes.

208 (e) All motor vehicles owned by units of the
209 Mississippi National Guard shall be exempt from all ad valorem
210 taxes.

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

214 (g) All motor vehicles operated in this state as common
215 and contract carriers of property, private commercial carriers of
216 property, private carriers of property and buses, all of which
217 have a gross weight in excess of ten thousand (10,000) pounds,
218 shall be exempt from all ad valorem taxes.

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

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

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

227 (k) One (1) motor vehicle owned by the unremarried
228 surviving spouse of a member of the Armed Forces of the United
229 States who, while on active duty, is killed or dies and one (1)
230 motor vehicle owned by the unremarried surviving spouse of a
231 member of a reserve component of the Armed Forces of the United
232 States or of the National Guard who, while on active duty for
233 training, is killed or dies shall be exempt from ad valorem taxes.

234 (l) Motor vehicles owned by recipients of the
235 Congressional Medal of Honor or by former prisoners of war, or by
236 spouses of such deceased persons, in accordance with Section
237 27-19-54, shall be exempt from all ad valorem taxes.

238 (m) Any religious society, ecclesiastical body or any
239 congregation thereof shall be exempt from ad valorem taxation on
240 one (1) private carrier of passengers, as defined in Section
241 27-19-3, owned by it, which is used exclusively for such society
242 and not for profit. All motor vehicles owned by any such
243 religious society or any educational institution having a seating
244 capacity greater than seven (7) passengers and used exclusively
245 for transporting passengers for religious or educational purposes
246 and not for profit shall be exempt from all ad valorem taxes.

247 (n) All motor vehicles primarily used as rentals under
248 rental agreements with a term of not more than thirty (30)
249 continuous days each and under the control of persons who are
250 engaged in the business of renting such motor vehicles and who are
251 subject to the tax under Section 27-65-231 shall be exempt from
252 all ad valorem taxes.

253 (o) Antique motorcycles as defined in Section 1 of
254 Senate Bill No. 137, 1997 Regular Session, shall be exempt from
255 all ad valorem taxes.

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

265 (4) Any motor vehicle driven over the highways of this state
266 to the extent that the owner of such motor vehicle is required to

267 purchase a road and bridge privilege license in this state, yet
268 the legal situs of such motor vehicle is located in another state,
269 shall be exempt from ad valorem taxes authorized by this chapter.

270 (5) If a taxpayer shall sell, trade or otherwise dispose of
271 a vehicle on which the ad valorem and road and bridge privilege
272 taxes have been paid in any county in the state, he shall remove
273 the license plate from the vehicle. Such license plate must be
274 surrendered to the issuing authority with the corresponding tax
275 receipt, if required, and credit shall be allowed for the taxes
276 paid for the remaining tax year on like privilege or ad valorem
277 taxes due on another vehicle owned by the seller or transferor or
278 by the seller's or transferor's spouse or dependent child. If the
279 seller or transferor does not elect to receive such credit at the
280 time the license plate is surrendered, the issuing authority shall
281 issue a certificate of credit to the seller or transferor, or to
282 the seller's or transferor's spouse or dependent child, or to any
283 other person, business or corporation, at the direction of the
284 seller or transferor, for the remaining unexpired taxes prorated
285 from the first day of the month following the month in which the
286 license plate is surrendered. The total of such credit may be
287 used by the person or entity to whom the certificate of credit is
288 issued, regardless of the relative amounts attributed to privilege
289 taxes or to county, school or municipal ad valorem taxes. Any
290 credit allowed for taxes due or any certificate of credit issued
291 may be applied to like taxes owed in any county by the person to
292 whom the credit is allowed or by the person possessing the
293 certificate of credit. No credit, however, shall be allowed on
294 the charge made for the license plate. Such license plates
295 surrendered to the tax collector shall be retained by him, and in
296 no event shall such license plate be attached to any vehicle after
297 being surrendered to the tax collector, nor shall any license
298 plate be transferred from one (1) vehicle to any other vehicle.

299 (6) If the person owning a vehicle subject to taxation under

300 the provisions of this chapter does not operate such vehicle on
301 the highways of this state from the date of acquisition or, if
302 previously registered, from the end of the anniversary month of
303 the tag and decals to the date on which he makes application for a
304 current license tag or decals, he shall pay such ad valorem tax
305 for a period of twelve (12) months beginning with the first day of
306 the month in which he applies for a current license tag or decals
307 under Chapter 19, Title 27, Mississippi Code of 1972. The owner
308 shall submit an affidavit with an application attesting to the
309 fact that the vehicle was not operated on the highways of this
310 state from the date of acquisition or, if previously registered,
311 from the end of the anniversary month of the tag and decals to the
312 date on which he makes application for the current license tag or
313 decals.

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

317 SECTION 6. This act shall take effect and be in force from
318 and after July 1, 1999.