

By: Senator(s) Kirby

To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 3045

1 AN ACT TO AMEND SECTION 27-19-40, MISSISSIPPI CODE OF 1972,
2 TO AUTHORIZE A MOTOR VEHICLE RENTAL COMPANY TO BE ISSUED A
3 TEMPORARY LICENSE TAG UPON THE PURCHASE OF A MOTOR VEHICLE FROM A
4 DEALER; TO PROVIDE THAT THE LICENSE TAG SHALL BE VALID FOR A
5 PERIOD OF THIRTY DAYS; TO AUTHORIZE A MOTOR VEHICLE DEALER TO
6 CHARGE A FEE FOR THE ISSUANCE OF SUCH LICENSE; AND FOR RELATED
7 PURPOSES.

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

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

11 27-19-40. (1) A motor vehicle dealer or automobile auction
12 may apply to the State Tax Commission for special in-transit tags
13 or plates, which when properly displayed shall authorize the motor
14 vehicle dealer or automobile auction to operate a motor vehicle
15 upon the highways of this state without paying the annual highway
16 privilege tax upon such vehicle and without attaching any other
17 license tag or plate to such vehicle, if:

18 (a) The movement of the motor vehicle is for the
19 purpose of sale of such vehicle to another motor vehicle dealer or
20 automobile auction;

21 (b) The motor vehicle is being moved from the place of
22 business of one motor vehicle dealer or automobile auction to the
23 place of business of another motor vehicle dealer or automobile
24 auction; and

25 (c) The special in-transit tag or plate is displayed in
26 plain view on the motor vehicle in the manner prescribed by the
27 State Tax Commission.

28 (2) A motor vehicle dealer or automobile auction may apply
29 for a temporary tag or plate to be used when a motor vehicle in



30 this state is sold by the motor vehicle dealer or automobile
31 auction to a nonresident of the State of Mississippi or when a
32 motor vehicle is sold by a motor vehicle dealer or automobile
33 auction to a Mississippi resident who may temporarily exit this
34 state before obtaining a Mississippi tag or plate. Such tag or
35 plate when properly displayed shall authorize the purchaser of
36 such a motor vehicle to operate the motor vehicle upon the
37 highways of this state. The temporary tag or plate shall be valid
38 for a period of seven (7) full working days, exclusive of the date
39 of purchase, after the date the motor vehicle is purchased.

40 (3) The State Tax Commission shall issue such tags or plates
41 to each motor vehicle dealer or automobile auction who applies for
42 them upon payment of a fee in an amount equal to Two Dollars
43 (\$2.00) for each in-transit tag or plate and Five Dollars (\$5.00)
44 for each temporary tag or plate.

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

61 (5) The tags or plates authorized pursuant to this section
62 shall be designed by the State Tax Commission. The State Tax



63 Commission shall adopt rules and regulations necessary to
64 implement this section, including, but not limited to, rules and
65 regulations establishing procedures for issuing such tags or
66 plates and for the use and display of such tags or plates. Each
67 motor vehicle dealer or automobile auction who is issued tags or
68 plates pursuant to this section shall keep such records as may be
69 required by the State Tax Commission.

70 (6) Any motor vehicle dealer or automobile auction who uses
71 a tag or plate issued pursuant to this section for a purpose that
72 is not authorized by this section shall be guilty of a misdemeanor
73 and, upon conviction thereof, shall be punished by a fine of One
74 Thousand Dollars (\$1,000.00) and the use of all tags or plates
75 issued to such motor vehicle dealer or automobile auction pursuant
76 to this section shall be suspended for a period of one (1) year.

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

80 **SECTION 2.** This act shall take effect and be in force from
81 and after July 1, 2002.

