MISSISSIPPI LEGISLATURE REGULAR SESSION 2018

By: Senator(s) Dearing To: Finance

SENATE BILL NO. 2021

AN ACT TO AMEND SECTION 27-19-63, MISSISSIPPI CODE OF 1972, TO INCREASE FROM SEVEN WORKING DAYS TO 25 WORKING DAYS THE PERIOD OF TIME WITHIN WHICH A NEWLY ACQUIRED MOTOR VEHICLE MUST BE REGISTERED; TO AMEND SECTIONS 27-19-40, 27-19-141 AND 63-21-69, MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES.

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

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

27-19-63. (1) Except as otherwise provided in this section, the privilege license tax levied by the provisions of this article shall be paid annually during the anniversary month of the acquisition of the vehicle. The privilege license tax levied shall be based on a period of twelve (12) months, even though the actual time from the acquisition of the vehicle to the end of the anniversary month of the next succeeding year may be more than twelve (12) months. Any person subject to the provisions of this article shall have an additional fifteen (15) days from the end of the anniversary month in which to purchase the tag and/or decals and to pay the privilege license tax without being in violation of

this section. Any person owning a vehicle subject to taxation under the provisions of this article who fails or refuses to pay *** * *** the tax and obtain the privilege license required within the prescribed period of time shall be guilty of violating the provisions of this article, and shall be liable for the amount of *** * *** the tax plus a penalty as provided for in this section. If the person owning a vehicle subject to taxation under the provisions of this article does not operate *** * *** the vehicle on the highways of this state from the date of acquisition or, if previously registered, from the end of the anniversary month of his tag and decals to the date on which he makes application for the privilege license, he shall pay *** * *** the license tax for a period of twelve (12) months beginning with the first day of the month in which he applies for such privilege license. The owner shall submit an affidavit with his application attesting to the fact that his vehicle was not operated on the highways of this state from the date of acquisition or, if previously registered, from the end of the anniversary month of his tag and decals to the date on which he makes application for the privilege license.

(2) Except as may be otherwise provided in subsection (3) of this section, the privilege license tax levied by the provision of this article on operators of motor vehicles in excess of ten thousand (10,000) pounds, gross vehicle weight, apportioned vehicles, rental and commercial trailers and buses shall be due annually during the anniversary month which shall be established

by the Commissioner of Revenue; however, there shall be an additional fifteen (15) days from the end of the anniversary month in which to file an application with the department and pay the privilege license tax. The annual license tag and/or decals issued by the department for the license tax year shall be valid for a period of time to be determined by the chairman but not to exceed fifteen (15) months following the anniversary month; * * * however, this does not extend the time for filing the application with the department and the payment of the license tax. Any person who fails or refuses to pay * * * the tax and obtain the privilege license required when due shall be guilty of violating the provision of this article and shall be liable for the entire amount of * * * the tax from the date the liability was incurred, plus penalty as provided for in this section.

(3) The privilege license tax levied by the provisions of this article on operators of a motor vehicle that is in a corporate fleet or an individual fleet registered under Section 27-19-66 or a trailer in a fleet registered under Section 27-19-66.1 shall be due annually during the anniversary month which shall be established by the Commissioner of Revenue for corporate fleets and trailer fleets, and by the county tax collectors for individual fleets; however, there shall be an additional fifteen (15) days from the end of the anniversary month in which to file an application with the department or the county tax collector, as the case may be, and to purchase the tag or

renew the registration of * * * the motor vehicle and pay the privilege license tax. The department or the county tax collector, as the case may be, shall issue a tag or renew the annual registration of * * * the motor vehicle for the license tax year only after all ad valorem taxes and privilege taxes due on such motor vehicle have been paid. Any person who fails or refuses to pay the privilege tax and obtain the privilege license required when due shall be guilty of violating the provisions of this article and shall be liable for the entire amount of such tax from the date the liability was incurred, plus penalty as provided for in this section.

(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 * * * twenty-five (25) 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. * * * However, * * * when any person shall acquire a vehicle as herein provided, and it shall be necessary that such vehicle be remodeled, changed or altered by * * * the person before * * * the vehicle is suitable for the purposes for which it was acquired, then * * * the person shall have * * * twenty-five (25) full working days, exclusive of the day of the completion of such remodeling, change or alteration, after the completion * * * of the remodeling, change or alteration within which to make application for the required privilege license; provided, that if * * * the person fails to make application within * * * that period, * * * the person shall be liable for penalty as provided for in this section.

"Delivery" as used * * * in this subsection shall be construed to mean receipt of * * * the vehicle by the purchaser * * * 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 * * * the vehicle to the county of his residence or place of business. At all times during such transportation, the owner or operator of * * * the 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 * * * the bill of sale in his possession during the entire time during which the vehicle is being transported, the owner or operator shall be liable for the annual privilege tax plus penalty as provided for in this section.

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

(6) Any nonresident of the State of Mississippi who has paid the current privilege license required by the laws of another

state upon a private carrier of passengers, and thereafter becomes a resident of the State of Mississippi, or brings such vehicle into the State of Mississippi for use in connection with his business in this state, or who is gainfully employed in this state shall be entitled to operate * * * the vehicle without obtaining a privilege license in this state for a period of not more than thirty (30) days.

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

(a) Any person, except a tourist or out-of-town student, who owns, leases or rents a place within the state and occupies * * * it 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 27-19-40, Mississippi Code of 1972, is amended as follows:

27-19-40. (1) A motor vehicle dealer or automobile auction may apply to the * * * Department of Revenue for special in-transit tags or plates, which when properly displayed shall authorize the motor vehicle dealer or automobile auction to operate a motor vehicle upon the highways of this state without paying the annual highway privilege tax upon such vehicle and

without attaching any other license tag or plate to such vehicle, if:

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

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

(c) The special in-transit tag or plate is displayed in plain view on the motor vehicle in the manner prescribed by the *** * *** Department of Revenue.

(2) A motor vehicle dealer or automobile auction may apply for a temporary tag or plate to be used when a motor vehicle in this state is sold by the motor vehicle dealer or automobile auction to a nonresident of the State of Mississippi or when a motor vehicle is sold by a motor vehicle dealer or automobile auction to a Mississippi resident who may temporarily exit this state before obtaining a Mississippi tag or plate. Such tag or plate when properly displayed shall authorize the purchaser of such a motor vehicle to operate the motor vehicle upon the highways of this state. The temporary tag or plate shall be valid for a period of *** * *** twenty-five (25) full working days, exclusive of the date of purchase, after the date the motor vehicle is purchased; however, if the temporary tag or plate is

issued to a nonresident of the State of Mississippi, the temporary tag or plate shall be valid for the number of days within which the nonresident is required to obtain a permanent motor vehicle license tag or plate by the laws of the nonresident's state of residence.

(3) The * * * Department of Revenue shall issue such tags or plates to each motor vehicle dealer or automobile auction who applies for them upon payment of a fee in an amount equal to Two Dollars ($2.00) for each in-transit tag or plate and Five Dollars ($5.00) for each temporary tag or plate.

(4) Whenever a rental company acquires a vehicle from a dealer by sale or otherwise, the rental company may apply for a temporary tag or plate to be issued by the dealer. * * * The tag or plate, when properly displayed, authorizes the rental company to operate the motor vehicle upon the highways of this state. The temporary tag or plate is valid for a period of thirty (30) full working days, exclusive of the date of delivery. Any dealer issuing a temporary tag under this subsection may collect from the purchaser requesting the issuance of the temporary tag a fee of Five Dollars ($5.00). The penalties established under Section 27-19-63, are not applicable until after the expiration of the thirty-day period under this subsection. For the purposes of this subsection, the term "rental company" means any person or entity in the business of providing primarily motor vehicles to the

public under a rental agreement for a rental period not to exceed thirty (30) days.

(5) The tags or plates authorized pursuant to this section shall be designed by the * * * Department of Revenue. The * * * Department of Revenue shall adopt rules and regulations necessary to implement this section, including, but not limited to, rules and regulations establishing procedures for issuing * * * the tags or plates and for the use and display of * * * the tags or plates. Each motor vehicle dealer or automobile auction who is issued tags or plates pursuant to this section shall keep such records as may be required by the * * * Department of Revenue.

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

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

SECTION 3. 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 * * * the vehicle shall register the vehicle with the county tax collector of his residence or the * * * Department of Revenue within * * * twenty-five (25) 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 * * * it. * * * The license plate must be surrendered to the issuing authority with the corresponding tax receipt if required, 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. Privilege taxes on vehicles registered in excess of ten thousand (10,000) pounds gross vehicle weight, apportioned vehicles, rental and commercial trailers and buses, shall be considered like taxes only for vehicles registered in excess of ten thousand (10,000) pounds gross vehicle weight, apportioned vehicles, rental and commercial trailers and buses. Privilege or ad valorem taxes on vehicles with a gross vehicle weight of ten thousand (10,000) pounds or less shall be considered like taxes only for vehicles with a gross vehicle weight of ten thousand (10,000) pounds or less. If the seller or transferor does not elect to receive such credit at the time the license plate is surrendered, the issuing authority shall issue a certificate of

credit to the seller or transferor, or to the seller's or transferor's spouse or dependent child, or to any other person, business or corporation, at the direction of the seller or transferor, for the remaining unexpired taxes prorated from the first day of the month following the month in which the license plate is surrendered. Any credit allowed for taxes due or any certificate of credit issued may be applied to like taxes owed in any county by the person to whom the credit is allowed or by the person possessing the certificate of credit. No credit, however, shall be allowed on the charge made for registration fees and any tag fees. * * * License plates surrendered to the tax collector shall be retained by him, and in no event shall * * * the license plate be attached to any motor vehicle after being surrendered to the tax collector, nor shall any license plate be transferred from one (1) motor vehicle to any other motor vehicle. Certificates of credit shall be designed and furnished by the commissioner.

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

SECTION 4. Section 63-21-69, Mississippi Code of 1972, is amended as follows:

63-21-69. When a vehicle subject to titling under this chapter is acquired from a dealer or another person by sale or otherwise, the new owner of the vehicle shall have * * * twenty-five (25) full working days, exclusive of the date of

delivery, within which to make application for the required privilege license tag.

No privilege license tag shall be issued by any tax collector or the * * * Department of Revenue if the vehicle is subject to titling under this chapter unless the vehicle owner makes an application * * * for a privilege license tag and * * * tenders his application for certificate of title with the application for a privilege license. If, however, the vehicle owner already has a certificate of title, then the original certificate or, if his original certificate be in the hands of a lienholder, then his duplicate certificate or other official document as prescribed by the * * * Department of Revenue shall be tendered to the tax collector or the * * * Department of Revenue. The tax collector or the * * * Department of Revenue, as the case may be, shall * * * enter the number of the application or certificate on the privilege license application and on the privilege license receipt.

The provisions and requirements of this section implement the provisions and requirements of Section 27-19-59 and Section 27-19-61. Nothing contained in this section or in this chapter shall in any way amend or supersede any of the existing statutes of this state or any of the provisions or requirements of such statutes with respect to the registration of vehicles and making applications for privilege licenses for vehicles * * *; however, the * * * Department of Revenue shall, by suitable rules and

regulations, provide for the implementation of the requirements of this section and this chapter with the requirements of existing statutes with respect to the registration of vehicles and with respect to obtaining privilege licenses * * * for those vehicles.

SECTION 5. This act shall take effect and be in force from and after July 1, 2018.

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ST: Motor vehicle privilege tax; increase the period of time within which a newly acquired motor vehicle must be registered.