3/17 12:52p

Chapter No. 390
10/SS02/R737
JN /TB/LM

SENATE BILL NO. 2941

Originated in Senate [signature] Secretary

SENATE BILL NO. 2941

AN ACT TO AMEND SECTION 27-19-99 AND 27-19-155, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT A PORTION OF THE FUNDS RECEIVED FROM REGISTRATION AND TAG FEES SHALL BE DEPOSITED INTO A SPECIAL FUND CREATED IN THE STATE TREASURY TO BE DESIGNATED AS THE "LICENSE TAG ACQUISITION FUND"; TO PROVIDE THAT MONIES IN THE SPECIAL FUND MAY BE USED FOR THE PURPOSES OF PAYING THE COSTS INCURRED FOR PURCHASING LICENSE TAGS OR PLATES, DECALS AND ASSOCIATED FREIGHT COSTS; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-19-99, Mississippi Code of 1972, is amended as follows:

27-19-99. (1) The State Tax Commission shall furnish the tax collector of each county a sufficient supply of license tags or plates and a sufficient supply of license receipts with which to make the collection of the taxes imposed by the provisions of this article, which such tax collectors are required to collect. The license tag receipts shall be on forms prescribed by the commission. Upon the payment of the taxes and fees required by this article, the tax collector shall issue the license receipt in the form prescribed by the commission. The commission shall keep account against the tax collector for the license taxes and fees collected. The tax collector shall keep a similar account.

(2) The tax collector shall, at the end of each month or within twenty (20) days thereafter, pay into the county road fund all privilege taxes collected by him during the preceding month upon motor vehicle privilege licenses which he is entitled to issue, less the county's commission.

(3) The tax collector shall keep a record of the information furnished by the owners of each motor vehicle registered. The

record shall be made in numerical order by tag number or decal number, whichever is appropriate. At the end of each month, or within twenty (20) days thereafter, the tax collector shall submit to the commission a copy of such record, together with the copy of each registration receipt, and shall, at the same time, remit to the commission the registration fee for each license tag or decal sold by him during the preceding month. When the tax collector shall have complied with the provisions of this section and shall have forwarded to the commission, within the time specified, all reports required of him hereunder, he shall then be entitled to retain five percent (5%) of the registration fees imposed in * * * Section 27-19-43(3)(a) and (b), to be paid into the county general fund; otherwise the county's commission shall be forfeited. The five percent (5%) shall not apply to any additional registration fee imposed above the amounts imposed in * * * Section 27-19-43(3)(a) and (b). The commission shall keep a record from the duplicates filed by the tax collectors of all registered vehicles.

(4) Counties that use their existing computer system to communicate all data regarding vehicle title and registration transactions to the state's central computer system shall be allotted Fifty Cents (50¢) for each registration fee collected by the county and remitted to the State Tax Commission. Such communication must successfully pass any edit features and successfully create or update title/registration records on the network system. This amount paid to the county shall be deposited into the county general fund to be expended only for costs incurred for the purchase of equipment, software, maintenance or other costs directly related to the title/registration network system.

(5) All monies remitted to the commission by tax collectors as registration or tag fees from the portion of the rate imposed in * * * Section 27-19-43(3)(a) and (b), and all monies received

by the commission directly as registration or tag fees from the portion of the rate imposed in * * * Section 27-19-43(3)(a) and (b), except as otherwise provided in subsection (6) of this section, shall be paid by the commission into the General Fund of the State Treasury on the first day of the month succeeding the month in which such fees are received by the commission.

(6) On April 1, 2010, and on the first day of each month succeeding the month in which registration or tag fees are received by the State Tax Commission, the portion of the receipts equal to the cost of the license tags, decals and associated freight costs shall be deposited into the special fund created in Section 3 of this act.

(7) Except as otherwise provided in Section 31-17-127, all monies remitted to the commission by tax collectors as registration or tag fees from the additional rate of Five Dollars ($5.00) and all monies received by the commission directly as registration or tag fees from the additional rate of Five Dollars ($5.00) shall be paid into the State Treasury to the credit of the State Highway Fund for the construction or reconstruction of highways designated under the highway program created under Section 65-3-97.

SECTION 2. Section 27-19-155, Mississippi Code of 1972, is amended as follows:

27-19-155. The license or number tag herein provided for shall be purchased by the License Tag Commission, composed of the Governor, Commissioner of Revenue, Attorney General, and the State Treasurer, upon competitive bids, after having given three (3) weeks' notice of the time and place of purchase, by publishing said notice in at least three (3) newspapers, at least one (1) of which shall be published in the State of Mississippi, for a period of three (3) weeks prior to the date of purchase. The successful bidder shall enter into a bond with some surety company, authorized to do business in the state, as surety thereon, payable

to the State of Mississippi, in a sum equal to the amount of his contract, conditioned for the faithful and prompt carrying out of said bid, and, in the event of the failure to comply with the terms of said contract, the amount of said bond shall be forfeited as liquidated damages and may be recovered by the Attorney General in any appropriate action. The License Tag Commission is hereby authorized and empowered to renegotiate any contract entered into for the purchase of license tags in order to obtain any other or additional tags necessitated by the passage of this article.

* * *

All monies received by the State Tax Commission as registration or tag fees, either from the tax collectors, or from licenses issued by the State Tax Commission, shall be paid into the State Treasury on the same day in which such funds are collected by the State Tax Commission. On April 1, 2010, and on the first day of each month succeeding the month in which registration or tag fees are received by the Department of Revenue, the portion of the receipts equal to the cost of the license tags, decals and associated freight costs shall be deposited into the special fund created in Section 3 of this act.

SECTION 3. (1) There is created in the State Treasury a special fund to be designated as the "State Tax Commission License Tag Acquisition Fund." The special fund shall consist of monies deposited therein under Sections 27-19-99 and 27-19-155 and monies from any other source designated for deposit into the fund. Unexpended amounts remaining in the special fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned or investment earnings on amounts in the fund shall be deposited to the credit of the fund.

(2) From and after July 1, 2010, monies in the special fund may be used by the State Tax Commission for the purpose of paying the costs incurred for purchasing license tags and decals and associated freight costs under Section 27-19-1 et seq. The

commission may escalate its budget and expend monies from the special fund in accordance with rules and regulations of the Department of Finance and Administration in a manner consistent with the escalation of federal funds.

SECTION 4. This act shall take effect and be in force from and after its passage.

PASSED BY THE SENATE
February 3, 2010

PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
March 3, 2010

SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR

GOVERNOR

3/17/10 12:55p