



DIMINISHED VALUE CLAIMS: **MISSISSIPPI**

SUMMARY Mississippi Claims

Statute of Limitations: 3 years

Third Party Diminished Value Claim: Yes

First Party Diminished Value Claim: No, most insurance policies will exclude diminished value

Mississippi Property Damage Minimum Limits: \$25,000 in coverage

Uninsured Motorist Coverage for Diminished Value: Yes, insurers are required to offer UM, but it can be rejected in writing if you don't want that coverage. \$25,000 in uninsured motorist property damage per accident. It includes coverage for hit and run drivers with physical contact between the vehicles.

Underinsured Motorist Coverage for Diminished Value: Yes, Mississippi defines an uninsured motorist as a driver without insurance or as not having enough insurance. UM coverage comes in handy when the at-fault insurance company didn't have enough property damage coverage.

Mississippi Small Claims Court Limit: \$3,500 and Mississippi allows representation by an attorney. Appeals are allowed within 10 days of the judgment.

If your vehicle was damaged in an accident in the state of Mississippi and underwent repairs, its resale value is likely to be less than what it was before the crash. This loss in market value is known as diminished value, and it is recoverable in Mississippi through a diminished value claim filed with the at-fault party's insurance company. If the other driver was uninsured, you can also file a diminished value claim with your own insurance company.

MISSISSIPPI DIMINISHED VALUE LAW

Mississippi is a diminished value state meaning there is case law supporting your legal right to compensation when another party is at-fault. If the other driver was uninsured or underinsured, your policy may include coverage for diminished value as well.

Potomac Ins. Co. v. Wilkinson, 57 So. 2d 158, 160-61 (Miss. 1952)

Holding that if, despite repairs, there remains "a loss in actual market value, estimated as of the collision date, such deficiency is to be added to the cost of repairs."

Ishee v. Dukes Ford Company, 380 So. 2d 760, 761 (Miss. 1980) ("The proper measure of tort damages for a plaintiff holding personalty for sale in the retail market is the total diminution in retail market value proximately caused by the defendant's tort. Cost of repair may be recovered, as well as the remaining diminution in pre-tort value after the proposed repairs, but in no event may cost of repair be recovered to the extent it exceeds the total diminution in pre-tort value in the case of one holding personalty for sale rather than for personal use. See *gen. Calvert Fire Ins. Co. v. Newman, 240 Miss. 10, 124 So.2d 686, 688 (1960)*")

Mississippi Model Jury Instruction - Civil 11:30 5027 Damages - Personal Property - Cost of Repairs

In determining the amount to award the plaintiff for damage to [his/her/its] personal property, you should consider whether the personal property can be repaired or restored to its earlier condition. You may consider (1) the cost of repairs and (2) how much less the personal property will be worth once it is repaired.

If repairing the personal property will make it worth the same as it was before it was damaged, then you should only award the reasonable cost of repairs. If repairing the personal property will not make it worth the same as it was before it was damaged, then you should award the reasonable cost of repairs and the difference between what the personal property was worth and what it will be worth once it is repaired.

HOW TO FILE A DIMINISHED VALUE CLAIM IN MISSISSIPPI

Step 1. Prove your loss. You must supply evidence that you have lost value. An independent, unbiased appraisal will provide the documentation necessary to determine the diminished value of a vehicle.

Step 2. Submit your proof to the insurance company. You'll need to submit a diminished value appraisal and demand letter to the at-fault insurance company for review.

Step 3. Claim settlement. Once you submit a diminished value appraisal report, most insurance companies will make a settlement offer. The insurance company may pay the claim in full, make a lower offer, or deny the claim.