

HOUSE BILL No. 5939

September 22, 2016, Introduced by Reps. LaVoy, Chatfield, Robinson, Yanez, Greig and Wittenberg and referred to the Committee on Appropriations.

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending section 801 (MCL 257.801), as amended by 2016 PA 148.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 801. (1) The secretary of state shall collect the
2 following taxes at the time of registering a vehicle, which shall
3 exempt the vehicle from all other state and local taxation,
4 except the fees and taxes provided by law to be paid by certain
5 carriers operating motor vehicles and trailers under the motor
6 carrier act, 1933 PA 254, MCL 475.1 to 479.42; the taxes imposed
7 by the motor carrier fuel tax act, 1980 PA 119, MCL 207.211 to
8 207.234; and except as otherwise provided by this act:

9 (a) For a motor vehicle, including a motor home, except as
10 otherwise provided, and a pickup truck or van that weighs not
11 more than 8,000 pounds, except as otherwise provided, according

1 to the following schedule of empty weights:

2	Empty weights	Tax
3	0 to 3,000 pounds.....	\$ 29.00
4	3,001 to 3,500 pounds.....	32.00
5	3,501 to 4,000 pounds.....	37.00
6	4,001 to 4,500 pounds.....	43.00
7	4,501 to 5,000 pounds.....	47.00
8	5,001 to 5,500 pounds.....	52.00
9	5,501 to 6,000 pounds.....	57.00
10	6,001 to 6,500 pounds.....	62.00
11	6,501 to 7,000 pounds.....	67.00
12	7,001 to 7,500 pounds.....	71.00
13	7,501 to 8,000 pounds.....	77.00
14	8,001 to 8,500 pounds.....	81.00
15	8,501 to 9,000 pounds.....	86.00
16	9,001 to 9,500 pounds.....	91.00
17	9,501 to 10,000 pounds.....	95.00
18	over 10,000 pounds.....	\$ 0.90 per 100 pounds
19		of empty weight

20 On October 1, 1983, and October 1, 1984, the tax assessed
 21 under this subdivision shall be annually revised for the
 22 registrations expiring on the appropriate October 1 or after that
 23 date by multiplying the tax assessed in the preceding fiscal year
 24 times the personal income of Michigan for the preceding calendar
 25 year divided by the personal income of Michigan for the calendar
 26 year that preceded that calendar year. In performing the
 27 calculations under this subdivision, the secretary of state shall

1 use the spring preliminary report of the United States Department
2 of Commerce or its successor agency. A van that is owned by an
3 individual who uses a wheelchair or by an individual who
4 transports a member of his or her household who uses a wheelchair
5 and for which registration plates are issued under section 803d
6 shall be assessed at the rate of 50% of the tax provided for in
7 this subdivision.

8 (b) For a trailer coach attached to a motor vehicle, the tax
9 shall be assessed as provided in subdivision (l). A trailer coach
10 not under 1959 PA 243, MCL 125.1035 to 125.1043, and while
11 located on land otherwise assessable as real property under the
12 general property tax act, 1893 PA 206, MCL 211.1 to 211.155, if
13 the trailer coach is used as a place of habitation, and whether
14 or not permanently affixed to the soil, is not exempt from real
15 property taxes.

16 (c) For a road tractor, modified agricultural vehicle,
17 truck, or truck tractor owned by a farmer and used exclusively in
18 connection with a farming operation, including a farmer hauling
19 livestock or farm equipment for other farmers for remuneration in
20 kind or in labor, but not for money, or used for the
21 transportation of the farmer and the farmer's family, and not
22 used for hire, 74 cents per 100 pounds of empty weight of the
23 road tractor, truck, or truck tractor. If the road tractor,
24 modified agricultural vehicle, truck, or truck tractor owned by a
25 farmer is also used for a nonfarming operation, the farmer is
26 subject to the highest registration tax applicable to the nonfarm
27 use of the vehicle but is not subject to more than 1 tax rate

1 under this act.

2 (d) For a road tractor, truck, or truck tractor owned by a
3 wood harvester and used exclusively in connection with the wood
4 harvesting operations or a truck used exclusively to haul milk
5 from the farm to the first point of delivery, 74 cents per 100
6 pounds of empty weight of the road tractor, truck, or truck
7 tractor. A registration secured by payment of the tax prescribed
8 in this subdivision continues in full force and effect until the
9 regular expiration date of the registration. As used in this
10 subdivision:

11 (i) "Wood harvester" includes the person or persons hauling
12 and transporting raw materials in the form produced at the
13 harvest site or hauling and transporting wood harvesting
14 equipment. Wood harvester does not include a person or persons
15 whose primary activity is tree-trimming or landscaping.

16 (ii) "Wood harvesting equipment" includes all of the
17 following:

18 (A) A vehicle that directly harvests logs or timber,
19 including, but not limited to, a processor or a feller buncher.

20 (B) A vehicle that directly processes harvested logs or
21 timber, including, but not limited to, a slasher, delimeter,
22 processor, chipper, or saw table.

23 (C) A vehicle that directly processes harvested logs or
24 timber, including, but not limited to, a forwarder, grapple
25 skidder, or cable skidder.

26 (D) A vehicle that directly loads harvested logs or timber,
27 including, but not limited to, a knuckle-boom loader, front-end

1 loader, or forklift.

2 (E) A bulldozer or road grader being transported to a wood
3 harvesting site specifically for the purpose of building or
4 maintaining harvest site roads.

5 (iii) "Wood harvesting operations" does not include the
6 transportation of processed lumber, Christmas trees, or processed
7 firewood for a profit making venture.

8 (e) For a hearse or ambulance used exclusively by a licensed
9 funeral director in the general conduct of the licensee's funeral
10 business, including a hearse or ambulance whose owner is engaged
11 in the business of leasing or renting the hearse or ambulance to
12 others, \$1.17 per 100 pounds of the empty weight of the hearse or
13 ambulance.

14 (f) For a vehicle owned and operated by this state, a state
15 institution, a municipality, a privately incorporated, nonprofit
16 volunteer fire department, or a nonpublic, nonprofit college or
17 university, \$5.00 per plate. A registration plate issued under
18 this subdivision expires on June 30 of the year in which new
19 registration plates are reissued for all vehicles by the
20 secretary of state.

21 (g) For a bus including a station wagon, carryall, or
22 similarly constructed vehicle owned and operated by a nonprofit
23 parents' transportation corporation used for school purposes,
24 parochial school or society, church Sunday school, or any other
25 grammar school, or by a nonprofit youth organization or nonprofit
26 rehabilitation facility; or a motor vehicle owned and operated by
27 a senior citizen center, \$10.00, if the bus, station wagon,

1 carryall, or similarly constructed vehicle or motor vehicle is
2 designated by proper signs showing the organization operating the
3 vehicle.

4 (h) For a vehicle owned by a nonprofit organization and used
5 to transport equipment for providing dialysis treatment to
6 children at camp; for a vehicle owned by the civil air patrol, as
7 organized under 36 USC 40301 to 40307, \$10.00 per plate, if the
8 vehicle is designated by a proper sign showing the civil air
9 patrol's name; for a vehicle owned and operated by a nonprofit
10 veterans center; for a vehicle owned and operated by a nonprofit
11 recycling center or a federally recognized nonprofit conservation
12 organization; for a motor vehicle having a truck chassis and a
13 locomotive or ship's body that is owned by a nonprofit veterans
14 organization and used exclusively in parades and civic events; or
15 for an emergency support vehicle used exclusively for emergencies
16 and owned and operated by a federally recognized nonprofit
17 charitable organization, \$10.00 per plate.

18 (i) For each truck owned and operated free of charge by a
19 bona fide ecclesiastical or charitable corporation, or Red Cross,
20 Girl Scout, or Boy Scout organization, 65 cents per 100 pounds of
21 the empty weight of the truck.

22 (j) For each truck, weighing 8,000 pounds or less, and not
23 used to tow a vehicle, for each privately owned truck used to tow
24 a trailer for recreational purposes only and not involved in a
25 profit making venture, and for each vehicle designed and used to
26 tow a mobile home or a trailer coach, except as provided in
27 subdivision (b), \$38.00 or an amount computed according to the

1 following schedule of empty weights, whichever is greater:

2	Empty weights	Per 100 pounds
3	0 to 2,500 pounds.....	\$ 1.40
4	2,501 to 4,000 pounds.....	1.76
5	4,001 to 6,000 pounds.....	2.20
6	6,001 to 8,000 pounds.....	2.72
7	8,001 to 10,000 pounds.....	3.25
8	10,001 to 15,000 pounds.....	3.77
9	15,001 pounds and over.....	4.39

10 If the tax required under subdivision (p) for a vehicle of
 11 the same model year with the same list price as the vehicle for
 12 which registration is sought under this subdivision is more than
 13 the tax provided under the preceding provisions of this
 14 subdivision for an identical vehicle, the tax required under this
 15 subdivision is not less than the tax required under subdivision
 16 (p) for a vehicle of the same model year with the same list
 17 price.

18 (k) For each truck weighing 8,000 pounds or less towing a
 19 trailer or any other combination of vehicles and for each truck
 20 weighing 8,001 pounds or more, road tractor or truck tractor,
 21 except as provided in subdivision (j), as follows:

22 (i) Until December 31, 2016, according to the following
 23 schedule of elected gross weights:

24	Elected gross weight	Tax
25	0 to 24,000 pounds.....	\$ 491.00

1	24,001 to 26,000 pounds.....	558.00
2	26,001 to 28,000 pounds.....	558.00
3	28,001 to 32,000 pounds.....	649.00
4	32,001 to 36,000 pounds.....	744.00
5	36,001 to 42,000 pounds.....	874.00
6	42,001 to 48,000 pounds.....	1,005.00
7	48,001 to 54,000 pounds.....	1,135.00
8	54,001 to 60,000 pounds.....	1,268.00
9	60,001 to 66,000 pounds.....	1,398.00
10	66,001 to 72,000 pounds.....	1,529.00
11	72,001 to 80,000 pounds.....	1,660.00
12	80,001 to 90,000 pounds.....	1,793.00
13	90,001 to 100,000 pounds.....	2,002.00
14	100,001 to 115,000 pounds.....	2,223.00
15	115,001 to 130,000 pounds.....	2,448.00
16	130,001 to 145,000 pounds.....	2,670.00
17	145,001 to 160,000 pounds.....	2,894.00
18	over 160,000 pounds.....	3,117.00

19 (ii) Beginning on January 1, 2017, according to the following
 20 schedule of elected gross weights:

21	Elected gross weight		Tax
22	0 to 24,000 pounds.....	\$	590.00
23	24,001 to 26,000 pounds.....		670.00
24	26,001 to 28,000 pounds.....		670.00
25	28,001 to 32,000 pounds.....		779.00
26	32,001 to 36,000 pounds.....		893.00
27	36,001 to 42,000 pounds.....		1,049.00

1	42,001 to 48,000 pounds.....	1,206.00
2	48,001 to 54,000 pounds.....	1,362.00
3	54,001 to 60,000 pounds.....	1,522.00
4	60,001 to 66,000 pounds.....	1,678.00
5	66,001 to 72,000 pounds.....	1,835.00
6	72,001 to 80,000 pounds.....	1,992.00
7	80,001 to 90,000 pounds.....	2,152.00
8	90,001 to 100,000 pounds.....	2,403.00
9	100,001 to 115,000 pounds.....	2,668.00
10	115,001 to 130,000 pounds.....	2,938.00
11	130,001 to 145,000 pounds.....	3,204.00
12	145,001 to 160,000 pounds.....	3,473.00
13	over 160,000 pounds.....	3,741.00

14 For each commercial vehicle registered under this
15 subdivision, \$15.00 shall be deposited in a truck safety fund to
16 be expended as provided in section 25 of 1951 PA 51, MCL 247.675.

17 If a truck tractor or road tractor without trailer is leased
18 from an individual owner-operator, the lessee, whether an
19 individual, firm, or corporation, shall pay to the owner-operator
20 60% of the tax prescribed in this subdivision for the truck
21 tractor or road tractor at the rate of 1/12 for each month of the
22 lease or arrangement in addition to the compensation the owner-
23 operator is entitled to for the rental of his or her equipment.

24 (l) For each pole trailer, semitrailer, trailer coach, or
25 trailer, the tax shall be assessed according to the following
26 schedule of empty weights:

1	Empty weights	Tax
2	0 to 2,499 pounds.....	\$ 75.00
3	2,500 to 9,999 pounds.....	200.00
4	10,000 pounds and over.....	300.00

5 The registration plate issued under this subdivision expires
6 only when the secretary of state reissues a new registration
7 plate for all trailers. Beginning October 1, 2005, if the
8 secretary of state reissues a new registration plate for all
9 trailers, a person who has once paid the tax as increased by 2003
10 PA 152 for a vehicle under this subdivision is not required to
11 pay the tax for that vehicle a second time, but is required to
12 pay only the cost of the reissued plate at the rate provided in
13 section 804(2) for a standard plate. A registration plate issued
14 under this subdivision is nontransferable.

15 (m) For each commercial vehicle used for the transportation
16 of passengers for hire except for a vehicle for which a payment
17 is made under 1960 PA 2, MCL 257.971 to 257.972, according to the
18 following schedule of empty weights:

19	Empty weights	Per 100 pounds
20	0 to 4,000 pounds.....	\$ 1.76
21	4,001 to 6,000 pounds.....	2.20
22	6,001 to 10,000 pounds.....	2.72
23	10,001 pounds and over.....	3.25

24 (n) For each motorcycle, \$23.00.

25 On October 1, 1983, and October 1, 1984, the tax assessed

1 under this subdivision shall be annually revised for the
2 registrations expiring on the appropriate October 1 or after that
3 date by multiplying the tax assessed in the preceding fiscal year
4 times the personal income of Michigan for the preceding calendar
5 year divided by the personal income of Michigan for the calendar
6 year that preceded that calendar year. In performing the
7 calculations under this subdivision, the secretary of state shall
8 use the spring preliminary report of the United States Department
9 of Commerce or its successor agency.

10 Beginning January 1, 1984, the registration tax for each
11 motorcycle is increased by \$3.00. The \$3.00 increase is not part
12 of the tax assessed under this subdivision for the purpose of the
13 annual October 1 revisions but is in addition to the tax assessed
14 as a result of the annual October 1 revisions. Beginning January
15 1, 1984, \$3.00 of each motorcycle fee shall be placed in a
16 motorcycle safety fund in the state treasury and shall be used
17 only for funding the motorcycle safety education program as
18 provided for under sections 312b and 811a.

19 (o) For each truck weighing 8,001 pounds or more, road
20 tractor, or truck tractor used exclusively as a moving van or
21 part of a moving van in transporting household furniture and
22 household effects or the equipment or those engaged in conducting
23 carnivals, at the rate of 80% of the schedule of elected gross
24 weights in subdivision (k) as modified by the operation of that
25 subdivision.

26 (p) After September 30, 1983, each motor vehicle of the 1984
27 or a subsequent model year as shown on the application required

1 under section 217 that has not been previously subject to the tax
 2 rates of this section and that is of the motor vehicle category
 3 otherwise subject to the tax schedule described in subdivision
 4 (a), and each low-speed vehicle according to the following
 5 schedule based upon registration periods of 12 months:

6 (i) Except as otherwise provided in this subdivision **AND**
 7 **SUBDIVISION (S)**, for the first registration that is not a
 8 transfer registration under section 809 and for the first
 9 registration after a transfer registration under section 809,
 10 according to the following schedule based on the vehicle's list
 11 price:

12 (A) Until December 31, 2016, as follows:

13 List Price	Tax
14 \$ 0 - \$ 6,000.00.....	\$ 30.00
15 More than \$ 6,000.00 - \$ 7,000.00.....	\$ 33.00
16 More than \$ 7,000.00 - \$ 8,000.00.....	\$ 38.00
17 More than \$ 8,000.00 - \$ 9,000.00.....	\$ 43.00
18 More than \$ 9,000.00 - \$ 10,000.00.....	\$ 48.00
19 More than \$ 10,000.00 - \$ 11,000.00.....	\$ 53.00
20 More than \$ 11,000.00 - \$ 12,000.00.....	\$ 58.00
21 More than \$ 12,000.00 - \$ 13,000.00.....	\$ 63.00
22 More than \$ 13,000.00 - \$ 14,000.00.....	\$ 68.00
23 More than \$ 14,000.00 - \$ 15,000.00.....	\$ 73.00
24 More than \$ 15,000.00 - \$ 16,000.00.....	\$ 78.00
25 More than \$ 16,000.00 - \$ 17,000.00.....	\$ 83.00
26 More than \$ 17,000.00 - \$ 18,000.00.....	\$ 88.00
27 More than \$ 18,000.00 - \$ 19,000.00.....	\$ 93.00
28 More than \$ 19,000.00 - \$ 20,000.00.....	\$ 98.00

1	More than \$ 20,000.00 - \$ 21,000.00.....	\$ 103.00
2	More than \$ 21,000.00 - \$ 22,000.00.....	\$ 108.00
3	More than \$ 22,000.00 - \$ 23,000.00.....	\$ 113.00
4	More than \$ 23,000.00 - \$ 24,000.00.....	\$ 118.00
5	More than \$ 24,000.00 - \$ 25,000.00.....	\$ 123.00
6	More than \$ 25,000.00 - \$ 26,000.00.....	\$ 128.00
7	More than \$ 26,000.00 - \$ 27,000.00.....	\$ 133.00
8	More than \$ 27,000.00 - \$ 28,000.00.....	\$ 138.00
9	More than \$ 28,000.00 - \$ 29,000.00.....	\$ 143.00
10	More than \$ 29,000.00 - \$ 30,000.00.....	\$ 148.00

11 More than \$30,000.00, the tax of \$148.00 is increased by
 12 \$5.00 for each \$1,000.00 increment or fraction of a \$1,000.00
 13 increment over \$30,000.00. If a current tax increases or
 14 decreases as a result of 1998 PA 384, only a vehicle purchased or
 15 transferred after January 1, 1999 shall be assessed the increased
 16 or decreased tax.

17 (B) Beginning on January 1, 2017, as follows:

18	List Price	Tax
19	\$ 0 - \$ 6,000.00.....	\$ 36.00
20	More than \$ 6,000.00 - \$ 7,000.00.....	\$ 40.00
21	More than \$ 7,000.00 - \$ 8,000.00.....	\$ 46.00
22	More than \$ 8,000.00 - \$ 9,000.00.....	\$ 52.00
23	More than \$ 9,000.00 - \$ 10,000.00.....	\$ 58.00
24	More than \$ 10,000.00 - \$ 11,000.00.....	\$ 64.00
25	More than \$ 11,000.00 - \$ 12,000.00.....	\$ 70.00
26	More than \$ 12,000.00 - \$ 13,000.00.....	\$ 76.00
27	More than \$ 13,000.00 - \$ 14,000.00.....	\$ 82.00

1	More than \$ 14,000.00 - \$ 15,000.00.....	\$ 88.00
2	More than \$ 15,000.00 - \$ 16,000.00.....	\$ 94.00
3	More than \$ 16,000.00 - \$ 17,000.00.....	\$ 100.00
4	More than \$ 17,000.00 - \$ 18,000.00.....	\$ 106.00
5	More than \$ 18,000.00 - \$ 19,000.00.....	\$ 112.00
6	More than \$ 19,000.00 - \$ 20,000.00.....	\$ 118.00
7	More than \$ 20,000.00 - \$ 21,000.00.....	\$ 124.00
8	More than \$ 21,000.00 - \$ 22,000.00.....	\$ 130.00
9	More than \$ 22,000.00 - \$ 23,000.00.....	\$ 136.00
10	More than \$ 23,000.00 - \$ 24,000.00.....	\$ 142.00
11	More than \$ 24,000.00 - \$ 25,000.00.....	\$ 148.00
12	More than \$ 25,000.00 - \$ 26,000.00.....	\$ 154.00
13	More than \$ 26,000.00 - \$ 27,000.00.....	\$ 160.00
14	More than \$ 27,000.00 - \$ 28,000.00.....	\$ 166.00
15	More than \$ 28,000.00 - \$ 29,000.00.....	\$ 172.00
16	More than \$ 29,000.00 - \$ 30,000.00.....	\$ 178.00

17 More than \$30,000.00, the tax of \$178.00 is increased by
 18 \$6.00 for each \$1,000.00 increment or fraction of a \$1,000.00
 19 increment over \$30,000.00. If a current tax increases or
 20 decreases as a result of 1998 PA 384, only a vehicle purchased or
 21 transferred after January 1, 1999 shall be assessed the increased
 22 or decreased tax.

23 (ii) For the second registration, 90% of the tax assessed
 24 under subparagraph (i).

25 (iii) For the third registration, 90% of the tax assessed
 26 under subparagraph (ii).

27 (iv) For the fourth and subsequent registrations, 90% of the

1 tax assessed under subparagraph (iii).

2 For a vehicle of the 1984 or a subsequent model year that
3 has been previously registered by a person other than the person
4 applying for registration or for a vehicle of the 1984 or a
5 subsequent model year that has been previously registered in
6 another state or country and is registered for the first time in
7 this state, the tax under this subdivision shall be determined by
8 subtracting the model year of the vehicle from the calendar year
9 for which the registration is sought. If the result is zero or a
10 negative figure, the first registration tax shall be paid. If the
11 result is 1, 2, or 3 or more, then, respectively, the second,
12 third, or subsequent registration tax shall be paid. A van that
13 is owned by an individual who uses a wheelchair or by an
14 individual who transports a member of his or her household who
15 uses a wheelchair and for which registration plates are issued
16 under section 803d shall be assessed at the rate of 50% of the
17 tax provided for in this subdivision.

18 (q) For a wrecker, \$200.00.

19 (r) When the secretary of state computes a tax under this
20 act, a computation that does not result in a whole dollar figure
21 shall be rounded to the next lower whole dollar when the
22 computation results in a figure ending in 50 cents or less and
23 shall be rounded to the next higher whole dollar when the
24 computation results in a figure ending in 51 cents or more,
25 unless specific taxes are specified, and the secretary of state
26 may accept the manufacturer's shipping weight of the vehicle
27 fully equipped for the use for which the registration application

1 is made. If the weight is not correctly stated or is not
2 satisfactory, the secretary of state shall determine the actual
3 weight. Each application for registration of a vehicle under
4 subdivisions (j) and (m) shall have attached to the application a
5 scale weight receipt of the vehicle fully equipped as of the time
6 the application is made. The scale weight receipt is not
7 necessary if there is presented with the application a
8 registration receipt of the previous year that shows on its face
9 the weight of the motor vehicle as registered with the secretary
10 of state and that is accompanied by a statement of the applicant
11 that there has not been a structural change in the motor vehicle
12 that has increased the weight and that the previous registered
13 weight is the true weight.

14 **(S) THE REGISTRATION TAX INCREASES PROVIDED UNDER**
15 **SUBDIVISION (P) (i) (B) DO NOT APPLY IF THE REGISTRANT OF THE**
16 **VEHICLE IS 65 YEARS OF AGE OR OLDER ON OR AFTER JANUARY 1, 2017.**

17 (2) A manufacturer is not exempted under this act from
18 paying ad valorem taxes on vehicles in stock or bond, except on
19 the specified number of motor vehicles registered. A dealer is
20 exempt from paying ad valorem taxes on vehicles in stock or bond.

21 (3) Until October 1, 2019, the tax for a vehicle with an
22 empty weight over 10,000 pounds imposed under subsection (1) (a)
23 and the taxes imposed under subsection (1) (c), (d), (e), (f),
24 (i), (j), (m), (o), and (p) are each increased as follows:

25 (a) A regulatory fee of \$2.25 that shall be credited to the
26 traffic law enforcement and safety fund created in section 819a
27 and used to regulate highway safety.

1 (b) A fee of \$5.75 that shall be credited to the
2 transportation administration collection fund created in section
3 810b.

4 (4) Except as otherwise provided in this subsection, if a
5 tax required to be paid under this section is not received by the
6 secretary of state on or before the expiration date of the
7 registration plate, the secretary of state shall collect a late
8 fee of \$10.00 for each registration renewed after the expiration
9 date. An application for a renewal of a registration using the
10 regular mail and postmarked before the expiration date of that
11 registration shall not be assessed a late fee. The late fee
12 collected under this subsection shall be deposited into the
13 general fund. The secretary of state shall waive the late fee
14 collected under this subsection if all of the following are
15 satisfied:

16 (a) The registrant presents proof of storage insurance for
17 the vehicle for which the late fee is assessed that is valid for
18 the period of time between the expiration date of the most recent
19 registration and the date of application for the renewal.

20 (b) The registrant requests in person at a department of
21 state branch office that the late fee be waived at the time of
22 application for the renewal.

23 (5) In addition to the registration taxes under this
24 section, the secretary of state shall collect taxes charged under
25 section 801j and credit revenues to a regional transit authority
26 created under the regional transit authority act, 2012 PA 387,
27 MCL 124.541 to 124.558, minus necessary collection expenses as

1 provided in section 9 of article IX of the state constitution of
2 1963. Necessary collection expenses incurred by the secretary of
3 state under this subsection shall be based upon an established
4 cost allocation methodology.

5 (6) This section does not apply to a historic vehicle.

6 (7) Beginning January 1, 2017, the registration fee imposed
7 under this section for a vehicle using 4 or more tires is
8 increased as follows:

9 (a) If the vehicle is a hybrid electric vehicle, the
10 registration fee for that vehicle is increased by \$30.00 for a
11 vehicle with an empty weight of 8,000 pounds or less, and \$100.00
12 for a vehicle with an empty weight of more than 8,000 pounds. As
13 used in this subdivision and subsection (8) (a), "hybrid electric
14 vehicle" means a vehicle that can be propelled at least in part
15 by electrical energy and uses a battery storage system of at
16 least 4 kilowatt-hours, but is also capable of using gasoline,
17 diesel fuel, or alternative fuel to propel the vehicle.

18 (b) If the vehicle is a nonhybrid electric vehicle, the
19 registration fee for that vehicle is increased by \$100.00 for a
20 vehicle with an empty weight of 8,000 pounds or less, and \$200.00
21 for a vehicle with an empty weight of more than 8,000 pounds. As
22 used in this subdivision and subsection (8) (b), "nonhybrid
23 electric vehicle" means a vehicle that is propelled solely by
24 electrical energy and that is not capable of using gasoline,
25 diesel fuel, or alternative fuel to propel the vehicle.

26 (8) Beginning January 1, 2017, if the tax on gasoline
27 imposed under section 8 of the motor fuel tax act, 2000 PA 403,

1 MCL 207.1008, is increased above 19 cents per gallon, the
2 secretary of state shall increase the fees collected under
3 subsection (7) as follows:

4 (a) For a hybrid electric vehicle, \$2.50 per each 1 cent
5 above 19 cents per gallon.

6 (b) For a nonhybrid electric vehicle, \$5.00 per each 1 cent
7 above 19 cents per gallon.

8 (9) As used in this section:

9 (a) "Alternative fuel" means that term as defined in section
10 151 of the motor fuel tax act, 2000 PA 403, MCL 207.1151.

11 (b) "Diesel fuel" means that term as defined in section 2 of
12 the motor fuel tax act, 2000 PA 403, MCL 207.1002.

13 (c) "Gasoline" means that term as defined in section 3 of
14 the motor fuel tax act, 2000 PA 403, MCL 207.1003.

15 (d) "Gross proceeds" means that term as defined in section 1
16 of the general sales tax act, 1933 PA 167, MCL 205.51, and
17 includes the value of the motor vehicle used as part payment of
18 the purchase price as that value is agreed to by the parties to
19 the sale, as evidenced by the signed agreement executed under
20 section 251.

21 (e) "List price" means the manufacturer's suggested base
22 list price as published by the secretary of state, or the
23 manufacturer's suggested retail price as shown on the label
24 required to be affixed to the vehicle under 15 USC 1232, if the
25 secretary of state has not at the time of the sale of the vehicle
26 published a manufacturer's suggested retail price for that
27 vehicle, or the purchase price of the vehicle if the

1 manufacturer's suggested base list price is unavailable from the
2 sources described in this subdivision.

3 (f) "Purchase price" means the gross proceeds received by
4 the seller in consideration of the sale of the motor vehicle
5 being registered.

6 Enacting section 1. This amendatory act takes effect 90 days
7 after the date it is enacted into law.