SENATE BILL No. 575

September 19, 2017, Introduced by Senator CASPERSON and referred to the Committee on Transportation.

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 312c and 801 (MCL 257.312c and 257.801),

as amended by 2017 PA 115.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 312c. (1) Every application for a motorcycle
 endorsement on an operator's or chauffeur's license for operation
 of motorcycles as provided in section 312a shall be accompanied
 by the following fees which shall be in addition to any other
 original or renewal operator or chauffeur license fee:

(A) UNTIL JANUARY 19, 2018:

Original motorcycle endorsement..... \$ 16.0013.50

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1	Renewal of motorcycle endorsement \$ 7.00-5.00
2	(B) BEGINNING JANUARY 20, 2018:
3	ORIGINAL MOTORCYCLE ENDORSEMENT \$ 16.00
4	RENEWAL OF MOTORCYCLE ENDORSEMENT \$ 7.00

5 (2) Except as otherwise provided in this subsection, the money received and collected under this section shall be 6 deposited in the state treasury to the credit of the general 7 8 fund. The secretary of state shall refund out of the fees 9 collected to each county or municipality, acting as an examining officer or examining bureau, \$3.00 for each applicant examined 10 for a first endorsement to a 3- or 4-year operator's or 11 chauffeur's license, \$2.50 for each original endorsement to a 2-12 year operator's or chauffeur's license, \$1.50 for each renewal 13 endorsement to a 2-year operator's or chauffeur's license, and 14 15 \$1.50 for every other applicant examined whose application is not 16 denied, on the condition, however, that the money refunded shall be paid to the county or local treasurer and is appropriated to 17 the county, municipality, or officer or bureau receiving the 18 money for the purpose of carrying out this act. Ten dollars of 19 each original motorcycle endorsement and \$3.00 of each renewal 20 motorcycle endorsement shall be placed in a motorcycle safety 21 fund in the state treasury and shall be used only by the 22 23 secretary of state for the motorcycle safety education program as provided under section 811a, and \$2.50 of each original 24 motorcycle endorsement and \$2.00 of each renewal motorcycle 25 endorsement shall be placed in the motorcycle safety and 26 education awareness fund created in subsection (3). 27

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1 (3) The motorcycle safety and education awareness fund is created within the state treasury. The state treasurer may 2 receive money or other assets from any source for deposit into 3 4 the fund. The state treasurer shall direct the investment of the 5 fund. The state treasurer shall credit to the fund interest and 6 earnings from fund investments. Money in the fund at the close of the fiscal year shall remain in the fund and shall not lapse to 7 the general fund. The state treasurer shall be the administrator 8 of the fund for auditing purposes. The secretary of state shall 9 10 expend money from the fund for the purpose of creating and maintaining a "look twice - save a life" program that promotes 11 12 motorcycle awareness, safety, and education.

Sec. 801. (1) The secretary of state shall collect the 13 14 following taxes at the time of registering a vehicle, which shall 15 exempt the vehicle from all other state and local taxation, except the fees and taxes provided by law to be paid by certain 16 carriers operating motor vehicles and trailers under the motor 17 carrier act, 1933 PA 254, MCL 475.1 to 479.42; the taxes imposed 18 19 by the motor carrier fuel tax act, 1980 PA 119, MCL 207.211 to 20 207.234; and except as otherwise provided by this act:

(a) For a motor vehicle, including a motor home, except as
otherwise provided, and a pickup truck or van that weighs not
more than 8,000 pounds, except as otherwise provided, according
to the following schedule of empty weights:

25	Empty weights	Tax
26	0 to 3,000 pounds\$	29.00

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1	3,001 to 3,500 pounds 32.00	
2	3,501 to 4,000 pounds	
3	4,001 to 4,500 pounds 43.00	
4	4,501 to 5,000 pounds 47.00	
5	5,001 to 5,500 pounds 52.00	
6	5,501 to 6,000 pounds	
7	6,001 to 6,500 pounds 62.00	
8	6,501 to 7,000 pounds	
9	7,001 to 7,500 pounds 71.00	
10	7,501 to 8,000 pounds	
11	8,001 to 8,500 pounds 81.00	
12	8,501 to 9,000 pounds	
13	9,001 to 9,500 pounds	
14	9,501 to 10,000 pounds 95.00	
15	over 10,000 pounds\$ 0.90 per 100 pounds	
16	of empty weight	

17 On October 1, 1983, and October 1, 1984, the tax assessed under this subdivision shall be annually revised for the 18 19 registrations expiring on the appropriate October 1 or after that 20 date by multiplying the tax assessed in the preceding fiscal year 21 times the personal income of Michigan for the preceding calendar year divided by the personal income of Michigan for the calendar 22 23 year that preceded that calendar year. In performing the 24 calculations under this subdivision, the secretary of state shall 25 use the spring preliminary report of the United States Department 26 of Commerce or its successor agency. A van that is owned by an individual who uses a wheelchair or by an individual who 27 transports a member of his or her household who uses a wheelchair 28

and for which registration plates are issued under section 803d
 shall be assessed at the rate of 50% of the tax provided for in
 this subdivision.

4 (b) For a trailer coach attached to a motor vehicle, the tax 5 shall be assessed as provided in subdivision (l). A trailer coach not under 1959 PA 243, MCL 125.1035 to 125.1043, and while 6 located on land otherwise assessable as real property under the 7 general property tax act, 1893 PA 206, MCL 211.1 to 211.155, if 8 the trailer coach is used as a place of habitation, and whether 9 or not permanently affixed to the soil, is not exempt from real 10 11 property taxes.

12 (c) For a road tractor, modified agricultural vehicle, 13 truck, or truck tractor owned by a farmer and used exclusively in connection with a farming operation, including a farmer hauling 14 15 livestock or farm equipment for other farmers for remuneration in kind or in labor, but not for money, or used for the 16 transportation of the farmer and the farmer's family, and not 17 18 used for hire, 74 cents per 100 pounds of empty weight of the 19 road tractor, truck, or truck tractor. If the road tractor, 20 modified agricultural vehicle, truck, or truck tractor owned by a 21 farmer is also used for a nonfarming operation, the farmer is 22 subject to the highest registration tax applicable to the nonfarm use of the vehicle but is not subject to more than 1 tax rate 23 24 under this act.

(d) For a road tractor, truck, or truck tractor owned by a
wood harvester and used exclusively in connection with the wood
harvesting operations or a truck used exclusively to haul milk

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1 from the farm to the first point of delivery, 74 cents per 100
2 pounds of empty weight of the road tractor, truck, or truck
3 tractor. A registration secured by payment of the tax prescribed
4 in this subdivision continues in full force and effect until the
5 regular expiration date of the registration. As used in this
6 subdivision:

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

12 (*ii*) "Wood harvesting equipment" includes all of the13 following:

(A) A vehicle that directly harvests logs or timber,
including, but not limited to, a processor or a feller buncher.
(B) A vehicle that directly processes harvested logs or
timber, including, but not limited to, a slasher, delimber,
processor, chipper, or saw table.

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

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

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

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

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

10 (f) For a vehicle owned and operated by this state, a state 11 institution, a municipality, a privately incorporated, nonprofit 12 volunteer fire department, or a nonpublic, nonprofit college or 13 university, \$5.00 per plate. A registration plate issued under 14 this subdivision expires on June 30 of the year in which new 15 registration plates are reissued for all vehicles by the 16 secretary of state.

(g) For a bus including a station wagon, carryall, or 17 18 similarly constructed vehicle owned and operated by a nonprofit parents' transportation corporation used for school purposes, 19 20 parochial school or society, church Sunday school, or any other 21 grammar school, or by a nonprofit youth organization or nonprofit 22 rehabilitation facility; or a motor vehicle owned and operated by a senior citizen center, \$10.00, if the bus, station wagon, 23 24 carryall, or similarly constructed vehicle or motor vehicle is 25 designated by proper signs showing the organization operating the 26 vehicle.

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(h) For a vehicle owned by a nonprofit organization and used

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to transport equipment for providing dialysis treatment to 1 2 children at camp; for a vehicle owned by the civil air patrol, as organized under 36 USC 40301 to 40307, \$10.00 per plate, if the 3 vehicle is designated by a proper sign showing the civil air 4 5 patrol's name; for a vehicle owned and operated by a nonprofit 6 veterans center; for a vehicle owned and operated by a nonprofit recycling center or a federally recognized nonprofit conservation 7 organization; for a motor vehicle having a truck chassis and a 8 9 locomotive or ship's body that is owned by a nonprofit veterans 10 organization and used exclusively in parades and civic events; or for an emergency support vehicle used exclusively for emergencies 11 12 and owned and operated by a federally recognized nonprofit charitable organization, \$10.00 per plate. 13

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

(j) For each truck, weighing 8,000 pounds or less, and not used to tow a vehicle, for each privately owned truck used to tow a trailer for recreational purposes only and not involved in a profit making venture, and for each vehicle designed and used to tow a mobile home or a trailer coach, except as provided in subdivision (b), \$38.00 or an amount computed according to the following schedule of empty weights, whichever is greater:

25	Empty weights	Per	100	pounds
26	0 to 2,500 pounds	\$		1.40
27	2,501 to 4,000 pounds			1.76

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1	4,001 to 6,000 pounds	2.20
2	6,001 to 8,000 pounds	2.72
3	8,001 to 10,000 pounds	3.25
4	10,001 to 15,000 pounds	3.77
5	15,001 pounds and over	4.39

6 If the tax required under subdivision (p) for a vehicle of the same model year with the same list price as the vehicle for 7 8 which registration is sought under this subdivision is more than 9 the tax provided under the preceding provisions of this 10 subdivision for an identical vehicle, the tax required under this 11 subdivision is not less than the tax required under subdivision 12 (p) for a vehicle of the same model year with the same list 13 price.

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

18 (i) Until December 31, 2016, according to the following19 schedule of elected gross weights:

20	Elected gross weight	Tax
21	0 to 24,000 pounds 5	491.00
22	24,001 to 26,000 pounds	558.00
23	26,001 to 28,000 pounds	558.00
24	28,001 to 32,000 pounds	649.00
25	32,001 to 36,000 pounds	744.00
26	36,001 to 42,000 pounds	874.00
27	42,001 to 48,000 pounds	1,005.00

1	48,001 to 54,000 pounds	1,135.00
2	54,001 to 60,000 pounds	1,268.00
3	60,001 to 66,000 pounds	1,398.00
4	66,001 to 72,000 pounds	1,529.00
5	72,001 to 80,000 pounds	1,660.00
6	80,001 to 90,000 pounds	1,793.00
7	90,001 to 100,000 pounds	2,002.00
8	100,001 to 115,000 pounds	2,223.00
9	115,001 to 130,000 pounds	2,448.00
10	130,001 to 145,000 pounds	2,670.00
11	145,001 to 160,000 pounds	2,894.00
12	over 160,000 pounds	3,117.00

13 (*ii*) Beginning on January 1, 2017, according to the following14 schedule of elected gross weights:

15	Elected gross weight	Tax
16	0 to 24,000 pounds	\$ 590.00
17	24,001 to 26,000 pounds	670.00
18	26,001 to 28,000 pounds	670.00
19	28,001 to 32,000 pounds	779.00
20	32,001 to 36,000 pounds	893.00
21	36,001 to 42,000 pounds	1,049.00
22	42,001 to 48,000 pounds	1,206.00
23	48,001 to 54,000 pounds	1,362.00
24	54,001 to 60,000 pounds	1,522.00
25	60,001 to 66,000 pounds	1,678.00
26	66,001 to 72,000 pounds	1,835.00
27	72,001 to 80,000 pounds	1,992.00
28	80,001 to 90,000 pounds	2,152.00
29	90,001 to 100,000 pounds	2,403.00

1	100,001 to 115,000 pounds	2,668.00
2	115,001 to 130,000 pounds	2,938.00
3	130,001 to 145,000 pounds	3,204.00
4	145,001 to 160,000 pounds	3,473.00
5	over 160,000 pounds	3,741.00

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

9 If a truck tractor or road tractor without trailer is leased 10 from an individual owner-operator, the lessee, whether an 11 individual, firm, or corporation, shall pay to the owner-operator 12 60% of the tax prescribed in this subdivision for the truck 13 tractor or road tractor at the rate of 1/12 for each month of the 14 lease or arrangement in addition to the compensation the owner-15 operator is entitled to for the rental of his or her equipment. (1) For each pole trailer, semitrailer, trailer coach, or 16 17 trailer, the tax shall be assessed according to the following 18 schedule of empty weights:

19	Empty weights	Tax
20	0 to 2,499 pounds	\$ 75.00
21	2,500 to 9,999 pounds	200.00
22	10,000 pounds and over	300.00

The registration plate issued under this subdivision expires only when the secretary of state reissues a new registration plate for all trailers. Beginning October 1, 2005, if the secretary of state reissues a new registration plate for all

1 trailers, a person who has once paid the tax as increased by 2003
2 PA 152 for a vehicle under this subdivision is not required to
3 pay the tax for that vehicle a second time, but is required to
4 pay only the cost of the reissued plate at the rate provided in
5 section 804(2) for a standard plate. A registration plate issued
6 under this subdivision is nontransferable.

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

11	Empty weights	Per	100	pounds
12	0 to 4,000 pounds	\$		1.76
13	4,001 to 6,000 pounds			2.20
14	6,001 to 10,000 pounds			2.72
15	10,001 pounds and over			3.25

16 (n) For each motorcycle, \$25.00.AS FOLLOWS:

17	(<i>i</i>)	UNTIL FEBRUARY 18, 2019	\$ 23.00
18	(<i>ii</i>)	BEGINNING FEBRUARY 19, 2019	\$ 25.00

On October 1, 1983, and October 1, 1984, the tax assessed under this subdivision shall be annually revised for the registrations expiring on the appropriate October 1 or after that date by multiplying the tax assessed in the preceding fiscal year times the personal income of Michigan for the preceding calendar year divided by the personal income of Michigan for the calendar year that preceded that calendar year. In performing the

calculations under this subdivision, the secretary of state shall
 use the spring preliminary report of the United States Department
 of Commerce or its successor agency.

4 Beginning January 1, 1984, the registration tax for each 5 motorcycle is increased by \$3.00. The \$3.00 increase is not part of the tax assessed under this subdivision for the purpose of the 6 annual October 1 revisions but is in addition to the tax assessed 7 as a result of the annual October 1 revisions. Beginning January 8 1, 1984 and ending on the effective date of the 2017 amendatory 9 act that amended this subdivision, FEBRUARY 18, 2019, \$3.00 of 10 each motorcycle fee shall be placed in a motorcycle safety fund 11 12 in the state treasury and shall be used only for funding the motorcycle safety education program as provided for under 13 sections 312b and 811a. Beginning on the effective date of the 14 2017 amendatory act that amended this subdivision, FEBRUARY 19, 15 16 2019, \$5.00 of each motorcycle fee shall be placed in the motorcycle safety fund and shall be used only for funding the 17 motorcycle safety education program as provided for under 18 19 sections 312b and 811a.

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

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(p) After September 30, 1983, each motor vehicle of the 1984

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1 or a subsequent model year as shown on the application required 2 under section 217 that has not been previously subject to the tax 3 rates of this section and that is of the motor vehicle category 4 otherwise subject to the tax schedule described in subdivision 5 (a), and each low-speed vehicle according to the following 6 schedule based upon registration periods of 12 months:

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

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(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

More than \$30,000.00, the tax of \$148.00 is increased by \$5.00 for each \$1,000.00 increment or fraction of a \$1,000.00 increment over \$30,000.00. If a current tax increases or decreases as a result of 1998 PA 384, only a vehicle purchased or transferred after January 1, 1999 shall be assessed the increased 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
28	More than \$ 14,000.00 - \$ 15,000.00	\$ 88.00

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

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

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

24 (*iii*) For the third registration, 90% of the tax assessed25 under subparagraph (*ii*).

26 (*iv*) For the fourth and subsequent registrations, 90% of the
27 tax assessed under subparagraph (*iii*).

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

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(q) For a wrecker, \$200.00.

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

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

(2) A manufacturer is not exempted under this act from
paying ad valorem taxes on vehicles in stock or bond, except on
the specified number of motor vehicles registered. A dealer is
exempt from paying ad valorem taxes on vehicles in stock or bond.
(3) Until October 1, 2019, the tax for a vehicle with an

18 empty weight over 10,000 pounds imposed under subsection (1)(a)
19 and the taxes imposed under subsection (1)(c), (d), (e), (f),
20 (i), (j), (m), (o), and (p) are each increased as follows:

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

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

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(4) Except as otherwise provided in this subsection, if a

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1 tax required to be paid under this section is not received by the 2 secretary of state on or before the expiration date of the registration plate, the secretary of state shall collect a late 3 fee of \$10.00 for each registration renewed after the expiration 4 5 date. An application for a renewal of a registration using the 6 regular mail and postmarked before the expiration date of that registration shall not be assessed a late fee. The late fee 7 collected under this subsection shall be deposited into the 8 general fund. The secretary of state shall waive the late fee 9 collected under this subsection if all of the following are 10 11 satisfied:

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

16 (b) The registrant requests in person at a department of17 state branch office that the late fee be waived at the time of18 application for the renewal.

19 (5) In addition to the registration taxes under this 20 section, the secretary of state shall collect taxes charged under 21 section 801j and credit revenues to a regional transit authority 22 created under the regional transit authority act, 2012 PA 387, 23 MCL 124.541 to 124.558, minus necessary collection expenses as provided in section 9 of article IX of the state constitution of 24 25 1963. Necessary collection expenses incurred by the secretary of state under this subsection shall be based upon an established 26 27 cost allocation methodology.

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

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

5 (a) If the vehicle is a hybrid electric vehicle, the registration fee for that vehicle is increased by \$30.00 for a 6 vehicle with an empty weight of 8,000 pounds or less, and \$100.00 7 for a vehicle with an empty weight of more than 8,000 pounds. As 8 used in this subdivision and subsection (8)(a), "hybrid electric 9 vehicle" means a vehicle that can be propelled at least in part 10 by electrical energy and uses a battery storage system of at 11 least 4 kilowatt-hours, but is also capable of using gasoline, 12 13 diesel fuel, or alternative fuel to propel the vehicle.

14 (b) If the vehicle is a nonhybrid electric vehicle, the registration fee for that vehicle is increased by \$100.00 for a 15 vehicle with an empty weight of 8,000 pounds or less, and \$200.00 16 for a vehicle with an empty weight of more than 8,000 pounds. As 17 used in this subdivision and subsection (8)(b), "nonhybrid 18 19 electric vehicle" means a vehicle that is propelled solely by 20 electrical energy and that is not capable of using gasoline, 21 diesel fuel, or alternative fuel to propel the vehicle.

(8) Beginning January 1, 2017, if the tax on gasoline
imposed under section 8 of the motor fuel tax act, 2000 PA 403,
MCL 207.1008, is increased above 19 cents per gallon, the
secretary of state shall increase the fees collected under
subsection (7) as follows:

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(a) For a hybrid electric vehicle, \$2.50 per each 1 cent

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1 above 19 cents per gallon.

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

4 (9) As used in this section:

5 (a) "Alternative fuel" means that term as defined in section
6 151 of the motor fuel tax act, 2000 PA 403, MCL 207.1151.

7 (b) "Diesel fuel" means that term as defined in section 2 of8 the motor fuel tax act, 2000 PA 403, MCL 207.1002.

9 (c) "Gasoline" means that term as defined in section 3 of10 the motor fuel tax act, 2000 PA 403, MCL 207.1003.

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

17 (e) "List price" means the manufacturer's suggested base 18 list price as published by the secretary of state, or the 19 manufacturer's suggested retail price as shown on the label 20 required to be affixed to the vehicle under 15 USC 1232, if the 21 secretary of state has not at the time of the sale of the vehicle published a manufacturer's suggested retail price for that 22 vehicle, or the purchase price of the vehicle if the 23 24 manufacturer's suggested base list price is unavailable from the sources described in this subdivision. 25

26 (f) "Purchase price" means the gross proceeds received by27 the seller in consideration of the sale of the motor vehicle

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1 being registered.

2 Enacting section 1. This amendatory act takes effect 90 days3 after the date it is enacted into law.