

SENATE BILL No. 32

January 21, 2003, Introduced by Senator SWITALSKI and referred to the Committee on Transportation.

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 801 (MCL 257.801), as amended by 2002 PA 417.

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 479.43; 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

SENATE BILL No. 32

1 more than 5,000 pounds, except as otherwise provided, according
 2 to the following schedule of empty weights:

| 3 | Empty weights | Fee |
|----|-----------------------------|------------------------|
| 4 | 0 to 3,000 pounds..... | \$ 29.00 |
| 5 | 3,001 to 3,500 pounds..... | 32.00 |
| 6 | 3,501 to 4,000 pounds..... | 37.00 |
| 7 | 4,001 to 4,500 pounds..... | 43.00 |
| 8 | 4,501 to 5,000 pounds..... | 47.00 |
| 9 | 5,001 to 5,500 pounds..... | 52.00 |
| 10 | 5,501 to 6,000 pounds..... | 57.00 |
| 11 | 6,001 to 6,500 pounds..... | 62.00 |
| 12 | 6,501 to 7,000 pounds..... | 67.00 |
| 13 | 7,001 to 7,500 pounds..... | 71.00 |
| 14 | 7,501 to 8,000 pounds..... | 77.00 |
| 15 | 8,001 to 8,500 pounds..... | 81.00 |
| 16 | 8,501 to 9,000 pounds..... | 86.00 |
| 17 | 9,001 to 9,500 pounds..... | 91.00 |
| 18 | 9,501 to 10,000 pounds..... | 95.00 |
| 19 | over 10,000 pounds..... | \$ 0.90 per 100 pounds |
| 20 | | of empty weight |

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

1 year which preceded that calendar year. In performing the
2 calculations under this subdivision, the secretary of state shall
3 use the spring preliminary report of the United States department
4 of commerce or its successor agency. A van which is owned by an
5 individual who uses a wheelchair or by an individual who
6 transports a resident of his or her household who uses a
7 wheelchair and for which registration plates are issued pursuant
8 to section 803d shall be assessed at the rate of 50% of the tax
9 provided for in this subdivision.

10 (b) For a trailer coach attached to a motor vehicle, 76
11 cents per 100 pounds of empty weight of the trailer coach. A
12 trailer coach not under 1959 PA 243, MCL 125.1035 to 125.1043,
13 and while located on land otherwise assessable as real property
14 under the general property tax act, 1893 PA 206, MCL 211.1 to
15 211.157, if the trailer coach is used as a place of habitation,
16 and whether or not permanently affixed to the soil, shall not be
17 exempt from real property taxes.

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

1 the vehicle but shall not be subject to more than 1 tax rate
2 under this act.

3 (d) For a road tractor, truck, or truck tractor owned by a
4 wood harvester and used exclusively in connection with the wood
5 harvesting operations or a truck used exclusively to haul milk
6 from the farm to the first point of delivery, 74 cents per 100
7 pounds of empty weight of the road tractor, truck, or truck
8 tractor. A registration secured by payment of the fee as
9 prescribed in this subdivision shall continue in full force and
10 effect until the regular expiration date of the registration. As
11 used in this subdivision, "wood harvester" includes the person or
12 persons hauling and transporting raw materials in the form
13 produced at the harvest site. As used in this subdivision, "wood
14 harvesting operations" does not include the transportation of
15 processed lumber, Christmas trees, or processed firewood for a
16 profit making venture.

17 (e) For a hearse or ambulance used exclusively by a licensed
18 funeral director in the general conduct of the licensee's funeral
19 business, including a hearse or ambulance whose owner is engaged
20 in the business of leasing or renting the hearse or ambulance to
21 others, \$1.17 per 100 pounds of the empty weight of the hearse or
22 ambulance.

23 (f) For a motor vehicle owned and operated by this state, a
24 state institution, a municipality, a privately incorporated,
25 nonprofit volunteer fire department, or a nonpublic, nonprofit
26 college or university, \$5.00 per set; and for each motor vehicle
27 operating under municipal franchise, weighing less than 2,500

1 pounds, 65 cents per 100 pounds of the empty weight of the motor
2 vehicle, weighing from 2,500 to 4,000 pounds, 80 cents per 100
3 pounds of the empty weight of the motor vehicle, weighing 4,001
4 to 6,000 pounds, \$1.00 per 100 pounds of the empty weight of the
5 motor vehicle, and weighing over 6,000 pounds, \$1.25 per 100
6 pounds of the empty weight of the motor vehicle.

7 (g) For a bus including a station wagon, carryall, or
8 similarly constructed vehicle owned and operated by a nonprofit
9 parents' transportation corporation used for school purposes,
10 parochial school or society, church Sunday school, or any other
11 grammar school, or by a nonprofit youth organization or nonprofit
12 rehabilitation facility; or a motor vehicle owned and operated by
13 a senior citizen center, \$10.00 per set, if the bus, station
14 wagon, carryall, or similarly constructed vehicle or motor
15 vehicle is designated by proper signs showing the organization
16 operating the vehicle.

17 (h) For a vehicle owned by a nonprofit organization and used
18 to transport equipment for providing dialysis treatment to
19 children at camp; for a vehicle owned by the civil air patrol, as
20 organized under sections 40301 to 40307 of title 36 of the United
21 States Code, 36 U.S.C. 40301 to 40307, \$10.00 per plate, if the
22 vehicle is designated by a proper sign showing the civil air
23 patrol's name; for a vehicle owned and operated by a nonprofit
24 veterans center; for a vehicle owned and operated by a nonprofit
25 recycling center or a federally recognized nonprofit conservation
26 organization; for a motor vehicle having a truck chassis and a
27 locomotive or ship's body which is owned by a nonprofit veterans

1 organization and used exclusively in parades and civic events; or
 2 for an emergency support vehicle used exclusively for emergencies
 3 and owned and operated by a federally recognized nonprofit
 4 charitable organization, \$10.00 per plate.

5 (i) For each truck owned and operated free of charge by a
 6 bona fide ecclesiastical or charitable corporation, or red cross,
 7 girl scout, or boy scout organization, 65 cents per 100 pounds of
 8 the empty weight of the truck.

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

| 16 | Empty weights | Per 100 pounds |
|----|------------------------------|----------------|
| 17 | 0 to 2,500 pounds..... | \$ 1.40 |
| 18 | 2,501 to 4,000 pounds..... | 1.76 |
| 19 | 4,001 to 6,000 pounds..... | 2.20 |
| 20 | 6,001 to 8,000 pounds..... | 2.72 |
| 21 | 8,001 to 10,000 pounds..... | 3.25 |
| 22 | 10,001 to 15,000 pounds..... | 3.77 |
| 23 | 15,001 pounds and over..... | 4.39 |

24 If the tax required under subdivision (p) for a vehicle of
 25 the same model year with the same list price as the vehicle for
 26 which registration is sought under this subdivision is more than

1 the tax provided under the preceding provisions of this
2 subdivision for an identical vehicle, the tax required under this
3 subdivision shall not be less than the tax required under
4 subdivision (p) for a vehicle of the same model year with the
5 same list price.

6 (k) For each truck weighing 8,000 pounds or less towing a
7 trailer or any other combination of vehicles and for each truck
8 weighing 8,001 pounds or more, road tractor or truck tractor,
9 except as provided in subdivision (j) according to the following
10 schedule of elected gross weights:

| 11 | Elected gross weight | Fee |
|----|--------------------------------|-----------|
| 12 | 0 to 24,000 pounds..... | \$ 491.00 |
| 13 | 24,001 to 26,000 pounds..... | 558.00 |
| 14 | 26,001 to 28,000 pounds..... | 558.00 |
| 15 | 28,001 to 32,000 pounds..... | 649.00 |
| 16 | 32,001 to 36,000 pounds..... | 744.00 |
| 17 | 36,001 to 42,000 pounds..... | 874.00 |
| 18 | 42,001 to 48,000 pounds..... | 1,005.00 |
| 19 | 48,001 to 54,000 pounds..... | 1,135.00 |
| 20 | 54,001 to 60,000 pounds..... | 1,268.00 |
| 21 | 60,001 to 66,000 pounds..... | 1,398.00 |
| 22 | 66,001 to 72,000 pounds..... | 1,529.00 |
| 23 | 72,001 to 80,000 pounds..... | 1,660.00 |
| 24 | 80,001 to 90,000 pounds..... | 1,793.00 |
| 25 | 90,001 to 100,000 pounds..... | 2,002.00 |
| 26 | 100,001 to 115,000 pounds..... | 2,223.00 |

| | | |
|---|--------------------------------|----------|
| 1 | 115,001 to 130,000 pounds..... | 2,448.00 |
| 2 | 130,001 to 145,000 pounds..... | 2,670.00 |
| 3 | 145,001 to 160,000 pounds..... | 2,894.00 |
| 4 | over 160,000 pounds..... | 3,117.00 |

5 For each commercial vehicle registered pursuant to this
6 subdivision \$15.00 shall be deposited in a truck safety fund to
7 be expended for the purposes prescribed in section 25 of 1951
8 PA 51, MCL 247.675.

9 If a truck or road tractor without trailer is leased from an
10 individual owner-operator, the lessee, whether a person, firm, or
11 corporation, shall pay to the owner-operator 60% of the fee
12 prescribed in this subdivision for the truck tractor or road
13 tractor at the rate of 1/12 for each month of the lease or
14 arrangement in addition to the compensation the owner-operator is
15 entitled to for the rental of his or her equipment.

16 (l) For each pole trailer, semitrailer, or trailer, according
17 to the following schedule of empty weights:

| 18 | Empty weights | Fee |
|----|----------------------------|----------|
| 19 | 0 to 500 pounds..... | \$ 17.00 |
| 20 | 501 to 1,500 pounds..... | 24.00 |
| 21 | 1,501 pounds and over..... | 39.00 |

22 (m) For each commercial vehicle used for the transportation
23 of passengers for hire except for a vehicle for which a payment
24 is made pursuant to 1960 PA 2, MCL 257.971 to 257.972, according
25 to the following schedule of empty weights:

| 1 Empty weights | Per 100 pounds |
|-------------------------------|----------------|
| 2 0 to 4,000 pounds..... | \$ 1.76 |
| 3 4,001 to 6,000 pounds..... | 2.20 |
| 4 6,001 to 10,000 pounds..... | 2.72 |
| 5 10,001 pounds and over..... | 3.25 |

6 (n) For each motorcycle..... \$ 23.00

7 On October 1, 1983, and October 1, 1984, the tax assessed
8 under this subdivision shall be annually revised for the
9 registrations expiring on the appropriate October 1 or after that
10 date by multiplying the tax assessed in the preceding fiscal year
11 times the personal income of Michigan for the preceding calendar
12 year divided by the personal income of Michigan for the calendar
13 year which preceded that calendar year. In performing the
14 calculations under this subdivision, the secretary of state shall
15 use the spring preliminary report of the United States department
16 of commerce or its successor agency.

17 Beginning January 1, 1984, the registration tax for each
18 motorcycle shall be increased by \$3.00. The \$3.00 increase shall
19 not be considered as part of the tax assessed under this
20 subdivision for the purpose of the annual October 1 revisions but
21 shall be in addition to the tax assessed as a result of the
22 annual October 1 revisions. Beginning January 1, 1984, \$3.00 of
23 each motorcycle fee shall be placed in a motorcycle safety fund
24 in the state treasury and shall be used only for funding the
25 motorcycle safety education program as provided for under
26 sections 312b and 811a.

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

8 (p) After September 30, 1983, each motor vehicle of the 1984
 9 or a subsequent model year as shown on the application required
 10 under section 217 which has not been previously subject to the
 11 tax rates of this section and which is of the motor vehicle
 12 category otherwise subject to the tax schedule described in
 13 subdivision (a), and each low-speed vehicle according to the
 14 following schedule based upon registration periods of 12 months:

15 (i) Except as otherwise provided in this subdivision, for the
 16 first registration, which is not a transfer registration under
 17 section 809 and for the first registration after a transfer
 18 registration under section 809, according to the following
 19 schedule based on the vehicle's list price:

| 20 | List Price | Tax |
|----|--|----------|
| 21 | \$ 0 - \$ 6,000.00..... | \$ 30.00 |
| 22 | More than \$ 6,000.00 - \$ 7,000.00..... | \$ 33.00 |
| 23 | More than \$ 7,000.00 - \$ 8,000.00..... | \$ 38.00 |
| 24 | More than \$ 8,000.00 - \$ 9,000.00..... | \$ 43.00 |
| 25 | More than \$ 9,000.00 - \$ 10,000.00..... | \$ 48.00 |
| 26 | More than \$ 10,000.00 - \$ 11,000.00..... | \$ 53.00 |

| | | |
|----|--|-----------|
| 1 | More than \$ 11,000.00 - \$ 12,000.00..... | \$ 58.00 |
| 2 | More than \$ 12,000.00 - \$ 13,000.00..... | \$ 63.00 |
| 3 | More than \$ 13,000.00 - \$ 14,000.00..... | \$ 68.00 |
| 4 | More than \$ 14,000.00 - \$ 15,000.00..... | \$ 73.00 |
| 5 | More than \$ 15,000.00 - \$ 16,000.00..... | \$ 78.00 |
| 6 | More than \$ 16,000.00 - \$ 17,000.00..... | \$ 83.00 |
| 7 | More than \$ 17,000.00 - \$ 18,000.00..... | \$ 88.00 |
| 8 | More than \$ 18,000.00 - \$ 19,000.00..... | \$ 93.00 |
| 9 | More than \$ 19,000.00 - \$ 20,000.00..... | \$ 98.00 |
| 10 | More than \$ 20,000.00 - \$ 21,000.00..... | \$ 103.00 |
| 11 | More than \$ 21,000.00 - \$ 22,000.00..... | \$ 108.00 |
| 12 | More than \$ 22,000.00 - \$ 23,000.00..... | \$ 113.00 |
| 13 | More than \$ 23,000.00 - \$ 24,000.00..... | \$ 118.00 |
| 14 | More than \$ 24,000.00 - \$ 25,000.00..... | \$ 123.00 |
| 15 | More than \$ 25,000.00 - \$ 26,000.00..... | \$ 128.00 |
| 16 | More than \$ 26,000.00 - \$ 27,000.00..... | \$ 133.00 |
| 17 | More than \$ 27,000.00 - \$ 28,000.00..... | \$ 138.00 |
| 18 | More than \$ 28,000.00 - \$ 29,000.00..... | \$ 143.00 |
| 19 | More than \$ 29,000.00 - \$ 30,000.00..... | \$ 148.00 |

20 More than \$30,000.00, the fee of \$148.00 shall be increased
21 by \$5.00 for each \$1,000.00 increment or fraction of a \$1,000.00
22 increment over \$30,000.00. If a current fee increases or
23 decreases as a result of 1998 PA 384, only a vehicle purchased or
24 transferred after January 1, 1999 shall be assessed the increased
25 or decreased fee. **Beginning 90 days after the date that the**
26 **amendatory act that added this sentence is enacted, the tax**
27 **imposed under this subparagraph shall be calculated using the**

1 purchase price or the bluebook value, whichever is greater,
2 instead of the list price.

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

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

7 (iv) For the fourth and subsequent registrations, 90% of the
8 tax assessed under subparagraph (iii).

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

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

26 (r) When the secretary of state computes a tax under this
27 section, a computation that does not result in a whole dollar

1 figure shall be rounded to the next lower whole dollar when the
2 computation results in a figure ending in 50 cents or less and
3 shall be rounded to the next higher whole dollar when the
4 computation results in a figure ending in 51 cents or more,
5 unless specific fees are specified, and the secretary of state
6 may accept the manufacturer's shipping weight of the vehicle
7 fully equipped for the use for which the registration application
8 is made. If the weight is not correctly stated or is not
9 satisfactory, the secretary of state shall determine the actual
10 weight. Each application for registration of a vehicle under
11 subdivisions (j) and (m) shall have attached to the application a
12 scale weight receipt of the vehicle fully equipped as of the time
13 the application is made. The scale weight receipt is not
14 necessary if there is presented with the application a
15 registration receipt of the previous year which shows on its face
16 the weight of the motor vehicle as registered with the secretary
17 of state and which is accompanied by a statement of the applicant
18 that there has not been a structural change in the motor vehicle
19 which has increased the weight and that the previous registered
20 weight is the true weight.

21 (2) A manufacturer is not exempted under this act from paying
22 ad valorem taxes on vehicles in stock or bond, except on the
23 specified number of motor vehicles registered. A dealer is
24 exempt from paying ad valorem taxes on vehicles in stock or
25 bond.

26 (3) The fee for a vehicle with an empty weight over 10,000
27 pounds imposed pursuant to subsection (1)(a) and the fees imposed

1 pursuant to subsection (1)(b), (c), (d), (e), (f), (i), (j), (m),
2 (o), and (p) shall each be increased by \$5.00. This increase
3 shall be credited to the Michigan transportation fund and used to
4 defray the costs of processing the registrations under this
5 section.

6 (4) As used in this section:

7 (a) **"Bluebook value" means the most recently published volume**
8 **of the N.A.D.A. official used car guide, central edition,**
9 **published by the national automobile dealers association.**

10 (b) ~~(a)~~ "Gross proceeds" means gross proceeds as defined in
11 section 1 of the general sales tax act, 1933 PA 167, MCL 205.51.
12 However, gross proceeds shall include the value of the motor
13 vehicle used as part payment of the purchase price as that value
14 is agreed to by the parties to the sale, as evidenced by the
15 signed agreement executed pursuant to section 251.

16 (c) ~~(b)~~ "List price" means the manufacturer's suggested
17 base list price as published by the secretary of state, or the
18 manufacturer's suggested retail price as shown on the label
19 required to be affixed to the vehicle under section 3 of the
20 automobile information disclosure act, Public Law 85-506,
21 15 U.S.C. 1232, if the secretary of state has not at the time of
22 the sale of the vehicle published a manufacturer's suggested
23 retail price for that vehicle, or the purchase price of the
24 vehicle if the manufacturer's suggested base list price is
25 unavailable from the sources described in this subdivision.

26 (d) ~~(c)~~ "Purchase price" means the gross proceeds received
27 by the seller in consideration of the sale of the motor vehicle

1 being registered.