

SENATE BILL No. 1248

May 18, 2004, Introduced by Senators BROWN, CROPSEY, BARCIA, VAN WOERKOM, BISHOP, McMANUS, TOY and GARCIA and referred to the Committee on Appropriations.

A bill to amend 1949 PA 400, entitled "Michigan vehicle code," by amending section 801 (MCL 257.801), as amended by 2003 PA 152.

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

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~~ **that** 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~~ **that** is owned
5 by an 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~~ **under** section 803d shall be assessed at the rate of 50% of
9 the tax provided for in this subdivision.

10 (b) For a trailer coach attached to a motor vehicle, the tax
11 shall be assessed as provided in subdivision (l). A trailer
12 coach not under 1959 PA 243, MCL 125.1035 to 125.1043, and while
13 located on land otherwise assessable as real property under the
14 general property tax act, 1893 PA 206, MCL 211.1 to 211.157, if
15 the trailer coach is used as a place of habitation, and whether
16 or not permanently affixed to the soil, shall not be exempt from
17 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~~ **tax**
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 vehicle owned and operated by this state, a state
24 institution, a municipality, a privately incorporated, nonprofit
25 volunteer fire department, or a nonpublic, nonprofit college or
26 university, \$5.00 per plate. A registration plate issued under
27 this subdivision shall expire on June 30 of the year in which new

1 registration plates are reissued for all vehicles by the
2 secretary of state.

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

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

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

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

12 Empty weights	Per 100 pounds
13 0 to 2,500 pounds.....	\$ 1.40
14 2,501 to 4,000 pounds.....	1.76
15 4,001 to 6,000 pounds.....	2.20
16 6,001 to 8,000 pounds.....	2.72
17 8,001 to 10,000 pounds.....	3.25
18 10,001 to 15,000 pounds.....	3.77
19 15,001 pounds and over.....	4.39

20 If the tax required under subdivision (p) for a vehicle of
 21 the same model year with the same list price as the vehicle for
 22 which registration is sought under this subdivision is more than
 23 the tax provided under the preceding provisions of this
 24 subdivision for an identical vehicle, the tax required under this
 25 subdivision shall not be less than the tax required under
 26 subdivision (p) for a vehicle of the same model year with the

1 same list price.

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

7 Elected gross weight	Fee
8 0 to 24,000 pounds.....	\$ 491.00
9 24,001 to 26,000 pounds.....	558.00
10 26,001 to 28,000 pounds.....	558.00
11 28,001 to 32,000 pounds.....	649.00
12 32,001 to 36,000 pounds.....	744.00
13 36,001 to 42,000 pounds.....	874.00
14 42,001 to 48,000 pounds.....	1,005.00
15 48,001 to 54,000 pounds.....	1,135.00
16 54,001 to 60,000 pounds.....	1,268.00
17 60,001 to 66,000 pounds.....	1,398.00
18 66,001 to 72,000 pounds.....	1,529.00
19 72,001 to 80,000 pounds.....	1,660.00
20 80,001 to 90,000 pounds.....	1,793.00
21 90,001 to 100,000 pounds.....	2,002.00
22 100,001 to 115,000 pounds.....	2,223.00
23 115,001 to 130,000 pounds.....	2,448.00
24 130,001 to 145,000 pounds.....	2,670.00
25 145,001 to 160,000 pounds.....	2,894.00
26 over 160,000 pounds.....	3,117.00

27 For each commercial vehicle registered ~~pursuant to~~ **under**

1 this subdivision \$15.00 shall be deposited in a truck safety fund
2 to be expended for the purposes prescribed in section 25 of 1951
3 PA 51, MCL 247.675.

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

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

14 Empty weights	Fee
15 0 to 2,499 pounds.....	\$ 75.00
16 2,500 to 9,999 pounds.....	200.00
17 10,000 pounds and over.....	300.00

18 The registration plate issued under this subdivision expires
19 only when the secretary of state reissues a new registration
20 plate for all trailers. If the secretary of state reissues a new
21 registration plate for all trailers, a person who has once paid
22 the ~~fee~~ **tax** for a vehicle under this subdivision shall not be
23 required to pay the ~~fee~~ **tax** for that vehicle a second time, but
24 shall be required to pay only the cost of the reissued plate at
25 the rate provided in section 804(2) for a standard plate. ~~A~~
26 ~~registration plate issued under this subdivision is~~

1 ~~nontransferable.~~— A registration plate issued under this
2 subdivision is only transferable to a pole trailer, semitrailer,
3 trailer coach, or trailer that is all of the following:

4 (i) Owned by the same person as the person to whom the
5 originally registered pole trailer, semitrailer, trailer coach,
6 or trailer was registered.

7 (ii) Of the same weight classification described in this
8 subdivision as the originally registered pole trailer,
9 semitrailer, trailer coach, or trailer.

10 (iii) The same type of trailer as the originally registered
11 pole trailer, semitrailer, trailer coach, or trailer.

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

16 Empty weights	Per 100 pounds
17 0 to 4,000 pounds.....	\$ 1.76
18 4,001 to 6,000 pounds.....	2.20
19 6,001 to 10,000 pounds.....	2.72
20 10,001 pounds and over.....	3.25

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

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

1 times the personal income of Michigan for the preceding calendar
2 year divided by the personal income of Michigan for the calendar
3 year ~~which~~ **that** preceded that calendar year. In performing the
4 calculations under this subdivision, the secretary of state shall
5 use the spring preliminary report of the United States department
6 of commerce or its successor agency.

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

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

24 (p) After September 30, 1983, each motor vehicle of the 1984
25 or a subsequent model year as shown on the application required
26 under section 217 ~~which~~ **that** has not been previously subject to
27 the tax rates of this section and ~~which~~ **that** is of the motor

1 vehicle category otherwise subject to the tax schedule described
 2 in subdivision (a), and each low-speed vehicle according to the
 3 following schedule based upon registration periods of 12 months:

4 (i) Except as otherwise provided in this subdivision, for the
 5 first registration ~~—, which—~~ **that** is not a transfer registration
 6 under section 809 and for the first registration after a transfer
 7 registration under section 809, according to the following
 8 schedule based on the vehicle's list price:

9 List Price	Tax
10 \$ 0 - \$ 6,000.00.....	\$ 30.00
11 More than \$ 6,000.00 - \$ 7,000.00.....	\$ 33.00
12 More than \$ 7,000.00 - \$ 8,000.00.....	\$ 38.00
13 More than \$ 8,000.00 - \$ 9,000.00.....	\$ 43.00
14 More than \$ 9,000.00 - \$ 10,000.00.....	\$ 48.00
15 More than \$ 10,000.00 - \$ 11,000.00.....	\$ 53.00
16 More than \$ 11,000.00 - \$ 12,000.00.....	\$ 58.00
17 More than \$ 12,000.00 - \$ 13,000.00.....	\$ 63.00
18 More than \$ 13,000.00 - \$ 14,000.00.....	\$ 68.00
19 More than \$ 14,000.00 - \$ 15,000.00.....	\$ 73.00
20 More than \$ 15,000.00 - \$ 16,000.00.....	\$ 78.00
21 More than \$ 16,000.00 - \$ 17,000.00.....	\$ 83.00
22 More than \$ 17,000.00 - \$ 18,000.00.....	\$ 88.00
23 More than \$ 18,000.00 - \$ 19,000.00.....	\$ 93.00
24 More than \$ 19,000.00 - \$ 20,000.00.....	\$ 98.00
25 More than \$ 20,000.00 - \$ 21,000.00.....	\$ 103.00
26 More than \$ 21,000.00 - \$ 22,000.00.....	\$ 108.00

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

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

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

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

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

21 For a vehicle of the 1984 or a subsequent model year that has
22 been previously registered by a person other than the person
23 applying for registration or for a vehicle of the 1984 or a
24 subsequent model year that has been previously registered in
25 another state or country and is registered for the first time in
26 this state, the tax under this subdivision shall be determined by
27 subtracting the model year of the vehicle from the calendar year

1 for which the registration is sought. If the result is zero or a
2 negative figure, the first registration tax shall be paid. If
3 the result is 1, 2, or 3 or more, then, respectively, the second,
4 third, or subsequent registration tax shall be paid. A van
5 ~~which~~ **that** is owned by an individual who uses a wheelchair or
6 by an individual who transports a resident of his or her
7 household who uses a wheelchair and for which registration plates
8 are issued pursuant to section 803d shall be assessed at the rate
9 of 50% of the tax provided for in this subdivision.

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

11 (r) When the secretary of state computes a tax under this
12 section, a computation that does not result in a whole dollar
13 figure shall be rounded to the next lower whole dollar when the
14 computation results in a figure ending in 50 cents or less and
15 shall be rounded to the next higher whole dollar when the
16 computation results in a figure ending in 51 cents or more,
17 unless specific fees are specified, and the secretary of state
18 may accept the manufacturer's shipping weight of the vehicle
19 fully equipped for the use for which the registration application
20 is made. If the weight is not correctly stated or is not
21 satisfactory, the secretary of state shall determine the actual
22 weight. Each application for registration of a vehicle under
23 subdivisions (j) and (m) shall have attached to the application a
24 scale weight receipt of the vehicle fully equipped as of the time
25 the application is made. The scale weight receipt is not
26 necessary if there is presented with the application a
27 registration receipt of the previous year ~~which~~ **that** shows on

1 its face the weight of the motor vehicle as registered with the
2 secretary of state and ~~which~~ **that** is accompanied by a statement
3 of the applicant that there has not been a structural change in
4 the motor vehicle ~~which~~ **that** has increased the weight and that
5 the previous registered weight is the true weight.

6 (2) A manufacturer is not exempted under this act from paying
7 ad valorem taxes on vehicles in stock or bond, except on the
8 specified number of motor vehicles registered. A dealer is
9 exempt from paying ad valorem taxes on vehicles in stock or
10 bond.

11 (3) Until October 1, 2009, the ~~fee~~ **tax** for a vehicle with
12 an empty weight over 10,000 pounds imposed ~~pursuant to~~ **under**
13 subsection (1) (a) and the ~~fees~~ **taxes** imposed ~~pursuant to~~
14 **under** subsection ~~(1) (b), (c), (e)~~ **(1) (c)**, (d), (e), (f), (i), (j),
15 (m), (o), and (p) shall each be increased as follows:

16 (a) A regulatory fee of \$2.25, which shall be credited to the
17 traffic law enforcement and safety fund created in section 819a
18 and used for the purpose of regulating highway safety.

19 (b) A fee of \$5.75, which shall be credited to the
20 transportation administration collection fund created in section
21 810b.

22 (4) If a tax required to be paid under this section is not
23 received by the secretary of state on or before the expiration
24 date of the registration plate, the secretary of state shall
25 collect a late fee of \$10.00 for each registration renewed after
26 the expiration date. An application for a renewal of a
27 registration using the regular mail and postmarked before the

1 expiration date of that registration shall not be assessed a late
2 fee. The late fee collected under this subsection shall be
3 deposited into the general fund.

4 (5) As used in this section:

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

11 (b) "List price" means the manufacturer's suggested base list
12 price as published by the secretary of state, or the
13 manufacturer's suggested retail price as shown on the label
14 required to be affixed to the vehicle under section ~~3~~ 2 of the
15 automobile information disclosure act, ~~Public Law 85-506,~~
16 ~~15 U.S.C.~~ **15 USC** 1232, if the secretary of state has not at the
17 time of the sale of the vehicle published a manufacturer's
18 suggested retail price for that vehicle, or the purchase price of
19 the vehicle if the manufacturer's suggested base list price is
20 unavailable from the sources described in this subdivision.

21 (c) "Purchase price" means the gross proceeds received by the
22 seller in consideration of the sale of the motor vehicle being
23 registered.