

# Legislative Analysis



## MICHIGAN VEHICLE CODE: HISTORIC PLATE DESIGNATION

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**Senate Bill 1146 (Reported without amendment)**

**Sponsor: Sen. Mike Kowall**

**Committee: Transportation**

**Complete to 6-13-12**

## SUMMARY OF SENATE BILL 1146 AS REPORTED FROM HOUSE COMMITTEE

Senate Bill 1146 would amend Section 20a of the Michigan Vehicle Code (1949 PA 300) to change the definition of "historic vehicle." Under current law an historic vehicle is defined as a vehicle over 25 years old and owned solely as a collector's item for participation in club activities, tours, parades, and similar uses, including mechanical testing, but not for general transportation. The bill would add a sentence to indicate that for purposes of the section (i.e. the definition), use of the [historic] vehicle during the month of August each year is considered an exhibition.

### FISCAL IMPACT:

The Michigan Vehicle Code provides for two kinds of historic registration plates. Plate registration taxes for both types of historic vehicle are substantially less than the ad valorem tax schedule for most passenger vehicle registrations under Section 201(1)(p).

***Department-issued plates:*** Section 803a authorizes the Secretary of State to issue a registration with the designation "historic vehicle." The registration tax is \$30 and is good for ten years. The plate is transferable with payment of an \$8 transfer fee.

The Michigan Department of State had indicated that there were 66,457 department-issued historic plates in its system in 2010.

***Authentic historic plates:*** Section 803p allows owners of historic vehicles to use plates issued in the same year as the vehicle's model year. The act allows the owner to purchase a plate from someone else, e.g. from a yard sale or second hand store, restore it, and use it as a valid Michigan registration plate. The registration tax for these plates is \$35 and is effectively permanent with respect to the owner – the plate is valid until the vehicle is sold to another owner.

The department has indicated that there were 57,000 authentic historic plates in its system in 2010.

Under the Section 20a definition, effective in 2009, all of the pre-1984 vehicles currently taxed under Section 801(1)(a) of the Michigan Vehicle Code qualify for historic plates at least with regard to the vehicle age. Although most pre-1984 vehicles may not qualify under the "not for general transportation" restrictions, it is not clear to what extent police

agencies enforce this provision and cite motorists for operating a vehicle with historic plates for "general transportation use."

MCL 257.20a

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