

# HOUSE BILL No. 5684

March 10, 1992, Introduced by Rep. Gagliardi and referred to the Committee on Transportation.

A bill to amend sections 720 and 801 of Act No. 300 of the Public Acts of 1949, entitled as amended

"Michigan vehicle code,"

section 720 as amended by Act No. 67 of the Public Acts of 1990 and section 801 as amended by Act No. 181 of the Public Acts of 1990, being sections 257.720 and 257.801 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Sections 720 and 801 of Act No. 300 of the  
2 Public Acts of 1949, section 720 as amended by Act No. 67 of the  
3 Public Acts of 1990 and section 801 as amended by Act No. 181 of  
4 the Public Acts of 1990, being sections 257.720 and 257.801 of  
5 the Michigan Compiled Laws, are amended to read as follows:

6       Sec. 720. (1) A person shall not drive or move a vehicle,  
7 except a vehicle carrying logs or tubular products, on a highway

1 unless the vehicle is so constructed or loaded as to prevent its  
2 contents from dropping, sifting, leaking, blowing off, or other-  
3 wise escaping from the vehicle. This requirement does not apply  
4 to a vehicle transporting agricultural or horticultural products  
5 when hay, straw, silage, or residue from a product, but not  
6 including the product itself, or when materials such as water  
7 used to preserve and handle agricultural or horticultural prod-  
8 ucts while in transportation, escape from the vehicle in an  
9 amount that does not interfere with other traffic on the  
10 highway. The tailgate, faucets, and taps on a vehicle shall be  
11 securely closed to prevent spillage during transportation whether  
12 the vehicle is loaded or empty, and the vehicle shall not have  
13 any holes or cracks through which material can escape. Any high-  
14 way maintenance vehicle engaged in either ice or snow removal  
15 shall be exempt from this section.

16 (2) Actual spillage of material on the highway or proof of  
17 that spillage is not necessary to prove a violation of this  
18 section.

19 (3) A vehicle carrying a load, other than logs or tubular  
20 products, which is not completely enclosed shall meet either of  
21 the following requirements:

22 (a) Have the load covered with firmly secured canvas or a  
23 similar type of covering. A device used to comply with the  
24 requirement of this subdivision shall not exceed a width of 108  
25 inches nor by design or use have the capability to carry cargo by  
26 itself.

1 (b) Have the load securely fastened to the body or the frame  
2 of the vehicle with binders of adequate number and of adequate  
3 breaking strength to prevent the dropping off or shifting of the  
4 load.

5 (4) A company or individual who loads or unloads a vehicle  
6 or causes it to be loaded or unloaded, with knowledge that it is  
7 to be driven on a public highway, in a manner so as to cause a  
8 violation of subsection (1) shall be prima facie liable for a  
9 violation of this section.

10 (5) A person shall not operate a motor vehicle carrying logs  
11 or tubular products on a highway unless the following conditions  
12 are met:

13 (a) If the logs or tubular products are loaded crosswise or  
14 at right angles to the side of the vehicle, the load of logs or  
15 tubular products shall be securely fastened to the body or frame  
16 of the vehicle with not less than 2 binders which are secured to  
17 the frame at each end of the load and pass over the load so that  
18 the frame and binders completely encircle the load.

19 (b) If the vehicle is a truck or trailer carrying logs which  
20 has a loading surface more than 33 feet in length and the logs  
21 are loaded crosswise or at right angles to the side of the vehi-  
22 cle, the vehicle shall be equipped with a center partition  
23 located approximately 1/2 the distance from the front to the rear  
24 of the loading surface of the truck or trailer. The center par-  
25 tition shall be either a center mounted hydraulic loader or a  
26 center set of stakes and shall be pinned, bolted, or otherwise  
27 securely fastened to the frame. The load shall be secured as

1 required by subdivision (a) and, in addition, the 2 lengthwise  
2 tie downs shall be attached or threaded through the center parti-  
3 tion at a level not less than 1 foot below the load height.

4 (c) If the logs or tubular products are loaded lengthwise of  
5 the vehicle, obliquely or parallel to the sides, with metal  
6 stakes and pockets, the load of logs or tubular products shall be  
7 secured as follows:

8 (i) With 2 tie downs from frame to frame for every tier.

9 (ii) So that not more than  $1/2$  the diameter of the top log  
10 or tubular product extends higher than the stake tops.

11 (iii) With 2 cross chains per tier if the load extends more  
12 than 5 feet above the loading surface.

13 (iv) So that every 10 linear feet ~~, and any remaining frac-~~  
14 ~~tion thereof,~~ has not less than 1 tie down from frame to frame.

15 (d) If the logs or tubular products are loaded lengthwise of  
16 the vehicle, obliquely or parallel to the sides, with permanent  
17 metal gusseted bunks, the load of logs or tubular products shall  
18 be secured as follows:

19 (i) With 2 tie downs from frame to frame for every tier.

20 (ii) So that not more than  $1/2$  the diameter of the top log  
21 extends higher than the stake tops.

22 (iii) So that every 10 linear feet ~~, and any remaining~~  
23 ~~fraction thereof,~~ has not less than 1 tie down from frame to  
24 frame.

25 (e) The tie downs, cross chains, stakes, and other materials  
26 used to secure loads of logs or tubular products as required

1 under subdivisions (a) to (d) shall meet the following minimum  
2 requirements:

3       (i) Chain shall be of steel and shall be of a strength not  
4 less than 5/16 inch in diameter "transport", which is embossed  
5 with a grade stamp representative of grade 70, or not less than  
6 3/8 inch in diameter "high test", which is embossed with a grade  
7 stamp representative of grade 40. Chain shall not be repaired by  
8 welding, wire, or cold shuts.

9       (ii) Wire rope shall be of improved plow steel and not less  
10 than 3/8 inch in diameter.

11       (iii) Webbing strap shall be not less than 3 inches in width  
12 and shall have a minimum breaking strength of 14,000 pounds.

13       (iv) Metal stakes shall be of sufficient strength to hold  
14 and contain the load.

15       (v) Connecting links and hooks shall be at least as strong  
16 as the tie down material used.

17       (6) Subsection (3) shall not apply to a person operating a  
18 vehicle to transport agricultural commodities in the normal oper-  
19 ation of a farm. However, a person operating a vehicle to trans-  
20 port agricultural commodities in the normal operation of the farm  
21 who violates subsection (1) or (4) is guilty of a misdemeanor and  
22 shall be subject to the penalties prescribed in subsection (9).

23       (7) Subsection (3)(a) shall not apply to a motor vehicle  
24 transporting items of a load which because of their weight will  
25 not fall off the moving vehicle and which have their centers of  
26 gravity located at least 6 inches below the top of the enclosure  
27 nor to a motor vehicle carrying metal which because of its weight

1 and density is so loaded as to prevent it from dropping or  
2 falling off the moving vehicle.

3 (8) Subsection (3)(a) shall not apply to motor vehicles and  
4 other equipment engaged in work upon the surface of a highway or  
5 street in a designated work area.

6 (9) A person who violates this section is guilty of a misde-  
7 meanor punishable by a fine of not more than \$500.00 or imprison-  
8 ment for not more than 90 days, or both.

9 (10) As used in this section:

10 (a) "Cross chain" means a chain which extends through the  
11 load of logs or tubular products and is connected at each end to  
12 a side stake.

13 (b) "Logs" means sawlogs, pulpwood, or tree length poles.

14 (c) "Tie down" means a high strength material which is used  
15 to secure the load of logs or tubular products to the frame or  
16 the bed of the vehicle.

17 (d) "Tier" means a vertical pile or stack of logs or tubular  
18 products.

19 Sec. 801. (1) The secretary of state shall collect the fol-  
20 lowing taxes at the time of registering a vehicle, which shall  
21 exempt the vehicle from all other state and local taxation,  
22 except the fees and taxes provided by law to be paid by certain  
23 carriers operating motor vehicles and trailers under the motor  
24 carrier act, Act No. 254 of the Public Acts of 1933, as amended,  
25 being sections 475.1 to 479.20 of the Michigan Compiled Laws; the  
26 taxes imposed by the motor carrier fuel tax act, Act No. 119 of  
27 the Public Acts of 1980, as amended, being sections 207.211 to

1 207.235 of the Michigan Compiled Laws; a fee or fees imposed  
 2 pursuant to the local road improvements and operations revenue  
 3 act, ACT NO. 237 OF THE PUBLIC ACTS OF 1987, BEING SECTIONS  
 4 247.521 TO 247.525 OF THE MICHIGAN COMPILED LAWS; and except as  
 5 otherwise provided by this act:

6 (a) For a motor vehicle, including a motor home, except as  
 7 otherwise provided, and a pickup truck or van, which pickup truck  
 8 or van weighs not more than 5,000 pounds and is not taxed under  
 9 subdivision (p), except as otherwise provided, according to the  
 10 following schedule of empty weights:

11	Empty weights	Fee
12	0 to 3,000 pounds.....	\$ 29.00
13	3,001 to 3,500 pounds.....	32.00
14	3,501 to 4,000 pounds.....	37.00
15	4,001 to 4,500 pounds.....	43.00
16	4,501 to 5,000 pounds.....	47.00
17	5,001 to 5,500 pounds.....	52.00
18	5,501 to 6,000 pounds.....	57.00
19	6,001 to 6,500 pounds.....	62.00
20	6,501 to 7,000 pounds.....	67.00
21	7,001 to 7,500 pounds.....	71.00
22	7,501 to 8,000 pounds.....	77.00
23	8,001 to 8,500 pounds.....	81.00
24	8,501 to 9,000 pounds.....	86.00
25	9,001 to 9,500 pounds.....	91.00

(b) For a trailer coach attached to a motor vehicle 76 cents per 100 pounds of empty weight of the trailer coach. A trailer coach not under Act No. 243 of the Public Acts of 1959, being sections 125.1035 to 125.1043 of the Michigan Compiled Laws, and while located on land otherwise assessable as real property under the general property tax act, Act No. 206 of the Public Acts of 1893, as amended, being sections 211.1 to 211.157 of the Michigan Compiled Laws, if the trailer coach is used as a place of habitation, and whether or not permanently affixed to the soil, shall not be exempt from real property taxes.

1 (c) For a road tractor, truck, or truck tractor owned by a  
2 farmer and used exclusively in connection with the farmer's  
3 farming operations, or used for the transportation of the farmer  
4 and the farmer's family, and not used for hire, 74 cents per 100  
5 pounds of empty weight of the road tractor, truck, or truck  
6 tractor.

7 (d) For a road tractor, truck, or truck tractor owned by a  
8 wood harvester and used exclusively in connection with the wood  
9 harvesting operations, ~~and not used for hire,~~ 74 cents per 100  
10 pounds of empty weight of the road tractor, truck, or truck  
11 tractor. A registration secured by payment of the fee as pre-  
12 scribed in this subdivision shall continue in full force and  
13 effect until the regular expiration date of the registration. AS  
14 USED IN THIS SUBDIVISION, "WOOD HARVESTER" INCLUDES THE PERSON OR  
15 PERSONS HAULING AND TRANSPORTING RAW MATERIALS ONLY FROM THE  
16 FOREST TO THE MILL SITE. "WOOD HARVESTING OPERATIONS" DOES NOT  
17 INCLUDE THE TRANSPORTATION OF PROCESSED LUMBER OR THE RETRANSPOR-  
18 TATION OF LOGS FROM THE INITIAL MILL SITE TO ANOTHER MILL SITE.

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

25 (f) For a motor vehicle owned and operated by this state, a  
26 state institution, a municipality, a privately incorporated,  
27 nonprofit volunteer fire department, or a nonpublic, nonprofit

1 college or university, \$5.00 per set; and for each motor vehicle  
2 operating under municipal franchise, weighing less than 2,500  
3 pounds, 65 cents per 100 pounds of the empty weight of the motor  
4 vehicle, weighing from 2,500 to 4,000 pounds, 80 cents per 100  
5 pounds of the empty weight of the motor vehicle, weighing 4,001  
6 to 6,000 pounds, \$1.00 per 100 pounds of the empty weight of the  
7 motor vehicle, and weighing over 6,000 pounds, \$1.25 per 100  
8 pounds of the empty weight of the motor vehicle.

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

19 (h) For a vehicle owned by a nonprofit organization and used  
20 to transport equipment for providing dialysis treatment to chil-  
21 dren at camp; for a vehicle owned by the civil air patrol, as  
22 organized under sections 1 to 8 of chapter 527, 60 Stat. 346, 36  
23 U.S.C. 201 to 208, \$10.00 per plate, if the vehicle is designated  
24 by a proper sign showing the civil air patrol's name; for a motor  
25 vehicle having a truck chassis and a locomotive or ship's body  
26 which is owned by a nonprofit veterans organization and used  
27 exclusively in parades and civic events; or for an emergency

1 support vehicle used exclusively for emergencies and owned and  
 2 operated by a federally recognized nonprofit charitable organi-  
 3 zation, \$10.00 per plate.

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

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

17	Empty weights	Per 100 pounds
18	0 to 2,500 pounds.....	\$ 1.40
19	2,501 to 4,000 pounds.....	1.76
20	4,001 to 6,000 pounds.....	2.20
21	6,001 to 8,000 pounds.....	2.72
22	8,001 to 10,000 pounds.....	3.25
23	10,001 to 15,000 pounds.....	3.77
24	15,001 pounds and over.....	4.39

25 If the tax required under subdivision (q) for a vehicle of  
 26 the same model year with the same list price as the vehicle for

1 which registration is sought under this subdivision is more than  
 2 the tax provided under the preceding provisions of this subdivi-  
 3 sion for an identical vehicle, the tax required under this subdi-  
 4 vision shall not be less than the tax required under subdivision  
 5 (q) for a vehicle of the same model year with the same list  
 6 price.

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

12	Elected gross weight	Fee
13	0 to 24,000 pounds.....	\$ 378.00
14	24,001 to 28,000 pounds.....	429.00
15	28,001 to 32,000 pounds.....	499.00
16	32,001 to 36,000 pounds.....	572.00
17	36,001 to 42,000 pounds.....	672.00
18	42,001 to 48,000 pounds.....	773.00
19	48,001 to 54,000 pounds.....	873.00
20	54,001 to 60,000 pounds.....	975.00
21	60,001 to 66,000 pounds.....	1,075.00
22	66,001 to 72,000 pounds.....	1,176.00
23	72,001 to 80,000 pounds.....	1,277.00
24	80,001 to 90,000 pounds.....	1,379.00
25	90,001 to 100,000 pounds.....	1,540.00

1	100,001 to 115,000 pounds.....	1,710.00
2	115,001 to 130,000 pounds.....	1,883.00
3	130,001 to 145,000 pounds.....	2,054.00
4	145,001 to 160,000 pounds.....	2,226.00
5	over 160,000 pounds.....	2,398.00

6 For each commercial vehicle registered pursuant to this sub-  
7 division \$15.00 shall be deposited in a truck safety fund to be  
8 expended for the purposes prescribed in section 25 of Act No. 51  
9 of the Public Acts of 1951, being section 247.675 of the Michigan  
10 Compiled Laws.

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

18 (l) For each pole trailer, semitrailer, or trailer, accord-  
19 ing to the following schedule of rates:

20	Empty weights	Fee
21	0 to 500 pounds.....	\$ 17.00
22	501 to 1,500 pounds.....	24.00
23	1,501 pounds and over.....	39.00

24 (m) For each commercial vehicle used for the transportation  
25 of passengers for hire except for a vehicle for which a payment  
26 is made pursuant to Act No. 2 of the Public Acts of 1960, being

1 sections 257.971 to 257.972 of the Michigan Compiled Laws,  
 2 according to the following schedule of empty weights:

3	Empty weights	Per 100 pounds
4	0 to 4,000 pounds.....	\$ 1.76
5	4,001 to 6,000 pounds.....	2.20
6	6,001 to 10,000 pounds.....	2.72
7	10,001 pounds and over.....	3.25

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

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

19 Beginning January 1, 1984, the registration tax for each  
 20 motorcycle shall be increased by \$3.00. The \$3.00 increase shall  
 21 not be considered as part of the tax assessed under this subdivi-  
 22 sion for the purpose of the annual October 1 revisions but shall  
 23 be in addition to the tax assessed as a result of the annual  
 24 October 1 revisions. Beginning January 1, 1984, \$3.00 of each  
 25 motorcycle fee shall be placed in a motorcycle safety fund in the

1 state treasury and shall be used only for funding the motorcycle  
2 safety education program as provided for under sections 312b and  
3 811a.

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

11 (p) For each pickup truck or van, which pickup truck or van  
12 weighs not more than 5,000 pounds and is owned by a business,  
13 corporation, or person other than an individual, according to the  
14 following schedule of empty weights:

15	Empty weights	Fee
16	0 to 4,000 pounds.....	\$ 39.00
17	4,001 to 4,500 pounds.....	44.00
18	4,501 to 5,000 pounds.....	49.00

19 (q) After September 30, 1983, each motor vehicle of the 1984  
20 or a subsequent model year as shown on the application required  
21 under section 217 which has not been previously subject to the  
22 tax rates of this section and which is of the motor vehicle cate-  
23 gory otherwise subject to the tax schedule described in subdivi-  
24 sion (a) according to the following schedule based upon registra-  
25 tion periods of 12 months:

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

List Price	Tax
\$0 - \$6,000.00.....	\$ 30.00
More than \$6,000.00 - \$7,000.00.....	\$ 33.00
More than \$7,000.00 - \$8,000.00.....	\$ 38.00
More than \$8,000.00 - \$9,000.00.....	\$ 43.00
More than \$9,000.00 - \$10,000.00.....	\$ 48.00
More than \$10,000.00 - \$11,000.00.....	\$ 53.00
More than \$11,000.00 - \$12,000.00.....	\$ 58.00
More than \$12,000.00 - \$13,000.00.....	\$ 63.00
More than \$13,000.00 - \$14,000.00.....	\$ 68.00
More than \$14,000.00 - \$15,000.00.....	\$ 73.00
More than \$15,000.00 - \$16,000.00.....	\$ 78.00
More than \$16,000.00 - \$17,000.00.....	\$ 83.00
More than \$17,000.00 - \$18,000.00.....	\$ 88.00
More than \$18,000.00 - \$19,000.00.....	\$ 93.00
More than \$19,000.00 - \$20,000.00.....	\$ 98.00
More than \$20,000.00 - \$21,000.00.....	\$103.00
More than \$21,000.00 - \$22,000.00.....	\$108.00
More than \$22,000.00 - \$23,000.00.....	\$113.00
More than \$23,000.00 - \$24,000.00.....	\$118.00

1	More than \$24,000.00 - \$25,000.00.....	\$123.00
2	More than \$25,000.00 - \$26,000.00.....	\$128.00
3	More than \$26,000.00 - \$27,000.00.....	\$133.00
4	More than \$27,000.00 - \$28,000.00.....	\$138.00
5	More than \$28,000.00 - \$29,000.00.....	\$143.00
6	More than \$29,000.00 - \$30,000.00.....	\$148.00
7	More than \$30,000.00..... 0.5% of the list price	

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

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

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

14 For a vehicle of the 1984 or a subsequent model year which  
15 has been previously registered by a person other than the person  
16 applying for registration or for a vehicle of the 1984 or a sub-  
17 sequent model year which has been previously registered in  
18 another state or country and is registered for the first time in  
19 this state, the tax under this subdivision shall be determined by  
20 subtracting the model year of the vehicle from the calendar year  
21 for which the registration is sought. If the result is zero or a  
22 negative figure, the first registration tax shall be paid. If  
23 the result is 1, 2, or 3 or more, then, respectively, the second,  
24 third, or subsequent registration tax shall be paid. A van which  
25 is owned and operated by a person who uses a wheelchair and for  
26 which registration plates are issued pursuant to section 803d

1 shall be assessed at the rate of 50% of the tax provided for in  
2 this subdivision.

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

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

1 exempt from paying ad valorem taxes on vehicles in stock or  
2 bond.

3 (3) The fee for a vehicle with an empty weight over 10,000  
4 pounds imposed pursuant to subsection (1)(a) and the fees imposed  
5 pursuant to subsection (1)(b), (c), (d), (e), (f), (i), (j), (m),  
6 (o), and (q) shall each be increased by \$5.00. This increase  
7 shall be credited to the Michigan transportation fund and used to  
8 defray the costs of processing the registrations under this  
9 section.

10 (4) As used in this section:

11 (a) "Gross proceeds" means gross proceeds as defined in sec-  
12 tion 1 of the general sales tax act, Act No. 167 of the Public  
13 Acts of 1933, being section 205.51 of the Michigan Compiled  
14 Laws. However, gross proceeds shall include the value of the  
15 motor vehicle used as part payment of the purchase price as that  
16 value is agreed to by the parties to the sale, as evidenced by  
17 the signed agreement executed pursuant to section 251.

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

1       (c) "Purchase price" means the gross proceeds received by  
2 the seller in consideration of the sale of the motor vehicle  
3 being registered.