



# HOUSE BILL No. 5406

March 10 1994 Introduced by Reps Baade DeMars Lowe Voorhees Anthony Pitoniak, Owen Willard Horton Harder McManus Gernaat Olshove Martin Yokich Gagliardi Galloway Porreca Byrum DeLange Agee Griffin and London and referred to the Committee on Transportation

A bill to amend sections 224 and 801 of Act No 300 of the Public Acts of 1949, entitled as amended

"Michigan vehicle code,

as amended by Act No 181 of the Public Acts of 1990, being sections 257 224 and 257 801 of the Michigan Compiled Laws

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Sections 224 and 801 of Act No 300 of the  
2 Public Acts of 1949, as amended by Act No 181 of the Public Acts  
3 of 1990, being sections 257 224 and 257 801 of the Michigan  
4 Compiled Laws, are amended to read as follows

5 Sec 224 (1) Except as otherwise provided in this act  
6 regarding tabs or stickers, upon registering a vehicle, the sec-  
7 retary of state shall issue to the owner 1 registration plate

8 (2) A registration plate shall display the registration  
9 number assigned to the vehicle for which the registration plate

1 is issued the name of this state, which may be abbreviated and  
2 when the registration plate expires, which may be shown by a tab  
3 or sticker furnished by the secretary of state

4 (3) A registration plate issued for motor vehicles owned and  
5 operated by this state a state institution a municipality a  
6 privately incorporated, nonprofit volunteer fire department or a  
7 nonpublic, nonprofit college or university of this state shall  
8 not expire at any particular time but shall be renewed when the  
9 registration plate is worn out or is illegible This registra-  
10 tion plate shall be assigned upon proper application and payment  
11 of the applicable fee and may be used on any eligible vehicle  
12 titled to the applicant if a written record is kept of the vehi-  
13 cles upon which the registration plate is used The written  
14 record shall state the time the registration plate is used on a  
15 particular vehicle The record shall be open to inspection by a  
16 law enforcement officer or a representative of the secretary of  
17 state

18 (4) A registration plate issued for a vehicle owned by the  
19 civil air patrol as organized under sections 1 to 8 chapter 527,  
20 60 Stat 346 to 347, 36 U S C 201 to 208 a vehicle owned by a  
21 nonprofit organization and used to transport equipment for pro-  
22 viding dialysis treatment to children at camp an emergency sup-  
23 port vehicle used exclusively for emergencies and owned and oper-  
24 ated by a federally recognized nonprofit charitable organization  
25 A VEHICLE OWNED AND OPERATED BY A NONPROFIT VETERANS CENTER a  
26 motor vehicle having a truck chassis and a locomotive or ship's  
27 body which is owned by a nonprofit veterans organization and used

1 exclusively in parades and civic events a motor vehicle owned  
2 and operated by a senior citizen center and a registration plate  
3 issued for buses including station wagons, carryalls, or simi-  
4 larly constructed vehicles owned and operated by a nonprofit  
5 parents' transportation corporation used for school purposes,  
6 parochial school, society, church Sunday school, or other grammar  
7 school, or by a nonprofit youth organization or nonprofit reha-  
8 bilitation facility shall be issued upon proper application and  
9 payment of the applicable fee provided in section 801(1)(g) or  
10 (h) to the applicant for the vehicle identified in the  
11 application The vehicle shall be used exclusively for activi-  
12 ties of the school or organization and shall be designated by  
13 proper signs showing the school or organization operating the  
14 vehicle The registration plate shall expire on December 31 in  
15 the fifth year following the date of issuance The registration  
16 plate may be transferred to another vehicle upon proper applica-  
17 tion and payment of a \$10 00 transfer fee

18 (5) The registration plate and the required letters and  
19 numerals on the registration plate shall be of sufficient size to  
20 be plainly readable from a distance of 100 feet during daylight  
21 The secretary of state may issue a tab or tabs designating the  
22 month and year of expiration

23 (6) The secretary of state shall issue for every passenger  
24 motor vehicle rented without a driver the same type of registra-  
25 tion plate as the type of registration plate issued for private  
26 passenger vehicles

1       (7) A person shall not operate a vehicle on the public  
2 highways or streets of this state displaying a registration plate  
3 other than the registration plate issued for the vehicle by the  
4 secretary of state, except as provided in this chapter for non-  
5 residents, and by assignment provided in subsection (3)

6       (8) The registration plate displayed on a vehicle registered  
7 on the basis of elected gross weight shall indicate the elected  
8 gross weight for which the vehicle is registered

9       Sec 801   (1) The secretary of state shall collect the fol-  
10 lowing taxes at the time of registering a vehicle, which shall  
11 exempt the vehicle from all other state and local taxation,  
12 except the fees and taxes provided by law to be paid by certain  
13 carriers operating motor vehicles and trailers under the motor  
14 carrier act, Act No 254 of the Public Acts of 1933, as amended,  
15 being sections 475 1 to 479 20 of the Michigan Compiled Laws the  
16 taxes imposed by the motor carrier fuel tax act, Act No 119 of  
17 the Public Acts of 1980, as amended, being sections 207 211 to  
18 207 235 of the Michigan Compiled Laws a fee or fees imposed pur-  
19 suant to the local road improvements and operations revenue act  
20 and except as otherwise provided by this act

21       (a) For a motor vehicle, including a motor home, except as  
22 otherwise provided, and a pickup truck or van, which pickup truck  
23 or van weighs not more than 5,000 pounds and is not taxed under  
24 subdivision (p), except as otherwise provided, according to the  
25 following schedule of empty weights

1	Empty weights	Fee
2	0 to 3,000 pounds	\$ 29 00
3	3,001 to 3,500 pounds	32 00
4	3,501 to 4,000 pounds	37 00
5	4,001 to 4,500 pounds	43 00
6	4 501 to 5,000 pounds	47 00
7	5,001 to 5,500 pounds	52 00
8	5,501 to 6,000 pounds	57 00
9	6,001 to 6,500 pounds	62 00
10	6,501 to 7,000 pounds	67 00
11	7,001 to 7,500 pounds	71 00
12	7,501 to 8,000 pounds	77 00
13	8,001 to 8,500 pounds	81 00
14	8,501 to 9,000 pounds	86 00
15	9,001 to 9,500 pounds	91 00
16	9,501 to 10,000 pounds	95 00
17	over 10,000 pounds	\$ 0 90 per 100 pounds
18		of empty weight

19 On October 1, 1983, and October 1, 1984, the tax assessed  
20 under this subdivision shall be annually revised for the regis-  
21 trations expiring on the appropriate October 1 or after that date  
22 by multiplying the tax assessed in the preceding fiscal year  
23 times the personal income of Michigan for the preceding calendar  
24 year divided by the personal income of Michigan for the calendar  
25 year which preceded that calendar year In performing the calcu-  
26 lations under this subdivision, the secretary of state shall use  
27 the spring preliminary report of the United States department of

1 commerce or its successor agency A van which is owned and  
2 operated by a person who uses a wheelchair and for which regis-  
3 tration plates are issued pursuant to section 803d shall be  
4 assessed at the rate of 50% of the tax provided for in this  
5 subdivision

6 (b) For a trailer coach attached to a motor vehicle 76 cents  
7 per 100 pounds of empty weight of the trailer coach A trailer  
8 coach not under Act No 243 of the Public Acts of 1959, being  
9 sections 125 1035 to 125 1043 of the Michigan Compiled Laws, and  
10 while located on land otherwise assessable as real property under  
11 the general property tax act, Act No 206 of the Public Acts of  
12 1893, as amended, being sections 211 1 to 211 157 of the Michigan  
13 Compiled Laws, if the trailer coach is used as a place of habita-  
14 tion, and whether or not permanently affixed to the soil, shall  
15 not be exempt from real property taxes

16 (c) For a road tractor, truck, or truck tractor owned by a  
17 farmer and used exclusively in connection with the farmer s farm-  
18 ing operations or used for the transportation of the farmer and  
19 the farmer's family, and not used for hire, 74 cents per 100  
20 pounds of empty weight of the road tractor, truck, or truck  
21 tractor

22 (d) For a road tractor, truck, or truck tractor owned by a  
23 wood harvester and used exclusively in connection with the wood  
24 harvesting operations and not used for hire, 74 cents per 100  
25 pounds of empty weight of the road tractor, truck, or truck  
26 tractor A registration secured by payment of the fee as

1 prescribed in this subdivision shall continue in full force and  
2 effect until the regular expiration date of the registration

3 (e) For a hearse or ambulance used exclusively by a licensed  
4 funeral director in the general conduct of the licensee s funeral  
5 business, including a hearse or ambulance whose owner is engaged  
6 in the business of leasing or renting the hearse or ambulance to  
7 others, \$1 17 per 100 pounds of the empty weight of the hearse or  
8 ambulance

9 (f) For a motor vehicle owned and operated by this state, a  
10 state institution, a municipality, a privately incorporated, non-  
11 profit volunteer fire department, or a nonpublic, nonprofit col-  
12 lege or university \$5 00 per set and for each motor vehicle  
13 operating under municipal franchise, weighing less than 2,500  
14 pounds, 65 cents per 100 pounds of the empty weight of the motor  
15 vehicle, weighing from 2,500 to 4,000 pounds, 80 cents per 100  
16 pounds of the empty weight of the motor vehicle, weighing 4,001  
17 to 6,000 pounds, \$1 00 per 100 pounds of the empty weight of the  
18 motor vehicle, and weighing over 6,000 pounds, \$1 25 per 100  
19 pounds of the empty weight of the motor vehicle

20 (g) For a bus including a station wagon, carryall, or simi-  
21 larly constructed vehicle owned and operated by a nonprofit  
22 parents' transportation corporation used for school purposes,  
23 parochial school or society, church Sunday school, or any other  
24 grammar school, or by a nonprofit youth organization or nonprofit  
25 rehabilitation facility or a motor vehicle owned and operated by  
26 a senior citizen center, \$10 00 per set, if the bus, station  
27 wagon, carryall, or similarly constructed vehicle or motor

1 vehicle is designated by proper signs showing the organization  
2 operating the vehicle

3 (h) For a vehicle owned by a nonprofit organization and used  
4 to transport equipment for providing dialysis treatment to chil-  
5 dren at camp for a vehicle owned by the civil air patrol, as  
6 organized under sections 1 to 8 of chapter 527 60 Stat 346, 36  
7 U S C 201 to 208, \$10 00 per plate, if the vehicle is designated  
8 by a proper sign showing the civil air patrol s name for a  
9 VEHICLE OWNED AND OPERATED BY A NONPROFIT VETERANS CENTER FOR A  
10 motor vehicle having a truck chassis and a locomotive or ship's  
11 body which is owned by a nonprofit veterans organization and used  
12 exclusively in parades and civic events or for an emergency sup-  
13 port vehicle used exclusively for emergencies and owned and oper-  
14 ated by a federally recognized nonprofit charitable organization,  
15 \$10 00 per plate

16 (i) For each truck owned and operated free of charge by a  
17 bona fide ecclesiastical or charitable corporation, or red cross  
18 girl scout, or boy scout organization, 65 cents per 100 pounds of  
19 the empty weight of the truck

20 (j) For each truck weighing 8 000 pounds or less and not  
21 used to tow a vehicle, for each road service vehicle designed and  
22 used to tow disabled vehicles, for each privately owned truck  
23 used to tow a trailer for recreational purposes only and not  
24 involved in a profit making venture, and for each vehicle  
25 designed and used to tow a mobile home or a trailer coach, except  
26 as provided in subdivision (b), \$38 00 or an amount computed



1 according to the following schedule of empty weights, whichever  
2 is greater

3	Empty weights	Per 100 pounds
4	0 to 2,500 pounds	\$ 1 40
5	2 501 to 4,000 pounds	1 76
6	4,001 to 6,000 pounds	2 20
7	6,001 to 8 000 pounds	2 72
8	8,001 to 10,000 pounds	3 25
9	10,001 to 15,000 pounds	3 77
10	15,001 pounds and over	4 39

11 If the tax required under subdivision (q) for a vehicle of  
12 the same model year with the same list price as the vehicle for  
13 which registration is sought under this subdivision is more than  
14 the tax provided under the preceding provisions of this subdivi-  
15 sion for an identical vehicle, the tax required under this subdivi-  
16 sion shall not be less than the tax required under subdivision  
17 (q) for a vehicle of the same model year with the same list  
18 price

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

1	Elected gross weight	Fee
2	0 to 24,000 pounds	\$ 378 00
3	24,001 to 28,000 pounds	429 00
4	28,001 to 32,000 pounds	499 00
5	32,001 to 36,000 pounds	572 00
6	36,001 to 42,000 pounds	672 00
7	42,001 to 48 000 pounds	773 00
8	48,001 to 54,000 pounds	873 00
9	54,001 to 60,000 pounds	975 00
10	60,001 to 66,000 pounds	1,075 00
11	66,001 to 72,000 pounds	1,176 00
12	72,001 to 80 000 pounds	1,277 00
13	80,001 to 90,000 pounds	1,379 00
14	90,001 to 100,000 pounds	1,540 00
15	100,001 to 115 000 pounds	1,710 00
16	115,001 to 130,000 pounds	1,883 00
17	130,001 to 145 000 pounds	2,054 00
18	145,001 to 160,000 pounds	2,226 00
19	over 160,000 pounds	2,398 00

20 For each commercial vehicle registered pursuant to this sub-  
21 division \$15 00 shall be deposited in a truck safety fund to be  
22 expended for the purposes prescribed in section 25 of Act No 51  
23 of the Public Acts of 1951, being section 247 675 of the Michigan  
24 Compiled Laws

25 If a truck or road tractor without trailer is leased from an  
26 individual owner-operator, the lessee, whether a person, firm, or

1 corporation, shall pay to the owner-operator 60% of the fee  
 2 prescribed in this subdivision for the truck tractor or road  
 3 tractor at the rate of 1/12 for each month of the lease or  
 4 arrangement in addition to the compensation the owner-operator is  
 5 entitled to for the rental of his or her equipment

6 (l) For each pole trailer, semitrailer, or trailer, accord-  
 7 ing to the following schedule of rates

8	Empty weights	Fee
9	0 to 500 pounds	\$ 17 00
10	501 to 1,500 pounds	24 00
11	1,501 pounds and over	39 00

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 Act No 2 of the Public Acts of 1960, being  
 15 sections 257 971 to 257 972 of the Michigan Compiled Laws  
 16 according to the following schedule of empty weights

17	Empty weights	Per 100 pounds
18	0 to 4,000 pounds	\$ 1 76
19	4,001 to 6 000 pounds	2 20
20	6,001 to 10,000 pounds	2 72
21	10,001 pounds and over	3 25

22 (n) For each motorcycle \$ 23 00

23 On October 1, 1983, and October 1, 1984, the tax assessed  
 24 under this subdivision shall be annually revised for the

1 registrations expiring on the appropriate October 1 or after that  
2 date by multiplying the tax assessed in the preceding fiscal year  
3 times the personal income of Michigan for the preceding calendar  
4 year divided by the personal income of Michigan for the calendar  
5 year which preceded that calendar year In performing the calcu-  
6 lations under this subdivision, the secretary of state shall use  
7 the spring preliminary report of the United States department of  
8 commerce or its successor agency

9 Beginning January 1, 1984, the registration tax for each  
10 motorcycle shall be increased by \$3 00 The \$3 00 increase shall  
11 not be considered as part of the tax assessed under this subdivi-  
12 sion for the purpose of the annual October 1 revisions but shall  
13 be in addition to the tax assessed as a result of the annual  
14 October 1 revisions Beginning January 1 1984 \$3 00 of each  
15 motorcycle fee shall be placed in a motorcycle safety fund in the  
16 state treasury and shall be used only for funding the motorcycle  
17 safety education program as provided for under sections 312b and  
18 811a

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

26 (p) For each pickup truck or van, which pickup truck or van  
27 weighs not more than 5,000 pounds and is owned by a business,

1 corporation, or person other than an individual, according to the  
2 following schedule of empty weights

3	Empty weights	Fee
4	0 to 4,000 pounds	\$ 39 00
5	4,001 to 4,500 pounds	44 00
6	4,501 to 5,000 pounds	49 00
7	(q) After September 30, 1983, each motor vehicle of the 1984	
8	or a subsequent model year as shown on the application required	
9	under section 217 which has not been previously subject to the	
10	tax rates of this section and which is of the motor vehicle cate-	
11	gory otherwise subject to the tax schedule described in subdivi-	
12	sion (a) according to the following schedule based upon registra-	
13	tion periods of 12 months	

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

19	List Price	Tax
20	\$0 - \$6,000 00	\$ 30 00
21	More than \$6,000 00 - \$7,000 00	\$ 33 00
22	More than \$7,000 00 - \$8,000 00	\$ 38 00
23	More than \$8,000 00 - \$9,000 00	\$ 43 00
24	More than \$9,000 00 - \$10,000 00	\$ 48 00

1	More than \$10 000 00 - \$11 000 00	\$ 53 00
2	More than \$11,000 00 - \$12,000 00	\$ 58 00
3	More than \$12,000 00 - \$13,000 00	\$ 63 00
4	More than \$13,000 00 - \$14,000 00	\$ 68 00
5	More than \$14,000 00 - \$15,000 00	\$ 73 00
6	More than \$15,000 00 - \$16,000 00	\$ 78 00
7	More than \$16,000 00 - \$17,000 00	\$ 83 00
8	More than \$17,000 00 - \$18 000 00	\$ 88 00
9	More than \$18,000 00 - \$19,000 00	\$ 93 00
10	More than \$19,000 00 - \$20,000 00	\$ 98 00
11	More than \$20,000 00 - \$21,000 00	\$103 00
12	More than \$21,000 00 - \$22,000 00	\$108 00
13	More than \$22,000 00 - \$23,000 00	\$113 00
14	More than \$23,000 00 - \$24,000 00	\$118 00
15	More than \$24,000 00 - \$25 000 00	\$123 00
16	More than \$25,000 00 - \$26,000 00	\$128 00
17	More than \$26 000 00 - \$27 000 00	\$133 00
18	More than \$27,000 00 - \$28,000 00	\$138 00
19	More than \$28,000 00 - \$29,000 00	\$143 00
20	More than \$29,000 00 - \$30,000 00	\$148 00
21	More than \$30,000 00	0 5% of the list price
22	(11) For the second registration, 90% of the tax assessed	
23	under subparagraph (1)	
24	(111) For the third registration, 90% of the tax assessed	
25	under subparagraph (11)	
26	(11v) For the fourth and subsequent registrations, 90% of the	
27	tax assessed under subparagraph (111)	

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

16 (r) When the secretary of state computes a tax under this  
17 section, a computation which does not result in a whole dollar  
18 figure shall be rounded to the next lower whole dollar when the  
19 computation results in a figure ending in 50 cents or less and  
20 shall be rounded to the next higher whole dollar when the compu-  
21 tation results in a figure ending in 51 cents or more, unless  
22 specific fees are specified, and may accept the manufacturer s  
23 shipping weight of the vehicle fully equipped for the use for  
24 which the registration application is made If the weight is not  
25 correctly stated or is not satisfactory, the secretary of state  
26 shall determine the actual weight Each application for  
27 registration of a vehicle under subdivisions (j) and (m) shall

1 have attached to the application a scale weight receipt of the  
2 vehicle fully equipped as of the time the application is made  
3 The scale weight receipt is not necessary if there is presented  
4 with the application a registration receipt of the previous year  
5 which shows on its face the weight of the motor vehicle as regis-  
6 tered with the secretary of state and which is accompanied by a  
7 statement of the applicant that there has not been a structural  
8 change in the motor vehicle which has increased the weight and  
9 that the previous registered weight is the true weight

10 (2) A manufacturer is not exempted under this act from  
11 paying ad valorem taxes on vehicles in stock or bond, except on  
12 the specified number of motor vehicles registered A dealer is  
13 exempt from paying ad valorem taxes on vehicles in stock or  
14 bond

15 (3) The fee for a vehicle with an empty weight over 10,000  
16 pounds imposed pursuant to subsection (1)(a) and the fees imposed  
17 pursuant to subsection (1)(b) (c) (d) (e) (f) (1) (j), (m),  
18 (o), and (q) shall each be increased by \$5 00 This increase  
19 shall be credited to the Michigan transportation fund and used to  
20 defray the costs of processing the registrations under this  
21 section

22 (4) As used in this section

23 (a) 'Gross proceeds' means gross proceeds as defined in sec-  
24 tion 1 of the general sales tax act, Act No 167 of the Public  
25 Acts of 1933, being section 205 51 of the Michigan Compiled  
26 Laws However, gross proceeds shall include the value of the  
27 motor vehicle used as part payment of the purchase price as that



1 value is agreed to by the parties to the sale, as evidenced by  
2 the signed agreement executed pursuant to section 251

3       (b) "List price" means the manufacturer's suggested base  
4 list price as published by the secretary of state, or the  
5 manufacturer's suggested retail price as shown on the label  
6 required to be affixed to the vehicle under section 3 of the  
7 automobile information disclosure act Public Law 85-506  
8 15 U S C 1232, if the secretary of state has not at the time of  
9 the sale of the vehicle published a manufacturer's suggested  
10 retail price for that vehicle, or the purchase price of the vehi-  
11 cle if the manufacturer's suggested base list price is unavail-  
12 able from the sources described in this subdivision

13       (c) "Purchase price" means the gross proceeds received by  
14 the seller in consideration of the sale of the motor vehicle  
15 being registered