
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 581 (Substitute S-1 as reported by the Committee of the Whole)
Sponsor: Senator Philip E. Hoffman
Committee: Transportation and Tourism

CONTENT

The bill would amend the Michigan Vehicle Code to increase by 30% to 50% registration taxes on trucks weighing up to 8,000 pounds towing a tractor or any other combination of vehicles and trucks weighing 8,001 or more pounds, road tractors and truck tractors. The bill also would increase by 35% registration taxes on the following:

- Vehicles owned by the State, a State institution, municipalities, privately incorporated nonprofit volunteer fire departments, nonprofit colleges and universities, and municipal franchise operations.
- Buses used for school purposes, as specified in the Code, including a station wagon, carryall or similarly constructed vehicle owned by certain nonprofit organizations; and vehicles owned and operated by senior citizen centers.
- Trucks owned and operated by certain religious or charitable organizations, including the Red Cross, Girl Scouts, and Boy Scouts.
- Trucks weighing up to 8,000 pounds and not used to tow a vehicle, privately owned trucks used to tow a trailer for recreational purposes, and vehicles used to tow a mobile home or a trailer coach.
- Commercial passenger vehicles.

In addition, the bill would delete the separate category of registration fees for pickup trucks and vans weighing up to 5,000 pounds and owned by a business or corporation (which would make these vehicles subject to registration fees based on list price).

The bill also would increase from \$15 to \$20 the special registration fee for trucks and tractors that transport farm crops from the field to storage; and would establish a \$35-per-trip fee for special permits issued to certain nonconforming vehicles.

MCL 257.725 et al.

Legislative Analyst: L. Arasim

FISCAL IMPACT

The revenue increases in the bill would generate approximately \$48 million.

Date Completed: 6-12-97

Fiscal Analyst: B. Bowerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.