

House Office Building, 9 South Lansing, Michigan 48909 Phone: 517/373-6466

EXPAND FARM VEHICLE REGISTRATION FEE PROVISION

House Bill 5669 Sponsor: Rep. Mike Green Committee: Transportation

Complete to 4-25-00

A SUMMARY OF HOUSE BILL 5669 AS INTRODUCED 4-20-00

House Bill 5669 would amend the Michigan Vehicle Code to expand the provision that sets registration fees for farm vehicles, both to clarify the uses to which the vehicles can be put, and to include leased farm vehicles.

Under the law, the secretary of state collects taxes at the time of vehicle registration. For a road tractor, truck, or truck tractor owner by a farmer and used exclusively in connection with the farmer's operations, or used for the transportation of the farmer and the farmer's family, and not used for hire, that fee is 74 cents per 100 pounds of empty weight of the road tractor, truck, or truck tractor. If the vehicles also are used for a nonfarming operation, then the farmer is subject to the highest registration tax applicable to the nonfarm use of the vehicle, but is not subject to more than one tax rate.

House Bill 5660 would expand this provision to specify that the fee of 74 cents per 100 pounds of empty weight would also apply to a road tractor, truck, or truck tractor owned or leased by a farmer and used exclusively in connection with a farming operation, including a farmer hauling farm products, livestock, or farm equipment and supplies for other farmers for remuneration in kind or in labor, but not for money. As is the case in current law, if the vehicles also were used for nonfarming operations, then the farmer would continue to be subject to the highest registration tax applicable to the nonfarm use of the vehicles.

MCL 257.801

Analyst: J. Hunault

[■] This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.