

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bill 5899 (as passed by the House)
Sponsor: Representative Scott Shackleton
House Committee: Transportation
Senate Committee: Transportation and Tourism

Date Completed: 5-13-02

CONTENT

The bill would amend the Michigan Vehicle Code to revise the definition of "wood harvester" for the purposes of a vehicle registration tax.

Currently, the Secretary of State collects taxes at the time of registering a vehicle. The taxes are based on the weight and use of a vehicle. Under the Code, a road tractor, truck, or truck tractor owned by a wood harvester and used exclusively in connection with wood harvesting operations is taxed 74 cents per 100 pounds of empty weight. "Wood harvester" is defined as the person or persons hauling and transporting raw materials only from the forest to the mill site. Under the bill, a wood harvester would be a person or persons hauling and transporting raw materials in the form produced at the harvest site. The Code specifies that "wood harvesting operations" does not include the transportation of processed lumber; the bill would retain this provision.

MCL 257.801

Legislative Analyst: Claire Layman

FISCAL IMPACT

This bill would have a negative fiscal impact on the State. Commercial wood harvesters would no longer be required to purchase a commercial license plate, but would be eligible for a log haulers plate that costs much less. Additionally, revenue from tickets written for violations of this section to the companies transporting the logs would be reduced. It is unknown how many commercial wood harvesting vehicles that currently have commercial license plates would be eligible for the reduced-fee log haulers plate.

Fiscal Analyst: Jessica Runnels

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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.