

**SUBSTITUTE FOR
HOUSE BILL NO. 5544**

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending section 801 (MCL 257.801), as amended by 2003 PA
152.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 801. (1) The secretary of state shall collect the
2 following taxes at the time of registering a vehicle, which shall
3 exempt the vehicle from all other state and local taxation,
4 except the fees and taxes provided by law to be paid by certain
5 carriers operating motor vehicles and trailers under the motor
6 carrier act, 1933 PA 254, MCL 475.1 to 479.43; the taxes imposed
7 by the motor carrier fuel tax act, 1980 PA 119, MCL 207.211 to
8 207.234; and except as otherwise provided by this act:

9 (a) For a motor vehicle, including a motor home, except as
10 otherwise provided, and a pickup truck or van that weighs not

1 more than ~~5,000~~ **8,000** pounds, except as otherwise provided,
 2 according to the following schedule of empty weights:

3	Empty weights	—Fee
4		Tax
5	0 to 3,000 pounds.....	\$ 29.00
6	3,001 to 3,500 pounds.....	32.00
7	3,501 to 4,000 pounds.....	37.00
8	4,001 to 4,500 pounds.....	43.00
9	4,501 to 5,000 pounds.....	47.00
10	5,001 to 5,500 pounds.....	52.00
11	5,501 to 6,000 pounds.....	57.00
12	6,001 to 6,500 pounds.....	62.00
13	6,501 to 7,000 pounds.....	67.00
14	7,001 to 7,500 pounds.....	71.00
15	7,501 to 8,000 pounds.....	77.00
16	8,001 to 8,500 pounds.....	81.00
17	8,501 to 9,000 pounds.....	86.00
18	9,001 to 9,500 pounds.....	91.00
19	9,501 to 10,000 pounds.....	95.00
20	over 10,000 pounds.....	\$ 0.90 per 100 pounds
21		of empty weight

22 On October 1, 1983, and October 1, 1984, the tax assessed
 23 under this subdivision shall be annually revised for the
 24 registrations expiring on the appropriate October 1 or after that
 25 date by multiplying the tax assessed in the preceding fiscal year
 26 times the personal income of Michigan for the preceding calendar

1 year divided by the personal income of Michigan for the calendar
2 year ~~which~~ **that** preceded that calendar year. In performing the
3 calculations under this subdivision, the secretary of state shall
4 use the spring preliminary report of the United States department
5 of commerce or its successor agency. A van ~~which~~ **that** is owned
6 by an individual who uses a wheelchair or by an individual who
7 transports a resident of his or her household who uses a
8 wheelchair and for which registration plates are issued ~~pursuant~~
9 ~~to~~ **under** section 803d shall be assessed at the rate of 50% of
10 the tax provided for in this subdivision.

11 (b) For a trailer coach attached to a motor vehicle, the tax
12 shall be assessed as provided in subdivision (l). A trailer
13 coach not under 1959 PA 243, MCL 125.1035 to 125.1043, and while
14 located on land otherwise assessable as real property under the
15 general property tax act, 1893 PA 206, MCL 211.1 to 211.157, if
16 the trailer coach is used as a place of habitation, and whether
17 or not permanently affixed to the soil, ~~shall~~ **is** not ~~be~~
18 exempt from real property taxes.

19 (c) For a road tractor, truck, or truck tractor owned by a
20 farmer and used exclusively in connection with a farming
21 operation, including a farmer hauling livestock or farm equipment
22 for other farmers for remuneration in kind or in labor, but not
23 for money, or used for the transportation of the farmer and the
24 farmer's family, and not used for hire, 74 cents per 100 pounds
25 of empty weight of the road tractor, truck, or truck tractor. If
26 the road tractor, truck, or truck tractor owned by a farmer is
27 also used for a nonfarming operation, the farmer ~~shall be~~ **is**

1 subject to the highest registration tax applicable to the nonfarm
2 use of the vehicle but ~~shall~~ **is** not ~~be~~ subject to more than 1
3 tax rate under this act.

4 (d) For a road tractor, truck, or truck tractor owned by a
5 wood harvester and used exclusively in connection with the wood
6 harvesting operations or a truck used exclusively to haul milk
7 from the farm to the first point of delivery, 74 cents per 100
8 pounds of empty weight of the road tractor, truck, or truck
9 tractor. A registration secured by payment of the fee as
10 prescribed in this subdivision ~~shall continue~~ **continues** in full
11 force and effect until the regular expiration date of the
12 registration. As used in this subdivision, "wood harvester"
13 includes the person or persons hauling and transporting raw
14 materials in the form produced at the harvest site. As used in
15 this subdivision, "wood harvesting operations" does not include
16 the transportation of processed lumber, Christmas trees, or
17 processed firewood for a profit making venture.

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

24 (f) For a vehicle owned and operated by this state, a state
25 institution, a municipality, a privately incorporated, nonprofit
26 volunteer fire department, or a nonpublic, nonprofit college or
27 university, \$5.00 per plate. A registration plate issued under

1 this subdivision ~~shall expire~~ **expires** on June 30 of the year in
2 which new registration plates are reissued for all vehicles by
3 the secretary of state.

4 (g) For a bus including a station wagon, carryall, or
5 similarly constructed vehicle owned and operated by a nonprofit
6 parents' transportation corporation used for school purposes,
7 parochial school or society, church Sunday school, or any other
8 grammar school, or by a nonprofit youth organization or nonprofit
9 rehabilitation facility; or a motor vehicle owned and operated by
10 a senior citizen center, \$10.00 per set, if the bus, station
11 wagon, carryall, or similarly constructed vehicle or motor
12 vehicle is designated by proper signs showing the organization
13 operating the vehicle.

14 (h) For a vehicle owned by a nonprofit organization and used
15 to transport equipment for providing dialysis treatment to
16 children at camp; for a vehicle owned by the civil air patrol, as
17 organized under ~~sections 40301 to 40307 of title 36 of the~~
18 ~~United States Code,~~ 36 ~~U.S.C.~~ **USC** 40301 to 40307, \$10.00 per
19 plate, if the vehicle is designated by a proper sign showing the
20 civil air patrol's name; for a vehicle owned and operated by a
21 nonprofit veterans center; for a vehicle owned and operated by a
22 nonprofit recycling center or a federally recognized nonprofit
23 conservation organization; for a motor vehicle having a truck
24 chassis and a locomotive or ship's body ~~which~~ **that** is owned by
25 a nonprofit veterans organization and used exclusively in parades
26 and civic events; or for an emergency support vehicle used
27 exclusively for emergencies and owned and operated by a federally

1 recognized nonprofit charitable organization, \$10.00 per plate.

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

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

13	Empty weights	Per 100 pounds
14	0 to 2,500 pounds.....	\$ 1.40
15	2,501 to 4,000 pounds.....	1.76
16	4,001 to 6,000 pounds.....	2.20
17	6,001 to 8,000 pounds.....	2.72
18	8,001 to 10,000 pounds.....	3.25
19	10,001 to 15,000 pounds.....	3.77
20	15,001 pounds and over.....	4.39

21 If the tax required under subdivision (p) for a vehicle of
22 the same model year with the same list price as the vehicle for
23 which registration is sought under this subdivision is more than
24 the tax provided under the preceding provisions of this
25 subdivision for an identical vehicle, the tax required under this
26 subdivision ~~shall~~ **is** not ~~be~~ less than the tax required under

1 subdivision (p) for a vehicle of the same model year with the
2 same list price.

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

8	Elected gross weight	—Fee
9		Tax
10	0 to 24,000 pounds.....	\$ 491.00
11	24,001 to 26,000 pounds.....	558.00
12	26,001 to 28,000 pounds.....	558.00
13	28,001 to 32,000 pounds.....	649.00
14	32,001 to 36,000 pounds.....	744.00
15	36,001 to 42,000 pounds.....	874.00
16	42,001 to 48,000 pounds.....	1,005.00
17	48,001 to 54,000 pounds.....	1,135.00
18	54,001 to 60,000 pounds.....	1,268.00
19	60,001 to 66,000 pounds.....	1,398.00
20	66,001 to 72,000 pounds.....	1,529.00
21	72,001 to 80,000 pounds.....	1,660.00
22	80,001 to 90,000 pounds.....	1,793.00
23	90,001 to 100,000 pounds.....	2,002.00
24	100,001 to 115,000 pounds.....	2,223.00
25	115,001 to 130,000 pounds.....	2,448.00
26	130,001 to 145,000 pounds.....	2,670.00

1 145,001 to 160,000 pounds..... 2,894.00

2 over 160,000 pounds..... 3,117.00

3 For each commercial vehicle registered ~~pursuant to~~ **under**
4 this subdivision, \$15.00 shall be deposited in a truck safety
5 fund to be expended for the purposes prescribed in section 25 of
6 1951 PA 51, MCL 247.675.

7 If a truck or road tractor without trailer is leased from an
8 individual owner-operator, the lessee, whether a person, firm, or
9 corporation, shall pay to the owner-operator 60% of the ~~fee~~ **tax**
10 prescribed in this subdivision for the truck tractor or road
11 tractor at the rate of 1/12 for each month of the lease or
12 arrangement in addition to the compensation the owner-operator is
13 entitled to for the rental of his or her equipment.

14 (l) For each pole trailer, semitrailer, trailer coach, or
15 trailer, the tax shall be assessed according to the following
16 schedule of empty weights:

17 Empty weights	Fee
18	Tax
19 0 to 2,499 pounds.....	\$ 75.00
20 2,500 to 9,999 pounds.....	200.00
21 10,000 pounds and over.....	300.00

22 The registration plate issued under this subdivision expires
23 only when the secretary of state reissues a new registration
24 plate for all trailers. If the secretary of state reissues a new
25 registration plate for all trailers, a person who has once paid
26 the ~~fee~~ **tax** for a vehicle under this subdivision ~~shall~~ **is** not

1 ~~be~~ required to pay the ~~fee~~ **tax** for that vehicle a second
2 time, but ~~shall be~~ **is** required to pay only the cost of the
3 reissued plate at the rate provided in section 804(2) for a
4 standard plate. A registration plate issued under this
5 subdivision is nontransferable.

6 (m) For each commercial vehicle used for the transportation
7 of passengers for hire except for a vehicle for which a payment
8 is made ~~pursuant to~~ **under** 1960 PA 2, MCL 257.971 to 257.972,
9 according to the following schedule of empty weights:

10	Empty weights	Per 100 pounds
11	0 to 4,000 pounds.....	\$ 1.76
12	4,001 to 6,000 pounds.....	2.20
13	6,001 to 10,000 pounds.....	2.72
14	10,001 pounds and over.....	3.25

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

16 On October 1, 1983, and October 1, 1984, the tax assessed
17 under this subdivision shall be annually revised for the
18 registrations expiring on the appropriate October 1 or after that
19 date by multiplying the tax assessed in the preceding fiscal year
20 times the personal income of Michigan for the preceding calendar
21 year divided by the personal income of Michigan for the calendar
22 year ~~which~~ **that** preceded that calendar year. In performing the
23 calculations under this subdivision, the secretary of state shall
24 use the spring preliminary report of the United States department
25 of commerce or its successor agency.

1 Beginning January 1, 1984, the registration tax for each
2 motorcycle ~~shall be~~ **is** increased by \$3.00. The \$3.00 increase
3 ~~shall is~~ not ~~be considered as~~ part of the tax assessed under
4 this subdivision for the purpose of the annual October 1
5 revisions but ~~shall be~~ **is** in addition to the tax assessed as a
6 result of the annual October 1 revisions. Beginning January 1,
7 1984, \$3.00 of each motorcycle fee shall be placed in a
8 motorcycle safety fund in the state treasury and shall be used
9 only for funding the motorcycle safety education program as
10 provided for under sections 312b and 811a.

11 (o) For each truck weighing 8,001 pounds or more, road
12 tractor, or truck tractor used exclusively as a moving van or
13 part of a moving van in transporting household furniture and
14 household effects or the equipment or those engaged in conducting
15 carnivals, at the rate of 80% of the schedule of elected gross
16 weights in subdivision (k) as modified by the operation of that
17 subdivision.

18 (p) After September 30, 1983, each motor vehicle of the 1984
19 or a subsequent model year as shown on the application required
20 under section 217 ~~which~~ **that** has not been previously subject to
21 the tax rates of this section and ~~which~~ **that** is of the motor
22 vehicle category otherwise subject to the tax schedule described
23 in subdivision (a), and each low-speed vehicle according to the
24 following schedule based upon registration periods of 12 months:

25 (i) Except as otherwise provided in this subdivision, for the
26 first registration ~~, which~~ **that** is not a transfer registration
27 under section 809 and for the first registration after a transfer

1 registration under section 809, according to the following
 2 schedule based on the vehicle's list price:

3	List Price	Tax
4	\$ 0 - \$ 6,000.00.....	\$ 30.00
5	More than \$ 6,000.00 - \$ 7,000.00.....	\$ 33.00
6	More than \$ 7,000.00 - \$ 8,000.00.....	\$ 38.00
7	More than \$ 8,000.00 - \$ 9,000.00.....	\$ 43.00
8	More than \$ 9,000.00 - \$ 10,000.00.....	\$ 48.00
9	More than \$ 10,000.00 - \$ 11,000.00.....	\$ 53.00
10	More than \$ 11,000.00 - \$ 12,000.00.....	\$ 58.00
11	More than \$ 12,000.00 - \$ 13,000.00.....	\$ 63.00
12	More than \$ 13,000.00 - \$ 14,000.00.....	\$ 68.00
13	More than \$ 14,000.00 - \$ 15,000.00.....	\$ 73.00
14	More than \$ 15,000.00 - \$ 16,000.00.....	\$ 78.00
15	More than \$ 16,000.00 - \$ 17,000.00.....	\$ 83.00
16	More than \$ 17,000.00 - \$ 18,000.00.....	\$ 88.00
17	More than \$ 18,000.00 - \$ 19,000.00.....	\$ 93.00
18	More than \$ 19,000.00 - \$ 20,000.00.....	\$ 98.00
19	More than \$ 20,000.00 - \$ 21,000.00.....	\$ 103.00
20	More than \$ 21,000.00 - \$ 22,000.00.....	\$ 108.00
21	More than \$ 22,000.00 - \$ 23,000.00.....	\$ 113.00
22	More than \$ 23,000.00 - \$ 24,000.00.....	\$ 118.00
23	More than \$ 24,000.00 - \$ 25,000.00.....	\$ 123.00
24	More than \$ 25,000.00 - \$ 26,000.00.....	\$ 128.00
25	More than \$ 26,000.00 - \$ 27,000.00.....	\$ 133.00
26	More than \$ 27,000.00 - \$ 28,000.00.....	\$ 138.00
27	More than \$ 28,000.00 - \$ 29,000.00.....	\$ 143.00

1 More than \$ 29,000.00 - \$ 30,000.00..... \$ 148.00

2 More than \$30,000.00, the ~~fee~~ **tax** of \$148.00 ~~shall be~~ **is**
 3 increased by \$5.00 for each \$1,000.00 increment or fraction of a
 4 \$1,000.00 increment over \$30,000.00. If a current ~~fee~~ **tax**
 5 increases or decreases as a result of 1998 PA 384, only a vehicle
 6 purchased or transferred after January 1, 1999 shall be assessed
 7 the increased or decreased fee.

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 that has
 15 been previously registered by a person other than the person
 16 applying for registration or for a vehicle of the 1984 or a
 17 subsequent model year that 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
 25 ~~which~~ **that** is owned by an individual who uses a wheelchair or
 26 by an individual who transports a resident of his or her
 27 household who uses a wheelchair and for which registration plates

1 are issued ~~pursuant to~~ **under** section 803d shall be assessed at
2 the rate of 50% of the tax provided for in this subdivision.

3 (q) For a wrecker, \$200.00.

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

26 (2) A manufacturer is not exempted under this act from paying
27 ad valorem taxes on vehicles in stock or bond, except on the

1 specified number of motor vehicles registered. A dealer is
2 exempt from paying ad valorem taxes on vehicles in stock or
3 bond.

4 (3) Until October 1, 2009, the ~~fee~~ **tax** for a vehicle with
5 an empty weight over 10,000 pounds imposed ~~pursuant to~~ **under**
6 subsection (1)(a) and the ~~fees~~ **taxes** imposed ~~pursuant to~~
7 **under** subsection ~~(1)(b), (c)~~ **(1)(c)**, (d), (e), (f), (i), (j),
8 (m), (o), and (p) ~~shall~~ **are** each ~~be~~ increased as follows:

9 (a) A regulatory fee of \$2.25 ~~, which~~ **that** shall be
10 credited to the traffic law enforcement and safety fund created
11 in section 819a and used ~~for the purpose of regulating~~ **to**
12 **regulate** highway safety.

13 (b) A fee of \$5.75 ~~, which~~ **that** shall be credited to the
14 transportation administration collection fund created in section
15 810b.

16 (4) If a tax required to be paid under this section is not
17 received by the secretary of state on or before the expiration
18 date of the registration plate, the secretary of state shall
19 collect a late fee of \$10.00 for each registration renewed after
20 the expiration date. An application for a renewal of a
21 registration using the regular mail and postmarked before the
22 expiration date of that registration shall not be assessed a late
23 fee. The late fee collected under this subsection shall be
24 deposited into the general fund.

25 (5) As used in this section:

26 (a) "Gross proceeds" means ~~gross proceeds~~ **that term** as
27 defined in section 1 of the general sales tax act, 1933 PA 167,

1 MCL 205.51, ~~— However, gross proceeds shall include—~~ **and**
2 **includes** the value of the motor vehicle used as part payment of
3 the purchase price as that value is agreed to by the parties to
4 the sale, as evidenced by the signed agreement executed ~~pursuant~~
5 ~~to—~~ **under** section 251.

6 (b) "List price" means the manufacturer's suggested base list
7 price as published by the secretary of state, or the
8 manufacturer's suggested retail price as shown on the label
9 required to be affixed to the vehicle under section ~~3~~ **2** of the
10 automobile information disclosure act, ~~Public Law 85-506,~~ 15
11 ~~U.S.C.~~ **USC** 1232, if the secretary of state has not at the time
12 of the sale of the vehicle published a manufacturer's suggested
13 retail price for that vehicle, or the purchase price of the
14 vehicle if the manufacturer's suggested base list price is
15 unavailable from the sources described in this subdivision.

16 (c) "Purchase price" means the gross proceeds received by the
17 seller in consideration of the sale of the motor vehicle being
18 registered.