

# HOUSE BILL No. 5544

February 17, 2004, Introduced by Reps. Julian and Gleason and referred to the Committee on Transportation.

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 801 (MCL 257.801), as amended by 2002 PA 417.

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

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

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

10 (b) For a trailer coach attached to a motor vehicle, 76  
11 cents per 100 pounds of empty weight of the trailer coach. A  
12 trailer coach not under 1959 PA 243, MCL 125.1035 to 125.1043,  
13 and while located on land otherwise assessable as real property  
14 under the general property tax act, 1893 PA 206, MCL 211.1 to  
15 211.157, if the trailer coach is used as a place of habitation,  
16 and whether or not permanently affixed to the soil, shall not be  
17 exempt from real property taxes.

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

1 the vehicle but shall not be subject to more than 1 tax rate  
2 under this act.

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

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

23 (f) For a motor vehicle owned and operated by this state, a  
24 state institution, a municipality, a privately incorporated,  
25 nonprofit volunteer fire department, or a nonpublic, nonprofit  
26 college or university, \$5.00 per set; and for each motor vehicle  
27 operating under municipal franchise, weighing less than 2,500

1 pounds, 65 cents per 100 pounds of the empty weight of the motor  
2 vehicle, weighing from 2,500 to 4,000 pounds, 80 cents per 100  
3 pounds of the empty weight of the motor vehicle, weighing 4,001  
4 to 6,000 pounds, \$1.00 per 100 pounds of the empty weight of the  
5 motor vehicle, and weighing over 6,000 pounds, \$1.25 per 100  
6 pounds of the empty weight of the motor vehicle.

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

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

1 organization and used exclusively in parades and civic events; or  
 2 for an emergency support vehicle used exclusively for emergencies  
 3 and owned and operated by a federally recognized nonprofit  
 4 charitable organization, \$10.00 per plate.

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

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

16	Empty weights	Per 100 pounds
17	0 to 2,500 pounds.....	\$ 1.40
18	2,501 to 4,000 pounds.....	1.76
19	4,001 to 6,000 pounds.....	2.20
20	6,001 to 8,000 pounds.....	2.72
21	8,001 to 10,000 pounds.....	3.25
22	10,001 to 15,000 pounds.....	3.77
23	15,001 pounds and over.....	4.39

24 If the tax required under subdivision (p) for a vehicle of  
 25 the same model year with the same list price as the vehicle for  
 26 which registration is sought under this subdivision is more than

1 the tax provided under the preceding provisions of this  
2 subdivision for an identical vehicle, the tax required under this  
3 subdivision shall not be less than the tax required under  
4 subdivision (p) for a vehicle of the same model year with the  
5 same list price.

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

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

1	115,001 to 130,000 pounds.....	2,448.00
2	130,001 to 145,000 pounds.....	2,670.00
3	145,001 to 160,000 pounds.....	2,894.00
4	over 160,000 pounds.....	3,117.00

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

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

16 (l) For each pole trailer, semitrailer, or trailer, according  
17 to the following schedule of empty weights:

18	Empty weights	Fee
19	0 to 500 pounds.....	\$ 17.00
20	501 to 1,500 pounds.....	24.00
21	1,501 pounds and over.....	39.00

22 (m) For each commercial vehicle used for the transportation  
23 of passengers for hire except for a vehicle for which a payment  
24 is made pursuant to 1960 PA 2, MCL 257.971 to 257.972, according  
25 to the following schedule of empty weights:

	Per 100 pounds
1 Empty weights	
2 0 to 4,000 pounds.....	\$ 1.76
3 4,001 to 6,000 pounds.....	2.20
4 6,001 to 10,000 pounds.....	2.72
5 10,001 pounds and over.....	3.25

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

7 On October 1, 1983, and October 1, 1984, the tax assessed  
8 under this subdivision shall be annually revised for the  
9 registrations expiring on the appropriate October 1 or after that  
10 date by multiplying the tax assessed in the preceding fiscal year  
11 times the personal income of Michigan for the preceding calendar  
12 year divided by the personal income of Michigan for the calendar  
13 year which preceded that calendar year. In performing the  
14 calculations under this subdivision, the secretary of state shall  
15 use the spring preliminary report of the United States department  
16 of commerce or its successor agency.

17 Beginning January 1, 1984, the registration tax for each  
18 motorcycle shall be increased by \$3.00. The \$3.00 increase shall  
19 not be considered as part of the tax assessed under this  
20 subdivision for the purpose of the annual October 1 revisions but  
21 shall be in addition to the tax assessed as a result of the  
22 annual October 1 revisions. Beginning January 1, 1984, \$3.00 of  
23 each motorcycle fee shall be placed in a motorcycle safety fund  
24 in the state treasury and shall be used only for funding the  
25 motorcycle safety education program as provided for under  
26 sections 312b and 811a.

1 (o) For each truck weighing 8,001 pounds or more, road  
 2 tractor, or truck tractor used exclusively as a moving van or  
 3 part of a moving van in transporting household furniture and  
 4 household effects or the equipment or those engaged in conducting  
 5 carnivals, at the rate of 80% of the schedule of elected gross  
 6 weights in subdivision (k) as modified by the operation of that  
 7 subdivision.

8 (p) After September 30, 1983, each motor vehicle of the 1984  
 9 or a subsequent model year as shown on the application required  
 10 under section 217 which has not been previously subject to the  
 11 tax rates of this section and which is of the motor vehicle  
 12 category otherwise subject to the tax schedule described in  
 13 subdivision (a), and each low-speed vehicle according to the  
 14 following schedule based upon registration periods of 12 months:

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

20 List Price	Tax
21 \$ 0 - \$ 6,000.00.....	\$ 30.00
22 More than \$ 6,000.00 - \$ 7,000.00.....	\$ 33.00
23 More than \$ 7,000.00 - \$ 8,000.00.....	\$ 38.00
24 More than \$ 8,000.00 - \$ 9,000.00.....	\$ 43.00
25 More than \$ 9,000.00 - \$ 10,000.00.....	\$ 48.00
26 More than \$ 10,000.00 - \$ 11,000.00.....	\$ 53.00

1	More than \$ 11,000.00 - \$ 12,000.00.....	\$ 58.00
2	More than \$ 12,000.00 - \$ 13,000.00.....	\$ 63.00
3	More than \$ 13,000.00 - \$ 14,000.00.....	\$ 68.00
4	More than \$ 14,000.00 - \$ 15,000.00.....	\$ 73.00
5	More than \$ 15,000.00 - \$ 16,000.00.....	\$ 78.00
6	More than \$ 16,000.00 - \$ 17,000.00.....	\$ 83.00
7	More than \$ 17,000.00 - \$ 18,000.00.....	\$ 88.00
8	More than \$ 18,000.00 - \$ 19,000.00.....	\$ 93.00
9	More than \$ 19,000.00 - \$ 20,000.00.....	\$ 98.00
10	More than \$ 20,000.00 - \$ 21,000.00.....	\$ 103.00
11	More than \$ 21,000.00 - \$ 22,000.00.....	\$ 108.00
12	More than \$ 22,000.00 - \$ 23,000.00.....	\$ 113.00
13	More than \$ 23,000.00 - \$ 24,000.00.....	\$ 118.00
14	More than \$ 24,000.00 - \$ 25,000.00.....	\$ 123.00
15	More than \$ 25,000.00 - \$ 26,000.00.....	\$ 128.00
16	More than \$ 26,000.00 - \$ 27,000.00.....	\$ 133.00
17	More than \$ 27,000.00 - \$ 28,000.00.....	\$ 138.00
18	More than \$ 28,000.00 - \$ 29,000.00.....	\$ 143.00
19	More than \$ 29,000.00 - \$ 30,000.00.....	\$ 148.00

20 More than \$30,000.00, the fee of \$148.00 shall be increased  
21 by \$5.00 for each \$1,000.00 increment or fraction of a \$1,000.00  
22 increment over \$30,000.00. If a current fee increases or  
23 decreases as a result of 1998 PA 384, only a vehicle purchased or  
24 transferred after January 1, 1999 shall be assessed the increased  
25 or decreased fee.

26 (ii) For the second registration, 90% of the tax assessed  
27 under subparagraph (i).

1           (iii) For the third registration, 90% of the tax assessed  
2 under subparagraph (ii).

3           (iv) For the fourth and subsequent registrations, 90% of the  
4 tax assessed under subparagraph (iii).

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

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

22           (r) When the secretary of state computes a tax under this  
23 section, a computation that does not result in a whole dollar  
24 figure shall be rounded to the next lower whole dollar when the  
25 computation results in a figure ending in 50 cents or less and  
26 shall be rounded to the next higher whole dollar when the  
27 computation results in a figure ending in 51 cents or more,

1 unless specific fees are specified, and the secretary of state  
2 may accept the manufacturer's shipping weight of the vehicle  
3 fully equipped for the use for which the registration application  
4 is made. If the weight is not correctly stated or is not  
5 satisfactory, the secretary of state shall determine the actual  
6 weight. Each application for registration of a vehicle under  
7 subdivisions (j) and (m) shall have attached to the application a  
8 scale weight receipt of the vehicle fully equipped as of the time  
9 the application is made. The scale weight receipt is not  
10 necessary if there is presented with the application a  
11 registration receipt of the previous year which shows on its face  
12 the weight of the motor vehicle as registered with the secretary  
13 of state and which is accompanied by a statement of the applicant  
14 that there has not been a structural change in the motor vehicle  
15 which has increased the weight and that the previous registered  
16 weight is the true weight.

17 (2) A manufacturer is not exempted under this act from paying  
18 ad valorem taxes on vehicles in stock or bond, except on the  
19 specified number of motor vehicles registered. A dealer is  
20 exempt from paying ad valorem taxes on vehicles in stock or  
21 bond.

22 (3) The fee for a vehicle with an empty weight over 10,000  
23 pounds imposed pursuant to subsection (1)(a) and the fees imposed  
24 pursuant to subsection (1)(b), (c), (d), (e), (f), (i), (j), (m),  
25 (o), and (p) shall each be increased by \$5.00. This increase  
26 shall be credited to the Michigan transportation fund and used to  
27 defray the costs of processing the registrations under this

1 section.

2 (4) As used in this section:

3 (a) "Gross proceeds" means gross proceeds as defined in  
4 section 1 of the general sales tax act, 1933 PA 167, MCL 205.51.  
5 However, gross proceeds shall include the value of the motor  
6 vehicle used as part payment of the purchase price as that value  
7 is agreed to by the parties to the sale, as evidenced by the  
8 signed agreement executed pursuant to section 251.

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

19 (c) "Purchase price" means the gross proceeds received by the  
20 seller in consideration of the sale of the motor vehicle being  
21 registered.