

S.B. 1035 (S-1): FLOOR ANALYSIS





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Senate Bill 1035 (Substitute S-1 as reported)

Sponsor: Senator Mike Prusi Committee: Transportation

CONTENT

The bill would amend the Michigan Vehicle Code to include a person hauling and transporting wood harvesting equipment in the definition of "wood harvester" for the purposes of vehicle registration taxation. Currently, the term includes the person or persons hauling and transporting raw materials in the form produced at the harvest site.

MCL 257.801 Legislative Analyst: Julie Koval

FISCAL IMPACT

The extent to which trucks or truck tractors currently registered under MCL 257.801(1)(k) would qualify for a wood harvester plate under the bill is not determinable. (Section 801(1)(k) prescribes registration fees for trucks weighing 8,000 pounds or less towing a trailer or other combination of vehicles, and for trucks weighing 8,000 pounds or more, road tractors, and truck tractors.) To the extent that additional trucks or truck tractors qualified for a wood harvester registration, the bill would result in a revenue loss to the Michigan Transportation Fund. For example, a truck with an elected gross weight of 42,000 pounds would pay a registration tax of \$874 under MCL 257.801(1)(k). The same truck qualifying for a wood harvester registration would pay \$310.80. According to the Michigan Department of Transportation, based on its assumption that most of these trucks are currently registered as wood harvesters, the bill would have an immaterial impact on Michigan Transportation Fund revenue.

Date Completed: 3-1-06 Fiscal Analyst: Bill Bowerman