

SENATE BILL No. 509

May 18, 2005, Introduced by Senators BASHAM, GOSCHKA and LELAND 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 2004 PA 427.

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, except
4 the fees and taxes provided by law to be paid by certain carriers
5 operating motor vehicles and trailers under the motor carrier act,
6 1933 PA 254, MCL 475.1 to 479.43; the taxes imposed by the motor
7 carrier fuel tax act, 1980 PA 119, MCL 207.211 to 207.234; and
8 except as otherwise provided by this act:

9 (a) For a motor vehicle, including a motor home, except as

1 otherwise provided, and a pickup truck or van that weighs not more
2 than 8,000 pounds, except as otherwise provided, according to the
3 following schedule of empty weights:

4	Empty weights	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

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

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

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

1 the road tractor, truck, or truck tractor. If the road tractor,
2 truck, or truck tractor owned by a farmer is also used for a
3 nonfarming operation, the farmer is subject to the highest
4 registration tax applicable to the nonfarm use of the vehicle but
5 is not subject to more than 1 tax rate under this act.

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

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

26 (f) For a vehicle owned and operated by this state, a state
27 institution, a municipality, a privately incorporated, nonprofit

1 volunteer fire department, or a nonpublic, nonprofit college or
2 university, \$5.00 per plate. A registration plate issued under this
3 subdivision expires on June 30 of the year in which new
4 registration plates are reissued for all vehicles by the secretary
5 of state.

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

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

1 operated by a federally recognized nonprofit charitable
2 organization, \$10.00 per plate.

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

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

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

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

1 identical vehicle, the tax required under this subdivision is not
2 less than the tax required under subdivision (p) for a vehicle of
3 the same model year with the same list price.

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

9	Elected gross weight	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

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 under this subdivision,
6 \$15.00 shall be deposited in a truck safety fund to be expended for
7 the purposes prescribed in section 25 of 1951 PA 51, MCL 247.675.

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

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

18	Empty weights	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 plate
24 for all trailers. If the secretary of state reissues a new

1 registration plate for all trailers, a person who has once paid the
2 tax for a vehicle under this subdivision is not required to pay the
3 tax for that vehicle a second time, but is required to pay only the
4 cost of the reissued plate at the rate provided in section 804(2)
5 for a standard plate. A registration plate issued under this
6 subdivision is nontransferable.

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

11	Empty weights	Per 100 pounds
12	0 to 4,000 pounds	\$ 1.76
13	4,001 to 6,000 pounds	2.20
14	6,001 to 10,000 pounds	2.72
15	10,001 pounds and over	3.25
16	(n) For each motorcycle	\$ 23.00

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

1 of commerce or its successor agency.

2 Beginning January 1, 1984, the registration tax for each
3 motorcycle is increased by \$3.00. The \$3.00 increase is not part of
4 the tax assessed under this subdivision for the purpose of the
5 annual October 1 revisions but is in addition to the tax assessed
6 as a result of the annual October 1 revisions. Beginning January 1,
7 1984, \$3.00 of each motorcycle fee shall be placed in a motorcycle
8 safety fund in the state treasury and shall be used only for
9 funding the motorcycle safety education program as provided for
10 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 part
13 of a moving van in transporting household furniture and household
14 effects or the equipment or those engaged in conducting carnivals,
15 at the rate of 80% of the schedule of elected gross weights in
16 subdivision (k) as modified by the operation of that subdivision.

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

24 (i) Except as otherwise provided in this subdivision, for the
25 first registration that is not a transfer registration under
26 section 809 and for the first registration after a transfer
27 registration under section 809, according to the following schedule

1 based on the vehicle's list price:

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

1	More than \$ 26,000.00 - \$ 27,000.00	\$ 133.00
2	More than \$ 27,000.00 - \$ 28,000.00	\$ 138.00
3	More than \$ 28,000.00 - \$ 29,000.00	\$ 143.00
4	More than \$ 29,000.00 - \$ 30,000.00	\$ 148.00

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

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

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

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

17 For a vehicle of the 1984 or a subsequent model year that has
18 been previously registered by a person other than the person
19 applying for registration or for a vehicle of the 1984 or a
20 subsequent model year that has been previously registered in
21 another state or country and is registered for the first time in
22 this state, the tax under this subdivision shall be determined by
23 subtracting the model year of the vehicle from the calendar year
24 for which the registration is sought. If the result is zero or a
25 negative figure, the first registration tax shall be paid. If the
26 result is 1, 2, or 3 or more, then, respectively, the second,

1 third, or subsequent registration tax shall be paid. A ~~van~~
2 **VEHICLE** that is owned by an individual who uses a wheelchair or by
3 an individual who transports a resident of his or her household who
4 uses a wheelchair and for which registration plates are issued
5 under section 803d shall be assessed at the rate of 50% of the tax
6 provided for in this subdivision.

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

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

1 weight and that the previous registered weight is the true weight.

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

6 (3) Until October 1, 2009, the tax for a vehicle with an empty
7 weight over 10,000 pounds imposed under subsection (1)(a) and the
8 taxes imposed under subsection (1)(c), (d), (e), (f), (i), (j),
9 (m), (o), and (p) are each increased as follows:

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

13 (b) A fee of \$5.75 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 date
18 of the registration plate, the secretary of state shall collect a
19 late fee of \$10.00 for each registration renewed after the
20 expiration date. An application for a renewal of a registration
21 using the regular mail and postmarked before the expiration date of
22 that registration shall not be assessed a late fee. The late fee
23 collected under this subsection shall be deposited into the general
24 fund.

25 (5) As used in this section:

26 (a) "Gross proceeds" means that term as defined in section 1
27 of the general sales tax act, 1933 PA 167, MCL 205.51, and includes

1 the value of the motor vehicle used as part payment of the purchase
2 price as that value is agreed to by the parties to the sale, as
3 evidenced by the signed agreement executed under section 251.

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

13 (c) "Purchase price" means the gross proceeds received by the
14 seller in consideration of the sale of the motor vehicle being
15 registered.