

HOUSE BILL No. 4687

May 1, 2007, Introduced by Reps. Caswell, Green, Hansen, Dean and Meadows 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 2006 PA 562.

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

1 otherwise provided, and a pickup truck or van that weighs not
 2 more than 8,000 pounds, except as otherwise provided, according
 3 to the 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
 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
 27 year divided by the personal income of Michigan for the calendar
 28 year that preceded that calendar year. In performing the

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

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

17 (c) For a road tractor, truck, or truck tractor owned by a
18 farmer and used exclusively in connection with a farming
19 operation, including a farmer hauling livestock or farm equipment
20 for other farmers for remuneration in kind or in labor, but not
21 for money, or used for the transportation of the farmer and the
22 farmer's family, and not used for hire, **OR FOR HAULING**
23 **AGRICULTURAL COMMODITIES TO A PROCESSOR OR FARM MARKET, OR TO**
24 **ANOTHER FARMER,** 74 cents per 100 pounds of empty weight of the
25 road tractor, truck, or truck tractor. If the road tractor,
26 truck, or truck tractor owned by a farmer is also used for a
27 nonfarming operation, the farmer is subject to the highest

1 registration tax applicable to the nonfarm use of the vehicle but
2 is not subject to more than 1 tax rate under this act. **AS USED IN**
3 **THIS SUBDIVISION:**

4 (i) "AGRICULTURAL COMMODITY" MEANS ALL AGRICULTURAL,
5 AQUACULTURAL, SILVICULTURAL, HORTICULTURAL, FLORICULTURAL, OR
6 VITICULTURAL PRODUCTS, LIVESTOCK OR LIVESTOCK PRODUCTS, CHRISTMAS
7 TREES, BEES, MAPLE SYRUP, HONEY, COMMERCIAL FISH OR FISH
8 PRODUCTS, AND SEEDS PRODUCED IN THIS STATE, EITHER IN THEIR
9 NATURAL STATE OR AS PROCESSED BY THE PRODUCER OF THE COMMODITY.

10 (ii) "PROCESSOR" MEANS A PERSON ENGAGED IN CANNING, FREEZING,
11 DEHYDRATING, DRYING, FERMENTING, DISTILLING, EXTRACTING,
12 PRESERVING, GRINDING, CRUSHING, MILLING, OR OTHERWISE PRESERVING
13 OR CHANGING THE FORM OF AN AGRICULTURAL COMMODITY FOR THE PURPOSE
14 OF MARKETING IT.

15 (d) For a road tractor, truck, or truck tractor owned by a
16 wood harvester and used exclusively in connection with the wood
17 harvesting operations or a truck used exclusively to haul milk
18 from the farm to the first point of delivery, 74 cents per 100
19 pounds of empty weight of the road tractor, truck, or truck
20 tractor. A registration secured by payment of the tax prescribed
21 in this subdivision continues in full force and effect until the
22 regular expiration date of the registration. As used in this
23 subdivision:

24 (i) "Wood harvester" includes the person or persons hauling
25 and transporting raw materials in the form produced at the
26 harvest site or hauling and transporting wood harvesting
27 equipment. Wood harvester does not include a person or persons

1 whose primary activity is tree-trimming or landscaping.

2 (ii) "Wood harvesting equipment" includes all of the
3 following:

4 (A) A vehicle that directly harvests logs or timber,
5 including, but not limited to, a processor or a feller buncher.

6 (B) A vehicle that directly processes harvested logs or
7 timber, including, but not limited to, a slasher, delimber,
8 processor, chipper, or saw table.

9 (C) A vehicle that directly processes harvested logs or
10 timber, including, but not limited to, a forwarder, grapple
11 skidder, or cable skidder.

12 (D) A vehicle that directly loads harvested logs or timber,
13 including, but not limited to, a ~~knuckle-boom~~ **KNUCKLE-BOOM** loader,
14 front-end loader, or forklift.

15 (E) A bulldozer or road grader being transported to a wood
16 harvesting site specifically for the purpose of building or
17 maintaining harvest site roads.

18 (iii) "Wood harvesting operations" does not include the
19 transportation of processed lumber, Christmas trees, or processed
20 firewood for a profit making venture.

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

27 (f) For a vehicle owned and operated by this state, a state

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

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, if the bus, station wagon,
14 carryall, or similarly constructed vehicle or motor vehicle is
15 designated by proper signs showing the organization operating the
16 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 36 USC 40301 to 40307, \$10.00 per plate, if the
21 vehicle is designated by a proper sign showing the civil air
22 patrol's name; for a vehicle owned and operated by a nonprofit
23 veterans center; for a vehicle owned and operated by a nonprofit
24 recycling center or a federally recognized nonprofit conservation
25 organization; for a motor vehicle having a truck chassis and a
26 locomotive or ship's body that is owned by a nonprofit veterans
27 organization and used exclusively in parades and civic events; or

for an emergency support vehicle used exclusively for emergencies and owned and operated by a federally recognized nonprofit charitable organization, \$10.00 per plate.

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

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

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

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

1 subdivision is not less than the tax required under subdivision
 2 (p) for a vehicle of the same model year with the same list
 3 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
25	115,001 to 130,000 pounds.....	2,448.00
26	130,001 to 145,000 pounds.....	2,670.00
27	145,001 to 160,000 pounds.....	2,894.00
28	over 160,000 pounds.....	3,117.00

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

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

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

Empty weights	Tax
0 to 2,499 pounds.....	\$ 75.00
2,500 to 9,999 pounds.....	200.00
10,000 pounds and over.....	300.00

The registration plate issued under this subdivision expires only when the secretary of state reissues a new registration plate for all trailers. Beginning October 1, 2005, if the secretary of state reissues a new registration plate for all trailers, a person who has once paid the tax as increased by 2003 PA 152 for a vehicle under this subdivision is not required to pay the tax for that vehicle a second time, but is required to pay only the cost of the reissued plate at the rate provided in

section 804(2) for a standard plate. A registration plate issued under this subdivision is nontransferable.

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

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

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

Beginning January 1, 1984, the registration tax for each motorcycle is increased by \$3.00. The \$3.00 increase is not part of the tax assessed under this subdivision for the purpose of the

1 annual October 1 revisions but is in addition to the tax assessed
 2 as a result of the annual October 1 revisions. Beginning January
 3 1, 1984, \$3.00 of each motorcycle fee shall be placed in a
 4 motorcycle safety fund in the state treasury and shall be used
 5 only for funding the motorcycle safety education program as
 6 provided for under sections 312b and 811a.

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

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

21 (i) Except as otherwise provided in this subdivision, for the
 22 first registration that is not a transfer registration under
 23 section 809 and for the first registration after a transfer
 24 registration under section 809, according to the following
 25 schedule based on the vehicle's list price:

26 List Price

Tax

1	\$ 0 - \$ 6,000.00.....	\$ 30.00
2	More than \$ 6,000.00 - \$ 7,000.00.....	\$ 33.00
3	More than \$ 7,000.00 - \$ 8,000.00.....	\$ 38.00
4	More than \$ 8,000.00 - \$ 9,000.00.....	\$ 43.00
5	More than \$ 9,000.00 - \$ 10,000.00.....	\$ 48.00
6	More than \$ 10,000.00 - \$ 11,000.00.....	\$ 53.00
7	More than \$ 11,000.00 - \$ 12,000.00.....	\$ 58.00
8	More than \$ 12,000.00 - \$ 13,000.00.....	\$ 63.00
9	More than \$ 13,000.00 - \$ 14,000.00.....	\$ 68.00
10	More than \$ 14,000.00 - \$ 15,000.00.....	\$ 73.00
11	More than \$ 15,000.00 - \$ 16,000.00.....	\$ 78.00
12	More than \$ 16,000.00 - \$ 17,000.00.....	\$ 83.00
13	More than \$ 17,000.00 - \$ 18,000.00.....	\$ 88.00
14	More than \$ 18,000.00 - \$ 19,000.00.....	\$ 93.00
15	More than \$ 19,000.00 - \$ 20,000.00.....	\$ 98.00
16	More than \$ 20,000.00 - \$ 21,000.00.....	\$ 103.00
17	More than \$ 21,000.00 - \$ 22,000.00.....	\$ 108.00
18	More than \$ 22,000.00 - \$ 23,000.00.....	\$ 113.00
19	More than \$ 23,000.00 - \$ 24,000.00.....	\$ 118.00
20	More than \$ 24,000.00 - \$ 25,000.00.....	\$ 123.00
21	More than \$ 25,000.00 - \$ 26,000.00.....	\$ 128.00
22	More than \$ 26,000.00 - \$ 27,000.00.....	\$ 133.00
23	More than \$ 27,000.00 - \$ 28,000.00.....	\$ 138.00
24	More than \$ 28,000.00 - \$ 29,000.00.....	\$ 143.00
25	More than \$ 29,000.00 - \$ 30,000.00.....	\$ 148.00

26 More than \$30,000.00, the tax of \$148.00 is increased by
 27 \$5.00 for each \$1,000.00 increment or fraction of a \$1,000.00
 28 increment over \$30,000.00. If a current tax increases or
 29 decreases as a result of 1998 PA 384, only a vehicle purchased or
 30 transferred after January 1, 1999 shall be assessed the increased

1 or decreased tax.

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

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

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

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

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

25 (r) When the secretary of state computes a tax under this
26 section, a computation that does not result in a whole dollar
27 figure shall be rounded to the next lower whole dollar when the

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

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

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

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

4 (b) A fee of \$5.75 that shall be credited to the
5 transportation administration collection fund created in section
6 810b.

7 (4) If a tax required to be paid under this section is not
8 received by the secretary of state on or before the expiration
9 date of the registration plate, the secretary of state shall
10 collect a late fee of \$10.00 for each registration renewed after
11 the expiration date. An application for a renewal of a
12 registration using the regular mail and postmarked before the
13 expiration date of that registration shall not be assessed a late
14 fee. The late fee collected under this subsection shall be
15 deposited into the general fund.

16 (5) As used in this section:

17 (a) "Gross proceeds" means that term as defined in section 1
18 of the general sales tax act, 1933 PA 167, MCL 205.51, and
19 includes the value of the motor vehicle used as part payment of
20 the purchase price as that value is agreed to by the parties to
21 the sale, as evidenced by the signed agreement executed under
22 section 251.

23 (b) "List price" means the manufacturer's suggested base
24 list price as published by the secretary of state, or the
25 manufacturer's suggested retail price as shown on the label
26 required to be affixed to the vehicle under 15 USC 1232, if the
27 secretary of state has not at the time of the sale of the vehicle

1 published a manufacturer's suggested retail price for that
2 vehicle, or the purchase price of the vehicle if the
3 manufacturer's suggested base list price is unavailable from the
4 sources described in this subdivision.

5 (c) "Purchase price" means the gross proceeds received by
6 the seller in consideration of the sale of the motor vehicle
7 being registered.