

# SENATE BILL No. 425

April 24, 2007, Introduced by Senators JELINEK, BASHAM, GARCIA, KAHN, CASSIS and ALLEN 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  
 29 calculations under this subdivision, the secretary of state shall  
 30 use the spring preliminary report of the United States department  
 31 of commerce or its successor agency. A van that is owned by an  
 32 individual who uses a wheelchair or by an individual who  
 33 transports a resident of his or her household who uses a  
 34 wheelchair and for which registration plates are issued under  
 35 section 803d shall be assessed at the rate of 50% of the tax

1 provided for in this subdivision.

2 (b) For a trailer coach attached to a motor vehicle, the tax  
3 shall be assessed as provided in subdivision (l). A trailer coach  
4 not under 1959 PA 243, MCL 125.1035 to 125.1043, and while  
5 located on land otherwise assessable as real property under the  
6 general property tax act, 1893 PA 206, MCL 211.1 to ~~211.157~~  
7 **211.155**, if the trailer coach is used as a place of habitation,  
8 and whether or not permanently affixed to the soil, is not exempt  
9 from real property taxes.

10 (c) For a road tractor, truck, or truck tractor owned by a  
11 farmer and used exclusively in connection with a farming  
12 operation, including a farmer hauling livestock or farm equipment  
13 for other farmers for remuneration in kind or in labor, but not  
14 for money, or used for the transportation of the farmer and the  
15 farmer's family, and not used for hire, 74 cents per 100 pounds  
16 of empty weight of the road tractor, truck, or truck tractor. If  
17 the road tractor, truck, or truck tractor owned by a farmer is  
18 also used for a nonfarming operation, the farmer is subject to  
19 the highest registration tax applicable to the nonfarm use of the  
20 vehicle but is not subject to more than 1 tax rate under this  
21 act.

22 (d) For a road tractor, truck, or truck tractor owned by a  
23 wood harvester and used exclusively in connection with the wood  
24 harvesting operations or a truck used exclusively to haul milk  
25 from the farm to the first point of delivery, 74 cents per 100  
26 pounds of empty weight of the road tractor, truck, or truck  
27 tractor. A registration secured by payment of the tax prescribed

1 in this subdivision continues in full force and effect until the  
2 regular expiration date of the registration. As used in this  
3 subdivision:

4 (i) "Wood harvester" includes the person or persons hauling  
5 and transporting raw materials in the form produced at the  
6 harvest site or hauling and transporting wood harvesting  
7 equipment. Wood harvester does not include a person or persons  
8 whose primary activity is tree-trimming or landscaping.

9 (ii) "Wood harvesting equipment" includes all of the  
10 following:

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

13 (B) A vehicle that directly processes harvested logs or  
14 timber, including, but not limited to, a slasher, delimeter,  
15 processor, chipper, or saw table.

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

19 (D) A vehicle that directly loads harvested logs or timber,  
20 including, but not limited to, a knucle-boom loader, front-end  
21 loader, or forklift.

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

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

1 (e) For a hearse or ambulance used exclusively by a licensed  
2 funeral director in the general conduct of the licensee's funeral  
3 business, including a hearse or ambulance whose owner is engaged  
4 in the business of leasing or renting the hearse or ambulance to  
5 others, \$1.17 per 100 pounds of the empty weight of the hearse or  
6 ambulance.

7 (f) For a vehicle owned and operated by this state, a state  
8 institution, a municipality, a privately incorporated, nonprofit  
9 volunteer fire department, or a nonpublic, nonprofit college or  
10 university, \$5.00 per plate. A registration plate issued under  
11 this subdivision expires on June 30 of the year in which new  
12 registration plates are reissued for all vehicles by the  
13 secretary of state.

14 (g) For a bus including a station wagon, carryall, or  
15 similarly constructed vehicle owned and operated by a nonprofit  
16 parents' transportation corporation used for school purposes,  
17 parochial school or society, church Sunday school, or any other  
18 grammar school, or by a nonprofit youth organization or nonprofit  
19 rehabilitation facility; or a motor vehicle owned and operated by  
20 a senior citizen center, \$10.00, if the bus, station wagon,  
21 carryall, or similarly constructed vehicle or motor vehicle is  
22 designated by proper signs showing the organization operating the  
23 vehicle.

24 (h) For a vehicle owned by a nonprofit organization and used  
25 to transport equipment for providing dialysis treatment to  
26 children at camp; for a vehicle owned by the civil air patrol, as  
27 organized under 36 USC 40301 to 40307, \$10.00 per plate, if the

1 vehicle is designated by a proper sign showing the civil air  
 2 patrol's name; for a vehicle owned and operated by a nonprofit  
 3 veterans center; for a vehicle owned and operated by a nonprofit  
 4 recycling center or a federally recognized nonprofit conservation  
 5 organization; for a motor vehicle having a truck chassis and a  
 6 locomotive or ship's body that is owned by a nonprofit veterans  
 7 organization and used exclusively in parades and civic events; or  
 8 for an emergency support vehicle used exclusively for emergencies  
 9 and owned and operated by a federally recognized nonprofit  
 10 charitable organization, \$10.00 per plate.

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

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

22	Empty weights	Per 100 pounds
23	0 to 2,500 pounds.....	\$ 1.40
24	2,501 to 4,000 pounds.....	1.76
25	4,001 to 6,000 pounds.....	2.20
26	6,001 to 8,000 pounds.....	2.72
27	8,001 to 10,000 pounds.....	3.25
28	10,001 to 15,000 pounds.....	3.77
29	15,001 pounds and over.....	4.39

1 If the tax required under subdivision (p) for a vehicle of  
 2 the same model year with the same list price as the vehicle for  
 3 which registration is sought under this subdivision is more than  
 4 the tax provided under the preceding provisions of this  
 5 subdivision for an identical vehicle, the tax required under this  
 6 subdivision is not less than the tax required under subdivision  
 7 (p) for a vehicle of the same model year with the same list  
 8 price.

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

14	Elected gross weight	Tax
15	0 to 24,000 pounds.....\$	491.00
16	24,001 to 26,000 pounds.....	558.00
17	26,001 to 28,000 pounds.....	558.00
18	28,001 to 32,000 pounds.....	649.00
19	32,001 to 36,000 pounds.....	744.00
20	36,001 to 42,000 pounds.....	874.00
21	42,001 to 48,000 pounds.....	1,005.00
22	48,001 to 54,000 pounds.....	1,135.00
23	54,001 to 60,000 pounds.....	1,268.00
24	60,001 to 66,000 pounds.....	1,398.00
25	66,001 to 72,000 pounds.....	1,529.00
26	72,001 to 80,000 pounds.....	1,660.00
27	80,001 to 90,000 pounds.....	1,793.00
28	90,001 to 100,000 pounds.....	2,002.00
29	100,001 to 115,000 pounds.....	2,223.00
30	115,001 to 130,000 pounds.....	2,448.00
31	130,001 to 145,000 pounds.....	2,670.00
32	145,001 to 160,000 pounds.....	2,894.00
33	over 160,000 pounds.....	3,117.00

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

1 51, MCL 247.675.

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

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

12	Empty weights	Tax
13	0 to 2,499 pounds.....\$	75.00
14	2,500 to 9,999 pounds.....	200.00
15	10,000 pounds and over.....	300.00

16 The registration plate issued under this subdivision expires  
17 only when the secretary of state reissues a new registration  
18 plate for all trailers. Beginning October 1, 2005, if the  
19 secretary of state reissues a new registration plate for all  
20 trailers, a person who has once paid the tax as increased by 2003  
21 PA 152 for a vehicle under this subdivision is not required to  
22 pay the tax for that vehicle a second time, but is required to  
23 pay only the cost of the reissued plate at the rate provided in  
24 section 804(2) for a standard plate. A registration plate issued  
25 under this subdivision is nontransferable.

26 (m) For each commercial vehicle used for the transportation  
27 of passengers for hire except for a vehicle for which a payment

1 is made under 1960 PA 2, MCL 257.971 to 257.972, according to the  
2 following schedule of empty weights:

3	Empty weights	Per 100 pounds
4	0 to 4,000 pounds.....	\$ 1.76
5	4,001 to 6,000 pounds.....	2.20
6	6,001 to 10,000 pounds.....	2.72
7	10,001 pounds and over.....	3.25
8	<del>(n) For each motorcycle.....</del>	<del>\$ 23.00</del>

9 **(N) FOR EACH MOTORCYCLE, \$23.00.**

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

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

29 (o) For each truck weighing 8,001 pounds or more, road

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

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

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

19 List Price	Tax
20 \$ 0 - \$ 6,000.00.....	\$ 30.00
21 More than \$ 6,000.00 - \$ 7,000.00.....	\$ 33.00
22 More than \$ 7,000.00 - \$ 8,000.00.....	\$ 38.00
23 More than \$ 8,000.00 - \$ 9,000.00.....	\$ 43.00
24 More than \$ 9,000.00 - \$ 10,000.00.....	\$ 48.00
25 More than \$ 10,000.00 - \$ 11,000.00.....	\$ 53.00
26 More than \$ 11,000.00 - \$ 12,000.00.....	\$ 58.00
27 More than \$ 12,000.00 - \$ 13,000.00.....	\$ 63.00
28 More than \$ 13,000.00 - \$ 14,000.00.....	\$ 68.00
29 More than \$ 14,000.00 - \$ 15,000.00.....	\$ 73.00
30 More than \$ 15,000.00 - \$ 16,000.00.....	\$ 78.00
31 More than \$ 16,000.00 - \$ 17,000.00.....	\$ 83.00
32 More than \$ 17,000.00 - \$ 18,000.00.....	\$ 88.00
33 More than \$ 18,000.00 - \$ 19,000.00.....	\$ 93.00
34 More than \$ 19,000.00 - \$ 20,000.00.....	\$ 98.00

1	More than \$ 20,000.00 - \$ 21,000.00.....	\$ 103.00
2	More than \$ 21,000.00 - \$ 22,000.00.....	\$ 108.00
3	More than \$ 22,000.00 - \$ 23,000.00.....	\$ 113.00
4	More than \$ 23,000.00 - \$ 24,000.00.....	\$ 118.00
5	More than \$ 24,000.00 - \$ 25,000.00.....	\$ 123.00
6	More than \$ 25,000.00 - \$ 26,000.00.....	\$ 128.00
7	More than \$ 26,000.00 - \$ 27,000.00.....	\$ 133.00
8	More than \$ 27,000.00 - \$ 28,000.00.....	\$ 138.00
9	More than \$ 28,000.00 - \$ 29,000.00.....	\$ 143.00
10	More than \$ 29,000.00 - \$ 30,000.00.....	\$ 148.00

11 More than \$30,000.00, the tax of \$148.00 is increased by  
12 \$5.00 for each \$1,000.00 increment or fraction of a \$1,000.00  
13 increment over \$30,000.00. If a current tax increases or  
14 decreases as a result of 1998 PA 384, only a vehicle purchased or  
15 transferred after January 1, 1999 shall be assessed the increased  
16 or decreased tax.

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

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

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

23 For a vehicle of the 1984 or a subsequent model year that  
24 has been previously registered by a person other than the person  
25 applying for registration or for a vehicle of the 1984 or a  
26 subsequent model year that has been previously registered in  
27 another state or country and is registered for the first time in  
28 this state, the tax under this subdivision shall be determined by  
29 subtracting the model year of the vehicle from the calendar year  
30 for which the registration is sought. If the result is zero or a  
31 negative figure, the first registration tax shall be paid. If the

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

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

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

1 that there has not been a structural change in the motor vehicle  
2 that has increased the weight and that the previous registered  
3 weight is the true weight.

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

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

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

15 (b) A fee of \$5.75 that shall be credited to the  
16 transportation administration collection fund created in section  
17 810b.

18 (4) If a tax required to be paid under this section is not  
19 received by the secretary of state on or before the expiration  
20 date of the registration plate, the secretary of state shall  
21 collect a late fee of \$10.00 for each registration renewed after  
22 the expiration date. An application for a renewal of a  
23 registration using the regular mail and postmarked before the  
24 expiration date of that registration shall not be assessed a late  
25 fee. The late fee collected under this subsection shall be  
26 deposited into the general fund. **A LATE FEE SHALL NOT BE CHARGED**  
27 **UNDER THIS SUBSECTION FOR A VEHICLE THAT IS INSURED ONLY FOR**

1 **COMPREHENSIVE DAMAGE.**

2 (5) As used in this section:

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

9 (b) "List price" means the manufacturer's suggested base  
10 list 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 15 USC 1232, if the  
13 secretary of state has not at the time of the sale of the vehicle  
14 published a manufacturer's suggested retail price for that  
15 vehicle, or the purchase price of the vehicle if the  
16 manufacturer's suggested base list price is unavailable from the  
17 sources described in this subdivision.

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