



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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House Bill 4990 (Substitute S-2 as reported)  
Sponsor: Representative Tommy Brann  
House Committee: Transportation and Infrastructure  
Senate Committee: Transportation

### **CONTENT**

The bill would amend the Michigan Vehicle Code to do the following:

- Add a vehicle owned and operated by a nonprofit food pantry or nonprofit food bank to the list of vehicles that pay a fee of \$10 per plate instead of the registration tax listed under the Code when registering the vehicle.
- Subject commercial vehicles registered under Section 801g of the Code to a provision requiring \$15 to be deposited in a Truck Safety Fund.

Subject 801g provides for the issuance of a registration plate for a truck, truck tractor, or road tractor engaged in interstate commerce upon payment of a certain apportioned fee.

MCL 257.224 & 257.801

Legislative Analyst: Drew Krogulecki

### **FISCAL IMPACT**

The bill could result in a decrease in vehicle registration revenue for the State. The amount of loss in revenue is indeterminate and would depend on the number of food banks and pantries with vehicles that qualified for the registration exemption under the bill.

Currently, a vehicle's registration tax is calculated based on the year of the vehicle and is collected annually. Registration taxes for vehicles with model years 1983 or older are calculated using the vehicle's weight; taxes for vehicles with model years 1984 and newer are based on the manufacturer's suggested retail (or base) price. The bill would exempt vehicles owned by a nonprofit food bank or food pantry from paying the calculated registration tax based on the model year of the vehicle. Instead, those entities would pay a \$10 registration tax per qualifying vehicle. The number of vehicles qualifying for the proposed exemption is unknown.

Date Completed: 12-3-18

Fiscal Analyst: Joe Carrasco