

SUBSTITUTE FOR  
HOUSE BILL NO. 4398

A bill to amend 1949 PA 300, entitled  
"Michigan vehicle code,"  
by amending section 801 (MCL 257.801), as amended by 1998 PA  
384.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 801. (1) The secretary of state shall collect the fol-  
2       lowing 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; ~~a fee or fees imposed pursuant to the local road~~  
9       ~~improvements and operations revenue act, 1987 PA 237, MCL 247.521~~  
10      ~~to 247.525;~~ and except as otherwise provided by this act:

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1 (a) For a motor vehicle, including a motor home, except as  
2 otherwise provided, and a pickup truck or van, which pickup truck  
3 or van weighs not more than 5,000 pounds and is not taxed under  
4 subdivision (p), except as otherwise provided, according to the  
5 following schedule of empty weights:

6	Empty weights	Fee
7	0 to 3,000 pounds.....	\$ 29.00
8	3,001 to 3,500 pounds.....	32.00
9	3,501 to 4,000 pounds.....	37.00
10	4,001 to 4,500 pounds.....	43.00
11	4,501 to 5,000 pounds.....	47.00
12	5,001 to 5,500 pounds.....	52.00
13	5,501 to 6,000 pounds.....	57.00
14	6,001 to 6,500 pounds.....	62.00
15	6,501 to 7,000 pounds.....	67.00
16	7,001 to 7,500 pounds.....	71.00
17	7,501 to 8,000 pounds.....	77.00
18	8,001 to 8,500 pounds.....	81.00
19	8,501 to 9,000 pounds.....	86.00
20	9,001 to 9,500 pounds.....	91.00
21	9,501 to 10,000 pounds.....	95.00
22	over 10,000 pounds.....	\$ 0.90 per 100 pounds
23		of empty weight

24 On October 1, 1983, and October 1, 1984, the tax assessed  
25 under this subdivision shall be annually revised for the  
26 registrations expiring on the appropriate October 1 or after that

1 date by multiplying the tax assessed in the preceding fiscal year  
2 times the personal income of Michigan for the preceding calendar  
3 year divided by the personal income of Michigan for the calendar  
4 year which preceded that calendar year. In performing the calcu-  
5 lations under this subdivision, the secretary of state shall use  
6 the spring preliminary report of the United States department of  
7 commerce or its successor agency. A ~~van which is~~ VEHICLE owned  
8 by a person who ~~uses~~ IS PERMANENTLY CONFINED TO a wheelchair or  
9 by a person who transports a resident of his or her household who  
10 ~~uses~~ IS PERMANENTLY CONFINED TO a wheelchair and for which reg-  
11 istration plates are issued pursuant to section 803d shall be  
12 assessed at the rate of 50% of the tax provided for in this  
13 subdivision. HOWEVER, ONLY 1 REGISTRATION PLATE SHALL BE ISSUED  
14 AND ASSESSED AT THIS 50% RATE PER HOUSEHOLD.

15 (b) For a trailer coach attached to a motor vehicle 76 cents  
16 per 100 pounds of empty weight of the trailer coach. A trailer  
17 coach not under 1959 PA 243, MCL 125.1035 to 125.1043, and while  
18 located on land otherwise assessable as real property under the  
19 general property tax act, 1893 PA 206, MCL 211.1 to 211.157, if  
20 the trailer coach is used as a place of habitation, and whether  
21 or not permanently affixed to the soil, shall not be exempt from  
22 real property taxes.

23 (c) For a road tractor, truck, or truck tractor owned by a  
24 farmer and used exclusively in connection with the farmer's farm-  
25 ing operations, or used for the transportation of the farmer and  
26 the farmer's family, and not used for hire, 74 cents per 100  
27 pounds of empty weight of the road tractor, truck, or truck

1 tractor. If the road tractor, truck, or truck tractor owned by a  
2 farmer is also used for a nonfarming operation, the farmer shall  
3 be subject to the highest registration tax applicable to the non-  
4 farm use of the vehicle but shall not be subject to more than 1  
5 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, 74 cents per 100 pounds of empty weight of  
9 the road tractor, truck, or truck tractor. A registration  
10 secured by payment of the fee as prescribed in this subdivision  
11 shall continue in full force and effect until the regular expira-  
12 tion date of the registration. As used in this subdivision,  
13 "wood harvester" includes the person or persons hauling and  
14 transporting raw materials only from the forest to the mill  
15 site. "Wood harvesting operations" does not include the trans-  
16 portation of processed lumber.

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

23 (f) For a motor vehicle owned and operated by this state, a  
24 state institution, a municipality, a privately incorporated, non-  
25 profit volunteer fire department, or a nonpublic, nonprofit col-  
26 lege or university, \$5.00 per set; and for each motor vehicle  
27 operating under municipal franchise, weighing less than 2,500

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1 pounds, 65 cents per 100 pounds of the empty weight of the motor  
2 vehicle, weighing from 2,500 to 4,000 pounds, 80 cents per 100  
3 pounds of the empty weight of the motor vehicle, weighing 4,001  
4 to 6,000 pounds, \$1.00 per 100 pounds of the empty weight of the  
5 motor vehicle, and weighing over 6,000 pounds, \$1.25 per 100  
6 pounds of the empty weight of the motor vehicle.

7       (g) For a bus including a station wagon, carryall, or simi-  
8 larly 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 per set, if the bus, station  
14 wagon, carryall, or similarly constructed vehicle or motor vehi-  
15 cle is designated by proper signs showing the organization oper-  
16 ating the vehicle.

17       (h) For a vehicle owned by a nonprofit organization and used  
18 to transport equipment for providing dialysis treatment to chil-  
19 dren at camp; for a vehicle owned by the civil air patrol, as  
20 organized under sections 1 to 8 of chapter 527, 60 Stat. 346, 36  
21 U.S.C. 201 to 208, \$10.00 per plate, if the vehicle is designated  
22 by a proper sign showing the civil air patrol's name; for a vehi-  
23 cle owned and operated by a nonprofit veterans center; for a  
24 vehicle owned and operated by a nonprofit recycling center or a  
25 federally recognized nonprofit conservation organization until  
26 December 31, 2000; for a motor vehicle having a truck chassis and  
27 a locomotive or ship's body which is owned by a nonprofit

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1 veterans organization and used exclusively in parades and civic  
2 events; or for an emergency support vehicle used exclusively for  
3 emergencies and owned and operated by a federally recognized non-  
4 profit charitable organization, \$10.00 per plate.

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

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

16	Empty weights	Per 100 pounds
17	0 to 2,500 pounds.....	\$ 1.40
18	2,501 to 4,000 pounds.....	1.76
19	4,001 to 6,000 pounds.....	2.20
20	6,001 to 8,000 pounds.....	2.72
21	8,001 to 10,000 pounds.....	3.25
22	10,001 to 15,000 pounds.....	3.77
23	15,001 pounds and over.....	4.39

24 If the tax required under subdivision (q) for a vehicle of  
25 the same model year with the same list price as the vehicle for  
26 which registration is sought under this subdivision is more than

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1 the tax provided under the preceding provisions of this  
2 subdivision for an identical vehicle, the tax required under this  
3 subdivision shall not be less than the tax required under subdi-  
4 vision (q) for a vehicle of the same model year with the same  
5 list price.

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

11	Elected gross weight	Fee
12	0 to 24,000 pounds.....	\$ 491.00
13	24,001 to 26,000 pounds.....	558.00
14	26,001 to 28,000 pounds.....	558.00
15	28,001 to 32,000 pounds.....	649.00
16	32,001 to 36,000 pounds.....	744.00
17	36,001 to 42,000 pounds.....	874.00
18	42,001 to 48,000 pounds.....	1,005.00
19	48,001 to 54,000 pounds.....	1,135.00
20	54,001 to 60,000 pounds.....	1,268.00
21	60,001 to 66,000 pounds.....	1,398.00
22	66,001 to 72,000 pounds.....	1,529.00
23	72,001 to 80,000 pounds.....	1,660.00
24	80,001 to 90,000 pounds.....	1,793.00
25	90,001 to 100,000 pounds.....	2,002.00

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1	100,001 to 115,000 pounds.....	2,223.00
2	115,001 to 130,000 pounds.....	2,448.00
3	130,001 to 145,000 pounds.....	2,670.00
4	145,001 to 160,000 pounds.....	2,894.00
5	over 160,000 pounds.....	3,117.00

6 For each commercial vehicle registered pursuant to this sub-  
7 division \$15.00 shall be deposited in a truck safety fund to be  
8 expended for the purposes prescribed in section 25 of 1951 PA 51,  
9 MCL 247.675.

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

17 (l) For each pole trailer, semitrailer, or trailer, accord-  
18 ing to the following schedule of rates:

19	Empty weights	Fee
20	0 to 500 pounds.....	\$ 17.00
21	501 to 1,500 pounds.....	24.00
22	1,501 pounds and over.....	39.00

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



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1	Empty weights	Per 100 pounds
2	0 to 4,000 pounds.....	\$ 1.76
3	4,001 to 6,000 pounds.....	2.20
4	6,001 to 10,000 pounds.....	2.72
5	10,001 pounds and over.....	3.25

6 (n) For each motorcycle..... \$ 23.00

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

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

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

8 (p) Until October 1, 1997, for each pickup truck or van,  
9 which pickup truck or van weighs not more than 5,000 pounds and  
10 is owned by a business, corporation, or person other than an  
11 individual, according to the following schedule of empty  
12 weights:

13	Empty weights	Fee
14	0 to 4,000 pounds.....	\$ 39.00
15	4,001 to 4,500 pounds.....	44.00
16	4,501 to 5,000 pounds.....	49.00

17 (q) 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 ~~which~~ THAT has not been previously subject to  
20 the tax rates of this section and ~~which~~ THAT is of the motor  
21 vehicle category otherwise subject to the tax schedule described  
22 in subdivision (a) and beginning October 1, 1997 each motor vehi-  
23 cle previously subject to the tax schedule described in subdivi-  
24 sion (p) according to the following schedule based upon registra-  
25 tion periods of 12 months:

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1       (i) Except as otherwise provided in this subdivision, for  
2 the first registration, which is not a transfer registration  
3 under section 809 and for the first registration after a transfer  
4 registration under section 809, according to the following sched-  
5 ule based on the vehicle's list price:

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

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1	More than \$24,000.00 - \$25,000.00.....	\$123.00
2	More than \$25,000.00 - \$26,000.00.....	\$128.00
3	More than \$26,000.00 - \$27,000.00.....	\$133.00
4	More than \$27,000.00 - \$28,000.00.....	\$138.00
5	More than \$28,000.00 - \$29,000.00.....	\$143.00
6	More than \$29,000.00 - \$30,000.00.....	\$148.00

7 More than \$30,000.00, the fee ~~shall~~ of \$148.00 shall be  
8 increased by \$5.00 for each \$1,000.00 increment or fraction of a  
9 \$1,000.00 increment over \$30,000.00. If a current fee increases  
10 or decreases as a result of the 1998 amendatory act that added  
11 this sentence, only a vehicle purchased or transferred after ~~the~~  
12 ~~effective date of the 1998 amendatory act that added this~~  
13 ~~sentence~~ JANUARY 1, 1999 shall be assessed the increased or  
14 decreased fee.

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

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

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

21 For a vehicle of the 1984 or a subsequent model year ~~which~~  
22 THAT has been previously registered by a person other than the  
23 person applying for registration or for a vehicle of the 1984 or  
24 a subsequent model year ~~which~~ THAT has been previously regis-  
25 tered in another state or country and is registered for the first  
26 time in this state, the tax under this subdivision shall be  
27 determined by subtracting the model year of the vehicle from the

1 calendar year for which the registration is sought. If the  
2 result is zero or a negative figure, the first registration tax  
3 shall be paid. If the result is 1, 2, or 3 or more, then,  
4 respectively, the second, third, or subsequent registration tax  
5 shall be paid. A ~~van which is~~ VEHICLE owned by a person who  
6 ~~uses~~ IS PERMANENTLY CONFINED TO a wheelchair or by a person who  
7 transports a resident of his or her household who ~~uses~~ IS PER-  
8 MANENTLY CONFINED TO a wheelchair and for which registration  
9 plates are issued pursuant to section 803d shall be assessed at  
10 the rate of 50% of the tax provided for in this subdivision.  
11 HOWEVER, ONLY 1 REGISTRATION PLATE SHALL BE ISSUED AND ASSESSED  
12 AT THIS 50% RATE PER HOUSEHOLD.

13 (r) For a wrecker, \$200.00.

14 (s) When the secretary of state computes a tax under this  
15 section, a computation ~~which~~ THAT does not result in a whole  
16 dollar figure shall be rounded to the next lower whole dollar  
17 when the computation results in a figure ending in 50 cents or  
18 less and shall be rounded to the next higher whole dollar when  
19 the computation results in a figure ending in 51 cents or more,  
20 unless specific fees are specified, and may accept the  
21 manufacturer's shipping weight of the vehicle fully equipped for  
22 the use for which the registration application is made. If the  
23 weight is not correctly stated or is not satisfactory, the secre-  
24 tary of state shall determine the actual weight. Each applica-  
25 tion for registration of a vehicle under subdivisions (j) and (m)  
26 shall have attached to the application a scale weight receipt of  
27 the vehicle fully equipped as of the time the application is

1 made. The scale weight receipt is not necessary if there is  
2 presented with the application a registration receipt of the pre-  
3 vious year ~~which~~ THAT shows on its face the weight of the motor  
4 vehicle as registered with the secretary of state and ~~which~~  
5 THAT is accompanied by a statement of the applicant that there  
6 has not been a structural change in the motor vehicle ~~which~~  
7 THAT has increased the weight and that the previous registered  
8 weight is the true weight.

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

14 (3) The fee for a vehicle with an empty weight over 10,000  
15 pounds imposed ~~pursuant to~~ UNDER subsection (1)(a) and the fees  
16 imposed ~~pursuant to~~ UNDER subsection (1)(b), (c), (d), (e),  
17 (f), (i), (j), (m), (o), and (q) shall each be increased by  
18 \$5.00. This increase shall be credited to the Michigan transpor-  
19 tation fund and used to defray the costs of processing the regis-  
20 trations under this section.

21 (4) As used in this section:

22 (a) "Gross proceeds" means gross proceeds as defined in sec-  
23 tion 1 of the general sales tax act, 1933 PA 167, MCL 205.51.  
24 However, gross proceeds shall include the value of the motor  
25 vehicle used as part payment of the purchase price as that value  
26 is agreed to by the parties to the sale, as evidenced by the  
27 signed agreement executed pursuant to section 251.

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1       (b) "List price" means the manufacturer's suggested base  
2 list price as published by the secretary of state, or the  
3 manufacturer's suggested retail price as shown on the label  
4 required to be affixed to the vehicle under section 3 of the  
5 automobile information disclosure act, Public Law 85-506,  
6 15 U.S.C. 1232, if the secretary of state has not at the time of  
7 the sale of the vehicle published a manufacturer's suggested  
8 retail price for that vehicle, or the purchase price of the vehi-  
9 cle if the manufacturer's suggested base list price is unavail-  
10 able from the sources described in this subdivision.

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