

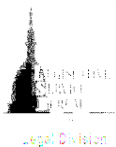
HOUSE BILL NO. 4972

September 12, 2019, Introduced by Reps. Leutheuser, Sneller, Yancey, Mueller, O'Malley, Howell, Meerman and Sheppard and referred to the Committee on Transportation.

A bill to amend 1949 PA 300, entitled
"Michigan vehicle code,"
by amending sections 801 and 801j (MCL 257.801 and 257.801j),
section 801 as amended by 2018 PA 656 and section 801j as amended
by 2014 PA 171.

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~~ **exempts** the vehicle from all other state and local taxation,
- 4 except the fees and taxes provided by law to be paid by certain



carriers operating motor vehicles and trailers under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42; the taxes imposed by the motor carrier fuel tax act, 1980 PA 119, MCL 207.211 to 207.234; and except as otherwise provided by this act:

(a) For a motor vehicle, including a motor home, except as otherwise provided, and a pickup truck or van that weighs not more than 8,000 pounds, except as otherwise provided, according to the following schedule of empty weights:

Empty weights	Tax
0 to 3,000 pounds.....	\$ 29.00
3,001 to 3,500 pounds.....	32.00
3,501 to 4,000 pounds.....	37.00
4,001 to 4,500 pounds.....	43.00
4,501 to 5,000 pounds.....	47.00
5,001 to 5,500 pounds.....	52.00
5,501 to 6,000 pounds.....	57.00
6,001 to 6,500 pounds.....	62.00
6,501 to 7,000 pounds.....	67.00
7,001 to 7,500 pounds.....	71.00
7,501 to 8,000 pounds.....	77.00
8,001 to 8,500 pounds.....	81.00
8,501 to 9,000 pounds.....	86.00
9,001 to 9,500 pounds.....	91.00
9,501 to 10,000 pounds.....	95.00
over 10,000 pounds.....	\$ 0.90 per 100 pounds

of empty weight

On October 1, 1983, and October 1, 1984, the tax assessed under this subdivision ~~shall~~**must** be annually revised for the 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 that preceded that calendar year. In performing the
5 calculations under this subdivision, the secretary of state shall
6 use the spring preliminary report of the United States Department
7 of Commerce or its successor agency. A passenger motor vehicle that
8 has been modified with a permanently installed wheelchair lift
9 mechanism or with permanently installed hand controls and that is
10 owned by an individual who uses a wheelchair or by an individual
11 who transports a member of his or her household who uses a
12 wheelchair and for which registration plates are issued under
13 section 803d ~~shall~~**must** be assessed at the rate of 50% of the tax
14 provided for in this subdivision. As used in this subdivision,
15 "permanently installed hand controls" means a permanently installed
16 device designed to replace the brake and gas pedals of a motor
17 vehicle with hand controls.

18 (b) For a trailer coach attached to a motor vehicle, the tax
19 ~~shall~~**must** be assessed as provided in subdivision (l). A trailer
20 coach not under 1959 PA 243, MCL 125.1035 to 125.1043, and while
21 located on land otherwise assessable as real property under the
22 general property tax act, 1893 PA 206, MCL 211.1 to 211.155, if the
23 trailer coach is used as a place of habitation, and whether or not
24 permanently affixed to the soil, is not exempt from real property
25 taxes.

26 (c) For a road tractor, modified agricultural vehicle, truck,
27 or truck tractor owned by a farmer and used exclusively in
28 connection with a farming operation, including a farmer hauling
29 livestock or farm equipment for other farmers for remuneration in



1 kind or in labor, but not for money, or used for the transportation
2 of the farmer and the farmer's family, and not used for hire, 74
3 cents per 100 pounds of empty weight of the road tractor, truck, or
4 truck tractor. If the road tractor, modified agricultural vehicle,
5 truck, or truck tractor owned by a farmer is also used for a
6 nonfarming operation, the farmer is subject to the highest
7 registration tax applicable to the nonfarm use of the vehicle but
8 is not subject to more than 1 tax rate under this act.

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

17 (i) "Wood harvester" includes the person or persons hauling and
18 transporting raw materials in the form produced at the harvest site
19 or hauling and transporting wood harvesting equipment. Wood
20 harvester does not include a person or persons whose primary
21 activity is tree-trimming or landscaping.

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

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

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

28 (C) A vehicle that directly processes harvested logs or
29 timber, including, but not limited to, a forwarder, grapple



1 skidder, or cable skidder.

2 (D) A vehicle that directly loads harvested logs or timber,
3 including, but not limited to, a knuckle-boom loader, front-end
4 loader, or forklift.

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

8 (iii) "Wood harvesting operations" does not include the
9 transportation of processed lumber, Christmas trees, or processed
10 firewood for a ~~profit-making~~ **profit-making** venture.

11 (e) For a hearse or ambulance used exclusively by a licensed
12 funeral director in the general conduct of the licensee's funeral
13 business, including a hearse or ambulance whose owner is engaged in
14 the business of leasing or renting the hearse or ambulance to
15 others, \$1.17 per 100 pounds of the empty weight of the hearse or
16 ambulance.

17 (f) For a vehicle owned and operated by this state, a state
18 institution, a municipality, a privately incorporated, nonprofit
19 volunteer fire department, or a nonpublic, nonprofit college or
20 university, \$5.00 per plate. A registration plate issued under this
21 subdivision expires on June 30 of the year in which new
22 registration plates are reissued for all vehicles by the secretary
23 of state.

24 (g) For a bus including a station wagon, carryall, or
25 similarly constructed vehicle owned and operated by a nonprofit
26 parents' transportation corporation used for school purposes,
27 parochial school or society, church Sunday school, or any other
28 grammar school, or by a nonprofit youth organization or nonprofit
29 rehabilitation facility; or a motor vehicle owned and operated by a



1 senior citizen center, \$10.00, if the bus, station wagon, carryall,
2 or similarly constructed vehicle or motor vehicle is designated by
3 proper signs showing the organization operating the vehicle.

4 (h) For a vehicle owned by a nonprofit organization and used
5 to transport equipment for providing dialysis treatment to children
6 at camp; for a vehicle owned by the ~~civil air patrol~~, **Civil Air**
7 **Patrol** as organized under 36 USC ~~40301 to 40307~~, **chapter 403**,
8 \$10.00 per plate, if the vehicle is designated by a proper sign
9 showing the ~~civil air patrol's~~ **Civil Air Patrol's** name; for a
10 vehicle owned and operated by a nonprofit veterans center; for a
11 vehicle owned and operated by a nonprofit recycling center or a
12 federally recognized nonprofit conservation organization; for a
13 motor vehicle having a truck chassis and a locomotive or ship's
14 body that is owned by a nonprofit veterans organization and used
15 exclusively in parades and civic events; or for an emergency
16 support vehicle used exclusively for emergencies and owned and
17 operated by a federally recognized nonprofit charitable
18 organization; or for a vehicle owned and operated by a nonprofit
19 food pantry or nonprofit food bank, \$10.00 per plate.

20 (i) For each truck owned and operated free of charge by a bona
21 fide ecclesiastical or charitable corporation, or Red Cross, Girl
22 Scout, or Boy Scout organization, 65 cents per 100 pounds of the
23 empty weight of the truck.

24 (j) For each truck, weighing 8,000 pounds or less, and not
25 used to tow a vehicle, for each privately owned truck used to tow a
26 trailer for recreational purposes only and not involved in a ~~profit~~
27 ~~making~~ **profit-making** venture, and for each vehicle designed and
28 used to tow a mobile home or a trailer coach, except as provided in
29 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~~ **Except as otherwise provided in this subdivision, 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 subdivision is not less than the tax required under subdivision (p) for a vehicle of the same model year with the same list price. After September 30, 2020, if the tax required under subdivision (r) for a vehicle with the same combined MPG rating 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 subdivision is not less than the tax required under subdivision (r) for a vehicle with the same combined MPG rating.**

(k) For each truck weighing 8,000 pounds or less towing a trailer or any other combination of vehicles and for each truck weighing 8,001 pounds or more, road tractor or truck tractor, except as provided in subdivision (j), as follows:

(i) Until December 31, 2016, according to the following



1 schedule of elected gross weights:

2	Elected gross weight	Tax
3	0 to 24,000 pounds.....	\$ 491.00
4	24,001 to 26,000 pounds.....	558.00
5	26,001 to 28,000 pounds.....	558.00
6	28,001 to 32,000 pounds.....	649.00
7	32,001 to 36,000 pounds.....	744.00
8	36,001 to 42,000 pounds.....	874.00
9	42,001 to 48,000 pounds.....	1,005.00
10	48,001 to 54,000 pounds.....	1,135.00
11	54,001 to 60,000 pounds.....	1,268.00
12	60,001 to 66,000 pounds.....	1,398.00
13	66,001 to 72,000 pounds.....	1,529.00
14	72,001 to 80,000 pounds.....	1,660.00
15	80,001 to 90,000 pounds.....	1,793.00
16	90,001 to 100,000 pounds.....	2,002.00
17	100,001 to 115,000 pounds.....	2,223.00
18	115,001 to 130,000 pounds.....	2,448.00
19	130,001 to 145,000 pounds.....	2,670.00
20	145,001 to 160,000 pounds.....	2,894.00
21	over 160,000 pounds.....	3,117.00

22 (ii) Beginning on January 1, 2017, according to the following

23 schedule of elected gross weights:

24	Elected gross weight	Tax
25	0 to 24,000 pounds.....	\$ 590.00
26	24,001 to 26,000 pounds.....	670.00
27	26,001 to 28,000 pounds.....	670.00
28	28,001 to 32,000 pounds.....	779.00
29	32,001 to 36,000 pounds.....	893.00



1	36,001 to 42,000 pounds.....	1,049.00
2	42,001 to 48,000 pounds.....	1,206.00
3	48,001 to 54,000 pounds.....	1,362.00
4	54,001 to 60,000 pounds.....	1,522.00
5	60,001 to 66,000 pounds.....	1,678.00
6	66,001 to 72,000 pounds.....	1,835.00
7	72,001 to 80,000 pounds.....	1,992.00
8	80,001 to 90,000 pounds.....	2,152.00
9	90,001 to 100,000 pounds.....	2,403.00
10	100,001 to 115,000 pounds.....	2,668.00
11	115,001 to 130,000 pounds.....	2,938.00
12	130,001 to 145,000 pounds.....	3,204.00
13	145,001 to 160,000 pounds.....	3,473.00
14	over 160,000 pounds.....	3,741.00

15 For each commercial vehicle registered under this subdivision
 16 or section 801g, \$15.00 ~~shall~~**must** be deposited in a truck safety
 17 fund to be expended as provided in section 25 of 1951 PA 51, MCL
 18 247.675.

19 If a truck tractor or road tractor without trailer is leased
 20 from an individual owner-operator, the lessee, whether an
 21 individual, firm, or corporation, shall pay to the owner-operator
 22 60% of the tax prescribed in this subdivision for the truck tractor
 23 or road tractor at the rate of 1/12 for each month of the lease or
 24 arrangement in addition to the compensation the owner-operator is
 25 entitled to for the rental of his or her equipment.

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

29	Empty weights	Tax
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1	0 to 2,499 pounds.....	\$ 75.00
2	2,500 to 9,999 pounds.....	200.00
3	10,000 pounds and over.....	300.00

4 The registration plate issued under this subdivision expires
5 only when the secretary of state reissues a new registration plate
6 for all trailers. Beginning October 1, 2005, if the secretary of
7 state reissues a new registration plate for all trailers, a person
8 who has once paid the tax as increased by 2003 PA 152 for a vehicle
9 under this subdivision is not required to pay the tax for that
10 vehicle a second time, but is required to pay only the cost of the
11 reissued plate at the rate provided in section 804(2) for a
12 standard plate. A registration plate issued under this subdivision
13 is nontransferable.

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

18	Empty weights	Per 100 pounds
19	0 to 4,000 pounds.....	\$ 1.76
20	4,001 to 6,000 pounds.....	2.20
21	6,001 to 10,000 pounds.....	2.72
22	10,001 pounds and over.....	3.25

23 (n) For each motorcycle, as follows:

24	(i) Until February 18, 2019.....	\$ 23.00
25	(ii) Beginning February 19, 2019.....	\$ 25.00

26 On October 1, 1983, and October 1, 1984, the tax assessed
27 under this subdivision ~~shall~~**must** be annually revised for the
28 registrations expiring on the appropriate October 1 or after that
29 date by multiplying the tax assessed in the preceding fiscal year



1 times the personal income of Michigan for the preceding calendar
2 year divided by the personal income of Michigan for the calendar
3 year that preceded that calendar year. In performing the
4 calculations under this subdivision, the secretary of state shall
5 use the spring preliminary report of the United States Department
6 of Commerce or its successor agency.

7 Beginning January 1, 1984, the registration tax for each
8 motorcycle is increased by \$3.00. The \$3.00 increase is not part of
9 the tax assessed under this subdivision for the purpose of the
10 annual October 1 revisions but is in addition to the tax assessed
11 as a result of the annual October 1 revisions. Beginning January 1,
12 1984 and ending February 18, 2019, \$3.00 of each motorcycle fee
13 ~~shall~~**must** be placed in a motorcycle safety fund in the state
14 treasury and ~~shall~~**must** be used only for funding the motorcycle
15 safety education program as provided for under sections 312b and
16 811a. Beginning February 19, 2019, \$5.00 of each motorcycle fee
17 ~~shall~~**must** be placed in the motorcycle safety fund and ~~shall~~**must**
18 be used only for funding the motorcycle safety education program as
19 provided for under sections 312b and 811a.

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

26 (p) After September 30, 1983, **except as otherwise provided in**
27 **subdivision (r), for** each motor vehicle of the 1984 or a subsequent
28 model year as shown on the application required under section 217
29 that has not been previously subject to the tax rates of this



section and that is of the motor vehicle category otherwise subject to the tax schedule described in subdivision (a), and each low-speed vehicle according to the following schedule based upon registration periods of 12 months:

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

(A) Until December 31, 2016, as follows:

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



1	More than \$ 23,000.00 - \$ 24,000.00.....	\$ 118.00
2	More than \$ 24,000.00 - \$ 25,000.00.....	\$ 123.00
3	More than \$ 25,000.00 - \$ 26,000.00.....	\$ 128.00
4	More than \$ 26,000.00 - \$ 27,000.00.....	\$ 133.00
5	More than \$ 27,000.00 - \$ 28,000.00.....	\$ 138.00
6	More than \$ 28,000.00 - \$ 29,000.00.....	\$ 143.00
7	More than \$ 29,000.00 - \$ 30,000.00.....	\$ 148.00

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

14 (B) Beginning on January 1, 2017, as follows:

15	List Price	Tax
16	\$ 0 - \$ 6,000.00.....	\$ 36.00
17	More than \$ 6,000.00 - \$ 7,000.00.....	\$ 40.00
18	More than \$ 7,000.00 - \$ 8,000.00.....	\$ 46.00
19	More than \$ 8,000.00 - \$ 9,000.00.....	\$ 52.00
20	More than \$ 9,000.00 - \$ 10,000.00.....	\$ 58.00
21	More than \$ 10,000.00 - \$ 11,000.00.....	\$ 64.00
22	More than \$ 11,000.00 - \$ 12,000.00.....	\$ 70.00
23	More than \$ 12,000.00 - \$ 13,000.00.....	\$ 76.00
24	More than \$ 13,000.00 - \$ 14,000.00.....	\$ 82.00
25	More than \$ 14,000.00 - \$ 15,000.00.....	\$ 88.00
26	More than \$ 15,000.00 - \$ 16,000.00.....	\$ 94.00
27	More than \$ 16,000.00 - \$ 17,000.00.....	\$ 100.00
28	More than \$ 17,000.00 - \$ 18,000.00.....	\$ 106.00
29	More than \$ 18,000.00 - \$ 19,000.00.....	\$ 112.00



1	More than \$ 19,000.00 - \$ 20,000.00.....	\$ 118.00
2	More than \$ 20,000.00 - \$ 21,000.00.....	\$ 124.00
3	More than \$ 21,000.00 - \$ 22,000.00.....	\$ 130.00
4	More than \$ 22,000.00 - \$ 23,000.00.....	\$ 136.00
5	More than \$ 23,000.00 - \$ 24,000.00.....	\$ 142.00
6	More than \$ 24,000.00 - \$ 25,000.00.....	\$ 148.00
7	More than \$ 25,000.00 - \$ 26,000.00.....	\$ 154.00
8	More than \$ 26,000.00 - \$ 27,000.00.....	\$ 160.00
9	More than \$ 27,000.00 - \$ 28,000.00.....	\$ 166.00
10	More than \$ 28,000.00 - \$ 29,000.00.....	\$ 172.00
11	More than \$ 29,000.00 - \$ 30,000.00.....	\$ 178.00

12 More than \$30,000.00, the tax of \$178.00 is increased by \$6.00
 13 for each \$1,000.00 increment or fraction of a \$1,000.00 increment
 14 over \$30,000.00. If a current tax increases or decreases as a
 15 result of 1998 PA 384, only a vehicle purchased or transferred
 16 after January 1, 1999 shall be assessed the increased or decreased
 17 tax.

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

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

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

24 For a vehicle of the 1984 or a subsequent model year that has
 25 been previously registered by a person other than the person
 26 applying for registration or for a vehicle of the 1984 or a
 27 subsequent model year that has been previously registered in
 28 another state or country and is registered for the first time in
 29 this state, the tax under this subdivision ~~shall be~~ **is** determined



by subtracting the model year of the vehicle from the calendar year for which the registration is sought. If the result is zero or a negative figure, the first registration tax ~~shall~~**must** be paid. If the result is 1, 2, or 3 or more, then, respectively, the second, third, or subsequent registration tax ~~shall~~**must** be paid. A passenger motor vehicle that has been modified with a permanently installed wheelchair lift mechanism or with permanently installed hand controls and that is owned by an individual who uses a wheelchair or by an individual who transports a member of his or her household who uses a wheelchair and for which registration plates are issued under section 803d ~~shall~~**must** be assessed at the rate of 50% of the tax provided for in this subdivision. As used in this subdivision, "permanently installed hand controls" means a permanently installed device designed to replace the brake and gas pedals of a motor vehicle with hand controls.

(q) For a wrecker, \$200.00.

(r) After September 30, 2020, for each motor vehicle, other than a low-speed vehicle, that is of the motor vehicle category otherwise described in subdivision (p), subject to subsection (10), a base fee of \$40.00 increased as follows:

(i) If the vehicle has a combined MPG rating of between 0 and 10 MPG, the base fee for that vehicle is increased by \$30.00.

(ii) If the vehicle has a combined MPG rating of between 10.1 and 20 MPG, the base fee for that vehicle is increased by \$40.00.

(iii) If the vehicle has a combined MPG rating of between 20.1 and 30 MPG, the base fee for that vehicle is increased by \$75.00.

(iv) If the vehicle has a combined MPG rating of between 30.1 and 40 MPG, the base fee for that vehicle is increased by \$120.00.

(v) If the vehicle has a combined MPG rating of 40.1 or



1 greater, the base fee for that vehicle is increased by \$200.00.

2 (vi) If the vehicle is an electric vehicle, the base fee for
3 that vehicle is increased by \$250.00.

4 If the secretary of state cannot determine the combined MPG
5 rating for a motor vehicle under subsection (7), that vehicle must
6 be assessed at the tax rate applicable to that vehicle under this
7 section on August 31, 2020, as adjusted under subsection (10). A
8 passenger motor vehicle that has been modified with a permanently
9 installed wheelchair lift mechanism or with permanently installed
10 hand controls and that is owned by an individual who uses a
11 wheelchair or by an individual who transports a member of his or
12 her household who uses a wheelchair and for which registration
13 plates are issued under section 803d must be assessed at the rate
14 of 50% of the tax provided for in this subdivision. As used in this
15 subdivision, "permanently installed hand controls" means a
16 permanently installed device designed to replace the brake and gas
17 pedals of a motor vehicle with hand controls.

18 (s) ~~(r)~~ When the secretary of state computes a tax under this
19 act, a computation that does not result in a whole dollar figure
20 ~~shall~~**must** be rounded to the next lower whole dollar ~~when~~**if** the
21 computation results in a figure ending in 50 cents or less and
22 ~~shall~~**must** be rounded to the next higher whole dollar ~~when~~**if** the
23 computation results in a figure ending in 51 cents or more, unless
24 specific taxes are specified, and the secretary of state may accept
25 the manufacturer's shipping weight of the vehicle fully equipped
26 for the use for which the registration application is made. If the
27 weight is not correctly stated or is not satisfactory, the
28 secretary of state shall determine the actual weight. Each
29 application for registration of a vehicle under subdivisions (j)



1 and (m) ~~shall~~**must** have attached to the application a scale weight
2 receipt of the vehicle fully equipped as of the time the
3 application is made. The scale weight receipt is not necessary if
4 there is presented with the application a registration receipt of
5 the previous year that shows on its face the weight of the motor
6 vehicle as registered with the secretary of state and that is
7 accompanied by a statement of the applicant that there has not been
8 a structural change in the motor vehicle that has increased the
9 weight and that the previous registered weight is the true weight.

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

14 (3) Until October 1, 2019, the tax for a vehicle with an empty
15 weight over 10,000 pounds imposed under subsection (1)(a) and the
16 taxes imposed under subsection (1)(c), (d), (e), (f), (i), (j),
17 (m), (o), and (p) are each increased as follows:

18 (a) A regulatory fee of \$2.25 that ~~shall~~**must** be credited to
19 the traffic law enforcement and safety fund created in section 819a
20 and used to regulate highway safety.

21 (b) A fee of \$5.75 that ~~shall~~**must** be credited to the
22 transportation administration collection fund created in section
23 810b.

24 (4) Except as otherwise provided in this subsection, if a tax
25 required to be paid under this section is not received by the
26 secretary of state on or before the expiration date of the
27 registration plate, the secretary of state shall collect a late fee
28 of \$10.00 for each registration renewed after the expiration date.
29 An application for a renewal of a registration using the regular



1 mail and postmarked before the expiration date of that registration
 2 ~~shall~~**must** not be assessed a late fee. The late fee collected under
 3 this subsection ~~shall~~**must** be deposited into the general fund. The
 4 secretary of state shall waive the late fee collected under this
 5 subsection if all of the following are satisfied:

6 (a) The registrant presents proof of storage insurance for the
 7 vehicle for which the late fee is assessed that is valid for the
 8 period of time between the expiration date of the most recent
 9 registration and the date of application for the renewal.

10 (b) The registrant requests in person at a department of state
 11 branch office that the late fee be waived at the time of
 12 application for the renewal.

13 (5) In addition to the registration taxes under this section,
 14 the secretary of state shall collect taxes charged under section
 15 801j and credit revenues to a regional transit authority created
 16 under the regional transit authority act, 2012 PA 387, MCL 124.541
 17 to 124.558, minus necessary collection expenses as provided in
 18 section 9 of article IX of the state constitution of 1963.
 19 Necessary collection expenses incurred by the secretary of state
 20 under this subsection ~~shall~~**must** be based upon an established cost
 21 allocation methodology.

22 (6) This section does not apply to a historic vehicle.

23 **(7) The secretary of state shall identify the combined MPG**
 24 **rating for each motor vehicle registered under subsection (1)(r)**
 25 **pursuant to the MPG ratings published by the United States**
 26 **Environmental Protection Agency.**

27 **(8) ~~(7)~~**Beginning January 1, 2017, the registration fee
 28 imposed under this section for a vehicle using 4 or more tires is
 29 increased as follows:



1 (a) If the vehicle is a hybrid electric vehicle, the
 2 registration fee for that vehicle is increased by \$30.00 for a
 3 vehicle with an empty weight of 8,000 pounds or less, and \$100.00
 4 for a vehicle with an empty weight of more than 8,000 pounds. As
 5 used in this subdivision and subsection ~~(8)(a)~~, **(9)(a)**, "hybrid
 6 electric vehicle" means a vehicle that can be propelled at least in
 7 part by electrical energy and uses a battery storage system of at
 8 least 4 kilowatt-hours, but is also capable of using gasoline,
 9 diesel fuel, or alternative fuel to propel the vehicle.

10 (b) If the vehicle is a nonhybrid electric vehicle, the
 11 registration fee for that vehicle is increased by \$100.00 for a
 12 vehicle with an empty weight of 8,000 pounds or less, and \$200.00
 13 for a vehicle with an empty weight of more than 8,000 pounds. As
 14 used in this subdivision and subsection ~~(8)(b)~~, **(9)(b)**, "nonhybrid
 15 electric vehicle" means a vehicle that is propelled solely by
 16 electrical energy and that is not capable of using gasoline, diesel
 17 fuel, or alternative fuel to propel the vehicle.

18 **(9)** ~~(8)~~ Beginning January 1, 2017, if the tax on gasoline
 19 imposed under section 8 of the motor fuel tax act, 2000 PA 403, MCL
 20 207.1008, is increased above 19 cents per gallon, the secretary of
 21 state shall increase the fees collected under subsection ~~(7)~~ **(8)** as
 22 follows:

23 (a) For a hybrid electric vehicle, \$2.50 per each 1 cent above
 24 19 cents per gallon.

25 (b) For a nonhybrid electric vehicle, \$5.00 per each 1 cent
 26 above 19 cents per gallon.

27 **(10) On October 1, 2025, and every 5 years thereafter, the**
 28 **state treasurer shall adjust the amounts set forth in subsection**
 29 **(1)(r) by an amount determined by the state treasurer to reflect**



1 the cumulative quinquennial percentage change in the Consumer Price
 2 Index, using the most recent data available and rounded to the
 3 nearest dollar. As used in this subsection, "Consumer Price Index"
 4 means the most comprehensive index of consumer prices available for
 5 this state from the Bureau of Labor Statistics of the United States
 6 Department of Labor.

7 (11) ~~(9)~~—As used in this section:

8 (a) "Alternative fuel" means that term as defined in section
 9 151 of the motor fuel tax act, 2000 PA 403, MCL 207.1151.

10 (b) "Diesel fuel" means that term as defined in section 2 of
 11 the motor fuel tax act, 2000 PA 403, MCL 207.1002.

12 (c) "Electric vehicle" means a vehicle that is propelled
 13 solely by electrical energy that is not capable of using gasoline,
 14 diesel fuel, or alternative fuel to propel the vehicle.

15 (d) ~~(e)~~—"Gasoline" means that term as defined in section 3 of
 16 the motor fuel tax act, 2000 PA 403, MCL 207.1003.

17 (e) ~~(d)~~—"Gross proceeds" means that term as defined in section
 18 1 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 the
 20 purchase price as that value is agreed to by the parties to the
 21 sale, as evidenced by the signed agreement executed under section
 22 251.

23 (f) ~~(e)~~—"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
 28 published a manufacturer's suggested retail price for that vehicle,
 29 or the purchase price of the vehicle if the manufacturer's



1 suggested base list price is unavailable from the sources described
2 in this subdivision.

3 (g) "MPG" means the miles traveled by a vehicle using 1 gallon
4 of fuel.

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

8 Sec. 801j. (1) Except as otherwise provided in subsection (6),
9 in addition to the required vehicle registration tax under section
10 801(1)(p), a regional transit authority created under the regional
11 transit authority act, 2012 PA 387, MCL 124.541 to 124.558, may
12 charge an additional tax on vehicle registrations issued to
13 residents of a public transit region of not more than \$1.20 for
14 each \$1,000.00 or fraction of \$1,000.00 of the vehicle's list price
15 as used in calculating the tax under section 801(1)(p). **Except as**
16 **otherwise provided in subsection (6), in addition to the required**
17 **vehicle registration tax under section 801(1)(r), a regional**
18 **transit authority created under the regional transit authority act,**
19 **2012 PA 387, MCL 124.541 to 124.558, may charge an additional tax**
20 **on vehicle registrations issued to residents of a public transit**
21 **region of not more than 10% of the tax under section 801(1)(r).** The
22 authority may charge the additional tax only upon the approval of a
23 majority of the electors in a public transit region voting on the
24 tax at an election held on the regular November election date as
25 provided in section ~~641(1)(d)~~ **641(1)(c)** of the Michigan election
26 law, 1954 PA 116, MCL 168.641.

27 (2) In addition to any other requirements imposed by law, the
28 ballot question proposing authorization of the tax under subsection
29 (1) ~~shall~~**must** specify how the proceeds of the tax ~~shall~~**must** be



1 expended.

2 (3) The tax collected under this section ~~shall~~**must** only be
3 used by the regional transit authority for comprehensive
4 transportation purposes as defined by law for purposes of section 9
5 of article IX of the state constitution of 1963.

6 (4) A proposal for a tax under this section ~~shall~~**must** not be
7 placed on the ballot under subsection (1) unless the proposal is
8 adopted by a resolution of the board of directors of the regional
9 transit authority and certified by the board of directors not later
10 than ~~70 days~~**4 p.m. on the twelfth Tuesday** before the election to
11 the county clerk of each county within the public transit region
12 for inclusion on the ballot.

13 (5) Except as otherwise provided in subsection (6), if a
14 majority of voters in a public transit region approve a tax under
15 subsection (1), no later than 1 year after voter approval, the
16 secretary of state shall collect the tax on all vehicles registered
17 to residents of the public transit region under section 801(1) (p)
18 **or (r), or both,** and shall credit the tax collected to the regional
19 transit authority, minus necessary collection expenses as provided
20 in section 9 of article IX of the state constitution of 1963.
21 Necessary collection expenses incurred by the secretary of state
22 under this subsection ~~shall~~**must** be based upon an established cost
23 allocation methodology.

24 (6) This section does not apply to a company test vehicle. As
25 used in this subsection, "company test vehicle" means a vehicle
26 that is owned by a manufacturer and that satisfies 1 or both of the
27 following:

28 (a) The vehicle is part of a product testing program as
29 defined by the United States ~~department of treasury under treas.~~



1 ~~reg. 1.132-5(n) (2001).~~ **Department of Treasury under 26 CFR 1.132-**
2 **5(n) .**

3 (b) The vehicle is furnished by the manufacturer to an
4 employee of the manufacturer for the purpose of testing, evaluating
5 product quality and performance, reporting defects, or suggesting
6 product or production improvements as an ordinary and necessary
7 business expense of the manufacturer.

