

HOUSE BILL No. 5337

December 7, 1989, Introduced by Reps. Walberg, Fitzgerald, Emmons, Pridnia, O'Connor, Munsell, Ouwinga, DeBeaussiaert, London, Nye, DeMars and Wartner and referred to the Committee on Transportation.

A bill to amend sections 224 and 801 of Act No. 300 of the Public Acts of 1949, entitled as amended "Michigan vehicle code,"

section 224 as amended by Act No. 238 of the Public Acts of 1987 and section 801 as amended by Act No. 346 of the Public Acts of 1988, being sections 257.224 and 257.801 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 224 and 801 of Act No. 300 of the
2 Public Acts of 1949, section 224 as amended by Act No. 238 of the
3 Public Acts of 1987 and section 801 as amended by Act No. 346 of
4 the Public Acts of 1988, being sections 257.224 and 257.801 of
5 the Michigan Compiled Laws, are amended to read as follows:

6 Sec. 224. (1) Except as otherwise provided in this act
7 regarding tabs or stickers, upon registering a vehicle, the

1 secretary of state shall issue to the owner 1 registration
2 plate.

3 (2) A registration plate shall display the registration
4 number assigned to the vehicle for which the registration plate
5 is issued; the name of this state, which may be abbreviated; and
6 when the registration plate expires, which may be shown by a tab
7 or sticker furnished by the secretary of state.

8 (3) A registration plate issued for motor vehicles owned and
9 operated by this state; a state institution; a municipality; A
10 PRIVATELY INCORPORATED, NONPROFIT VOLUNTEER FIRE DEPARTMENT; or a
11 nonpublic, nonprofit college or university of this state shall
12 not expire at any particular time but shall be renewed when the
13 registration plate is worn out or is illegible. This registra-
14 tion plate shall be assigned upon proper application and payment
15 of the applicable fee and may be used on any eligible vehicle
16 titled to the applicant if a written record is kept of the vehi-
17 cles upon which the registration plate is used. The written
18 record shall state the time the registration plate is used on a
19 particular vehicle. The record shall be open to inspection by a
20 law enforcement officer or a representative of the secretary of
21 state.

22 (4) A registration plate issued for a vehicle owned by the
23 civil air patrol as organized under sections 1 to 8, chapter 527,
24 60 Stat. 346 to 347, 36 U.S.C. 201 to 208; a vehicle owned by a
25 nonprofit organization and used to transport equipment for pro-
26 viding dialysis treatment to children at camp; an emergency
27 support vehicle used exclusively for emergencies and owned and

1 operated by a federally recognized nonprofit charitable
2 organization; a motor vehicle having a truck chassis and a loco-
3 motive or ship's body which is owned by a nonprofit veterans
4 organization and used exclusively in parades and civic events; a
5 motor vehicle owned and operated by a senior citizen center; ~~or~~
6 ~~a privately incorporated, nonprofit volunteer fire department,~~
7 and a registration plate issued for buses including station
8 wagons, carryalls, or similarly constructed vehicles owned and
9 operated by a nonprofit parents' transportation corporation used
10 for school purposes, parochial school, society, church Sunday
11 school, or other grammar school, or by a nonprofit youth organi-
12 zation or nonprofit rehabilitation facility shall be issued upon
13 proper application and payment of the applicable fee provided in
14 section 801(1)(g) or (h) to the applicant for the vehicle identi-
15 fied in the application. The vehicle shall be used exclusively
16 for activities of the school or organization and shall be desig-
17 nated by proper signs showing the school or organization operat-
18 ing the vehicle. The registration plate shall expire on December
19 31 in the fifth year following the date of issuance. The regis-
20 tration plate may be transferred to another vehicle upon proper
21 application and payment of a \$10.00 transfer fee.

22 (5) The registration plate and the required letters and
23 numerals on the registration plate shall be of sufficient size to
24 be plainly readable from a distance of 100 feet during daylight.
25 The secretary of state may issue a tab or tabs designating the
26 month and year of expiration.

1 (6) The secretary of state shall issue for every passenger
2 motor vehicle rented without a driver the same type of
3 registration plate as the type of registration plate issued for
4 private passenger vehicles.

5 (7) A person shall not operate a vehicle on the public high-
6 ways or streets of this state displaying a registration plate
7 other than the registration plate issued for the vehicle by the
8 secretary of state, except as provided in this chapter for non-
9 residents, and by assignment provided in subsection (3).

10 (8) The registration plate displayed on a vehicle registered
11 on the basis of elected gross weight shall indicate the elected
12 gross weight for which the vehicle is registered.

13 Sec. 801. (1) The secretary of state shall collect the fol-
14 lowing taxes at the time of registering a vehicle, which shall
15 exempt the vehicle from all other state and local taxation,
16 except the fees and taxes provided by law to be paid by certain
17 carriers operating motor vehicles and trailers under the motor
18 carrier act, Act No. 254 of the Public Acts of 1933, as amended,
19 being sections 475.1 to 479.20 of the Michigan Compiled Laws; the
20 taxes imposed by the motor carrier fuel tax act, Act No. 119 of
21 the Public Acts of 1980, as amended, being sections 207.211 to
22 207.235 of the Michigan Compiled Laws; a fee or fees imposed pur-
23 suant to the local road improvements and operations revenue act;
24 and except as otherwise provided by this act:

25 (a) For a motor vehicle, including a motor home, except as
26 otherwise provided, and a pickup truck or van, which pickup truck
27 or van weighs not more than 5,000 pounds and is not taxed under

1 subdivision (p), except as otherwise provided, according to the
 2 following schedule of empty weights:

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

21 On October 1, 1983, and October 1, 1984, the tax assessed
 22 under this subdivision shall be annually revised for the regis-
 23 trations expiring on the appropriate October 1 or after that date
 24 by multiplying the tax assessed in the preceding fiscal year
 25 times the personal income of Michigan for the preceding calendar
 26 year divided by the personal income of Michigan for the calendar

1 year which preceded that calendar year. In performing the
2 calculations under this subdivision, the secretary of state shall
3 use the spring preliminary report of the United States department
4 of commerce or its successor agency. A van which is owned and
5 operated by a person who uses a wheelchair and for which regis-
6 tration plates are issued pursuant to section 803d shall be
7 assessed at the rate of 50% of the tax provided for in this
8 subdivision.

9 (b) For a trailer coach attached to a motor vehicle 76 cents
10 per 100 pounds of empty weight of the trailer coach. A trailer
11 coach not under Act No. 243 of the Public Acts of 1959, being
12 sections 125.1035 to 125.1043 of the Michigan Compiled Laws, and
13 while located on land otherwise assessable as real property under
14 the general property tax act, Act No. 206 of the Public Acts of
15 1893, as amended, being sections 211.1 to 211.157 of the Michigan
16 Compiled Laws, if the trailer coach is used as a place of habita-
17 tion, and whether or not permanently affixed to the soil, shall
18 not be exempt from real property taxes.

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

25 (d) For a road tractor, truck, or truck tractor owned by a
26 wood harvester and used exclusively in connection with the wood
27 harvesting operations and not used for hire, 74 cents per 100

1 pounds of empty weight of the road tractor, truck, or truck
2 tractor. A registration secured by payment of the fee as pre-
3 scribed in this subdivision shall continue in full force and
4 effect until the regular expiration date of the registration.

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

11 (f) For a motor vehicle owned and operated by this state, a
12 state institution, a municipality, A PRIVATELY INCORPORATED, NON-
13 PROFIT VOLUNTEER FIRE DEPARTMENT, or a nonpublic, nonprofit col-
14 lege or university, \$5.00 per set; and for each motor vehicle
15 operating under municipal franchise, weighing less than 2,500
16 pounds, 65 cents per 100 pounds of the empty weight of the motor
17 vehicle, weighing from 2,500 to 4,000 pounds, 80 cents per 100
18 pounds of the empty weight of the motor vehicle, weighing 4,001
19 to 6,000 pounds, \$1.00 per 100 pounds of the empty weight of the
20 motor vehicle, and weighing over 6,000 pounds, \$1.25 per 100
21 pounds of the empty weight of the motor vehicle.

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

1 a senior citizen center, \$10.00 per set, if the bus, station
2 wagon, carryall, or similarly constructed vehicle or motor vehi-
3 cle is designated by proper signs showing the organization oper-
4 ating the vehicle.

5 (h) For a vehicle owned by a nonprofit organization and used
6 to transport equipment for providing dialysis treatment to chil-
7 dren at camp; for a vehicle owned by the civil air patrol, as
8 organized under sections 1 to 8 of chapter 527, 60 Stat. 346, 36
9 U.S.C. 201 to 208, \$10.00 per plate, if the vehicle is designated
10 by a proper sign showing the civil air patrol's name; for a motor
11 vehicle having a truck chassis and a locomotive or ship's body
12 which is owned by a nonprofit veterans organization and used
13 exclusively in parades and civic events; or for an emergency sup-
14 port vehicle used exclusively for emergencies and owned and oper-
15 ated by a federally recognized nonprofit charitable organization,
16 ~~or a motor vehicle owned and operated by a privately incorporat-~~
17 ~~ed, nonprofit volunteer fire department,~~ \$10.00 per plate.

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

22 (j) For each truck, weighing 8,000 pounds or less, and not
23 used to tow a vehicle, for each road service vehicle designed and
24 used to tow disabled vehicles, for each privately owned truck
25 used to tow a trailer for recreational purposes only and not
26 involved in a profit making venture, and for each vehicle
27 designed and used to tow a mobile home or a trailer coach, except

1 as provided in subdivision (b), \$38.00 or an amount computed
 2 according to the following schedule of empty weights, whichever
 3 is greater:

4	Empty weights	Per 100 pounds
5	0 to 2,500 pounds.....	\$ 1.40
6	2,501 to 4,000 pounds.....	1.76
7	4,001 to 6,000 pounds.....	2.20
8	6,001 to 8,000 pounds.....	2.72
9	8,001 to 10,000 pounds.....	3.25
10	10,001 to 15,000 pounds.....	3.77
11	15,001 pounds and over.....	4.39

12 If the tax required under subdivision (q) for a vehicle of
 13 the same model year with the same list price as the vehicle for
 14 which registration is sought under this subdivision is more than
 15 the tax provided under the preceding provisions of this subdivi-
 16 sion for an identical vehicle, the tax required under this subdivi-
 17 sion shall not be less than the tax required under subdivision
 18 (q) for a vehicle of the same model year with the same list
 19 price.

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

	Elected gross weight	Fee
1		
2	0 to 24,000 pounds.....	\$ 378.00
3	24,001 to 28,000 pounds.....	429.00
4	28,001 to 32,000 pounds.....	499.00
5	32,001 to 36,000 pounds.....	572.00
6	36,001 to 42,000 pounds.....	672.00
7	42,001 to 48,000 pounds.....	773.00
8	48,001 to 54,000 pounds.....	873.00
9	54,001 to 60,000 pounds.....	975.00
10	60,001 to 66,000 pounds.....	1,075.00
11	66,001 to 72,000 pounds.....	1,176.00
12	72,001 to 80,000 pounds.....	1,277.00
13	80,001 to 90,000 pounds.....	1,379.00
14	90,001 to 100,000 pounds.....	1,540.00
15	100,001 to 115,000 pounds.....	1,710.00
16	115,001 to 130,000 pounds.....	1,883.00
17	130,001 to 145,000 pounds.....	2,054.00
18	145,001 to 160,000 pounds.....	2,226.00
19	over 160,000 pounds.....	2,398.00

20 For each commercial vehicle registered pursuant to this sub-
21 division \$15.00 shall be deposited in a truck safety fund to be
22 expended for the purposes prescribed in section 25 of Act No. 51
23 of the Public Acts of 1951, being section 247.675 of the Michigan
24 Compiled Laws.

25 If a truck or road tractor without trailer is leased from an
26 individual owner-operator, the lessee, whether a person, firm, or

1 corporation, shall pay to the owner-operator 60% of the fee
 2 prescribed in this subdivision for the truck tractor or road
 3 tractor at the rate of 1/12 for each month of the lease or
 4 arrangement in addition to the compensation the owner-operator is
 5 entitled to for the rental of his or her equipment.

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

8	Empty weights	Fee
9	0 to 500 pounds.....	\$ 17.00
10	501 to 1,500 pounds.....	24.00
11	1,501 pounds and over.....	39.00
12	(m) For each commercial vehicle used for the transportation	
13	of passengers for hire except for a vehicle for which a payment	
14	is made pursuant to Act No. 2 of the Public Acts of 1960, being	
15	sections 257.971 to 257.972 of the Michigan Compiled Laws,	
16	according to the following schedule of empty weights:	

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

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

23 On October 1, 1983, and October 1, 1984, the tax assessed
 24 under this subdivision shall be annually revised for the

1 registrations expiring on the appropriate October 1 or after that
2 date by multiplying the tax assessed in the preceding fiscal year
3 times the personal income of Michigan for the preceding calendar
4 year divided by the personal income of Michigan for the calendar
5 year which preceded that calendar year. In performing the calcu-
6 lations under this subdivision, the secretary of state shall use
7 the spring preliminary report of the United States department of
8 commerce or its successor agency.

9 Beginning January 1, 1984, the registration tax for each
10 motorcycle shall be increased by \$3.00. The \$3.00 increase shall
11 not be considered as part of the tax assessed under this subdivi-
12 sion for the purpose of the annual October 1 revisions but shall
13 be in addition to the tax assessed as a result of the annual
14 October 1 revisions. Beginning January 1, 1984, \$3.00 of each
15 motorcycle fee shall be placed in a motorcycle safety fund in the
16 state treasury and shall be used only for funding the motorcycle
17 safety education program as provided for under sections 312b,
18 ~~and~~ 811a, AND 811B.

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

26 (p) For each pickup truck or van, which pickup truck or van
27 weighs not more than 5,000 pounds and is owned by a business,

1 corporation, or person other than an individual, according to the
2 following schedule of empty weights:

3	Empty weights	Fee
4	0 to 4,000 pounds.....	\$ 39.00
5	4,001 to 4,500 pounds.....	44.00
6	4,501 to 5,000 pounds.....	49.00

7 (q) 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 which has not been previously subject to the
10 tax rates of this section and which is of the motor vehicle cate-
11 gory otherwise subject to the tax schedule described in subdivi-
12 sion (a) according to the following schedule based upon registra-
13 tion periods of 12 months:

14 (i) Except as otherwise provided in this subdivision, for
15 the first registration, which is not a transfer registration
16 under section 809 and for the first registration after a transfer
17 registration under section 809, according to the following sched-
18 ule 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

1	More than \$10,000.00 - \$11,000.00.....	\$ 53.00
2	More than \$11,000.00 - \$12,000.00.....	\$ 58.00
3	More than \$12,000.00 - \$13,000.00.....	\$ 63.00
4	More than \$13,000.00 - \$14,000.00.....	\$ 68.00
5	More than \$14,000.00 - \$15,000.00.....	\$ 73.00
6	More than \$15,000.00 - \$16,000.00.....	\$ 78.00
7	More than \$16,000.00 - \$17,000.00.....	\$ 83.00
8	More than \$17,000.00 - \$18,000.00.....	\$ 88.00
9	More than \$18,000.00 - \$19,000.00.....	\$ 93.00
10	More than \$19,000.00 - \$20,000.00.....	\$ 98.00
11	More than \$20,000.00 - \$21,000.00.....	\$103.00
12	More than \$21,000.00 - \$22,000.00.....	\$108.00
13	More than \$22,000.00 - \$23,000.00.....	\$113.00
14	More than \$23,000.00 - \$24,000.00.....	\$118.00
15	More than \$24,000.00 - \$25,000.00.....	\$123.00
16	More than \$25,000.00 - \$26,000.00.....	\$128.00
17	More than \$26,000.00 - \$27,000.00.....	\$133.00
18	More than \$27,000.00 - \$28,000.00.....	\$138.00
19	More than \$28,000.00 - \$29,000.00.....	\$143.00
20	More than \$29,000.00 - \$30,000.00.....	\$148.00
21	More than \$30,000.00..... 0.5% of the list price	
22	(ii) For the second registration, 90% of the tax assessed	
23	under subparagraph (i).	
24	(iii) For the third registration, 90% of the tax assessed	
25	under subparagraph (ii).	
26	(iv) For the fourth and subsequent registrations, 90% of the	
27	tax assessed under subparagraph (iii).	

1 For a vehicle of the 1984 or a subsequent model year which
2 has been previously registered by a person other than the person
3 applying for registration or for a vehicle of the 1984 or a sub-
4 sequent model year which has been previously registered in
5 another state or country and is registered for the first time in
6 this state, the tax under this subdivision shall be determined by
7 subtracting the model year of the vehicle from the calendar year
8 for which the registration is sought. If the result is zero or a
9 negative figure, the first registration tax shall be paid. If
10 the result is 1, 2, or 3 or more, then, respectively, the second,
11 third, or subsequent registration tax shall be paid. A van which
12 is owned and operated by a person who uses a wheelchair and for
13 which registration plates are issued pursuant to section 803d
14 shall be assessed at the rate of 50% of the tax provided for in
15 this subdivision.

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

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

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

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

22 (4) As used in this section:

23 (a) "Gross proceeds" means gross proceeds as defined in sec-
24 tion 1 of the general sales tax act, Act No. 167 of the Public
25 Acts of 1933, being section 205.51 of the Michigan Compiled
26 Laws. However, gross proceeds shall include the value of the
27 motor vehicle used as part payment of the purchase price as that

1 value is agreed to by the parties to the sale, as evidenced by
2 the signed agreement executed pursuant to section 251.

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

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