

Act No. 291  
Public Acts of 1994  
Approved by the Governor  
April 12, 1994  
Filed with the Secretary of State  
April 13, 1994

**STATE OF MICHIGAN  
87TH LEGISLATURE  
REGULAR SESSION OF 1994**

**Introduced by Rep Profit**

# **ENROLLED HOUSE BILL No. 5288**

AN ACT to amend section 801 of Act No 300 of the Public Acts of 1949 entitled as amended An act to provide for the registration titling sale transfer and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles to provide for the licensing of dealers to provide for the examination licensing and control of operators and chauffeurs to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles to provide for the imposition levy and collection of specific taxes on vehicles and the levy and collection of sales and use taxes license fees and permit fees to provide for the regulation and use of streets and highways to create certain funds to provide penalties and sanctions for a violation of this act to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents to provide for the levy of certain assessments to provide for the enforcement of this act to provide for the creation of and to prescribe the powers and duties of certain state and local agencies to repeal all other acts or parts of acts inconsistent with this act or contrary to this act and to repeal certain parts of this act on a specific date as amended by Act No 181 of the Public Acts of 1990 being section 257 801 of the Michigan Compiled Laws and to add section 79c

*The People of the State of Michigan enact*

Section 1 Section 801 of Act No 300 of the Public Acts of 1949 as amended by Act No 181 of the Public Acts of 1990 being section 257 801 of the Michigan Compiled Laws is amended and section 79c is added to read as follows

Sec 79c Wrecker means a truck with a hoist towing apparatus or self loading flatbed or any combination of these items permanently affixed to the truck used to transport not more than 2 vehicles except for a motor vehicle equipped with a fifth wheel or a motor vehicle that tows the second vehicle on a trailer

Sec 801 (1) The secretary of state shall collect the following taxes at the time of registering a vehicle which shall exempt the vehicle from all other state and local taxation except the fees and taxes provided by law to be paid by certain carriers operating motor vehicles and trailers under the motor carrier act Act No 254 of the Public Acts of 1933 as amended being sections 475 1 to 479 20 of the Michigan Compiled Laws the taxes imposed by the motor carrier fuel tax act Act No 119 of the Public Acts of 1980 as amended being sections 207 211 to 207 235 of the Michigan Compiled Laws a fee or fees imposed pursuant to the local road improvements and operations revenue act 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 which pickup truck or van weighs not more than 5 000 pounds and is not taxed under subdivision (p) except as otherwise provided according to the following schedule of empty weights

Empty weights	Fee
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 be annually revised for the registrations expiring on the appropriate October 1 or after that date by multiplying the tax assessed in the preceding fiscal year times the personal income of Michigan for the preceding calendar year divided by the personal income of Michigan for the calendar year which preceded that calendar year In performing the calculations under this subdivision the secretary of state shall use the spring preliminary report of the United States department of commerce or its successor agency A van which is owned by a person who uses a wheelchair or by a person who transports a resident of his or her household who uses a wheelchair and for which registration plates are issued pursuant to section 803d shall be assessed at the rate of 50% of the tax provided for in this subdivision

(b) For a trailer coach attached to a motor vehicle 76 cents per 100 pounds of empty weight of the trailer coach A trailer coach not under Act No 243 of the Public Acts of 1959 being sections 125 1035 to 125 1043 of the Michigan Compiled Laws and while located on land otherwise assessable as real property under the general property tax act Act No 206 of the Public Acts of 1893 as amended being sections 211 1 to 211 157 of the Michigan Compiled Laws if the trailer coach is used as a place of habitation and whether or not permanently affixed to the soil shall not be exempt from real property taxes

(c) For a road tractor truck or truck tractor owned by a farmer and used exclusively in connection with the farmer s farming operations or used for the transportation of the farmer and the farmer s family and not used for hire 74 cents per 100 pounds of empty weight of the road tractor truck or truck tractor

(d) For a road tractor truck or truck tractor owned by a wood harvester and used exclusively in connection with the wood harvesting operations 74 cents per 100 pounds of empty weight of the road tractor truck or truck tractor A registration secured by payment of the fee as prescribed in this subdivision shall continue in full force and effect until the regular expiration date of the registration As used in this subdivision wood harvester includes the person or persons hauling and transporting raw materials only from the forest to the mill site Wood harvesting operations does not include the transportation of processed lumber

(e) For a hearse or ambulance used exclusively by a licensed funeral director in the general conduct of the licensee s funeral business including a hearse or ambulance whose owner is engaged in the business of leasing or renting the hearse or ambulance to others \$1 17 per 100 pounds of the empty weight of the hearse or ambulance

(f) For a motor vehicle owned and operated by this state a state institution a municipality a privately incorporated nonprofit volunteer fire department or a nonpublic nonprofit college or university \$5 00 per set and for each motor vehicle operating under municipal franchise weighing less than 2 500 pounds 65 cents per 100 pounds of the empty weight of the motor vehicle weighing from 2 500 to 4 000 pounds 80 cents per 100 pounds of the empty weight of the motor vehicle weighing 4 001 to 6 000 pounds \$1 00 per 100 pounds of the empty weight of the motor vehicle and weighing over 6 000 pounds \$1 25 per 100 pounds of the empty weight of the motor vehicle

(g) For a bus including a station wagon carryall or similarly constructed vehicle owned and operated by a nonprofit parents transportation corporation used for school purposes parochial school or society church Sunday school or any other grammar school or by a nonprofit youth organization or nonprofit rehabilitation facility or a motor vehicle owned and operated by a senior citizen center \$10 00 per set if the bus station wagon carryall or similarly constructed vehicle or motor vehicle is designated by proper signs showing the organization operating the vehicle

(h) For a vehicle owned by a nonprofit organization and used to transport equipment for providing dialysis treatment to children at camp for a vehicle owned by the civil air patrol as organized under sections 1 to 8 of chapter 527 60 Stat 346 36 U S C 201 to 208 \$10 00 per plate if the vehicle is designated by a proper sign showing the civil air patrol s name for a motor vehicle having a truck chassis and a locomotive or ship s body which is owned by a nonprofit veterans organization and used exclusively in parades and civic events or for an emergency support vehicle used exclusively for emergencies and owned and operated by a federally recognized nonprofit charitable organization \$10 00 per plate

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

(j) For each truck weighing 8 000 pounds or less and not used to tow a vehicle for each privately owned truck used to tow a trailer for recreational purposes only and not involved in a profit making venture and for each vehicle designed and used to tow a mobile home or a trailer coach except as provided in 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 the tax required under subdivision (q) 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 shall not be less than the tax required under subdivision (q) for a vehicle of the same model year with the same list price

(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) according to the following schedule of elected gross weights

Elected gross weight	Fee
0 to 24 000 pounds	\$ 378 00
24 001 to 28 000 pounds	429 00
28 001 to 32 000 pounds	499 00
32 001 to 36 000 pounds	572 00
36 001 to 42 000 pounds	672 00
42 001 to 48 000 pounds	773 00
48 001 to 54 000 pounds	873 00
54 001 to 60 000 pounds	975 00
60 001 to 66 000 pounds	1 075 00
66 001 to 72 000 pounds	1 176 00
72 001 to 80 000 pounds	1 277 00
80 001 to 90 000 pounds	1 379 00
90 001 to 100 000 pounds	1 540 00
100 001 to 115 000 pounds	1 710 00
115 001 to 130 000 pounds	1 883 00
130 001 to 145 000 pounds	2 054 00
145 001 to 160 000 pounds	2 226 00
over 160 000 pounds	2 398 00

For each commercial vehicle registered pursuant to this subdivision \$15 00 shall be deposited in a truck safety fund to be expended for the purposes prescribed in section 25 of Act No 51 of the Public Acts of 1951 being section 247 675 of the Michigan Compiled Laws

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

(l) For each pole trailer semitrailer or trailer according to the following schedule of rates

Empty weights	Fee
0 to 500 pounds	\$ 17 00
501 to 1 500 pounds	24 00
1 501 pounds and over	39 00

(m) For each commercial vehicle used for the transportation of passengers for hire except for a vehicle for which a payment is made pursuant to Act No 2 of the Public Acts of 1960 being sections 257 971 to 257 972 of the Michigan Compiled Laws according to the following schedule of empty weights

Empty weights	Per 100 pounds
0 to 4 000 pounds	\$ 1 76
4 001 to 6 000 pounds	2 20
6 001 to 10 000 pounds	2 72
10 001 pounds and over	3 25

(n) For each motorcycle

\$ 23 00

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

Beginning January 1 1984 the registration tax for each motorcycle shall be increased by \$3 00 The \$3 00 increase shall not be considered as part of the tax assessed under this subdivision for the purpose of the annual October 1 revisions but shall be in addition to the tax assessed as a result of the annual October 1 revisions Beginning January 1 1984 \$3 00 of each motorcycle fee shall be placed in a motorcycle safety fund in the state treasury and shall be used only for funding the motorcycle safety education program as provided for under sections 312b and 811a

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

(p) For each pickup truck or van which pickup truck or van weighs not more than 5 000 pounds and is owned by a business corporation or person other than an individual according to the following schedule of empty weights

Empty weights	Fee
0 to 4 000 pounds	\$ 39 00
4 001 to 4 500 pounds	44 00
4 501 to 5 000 pounds	49 00

(q) After September 30 1983 each motor vehicle of the 1984 or a subsequent model year as shown on the application required under section 217 which has not been previously subject to the tax rates of this section and which is of the motor vehicle category otherwise subject to the tax schedule described in subdivision (a) according to the following schedule based upon registration periods of 12 months

(r) Except as otherwise provided in this subdivision for the first registration which 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

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
More than \$23 000 00 \$24 000 00	\$ 118 00
More than \$24 000 00 \$25 000 00	\$ 123 00
More than \$25 000 00 \$26 000 00	\$ 128 00
More than \$26 000 00 \$27 000 00	\$ 133 00
More than \$27 000 00 \$28 000 00	\$ 138 00
More than \$28 000 00 \$29 000 00	\$ 143 00
More than \$29 000 00 \$30 000 00	\$ 148 00
More than \$30 000 00	0 5% of the list price

(u) For the second registration 90% of the tax assessed under subparagraph (r)

(v) For the third registration 90% of the tax assessed under subparagraph (u)

(w) For the fourth and subsequent registrations 90% of the tax assessed under subparagraph (v)

For a vehicle of the 1984 or a subsequent model year which has been previously registered by a person other than the person applying for registration or for a vehicle of the 1984 or a subsequent model year which has been previously registered in another state or country and is registered for the first time in this state the tax under this subdivision shall be 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 be paid. If the result is 1, 2, or 3 or more then respectively the second, third, or subsequent registration tax shall be paid. A van which is owned by a person who uses a wheelchair or by a person who transports a resident of his or her household who uses a wheelchair and for which registration plates are issued pursuant to section 803d shall be assessed at the rate of 50% of the tax provided for in this subdivision.

(r) For a wrecker \$200.00

(s) When the secretary of state computes a tax under this section a computation which does not result in a whole dollar figure shall be rounded to the next lower whole dollar when the computation results in a figure ending in 50 cents or less and shall be rounded to the next higher whole dollar when the computation results in a figure ending in 51 cents or more unless specific fees are specified and may accept the manufacturer's shipping weight of the vehicle fully equipped for the use for which the registration application is made. If the weight is not correctly stated or is not satisfactory the secretary of state shall determine the actual weight. Each application for registration of a vehicle under subdivisions (j) and (m) shall have attached to the application a scale weight receipt of the vehicle fully equipped as of the time the application is made. The scale weight receipt is not necessary if there is presented with the application a registration receipt of the previous year which shows on its face the weight of the motor vehicle as registered with the secretary of state and which is accompanied by a statement of the applicant that there has not been a structural change in the motor vehicle which has increased the weight and that the previous registered weight is the true weight.

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

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

(4) As used in this section

(a) Gross proceeds means gross proceeds as defined in section 1 of the general sales tax act, Act No. 167 of the Public Acts of 1933, being section 205.51 of the Michigan Compiled Laws. However, gross proceeds shall include the value of the motor vehicle used as part payment of the purchase price as that value is agreed to by the parties to the sale as evidenced by the signed agreement executed pursuant to section 251.

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

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

Section 2 This amendatory act shall take effect June 1, 1994.