

**SUBSTITUTE FOR  
SENATE BILL NO. 1035**

A bill to amend 1949 PA 300, entitled  
"Michigan vehicle code,"  
by amending section 801 (MCL 257.801), as amended by 2004 PA 427.

**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 the vehicle from all other state and local taxation, except  
4 the fees and taxes provided by law to be paid by certain carriers  
5 operating motor vehicles and trailers under the motor carrier act,  
6 1933 PA 254, MCL 475.1 to 479.43; the taxes imposed by the motor  
7 carrier fuel tax act, 1980 PA 119, MCL 207.211 to 207.234; and  
8 except as otherwise provided by this act:

9           (a) For a motor vehicle, including a motor home, except as  
10 otherwise provided, and a pickup truck or van that weighs not more

1 than 8,000 pounds, except as otherwise provided, according to the  
2 following schedule of empty weights:

3	Empty weights	Tax
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  
23 registrations expiring on the appropriate October 1 or after that  
24 date 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  
27 year that preceded that calendar year. In performing the

1 calculations under this subdivision, the secretary of state shall  
2 use the spring preliminary report of the United States department  
3 of commerce or its successor agency. A van that is owned by an  
4 individual who uses a wheelchair or by an individual who transports  
5 a resident of his or her household who uses a wheelchair and for  
6 which registration plates are issued under 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, the tax  
10 shall be assessed as provided in subdivision (l). A trailer coach  
11 not under 1959 PA 243, MCL 125.1035 to 125.1043, and while located  
12 on land otherwise assessable as real property under the general  
13 property tax act, 1893 PA 206, MCL 211.1 to 211.157, if the trailer  
14 coach is used as a place of habitation, and whether or not  
15 permanently affixed to the soil, is not exempt from real property  
16 taxes.

17 (c) For a road tractor, truck, or truck tractor owned by a  
18 farmer and used exclusively in connection with a farming operation,  
19 including a farmer hauling livestock or farm equipment for other  
20 farmers for remuneration in kind or in labor, but not for money, or  
21 used for the transportation of the farmer and the farmer's family,  
22 and not used for hire, 74 cents per 100 pounds of empty weight of  
23 the road tractor, truck, or truck tractor. If the road tractor,  
24 truck, or truck tractor owned by a farmer is also used for a  
25 nonfarming operation, the farmer is subject to the highest  
26 registration tax applicable to the nonfarm use of the vehicle but  
27 is not subject to more than 1 tax rate under this act.

1 (d) For a road tractor, truck, or truck tractor owned by a  
2 wood harvester and used exclusively in connection with the wood  
3 harvesting operations or a truck used exclusively to haul milk from  
4 the farm to the first point of delivery, 74 cents per 100 pounds of  
5 empty weight of the road tractor, truck, or truck tractor. A  
6 registration secured by payment of the ~~fee as~~ **TAX** prescribed in  
7 this subdivision continues in full force and effect until the  
8 regular expiration date of the registration. As used in this  
9 subdivision: ~~—, "wood~~

10 (i) **"WOOD harvester"** includes the person or persons hauling and  
11 transporting raw materials in the form produced at the harvest site  
12 **OR HAULING AND TRANSPORTING WOOD HARVESTING EQUIPMENT.** ~~As used in~~  
13 ~~this subdivision, "wood~~ **WOOD HARVESTER DOES NOT INCLUDE A PERSON**  
14 **OR PERSONS WHOSE PRIMARY ACTIVITY IS TREE-TRIMMING OR LANDSCAPING.**

15 (ii) **"WOOD HARVESTING EQUIPMENT"** INCLUDES ALL OF THE FOLLOWING:

16 (A) **A VEHICLE THAT DIRECTLY HARVESTS LOGS OR TIMBER,**  
17 **INCLUDING, BUT NOT LIMITED TO, A PROCESSOR OR A FELLER BUNCHER.**

18 (B) **A VEHICLE THAT DIRECTLY PROCESSES HARVESTED LOGS OR**  
19 **TIMBER, INCLUDING, BUT NOT LIMITED TO, A SLASHER, DELIMBER,**  
20 **PROCESSOR, CHIPPER, OR SAW TABLE.**

21 (C) **A VEHICLE THAT DIRECTLY PROCESSES HARVESTED LOGS OR**  
22 **TIMBER, INCLUDING, BUT NOT LIMITED TO, A FORWARDER, GRAPPLE**  
23 **SKIDDER, OR CABLE SKIDDER.**

24 (D) **A VEHICLE THAT DIRECTLY LOADS HARVESTED LOGS OR TIMBER,**  
25 **INCLUDING, BUT NOT LIMITED TO, A KNUCLE-BOOM LOADER, FRONT-END**  
26 **LOADER, OR FORKLIFT.**

27 (E) **A BULLDOZER OR ROAD GRADER BEING TRANSPORTED TO A WOOD**

1 **HARVESTING SITE SPECIFICALLY FOR THE PURPOSE OF BUILDING OR**  
2 **MAINTAINING HARVEST SITE ROADS.**

3 (iii) "WOOD harvesting operations" does not include the  
4 transportation of processed lumber, Christmas trees, or processed  
5 firewood for a profit making venture.

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

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

19 (g) For a bus including a station wagon, carryall, or  
20 similarly constructed vehicle owned and operated by a nonprofit  
21 parents' transportation corporation used for school purposes,  
22 parochial school or society, church Sunday school, or any other  
23 grammar school, or by a nonprofit youth organization or nonprofit  
24 rehabilitation facility; or a motor vehicle owned and operated by a  
25 senior citizen center, \$10.00, ~~per set,~~ if the bus, station  
26 wagon, carryall, or similarly constructed vehicle or motor vehicle  
27 is designated by proper signs showing the organization operating

1 the vehicle.

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

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

20 (j) For each truck, weighing 8,000 pounds or less, and not  
21 used to tow a vehicle, for each privately owned truck used to tow a  
22 trailer for recreational purposes only and not involved in a profit  
23 making venture, and for each vehicle designed and used to tow a  
24 mobile home or a trailer coach, except as provided in subdivision  
25 (b), \$38.00 or an amount computed according to the following  
26 schedule of empty weights, whichever is greater:

	Empty weights	Per 100 pounds
1		
2	0 to 2,500 pounds .....	\$ 1.40
3	2,501 to 4,000 pounds .....	1.76
4	4,001 to 6,000 pounds .....	2.20
5	6,001 to 8,000 pounds .....	2.72
6	8,001 to 10,000 pounds .....	3.25
7	10,001 to 15,000 pounds .....	3.77
8	15,001 pounds and over .....	4.39

9 If the tax required under subdivision (p) for a vehicle of the  
10 same model year with the same list price as the vehicle for which  
11 registration is sought under this subdivision is more than the tax  
12 provided under the preceding provisions of this subdivision for an  
13 identical vehicle, the tax required under this subdivision is not  
14 less than the tax required under subdivision (p) for a vehicle of  
15 the same model year with the same list price.

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

	Elected gross weight	Tax
21		
22	0 to 24,000 pounds .....	\$ 491.00
23	24,001 to 26,000 pounds .....	558.00
24	26,001 to 28,000 pounds .....	558.00
25	28,001 to 32,000 pounds .....	649.00
26	32,001 to 36,000 pounds .....	744.00
27	36,001 to 42,000 pounds .....	874.00

1	42,001 to 48,000 pounds .....	1,005.00
2	48,001 to 54,000 pounds .....	1,135.00
3	54,001 to 60,000 pounds .....	1,268.00
4	60,001 to 66,000 pounds .....	1,398.00
5	66,001 to 72,000 pounds .....	1,529.00
6	72,001 to 80,000 pounds .....	1,660.00
7	80,001 to 90,000 pounds .....	1,793.00
8	90,001 to 100,000 pounds .....	2,002.00
9	100,001 to 115,000 pounds .....	2,223.00
10	115,001 to 130,000 pounds .....	2,448.00
11	130,001 to 145,000 pounds .....	2,670.00
12	145,001 to 160,000 pounds .....	2,894.00
13	over 160,000 pounds .....	3,117.00

14 For each commercial vehicle registered under this subdivision,  
15 \$15.00 shall be deposited in a truck safety fund to be expended for  
16 the purposes prescribed in section 25 of 1951 PA 51, MCL 247.675.

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

24 (l) For each pole trailer, semitrailer, trailer coach, or  
25 trailer, the tax shall be assessed according to the following  
26 schedule of empty weights:

27	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. If the secretary of state reissues a new  
 7 registration plate for all trailers, a person who has once paid the  
 8 tax for a vehicle under this subdivision is not required to pay the  
 9 tax for that vehicle a second time, but is required to pay only the  
 10 cost of the reissued plate at the rate provided in section 804(2)  
 11 for a standard plate. A registration plate issued under this  
 12 subdivision is nontransferable.

13 (m) For each commercial vehicle used for the transportation of  
 14 passengers for hire except for a vehicle for which a payment is  
 15 made under 1960 PA 2, MCL 257.971 to 257.972, according to the  
 16 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  
 25 registrations expiring on the appropriate October 1 or after that  
 26 date by multiplying the tax assessed in the preceding fiscal year  
 27 times the personal income of Michigan for the preceding calendar

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

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

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

21 (p) After September 30, 1983, each motor vehicle of the 1984  
22 or a subsequent model year as shown on the application required  
23 under section 217 that has not been previously subject to the tax  
24 rates of this section and that is of the motor vehicle category  
25 otherwise subject to the tax schedule described in subdivision (a),  
26 and each low-speed vehicle according to the following schedule  
27 based upon registration periods of 12 months:

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

6 List Price	7 Tax
8 \$ 0 - \$ 6,000.00 .....	\$ 30.00
9 More than \$ 6,000.00 - \$ 7,000.00 .....	\$ 33.00
10 More than \$ 7,000.00 - \$ 8,000.00 .....	\$ 38.00
11 More than \$ 8,000.00 - \$ 9,000.00 .....	\$ 43.00
12 More than \$ 9,000.00 - \$ 10,000.00 .....	\$ 48.00
13 More than \$ 10,000.00 - \$ 11,000.00 .....	\$ 53.00
14 More than \$ 11,000.00 - \$ 12,000.00 .....	\$ 58.00
15 More than \$ 12,000.00 - \$ 13,000.00 .....	\$ 63.00
16 More than \$ 13,000.00 - \$ 14,000.00 .....	\$ 68.00
17 More than \$ 14,000.00 - \$ 15,000.00 .....	\$ 73.00
18 More than \$ 15,000.00 - \$ 16,000.00 .....	\$ 78.00
19 More than \$ 16,000.00 - \$ 17,000.00 .....	\$ 83.00
20 More than \$ 17,000.00 - \$ 18,000.00 .....	\$ 88.00
21 More than \$ 18,000.00 - \$ 19,000.00 .....	\$ 93.00
22 More than \$ 19,000.00 - \$ 20,000.00 .....	\$ 98.00
23 More than \$ 20,000.00 - \$ 21,000.00 .....	\$ 103.00
24 More than \$ 21,000.00 - \$ 22,000.00 .....	\$ 108.00
25 More than \$ 22,000.00 - \$ 23,000.00 .....	\$ 113.00
26 More than \$ 23,000.00 - \$ 24,000.00 .....	\$ 118.00
27 More than \$ 24,000.00 - \$ 25,000.00 .....	\$ 123.00
	\$ 128.00

1	More than \$ 26,000.00 - \$ 27,000.00 .....	\$ 133.00
2	More than \$ 27,000.00 - \$ 28,000.00 .....	\$ 138.00
3	More than \$ 28,000.00 - \$ 29,000.00 .....	\$ 143.00
4	More than \$ 29,000.00 - \$ 30,000.00 .....	\$ 148.00

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

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

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

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

17 For a vehicle of the 1984 or a subsequent model year that has  
18 been previously registered by a person other than the person  
19 applying for registration or for a vehicle of the 1984 or a  
20 subsequent model year that has been previously registered in  
21 another state or country and is registered for the first time in  
22 this state, the tax under this subdivision shall be determined by  
23 subtracting the model year of the vehicle from the calendar year  
24 for which the registration is sought. If the result is zero or a  
25 negative figure, the first registration tax shall be paid. If the  
26 result is 1, 2, or 3 or more, then, respectively, the second,  
27 third, or subsequent registration tax shall be paid. A van that is

1 owned by an individual who uses a wheelchair or by an individual  
2 who transports a resident of his or her household who uses a  
3 wheelchair and for which registration plates are issued under  
4 section 803d shall be assessed at the rate of 50% of the tax  
5 provided for in this subdivision.

6 (q) For a wrecker, \$200.00.

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

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

5 (3) Until October 1, 2009, the tax for a vehicle with an empty  
6 weight over 10,000 pounds imposed under subsection (1)(a) and the  
7 taxes imposed under subsection (1)(c), (d), (e), (f), (i), (j),  
8 (m), (o), and (p) are each increased as follows:

9 (a) A regulatory fee of \$2.25 that shall be credited to the  
10 traffic law enforcement and safety fund created in section 819a and  
11 used to regulate highway safety.

12 (b) A fee of \$5.75 that shall be credited to the  
13 transportation administration collection fund created in section  
14 810b.

15 (4) If a tax required to be paid under this section is not  
16 received by the secretary of state on or before the expiration date  
17 of the registration plate, the secretary of state shall collect a  
18 late fee of \$10.00 for each registration renewed after the  
19 expiration date. An application for a renewal of a registration  
20 using the regular mail and postmarked before the expiration date of  
21 that registration shall not be assessed a late fee. The late fee  
22 collected under this subsection shall be deposited into the general  
23 fund.

24 (5) As used in this section:

25 (a) "Gross proceeds" means that term as defined in section 1  
26 of the general sales tax act, 1933 PA 167, MCL 205.51, and includes  
27 the value of the motor vehicle used as part payment of the purchase

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

3 (b) "List price" means the manufacturer's suggested base list  
4 price as published by the secretary of state, or the manufacturer's  
5 suggested retail price as shown on the label required to be affixed  
6 to the vehicle under ~~section 2 of the automobile information~~  
7 ~~disclosure act,~~ 15 USC 1232, if the secretary of state has not at  
8 the time of the sale of the vehicle published a manufacturer's  
9 suggested retail price for that vehicle, or the purchase price of  
10 the vehicle if the manufacturer's suggested base list price is  
11 unavailable from the sources described in this subdivision.

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