

HOUSE BILL NO. 4537

May 01, 2019, Introduced by Reps. Lower and Marino and referred to the Committee on Transportation.

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 217, 801, and 801j (MCL 257.217, 257.801, and 257.801j), section 217 as amended by 2014 PA 290, 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. 217. (1) An owner of a vehicle that is subject to
2 registration under this act shall apply to the secretary of state,
3 upon an appropriate form furnished by the secretary of state, for
4 the registration of the vehicle and issuance of a certificate of



1 title for the vehicle. A vehicle brought into this state from
2 another state or jurisdiction that has a rebuilt, salvage, scrap,
3 flood, or comparable certificate of title issued by that other
4 state or jurisdiction shall be issued a rebuilt, salvage, scrap, or
5 flood certificate of title by the secretary of state. The
6 application shall be accompanied by the required fee. An
7 application for a certificate of title shall bear the signature or
8 verification and certification of the owner. The application shall
9 contain all of the following:

10 (a) The owner's name, the owner's bona fide residence, and
11 either of the following:

12 (i) If the owner is an individual, the owner's mailing address.

13 (ii) If the owner is a firm, association, partnership, limited
14 liability company, or corporation, the owner's business address.

15 (b) A description of the vehicle including the make or name,
16 style of body, and model year; the number of miles, not including
17 the tenths of a mile, registered on the vehicle's odometer at the
18 time of transfer; whether the vehicle is a flood vehicle or another
19 state previously issued the vehicle a flood certificate of title;
20 whether the vehicle is to be or has been used as a taxi or police
21 vehicle, or by a political subdivision of this state, unless the
22 vehicle is owned by a dealer and loaned or leased to a political
23 subdivision of this state for use as a driver education vehicle;
24 whether the vehicle has previously been issued a salvage or rebuilt
25 certificate of title from this state or a comparable certificate of
26 title from any other state or jurisdiction; vehicle identification
27 number; and the vehicle's weight fully equipped, if a passenger
28 vehicle registered in accordance with section 801(1)(a), and, if a
29 trailer coach or pickup camper, in addition to the weight, the



1 manufacturer's serial number, or in the absence of the serial
2 number, a number assigned by the secretary of state. A number
3 assigned by the secretary of state shall be permanently placed on
4 the trailer coach or pickup camper in the manner and place
5 designated by the secretary of state.

6 (c) A statement of the applicant's title and the names and
7 addresses of the holders of security interests in the vehicle and
8 in an accessory to the vehicle, in the order of their priority.

9 (d) Further information that the secretary of state reasonably
10 requires to enable the secretary of state to determine whether the
11 vehicle is lawfully entitled to registration and the owner entitled
12 to a certificate of title. If the secretary of state is not
13 satisfied as to the ownership of a vehicle having a value over
14 \$2,500.00 or that is less than 10 years old, before registering the
15 vehicle and issuing a certificate of title, the secretary of state
16 may require the applicant to file a properly executed surety bond
17 in a form prescribed by the secretary of state and executed by the
18 applicant and a company authorized to conduct a surety business in
19 this state. The bond shall be in an amount equal to twice the value
20 of the vehicle as determined by the secretary of state and shall be
21 conditioned to indemnify or reimburse the secretary of state, any
22 prior owner, and any subsequent purchaser or lessee of the vehicle
23 and their successors in interest against any expense, loss, or
24 damage, including reasonable attorney's fees, by reason of the
25 issuance of a certificate of title for the vehicle or on account of
26 any defect in the right, title, or interest of the applicant in the
27 vehicle. An interested person has a right of action to recover on
28 the bond for a breach of the conditions of the bond, but the
29 aggregate liability of the surety to all persons shall not exceed



1 the amount of the bond. If the secretary of state is not satisfied
2 as to the ownership of a vehicle that is valued at \$2,500.00 or
3 less and that is 10 years old or older, the secretary of state
4 shall require the applicant to certify that the applicant is the
5 owner of the vehicle and entitled to register and title the
6 vehicle.

7 (e) Except as provided in subdivision (f), an application for
8 a commercial vehicle shall also have attached a scale weight
9 receipt of the motor vehicle fully equipped as of the time the
10 application is made. A scale weight receipt is not necessary if
11 there is presented with the application a registration receipt of
12 the previous year that shows on its face the empty weight of the
13 motor vehicle as registered with the secretary of state that is
14 accompanied by a statement of the applicant that there has not been
15 structural change in the motor vehicle that has increased the empty
16 weight and that the previous registered weight is the true weight.

17 (f) An application for registration of a vehicle on the basis
18 of elected gross weight shall include a declaration by the
19 applicant specifying the elected gross weight for which application
20 is being made.

21 ~~(g) If the application is for a certificate of title of a~~
22 ~~motor vehicle registered in accordance with section 801(1)(p), the~~
23 **An application for registration of a vehicle subject to an**
24 **additional tax charged by a regional transit authority under**
25 **section 801j** shall include the manufacturer's suggested base list
26 price for the model year of the vehicle. The base list price shall
27 be the manufacturer's suggested retail price as shown on the label
28 required to be affixed to the vehicle under 15 USC 1232. If the
29 manufacturer's suggested retail price is unavailable, the



1 application shall list the purchase price of the vehicle as defined
2 in section ~~801.801j~~.

3 (2) An applicant for registration of a leased pickup truck or
4 passenger vehicle that is subject to registration under this act,
5 except a vehicle that is subject to a registration fee under
6 section 801g, shall disclose in writing to the secretary of state
7 the lessee's name, the lessee's bona fide residence, and either of
8 the following:

9 (a) If the lessee is an individual, the lessee's Michigan
10 driver license number or Michigan personal identification number
11 or, if the lessee does not have a Michigan driver license or
12 Michigan personal identification number, the lessee's mailing
13 address.

14 (b) If the lessee is a firm, association, partnership, limited
15 liability company, or corporation, the lessee's business address.

16 (3) The secretary of state shall maintain the information
17 described in subsection (2) on the secretary of state's computer
18 records.

19 (4) Except as provided in subsection (5), a dealer selling,
20 leasing, or exchanging vehicles required to be titled, within 15
21 days after delivering a vehicle to the purchaser or lessee, and a
22 person engaged in the sale of vessels required to be numbered by
23 part 801 of the natural resources and environmental protection act,
24 1994 PA 451, MCL 324.80101 to 324.80199, within 15 days after
25 delivering a boat trailer weighing less than 2,500 pounds to the
26 purchaser or lessee, shall apply to the secretary of state for a
27 new title, if required, and transfer or secure registration plates
28 and secure a certificate of registration for the vehicle or boat
29 trailer, in the name of the purchaser or lessee. The dealer's



1 license may be suspended or revoked in accordance with section 249
2 for failure to apply for a title when required or for failure to
3 transfer or secure registration plates and certificate of
4 registration within the 15 days required by this section. If the
5 dealer or person fails to apply for a title when required, and to
6 transfer or secure registration plates and secure a certificate of
7 registration and pay the required fees within 15 days of delivery
8 of the vehicle or boat trailer, a title and registration for the
9 vehicle or boat trailer may subsequently be acquired only upon the
10 payment of a late transfer fee of \$15.00 for an individual or a
11 dealer other than a dealer subject to section 235b in addition to
12 the fees specified in section 806. For a used or secondhand vehicle
13 dealer subject to section 235b, the late transfer fee is \$100.00 in
14 addition to the fees specified in section 806. The purchaser or
15 lessee of the vehicle or the purchaser of the boat trailer shall
16 sign the application, including, if applicable, the declaration
17 specifying the maximum elected gross weight as required by
18 subsection (1)(f), and other necessary papers to enable the dealer
19 or person to secure the title, registration plates, and transfers
20 from the secretary of state. If the secretary of state mails or
21 delivers a purchaser's certificate of title to a dealer, the dealer
22 shall mail or deliver the certificate of title to the purchaser not
23 more than 5 days after receiving the certificate of title from the
24 secretary of state. However, as provided under section 238, the
25 secretary of state is not required to issue a title to the owner of
26 a vehicle or lienholder if the title is subject to a security
27 interest.

28 (5) A dealer selling or exchanging an off lease or buy back
29 vehicle shall apply to the secretary of state for a new title for

1 the vehicle within 15 days after it receives the certificate of
2 title from the lessor or manufacturer under section 235 or section
3 235b and transfer or secure registration plates and secure a
4 certificate of registration for the vehicle in the name of the
5 purchaser. The dealer's license may be suspended or revoked in
6 accordance with section 249 for failure to apply for a title when
7 required or for failure to transfer or secure registration plates
8 and certificate of registration within the 15-day period. If the
9 dealer or person fails to apply for a title when required, and to
10 transfer or secure registration plates and secure a certificate of
11 registration and pay the required fees within the 15-day time
12 period, a title and registration for the vehicle may subsequently
13 be acquired only upon the payment of a late transfer fee of \$15.00
14 for an individual or dealer other than a used or secondhand vehicle
15 dealer subject to section 235b in addition to the fees specified in
16 section 806. The late transfer fee for a used or secondhand vehicle
17 dealer subject to section 235b is \$100.00 in addition to the fees
18 specified in section 806. The purchaser of the vehicle shall sign
19 the application, including, if applicable, the declaration
20 specifying the maximum elected gross weight as required by
21 subsection (1)(f), and other necessary papers to enable the dealer
22 or person to secure the title, registration plates, and transfers
23 from the secretary of state. If the secretary of state mails or
24 delivers a purchaser's certificate of title to a dealer, the dealer
25 shall mail or deliver the certificate of title to the purchaser not
26 more than 5 days after receiving the certificate of title from the
27 secretary of state. However, as provided under section 238, the
28 secretary of state is not required to issue a title to the owner of
29 a vehicle if the title is subject to a security interest.



1 (6) If a vehicle is delivered to a purchaser or lessee who has
2 valid Michigan registration plates that are to be transferred to
3 the vehicle, and an application for title, if required, and
4 registration for the vehicle is not made before delivery of the
5 vehicle to the purchaser or lessee, the registration plates shall
6 be affixed to the vehicle immediately, and the dealer shall provide
7 the purchaser or lessee with an instrument in writing, on a form
8 prescribed by the secretary of state, which shall serve as a
9 temporary registration for the vehicle for a period of 15 days from
10 the date the vehicle is delivered.

11 (7) If the seller does not prepare the credit information,
12 contract note, and mortgage, and the holder, finance company,
13 credit union, or banking institution requires the installment
14 seller to record the lien on the title, the holder, finance
15 company, credit union, or banking institution shall pay the seller
16 a service fee of not more than \$10.00. The service fee shall be
17 paid from the finance charges and shall not be charged to the buyer
18 in addition to the finance charges. The holder, finance company,
19 credit union, or banking institution shall issue its check or bank
20 draft for the principal amount financed, payable jointly to the
21 buyer and seller, and there shall be imprinted on the back side of
22 the check or bank draft the following:

23 "Under Michigan law, the seller must record a first lien in
24 favor of (name of lender) _____ on the vehicle with
25 vehicle identification number _____ and title the vehicle
26 only in the name(s) shown on the reverse side."

27 (8) On the front of the check or draft described under
28 subsection (7), the holder, finance company, credit union, or
29 banking institution shall note the name or names of the prospective



1 owners. Failure of the holder, finance company, credit union, or
2 banking institution to comply with these requirements frees the
3 seller from any obligation to record the lien or from any liability
4 that may arise as a result of the failure to record the lien. A
5 service fee shall not be charged to the buyer.

6 (9) In the absence of actual malice proved independently and
7 not inferred from lack of probable cause, a person who in any
8 manner causes a prosecution for larceny of a motor vehicle; for
9 embezzlement of a motor vehicle; for any crime an element of which
10 is the taking of a motor vehicle without authority; or for buying,
11 receiving, possessing, leasing, or aiding in the concealment of a
12 stolen, embezzled, or converted motor vehicle knowing that the
13 motor vehicle has been stolen, embezzled, or converted, is not
14 liable for damages in a civil action for causing the prosecution.
15 This subsection does not relieve a person from proving any other
16 element necessary to sustain his or her cause of action.

17 (10) Receipt by the secretary of state of a properly tendered
18 application for a certificate of title on which a security interest
19 in a vehicle is to be indicated is a condition of perfection of a
20 security interest in the vehicle and is equivalent to filing a
21 financing statement under the uniform commercial code, 1962 PA 174,
22 MCL 440.1101 to 440.9994, with respect to the vehicle. When a
23 security interest in a vehicle is perfected, it has priority over
24 the rights of a lien creditor as lien creditor is defined in
25 section 9102 of the uniform commercial code, 1962 PA 174, MCL
26 440.9102.

27 Sec. 801. (1) The secretary of state shall collect the
28 following taxes at the time of registering a vehicle, which shall
29 exempt the vehicle from all other state and local taxation, except



1 the fees and taxes provided by law to be paid by certain carriers
2 operating motor vehicles and trailers under the motor carrier act,
3 1933 PA 254, MCL 475.1 to 479.42; the taxes imposed by the motor
4 carrier fuel tax act, 1980 PA 119, MCL 207.211 to 207.234; and
5 except as otherwise provided by this act:

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

10	Empty weights	Tax
11	0 to 3,000 pounds.....	\$ 29.00
12	3,001 to 3,500 pounds.....	32.00
13	3,501 to 4,000 pounds.....	37.00
14	4,001 to 4,500 pounds.....	43.00
15	4,501 to 5,000 pounds.....	47.00
16	5,001 to 5,500 pounds.....	52.00
17	5,501 to 6,000 pounds.....	57.00
18	6,001 to 6,500 pounds.....	62.00
19	6,501 to 7,000 pounds.....	67.00
20	7,001 to 7,500 pounds.....	71.00
21	7,501 to 8,000 pounds.....	77.00
22	8,001 to 8,500 pounds.....	81.00
23	8,501 to 9,000 pounds.....	86.00
24	9,001 to 9,500 pounds.....	91.00
25	9,501 to 10,000 pounds.....	95.00
26	over 10,000 pounds.....	\$ 0.90 per 100 pounds
27		of empty weight

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

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

27 (c) For a road tractor, modified agricultural vehicle, truck,
28 or truck tractor owned by a farmer and used exclusively in
29 connection with a farming operation, including a farmer hauling



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

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

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

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

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

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

29 (C) A vehicle that directly processes harvested logs or



1 timber, including, but not limited to, a forwarder, grapple
2 skidder, or cable skidder.

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

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

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

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

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

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



1 rehabilitation facility; or a motor vehicle owned and operated by a
 2 senior citizen center, \$10.00, if the bus, station wagon, carryall,
 3 or similarly constructed vehicle or motor vehicle is designated by
 4 proper signs showing the organization operating the vehicle.

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

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

25 (j) For each truck, weighing 8,000 pounds or less, and not
 26 used to tow a vehicle, for each privately owned truck used to tow a
 27 trailer for recreational purposes only and not involved in a profit
 28 making venture, and for each vehicle designed and used to tow a
 29 mobile home or a trailer coach, except as provided in subdivision



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

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

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

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

22 (i) Until December 31, 2016, according to the following
23 schedule of elected gross weights:

24	Elected gross weight	Tax
25	0 to 24,000 pounds.....	\$ 491.00
26	24,001 to 26,000 pounds.....	558.00
27	26,001 to 28,000 pounds.....	558.00
28	28,001 to 32,000 pounds.....	649.00
29	32,001 to 36,000 pounds.....	744.00

1	36,001 to 42,000 pounds.....	874.00
2	42,001 to 48,000 pounds.....	1,005.00
3	48,001 to 54,000 pounds.....	1,135.00
4	54,001 to 60,000 pounds.....	1,268.00
5	60,001 to 66,000 pounds.....	1,398.00
6	66,001 to 72,000 pounds.....	1,529.00
7	72,001 to 80,000 pounds.....	1,660.00
8	80,001 to 90,000 pounds.....	1,793.00
9	90,001 to 100,000 pounds.....	2,002.00
10	100,001 to 115,000 pounds.....	2,223.00
11	115,001 to 130,000 pounds.....	2,448.00
12	130,001 to 145,000 pounds.....	2,670.00
13	145,001 to 160,000 pounds.....	2,894.00
14	over 160,000 pounds.....	3,117.00

15 (ii) Beginning on January 1, 2017, according to the following
 16 schedule of elected gross weights:

17	Elected gross weight	Tax
18	0 to 24,000 pounds.....	\$ 590.00
19	24,001 to 26,000 pounds.....	670.00
20	26,001 to 28,000 pounds.....	670.00
21	28,001 to 32,000 pounds.....	779.00
22	32,001 to 36,000 pounds.....	893.00
23	36,001 to 42,000 pounds.....	1,049.00
24	42,001 to 48,000 pounds.....	1,206.00
25	48,001 to 54,000 pounds.....	1,362.00
26	54,001 to 60,000 pounds.....	1,522.00
27	60,001 to 66,000 pounds.....	1,678.00
28	66,001 to 72,000 pounds.....	1,835.00
29	72,001 to 80,000 pounds.....	1,992.00

1	80,001 to 90,000 pounds.....	2,152.00
2	90,001 to 100,000 pounds.....	2,403.00
3	100,001 to 115,000 pounds.....	2,668.00
4	115,001 to 130,000 pounds.....	2,938.00
5	130,001 to 145,000 pounds.....	3,204.00
6	145,001 to 160,000 pounds.....	3,473.00
7	over 160,000 pounds.....	3,741.00

8 For each commercial vehicle registered under this subdivision
9 or section 801g, \$15.00 shall be deposited in a truck safety fund
10 to be expended as provided in section 25 of 1951 PA 51, MCL
11 247.675.

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

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

22	Empty weights	Tax
23	0 to 2,499 pounds.....	\$ 75.00
24	2,500 to 9,999 pounds.....	200.00
25	10,000 pounds and over.....	300.00

26 The registration plate issued under this subdivision expires
27 only when the secretary of state reissues a new registration plate
28 for all trailers. Beginning October 1, 2005, if the secretary of
29 state reissues a new registration plate for all trailers, a person



1 who has once paid the tax as increased by 2003 PA 152 for a vehicle
2 under this subdivision is not required to pay the tax for that
3 vehicle a second time, but is required to pay only the cost of the
4 reissued plate at the rate provided in section 804(2) for a
5 standard plate. A registration plate issued under this subdivision
6 is nontransferable.

7 (m) For each commercial vehicle used for the transportation of
8 passengers for hire except for a vehicle for which a payment is
9 made under 1960 PA 2, MCL 257.971 to 257.972, according to the
10 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

16 (n) For each motorcycle, as follows:

17 (i) Until February 18, 2019..... \$ 23.00

18 (ii) Beginning February 19, 2019..... \$ 25.00

19 On October 1, 1983, and October 1, 1984, the tax assessed
20 under this subdivision shall be annually revised for the
21 registrations expiring on the appropriate October 1 or after that
22 date by multiplying the tax assessed in the preceding fiscal year
23 times the personal income of Michigan for the preceding calendar
24 year divided by the personal income of Michigan for the calendar
25 year that preceded that calendar year. In performing the
26 calculations under this subdivision, the secretary of state shall
27 use the spring preliminary report of the United States Department
28 of Commerce or its successor agency.

29 Beginning January 1, 1984, the registration tax for each

1 motorcycle is increased by \$3.00. The \$3.00 increase is not part of
 2 the tax assessed under this subdivision for the purpose of the
 3 annual October 1 revisions but is in addition to the tax assessed
 4 as a result of the annual October 1 revisions. Beginning January 1,
 5 1984 and ending February 18, 2019, \$3.00 of each motorcycle fee
 6 shall be placed in a motorcycle safety fund in the state treasury
 7 and shall be used only for funding the motorcycle safety education
 8 program as provided for under sections 312b and 811a. Beginning
 9 February 19, 2019, \$5.00 of each motorcycle fee shall be placed in
 10 the motorcycle safety fund and shall be used only for funding the
 11 motorcycle safety education program as provided for under sections
 12 312b and 811a.

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

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

26 (i) Except as otherwise provided in this subdivision, ~~for the~~
 27 ~~first registration that is not a transfer registration under~~
 28 ~~section 809 and for the first registration after a transfer~~
 29 ~~registration under section 809, according to the following schedule~~



1 ~~based on the vehicle's list price:~~

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

3	List Price	Tax
4	\$ 0 - \$ 6,000.00.....	\$ 30.00
5	More than \$ 6,000.00 - \$ 7,000.00.....	\$ 33.00
6	More than \$ 7,000.00 - \$ 8,000.00.....	\$ 38.00
7	More than \$ 8,000.00 - \$ 9,000.00.....	\$ 43.00
8	More than \$ 9,000.00 - \$ 10,000.00.....	\$ 48.00
9	More than \$ 10,000.00 - \$ 11,000.00.....	\$ 53.00
10	More than \$ 11,000.00 - \$ 12,000.00.....	\$ 58.00
11	More than \$ 12,000.00 - \$ 13,000.00.....	\$ 63.00
12	More than \$ 13,000.00 - \$ 14,000.00.....	\$ 68.00
13	More than \$ 14,000.00 - \$ 15,000.00.....	\$ 73.00
14	More than \$ 15,000.00 - \$ 16,000.00.....	\$ 78.00
15	More than \$ 16,000.00 - \$ 17,000.00.....	\$ 83.00
16	More than \$ 17,000.00 - \$ 18,000.00.....	\$ 88.00
17	More than \$ 18,000.00 - \$ 19,000.00.....	\$ 93.00
18	More than \$ 19,000.00 - \$ 20,000.00.....	\$ 98.00
19	More than \$ 20,000.00 - \$ 21,000.00.....	\$ 103.00
20	More than \$ 21,000.00 - \$ 22,000.00.....	\$ 108.00
21	More than \$ 22,000.00 - \$ 23,000.00.....	\$ 113.00
22	More than \$ 23,000.00 - \$ 24,000.00.....	\$ 118.00
23	More than \$ 24,000.00 - \$ 25,000.00.....	\$ 123.00
24	More than \$ 25,000.00 - \$ 26,000.00.....	\$ 128.00
25	More than \$ 26,000.00 - \$ 27,000.00.....	\$ 133.00
26	More than \$ 27,000.00 - \$ 28,000.00.....	\$ 138.00
27	More than \$ 28,000.00 - \$ 29,000.00.....	\$ 143.00
28	More than \$ 29,000.00 - \$ 30,000.00.....	\$ 148.00
29	More than \$30,000.00, the tax of \$148.00 is increased by \$5.00	



1 for each \$1,000.00 increment or fraction of a \$1,000.00 increment
2 over \$30,000.00. If a current tax increases or decreases as a
3 result of 1998 PA 384, only a vehicle purchased or transferred
4 after January 1, 1999 shall be assessed the increased or decreased
5 tax.

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

7	List Price	Tax
8	\$ 0 — \$ 6,000.00.....	\$ 36.00
9	More than \$ 6,000.00 — \$ 7,000.00.....	\$ 40.00
10	More than \$ 7,000.00 — \$ 8,000.00.....	\$ 46.00
11	More than \$ 8,000.00 — \$ 9,000.00.....	\$ 52.00
12	More than \$ 9,000.00 — \$ 10,000.00.....	\$ 58.00
13	More than \$ 10,000.00 — \$ 11,000.00.....	\$ 64.00
14	More than \$ 11,000.00 — \$ 12,000.00.....	\$ 70.00
15	More than \$ 12,000.00 — \$ 13,000.00.....	\$ 76.00
16	More than \$ 13,000.00 — \$ 14,000.00.....	\$ 82.00
17	More than \$ 14,000.00 — \$ 15,000.00.....	\$ 88.00
18	More than \$ 15,000.00 — \$ 16,000.00.....	\$ 94.00
19	More than \$ 16,000.00 — \$ 17,000.00.....	\$ 100.00
20	More than \$ 17,000.00 — \$ 18,000.00.....	\$ 106.00
21	More than \$ 18,000.00 — \$ 19,000.00.....	\$ 112.00
22	More than \$ 19,000.00 — \$ 20,000.00.....	\$ 118.00
23	More than \$ 20,000.00 — \$ 21,000.00.....	\$ 124.00
24	More than \$ 21,000.00 — \$ 22,000.00.....	\$ 130.00
25	More than \$ 22,000.00 — \$ 23,000.00.....	\$ 136.00
26	More than \$ 23,000.00 — \$ 24,000.00.....	\$ 142.00
27	More than \$ 24,000.00 — \$ 25,000.00.....	\$ 148.00
28	More than \$ 25,000.00 — \$ 26,000.00.....	\$ 154.00
29	More than \$ 26,000.00 — \$ 27,000.00.....	\$ 160.00

1 ~~More than \$ 27,000.00 - \$ 28,000.00..... \$ 166.00~~

2 ~~More than \$ 28,000.00 - \$ 29,000.00..... \$ 172.00~~

3 ~~More than \$ 29,000.00 - \$ 30,000.00..... \$ 178.00~~

4 ~~More than \$30,000.00, the tax of \$178.00 is increased by \$6.00~~

5 ~~for each \$1,000.00 increment or fraction of a \$1,000.00 increment~~

6 ~~over \$30,000.00. If a current tax increases or decreases as a~~

7 ~~result of 1998 PA 384, only a vehicle purchased or transferred~~

8 ~~after January 1, 1999 shall be assessed the increased or decreased~~

9 ~~tax.~~

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

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

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

16 ~~For a vehicle of the 1984 or a subsequent model year that has~~
17 ~~been previously registered by a person other than the person~~

18 ~~applying for registration or for a vehicle of the 1984 or a~~

19 ~~subsequent model year that has been previously registered in~~

20 ~~another state or country and is registered for the first time in~~

21 ~~this state, the tax under this subdivision shall be determined by~~

22 ~~subtracting the model year of the vehicle from the calendar year~~

23 ~~for which the registration is sought. If the result is zero or a~~

24 ~~negative figure, the first registration tax shall be paid. If the~~

25 ~~result is 1, 2, or 3 or more, then, respectively, the second,~~

26 ~~third, or subsequent registration tax shall be paid.~~**the tax under**

27 **this subdivision is determined by subtracting the model year of the**

28 **vehicle from the calendar year for which the registration is**

29 **sought. If the result is 0 to 5, the tax is \$160.00. If the result**



1 is 6 to 10, the tax is \$140.00. If the result is 11 to 15, the tax
2 is \$115.00. If the result is 16 or more, the tax is \$82.00.

3 (ii) A passenger motor vehicle that has been modified with a
4 permanently installed wheelchair lift mechanism or with permanently
5 installed hand controls and that is owned by an individual who uses
6 a wheelchair or by an individual who transports a member of his or
7 her household who uses a wheelchair and for which registration
8 plates are issued under section 803d shall be assessed at the rate
9 of 50% of the tax provided for in this subdivision. As used in this
10 subdivision, "permanently installed hand controls" means a
11 permanently installed device designed to replace the brake and gas
12 pedals of a motor vehicle with hand controls.

13 (iii) On October 1, 2019 and October 1 of each year thereafter,
14 the tax assessed under this subdivision shall be annually revised
15 for the registrations expiring on the appropriate October 1 or
16 after that date by multiplying the tax assessed in the preceding
17 fiscal year by 1 plus the lesser of 0.01 or the inflation rate and
18 rounding up the product to the nearest 1/10 of a cent. As used in
19 this subparagraph, "inflation rate" means the annual percentage
20 change in the Consumer Price Index, as determined by the secretary
21 of state, comparing the 2 most recent October 1 through September
22 30 periods that are immediately preceding the appropriate October
23 1, converted to decimals. If the annual percentage change is
24 negative, then the inflation rate is zero. A determination by the
25 secretary of state of the Consumer Price Index, the inflation rate,
26 or the tax under this subdivision is presumed correct and shall not
27 be set aside unless an administrative tribunal or a court of
28 competent jurisdiction finds the department's determination to be
29 clearly erroneous.



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

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

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

27 (3) Until October 1, 2019, the tax for a vehicle with an empty
28 weight over 10,000 pounds imposed under subsection (1)(a) and the
29 taxes imposed under subsection (1)(c), (d), (e), (f), (i), (j),



1 (m), (o), and (p) are each increased as follows:

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

5 (b) A fee of \$5.75 that shall be credited to the
6 transportation administration collection fund created in section
7 810b.

8 (4) Except as otherwise provided in this subsection, if a tax
9 required to be paid under this section is not received by the
10 secretary of state on or before the expiration date of the
11 registration plate, the secretary of state shall collect a late fee
12 of \$10.00 for each registration renewed after the expiration date.
13 An application for a renewal of a registration using the regular
14 mail and postmarked before the expiration date of that registration
15 shall not be assessed a late fee. The late fee collected under this
16 subsection shall be deposited into the general fund. The secretary
17 of state shall waive the late fee collected under this subsection
18 if all of the following are satisfied:

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

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

26 (5) In addition to the registration taxes under this section,
27 the secretary of state shall collect taxes charged under section
28 801j and credit revenues to a regional transit authority created
29 under the regional transit authority act, 2012 PA 387, MCL 124.541



1 to 124.558, minus necessary collection expenses as provided in
2 section 9 of article IX of the state constitution of 1963.
3 Necessary collection expenses incurred by the secretary of state
4 under this subsection shall be based upon an established cost
5 allocation methodology.

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

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

10 (a) If the vehicle is a hybrid electric vehicle, the
11 registration fee for that vehicle is increased by \$30.00 for a
12 vehicle with an empty weight of 8,000 pounds or less, and \$100.00
13 for a vehicle with an empty weight of more than 8,000 pounds. As
14 used in this subdivision and subsection (8) (a), "hybrid electric
15 vehicle" means a vehicle that can be propelled at least in part by
16 electrical energy and uses a battery storage system of at least 4
17 kilowatt-hours, but is also capable of using gasoline, diesel fuel,
18 or alternative fuel to propel the vehicle.

19 (b) If the vehicle is a nonhybrid electric vehicle, the
20 registration fee for that vehicle is increased by \$100.00 for a
21 vehicle with an empty weight of 8,000 pounds or less, and \$200.00
22 for a vehicle with an empty weight of more than 8,000 pounds. As
23 used in this subdivision and subsection (8) (b), "nonhybrid electric
24 vehicle" means a vehicle that is propelled solely by electrical
25 energy and that is not capable of using gasoline, diesel fuel, or
26 alternative fuel to propel the vehicle.

27 (8) Beginning January 1, 2017, if the tax on gasoline imposed
28 under section 8 of the motor fuel tax act, 2000 PA 403, MCL
29 207.1008, is increased above 19 cents per gallon, the secretary of



1 state shall increase the fees collected under subsection (7) as
2 follows:

3 (a) For a hybrid electric vehicle, \$2.50 per each 1 cent above
4 19 cents per gallon.

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

7 (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) "Gasoline" means that term as defined in section 3 of the
13 motor fuel tax act, 2000 PA 403, MCL 207.1003.

14 ~~(d) "Gross proceeds" means that term as defined in section 1~~
15 ~~of the general sales tax act, 1933 PA 167, MCL 205.51, and includes~~
16 ~~the value of the motor vehicle used as part payment of the purchase~~
17 ~~price as that value is agreed to by the parties to the sale, as~~
18 ~~evidenced by the signed agreement executed under section 251.~~

19 ~~(e) "List price" means the manufacturer's suggested base list~~
20 ~~price as published by the secretary of state, or the manufacturer's~~
21 ~~suggested retail price as shown on the label required to be affixed~~
22 ~~to the vehicle under 15 USC 1232, if the secretary of state has not~~
23 ~~at the time of the sale of the vehicle published a manufacturer's~~
24 ~~suggested retail price for that vehicle, or the purchase price of~~
25 ~~the vehicle if the manufacturer's suggested base list price is~~
26 ~~unavailable from the sources described in this subdivision.~~

27 ~~(f) "Purchase price" means the gross proceeds received by the~~
28 ~~seller in consideration of the sale of the motor vehicle being~~
29 ~~registered.~~



1 Sec. 801j. (1) Except as otherwise provided in subsection (6),
2 in addition to the required vehicle registration tax under section
3 801(1)(p), a regional transit authority created under the regional
4 transit authority act, 2012 PA 387, MCL 124.541 to 124.558, may
5 charge an additional tax on vehicle registrations issued to
6 residents of a public transit region of not more than \$1.20 for
7 each \$1,000.00 or fraction of \$1,000.00 of the vehicle's list
8 price. ~~as used in calculating the tax under section 801(1)(p).~~ The
9 authority may charge the additional tax only upon the approval of a
10 majority of the electors in a public transit region voting on the
11 tax at an election held on the regular November election date as
12 provided in section ~~641(1)(d)~~ **641(1)(c)** of the Michigan election
13 law, 1954 PA 116, MCL 168.641. **As used in this subsection:**

14 **(a) "Gross proceeds" means that term as defined in section 1**
15 **of the general sales tax act, 1933 PA 167, MCL 205.51, and includes**
16 **the value of the motor vehicle used as part payment of the purchase**
17 **price as that value is agreed to by the parties to the sale, as**
18 **evidenced by the signed agreement executed under section 251.**

19 **(b) "List price" means the manufacturer's suggested base list**
20 **price as published by the secretary of state, or the manufacturer's**
21 **suggested retail price as shown on the label required to be affixed**
22 **to the vehicle under 15 USC 1232, if the secretary of state has not**
23 **at the time of the sale of the vehicle published a manufacturer's**
24 **suggested retail price for that vehicle, or the purchase price of**
25 **the vehicle if the manufacturer's suggested base list price is**
26 **unavailable from the sources described in this subdivision.**

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



1 (2) In addition to any other requirements imposed by law, the
2 ballot question proposing authorization of the tax under subsection
3 (1) shall specify how the proceeds of the tax shall be expended.

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

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

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

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

29 (a) The vehicle is part of a product testing program as

1 defined by the United States ~~department~~**Department** of ~~treasury~~
2 **Treasury** under ~~treas. reg. 1.132-5(n) (2001)~~**26 CFR 1.132-5(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.

8 Enacting section 1. This amendatory act takes effect 90 days
9 after the date it is enacted into law.

