

HOUSE BILL No. 4537

May 1, 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
3 state, upon an appropriate form furnished by the secretary of
4 state, for the registration of the vehicle and issuance of a
5 certificate of title for the vehicle. A vehicle brought into this
6 state from another state or jurisdiction that has a rebuilt,
7 salvage, scrap, flood, or comparable certificate of title issued

1 by that other state or jurisdiction shall be issued a rebuilt,
2 salvage, scrap, or flood certificate of title by the secretary of
3 state. The application shall be accompanied by the required fee.

4 An application for a certificate of title shall bear the
5 signature or verification and certification of the owner. The
6 application shall contain all of the following:

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

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

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

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

1 section 801(1) (a), and, if a trailer coach or pickup camper, in
2 addition to the weight, the manufacturer's serial number, or in
3 the absence of the serial number, a number assigned by the
4 secretary of state. A number assigned by the secretary of state
5 shall be permanently placed on the trailer coach or pickup camper
6 in the manner and place designated by the secretary of state.

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

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

1 defect in the right, title, or interest of the applicant in the
2 vehicle. An interested person has a right of action to recover on
3 the bond for a breach of the conditions of the bond, but the
4 aggregate liability of the surety to all persons shall not exceed
5 the amount of the bond. If the secretary of state is not
6 satisfied as to the ownership of a vehicle that is valued at
7 \$2,500.00 or less and that is 10 years old or older, the
8 secretary of state shall require the applicant to certify that
9 the applicant is the owner of the vehicle and entitled to
10 register and title the vehicle.

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

22 (f) An application for registration of a vehicle on the
23 basis of elected gross weight shall include a declaration by the
24 applicant specifying the elected gross weight for which
25 application is being made.

26 ~~(g) If the application is for a certificate of title of a~~
27 ~~motor vehicle registered in accordance with section 801(1)(p),~~

1 ~~the~~ **AN** application **FOR REGISTRATION OF A VEHICLE SUBJECT TO AN**
2 **ADDITIONAL TAX CHARGED BY A REGIONAL TRANSIT AUTHORITY UNDER**
3 **SECTION 801J** shall include the manufacturer's suggested base list
4 price for the model year of the vehicle. The base list price
5 shall be the manufacturer's suggested retail price as shown on
6 the label required to be affixed to the vehicle under 15 USC
7 1232. If the manufacturer's suggested retail price is
8 unavailable, the application shall list the purchase price of the
9 vehicle as defined in section ~~801~~ **801J**.

10 (2) An applicant for registration of a leased pickup truck
11 or passenger vehicle that is subject to registration under this
12 act, except a vehicle that is subject to a registration fee under
13 section 801g, shall disclose in writing to the secretary of state
14 the lessee's name, the lessee's bona fide residence, and either
15 of the following:

16 (a) If the lessee is an individual, the lessee's Michigan
17 driver license number or Michigan personal identification number
18 or, if the lessee does not have a Michigan driver license or
19 Michigan personal identification number, the lessee's mailing
20 address.

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

24 (3) The secretary of state shall maintain the information
25 described in subsection (2) on the secretary of state's computer
26 records.

27 (4) Except as provided in subsection (5), a dealer selling,

1 leasing, or exchanging vehicles required to be titled, within 15
2 days after delivering a vehicle to the purchaser or lessee, and a
3 person engaged in the sale of vessels required to be numbered by
4 part 801 of the natural resources and environmental protection
5 act, 1994 PA 451, MCL 324.80101 to 324.80199, within 15 days
6 after delivering a boat trailer weighing less than 2,500 pounds
7 to the purchaser or lessee, shall apply to the secretary of state
8 for a new title, if required, and transfer or secure registration
9 plates and secure a certificate of registration for the vehicle
10 or boat trailer, in the name of the purchaser or lessee. The
11 dealer's license may be suspended or revoked in accordance with
12 section 249 for failure to apply for a title when required or for
13 failure to transfer or secure registration plates and certificate
14 of registration within the 15 days required by this section. If
15 the dealer or person fails to apply for a title when required,
16 and to transfer or secure registration plates and secure a
17 certificate of registration and pay the required fees within 15
18 days of delivery of the vehicle or boat trailer, a title and
19 registration for the vehicle or boat trailer may subsequently be
20 acquired only upon the payment of a late transfer fee of \$15.00
21 for an individual or a dealer other than a dealer subject to
22 section 235b in addition to the fees specified in section 806.
23 For a used or secondhand vehicle dealer subject to section 235b,
24 the late transfer fee is \$100.00 in addition to the fees
25 specified in section 806. The purchaser or lessee of the vehicle
26 or the purchaser of the boat trailer shall sign the application,
27 including, if applicable, the declaration specifying the maximum

1 elected gross weight as required by subsection (1)(f), and other
2 necessary papers to enable the dealer or person to secure the
3 title, registration plates, and transfers from the secretary of
4 state. If the secretary of state mails or delivers a purchaser's
5 certificate of title to a dealer, the dealer shall mail or
6 deliver the certificate of title to the purchaser not more than 5
7 days after receiving the certificate of title from the secretary
8 of state. However, as provided under section 238, the secretary
9 of state is not required to issue a title to the owner of a
10 vehicle or lienholder if the title is subject to a security
11 interest.

12 (5) A dealer selling or exchanging an off lease or buy back
13 vehicle shall apply to the secretary of state for a new title for
14 the vehicle within 15 days after it receives the certificate of
15 title from the lessor or manufacturer under section 235 or
16 section 235b and transfer or secure registration plates and
17 secure a certificate of registration for the vehicle in the name
18 of the purchaser. The dealer's license may be suspended or
19 revoked in accordance with section 249 for failure to apply for a
20 title when required or for failure to transfer or secure
21 registration plates and certificate of registration within the
22 15-day period. If the dealer or person fails to apply for a title
23 when required, and to transfer or secure registration plates and
24 secure a certificate of registration and pay the required fees
25 within the 15-day time period, a title and registration for the
26 vehicle may subsequently be acquired only upon the payment of a
27 late transfer fee of \$15.00 for an individual or dealer other

1 than a used or secondhand vehicle dealer subject to section 235b
2 in addition to the fees specified in section 806. The late
3 transfer fee for a used or secondhand vehicle dealer subject to
4 section 235b is \$100.00 in addition to the fees specified in
5 section 806. The purchaser of the vehicle shall sign the
6 application, including, if applicable, the declaration specifying
7 the maximum elected gross weight as required by subsection
8 (1) (f), and other necessary papers to enable the dealer or person
9 to secure the title, registration plates, and transfers from the
10 secretary of state. If the secretary of state mails or delivers a
11 purchaser's certificate of title to a dealer, the dealer shall
12 mail or deliver the certificate of title to the purchaser not
13 more than 5 days after receiving the certificate of title from
14 the secretary of state. However, as provided under section 238,
15 the secretary of state is not required to issue a title to the
16 owner of a vehicle if the title is subject to a security
17 interest.

18 (6) If a vehicle is delivered to a purchaser or lessee who
19 has valid Michigan registration plates that are to be transferred
20 to the vehicle, and an application for title, if required, and
21 registration for the vehicle is not made before delivery of the
22 vehicle to the purchaser or lessee, the registration plates shall
23 be affixed to the vehicle immediately, and the dealer shall
24 provide the purchaser or lessee with an instrument in writing, on
25 a form prescribed by the secretary of state, which shall serve as
26 a temporary registration for the vehicle for a period of 15 days
27 from the date the vehicle is delivered.

1 (7) If the seller does not prepare the credit information,
2 contract note, and mortgage, and the holder, finance company,
3 credit union, or banking institution requires the installment
4 seller to record the lien on the title, the holder, finance
5 company, credit union, or banking institution shall pay the
6 seller a service fee of not more than \$10.00. The service fee
7 shall be paid from the finance charges and shall not be charged
8 to the buyer in addition to the finance charges. The holder,
9 finance company, credit union, or banking institution shall issue
10 its check or bank draft for the principal amount financed,
11 payable jointly to the buyer and seller, and there shall be
12 imprinted on the back side of the check or bank draft the
13 following:

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

18 (8) On the front of the check or draft described under
19 subsection (7), the holder, finance company, credit union, or
20 banking institution shall note the name or names of the
21 prospective owners. Failure of the holder, finance company,
22 credit union, or banking institution to comply with these
23 requirements frees the seller from any obligation to record the
24 lien or from any liability that may arise as a result of the
25 failure to record the lien. A service fee shall not be charged to
26 the buyer.

27 (9) In the absence of actual malice proved independently and

1 not inferred from lack of probable cause, a person who in any
2 manner causes a prosecution for larceny of a motor vehicle; for
3 embezzlement of a motor vehicle; for any crime an element of
4 which is the taking of a motor vehicle without authority; or for
5 buying, receiving, possessing, leasing, or aiding in the
6 concealment of a stolen, embezzled, or converted motor vehicle
7 knowing that the motor vehicle has been stolen, embezzled, or
8 converted, is not liable for damages in a civil action for
9 causing the prosecution. This subsection does not relieve a
10 person from proving any other element necessary to sustain his or
11 her cause of action.

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

22 Sec. 801. (1) The secretary of state shall collect the
23 following taxes at the time of registering a vehicle, which shall
24 exempt the vehicle from all other state and local taxation,
25 except the fees and taxes provided by law to be paid by certain
26 carriers operating motor vehicles and trailers under the motor
27 carrier act, 1933 PA 254, MCL 475.1 to 479.42; the taxes imposed

1 by the motor carrier fuel tax act, 1980 PA 119, MCL 207.211 to
 2 207.234; and except as otherwise provided by this act:

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

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

24 **OF EMPTY WEIGHT**

25 On October 1, 1983, and October 1, 1984, the tax assessed
 26 under this subdivision shall be annually revised for the
 27 registrations expiring on the appropriate October 1 or after that

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

18 (b) For a trailer coach attached to a motor vehicle, the tax
19 shall be assessed as provided in subdivision (1). A trailer coach
20 not under 1959 PA 243, MCL 125.1035 to 125.1043, and while
21 located on land otherwise assessable as real property under the
22 general property tax act, 1893 PA 206, MCL 211.1 to 211.155, if
23 the trailer coach is used as a place of habitation, and whether
24 or not permanently affixed to the soil, is not exempt from real
25 property taxes.

26 (c) For a road tractor, modified agricultural vehicle,
27 truck, or truck tractor owned by a farmer and used exclusively in

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

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

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

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

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

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

6 (C) A vehicle that directly processes harvested logs or
7 timber, including, but not limited to, a forwarder, grapple
8 skidder, or cable skidder.

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

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

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

18 (e) For a hearse or ambulance used exclusively by a licensed
19 funeral director in the general conduct of the licensee's funeral
20 business, including a hearse or ambulance whose owner is engaged
21 in the business of leasing or renting the hearse or ambulance to
22 others, \$1.17 per 100 pounds of the empty weight of the hearse or
23 ambulance.

24 (f) For a vehicle owned and operated by this state, a state
25 institution, a municipality, a privately incorporated, nonprofit
26 volunteer fire department, or a nonpublic, nonprofit college or
27 university, \$5.00 per plate. A registration plate issued under

1 this subdivision expires on June 30 of the year in which new
2 registration plates are reissued for all vehicles by the
3 secretary of state.

4 (g) For a bus including a station wagon, carryall, or
5 similarly constructed vehicle owned and operated by a nonprofit
6 parents' transportation corporation used for school purposes,
7 parochial school or society, church Sunday school, or any other
8 grammar school, or by a nonprofit youth organization or nonprofit
9 rehabilitation facility; or a motor vehicle owned and operated by
10 a senior citizen center, \$10.00, if the bus, station wagon,
11 carryall, or similarly constructed vehicle or motor vehicle is
12 designated by proper signs showing the organization operating the
13 vehicle.

14 (h) For a vehicle owned by a nonprofit organization and used
15 to transport equipment for providing dialysis treatment to
16 children at camp; for a vehicle owned by the ~~civil air patrol,~~
17 **CIVIL AIR PATROL**, as organized under 36 USC 40301 to 40307,
18 \$10.00 per plate, if the vehicle is designated by a proper sign
19 showing the ~~civil air patrol's~~ **CIVIL AIR PATROL'S** name; for a
20 vehicle owned and operated by a nonprofit veterans center; for a
21 vehicle owned and operated by a nonprofit recycling center or a
22 federally recognized nonprofit conservation organization; for a
23 motor vehicle having a truck chassis and a locomotive or ship's
24 body that is owned by a nonprofit veterans organization and used
25 exclusively in parades and civic events; for an emergency support
26 vehicle used exclusively for emergencies and owned and operated
27 by a federally recognized nonprofit charitable organization; or

1 for a vehicle owned and operated by a nonprofit food pantry or
 2 nonprofit food bank, \$10.00 per plate.

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

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

14 Empty weights	Per 100 pounds
15 0 to 2,500 pounds.....	\$ 1.40
16 2,501 to 4,000 pounds.....	1.76
17 4,001 to 6,000 pounds.....	2.20
18 6,001 to 8,000 pounds.....	2.72
19 8,001 to 10,000 pounds.....	3.25
20 10,001 to 15,000 pounds.....	3.77
21 15,001 pounds and over.....	4.39

22 If the tax required under subdivision (p) for a vehicle of
 23 the same model year ~~with the same list price~~ as the vehicle for
 24 which registration is sought under this subdivision is more than
 25 the tax provided under the preceding provisions of this
 26 subdivision for an identical vehicle, the tax required under this

1 subdivision is not less than the tax required under subdivision
 2 (p) for a vehicle of the same model year. ~~with the same list~~
 3 ~~price.~~

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

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

10	Elected gross weight		Tax
11	0 to 24,000 pounds.....	\$	491.00
12	24,001 to 26,000 pounds.....		558.00
13	26,001 to 28,000 pounds.....		558.00
14	28,001 to 32,000 pounds.....		649.00
15	32,001 to 36,000 pounds.....		744.00
16	36,001 to 42,000 pounds.....		874.00
17	42,001 to 48,000 pounds.....		1,005.00
18	48,001 to 54,000 pounds.....		1,135.00
19	54,001 to 60,000 pounds.....		1,268.00
20	60,001 to 66,000 pounds.....		1,398.00
21	66,001 to 72,000 pounds.....		1,529.00
22	72,001 to 80,000 pounds.....		1,660.00
23	80,001 to 90,000 pounds.....		1,793.00
24	90,001 to 100,000 pounds.....		2,002.00
25	100,001 to 115,000 pounds.....		2,223.00
26	115,001 to 130,000 pounds.....		2,448.00
27	130,001 to 145,000 pounds.....		2,670.00
28	145,001 to 160,000 pounds.....		2,894.00

1 over 160,000 pounds..... 3,117.00

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

4 Elected gross weight	Tax
5 0 to 24,000 pounds.....	\$ 590.00
6 24,001 to 26,000 pounds.....	670.00
7 26,001 to 28,000 pounds.....	670.00
8 28,001 to 32,000 pounds.....	779.00
9 32,001 to 36,000 pounds.....	893.00
10 36,001 to 42,000 pounds.....	1,049.00
11 42,001 to 48,000 pounds.....	1,206.00
12 48,001 to 54,000 pounds.....	1,362.00
13 54,001 to 60,000 pounds.....	1,522.00
14 60,001 to 66,000 pounds.....	1,678.00
15 66,001 to 72,000 pounds.....	1,835.00
16 72,001 to 80,000 pounds.....	1,992.00
17 80,001 to 90,000 pounds.....	2,152.00
18 90,001 to 100,000 pounds.....	2,403.00
19 100,001 to 115,000 pounds.....	2,668.00
20 115,001 to 130,000 pounds.....	2,938.00
21 130,001 to 145,000 pounds.....	3,204.00
22 145,001 to 160,000 pounds.....	3,473.00
23 over 160,000 pounds.....	3,741.00

24 For each commercial vehicle registered under this
 25 subdivision or section 801g, \$15.00 shall be deposited in a truck
 26 safety fund to be expended as provided in section 25 of 1951 PA

1 51, MCL 247.675.

2 If a truck tractor or road tractor without trailer is leased
3 from an individual owner-operator, the lessee, whether an
4 individual, firm, or corporation, shall pay to the owner-operator
5 60% of the tax prescribed in this subdivision for the truck
6 tractor or road tractor at the rate of 1/12 for each month of the
7 lease or arrangement in addition to the compensation the owner-
8 operator is entitled to for the rental of his or her equipment.

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

12	Empty weights	Tax
13	0 to 2,499 pounds.....	\$ 75.00
14	2,500 to 9,999 pounds.....	200.00
15	10,000 pounds and over.....	300.00

16 The registration plate issued under this subdivision expires
17 only when the secretary of state reissues a new registration
18 plate for all trailers. Beginning October 1, 2005, if the
19 secretary of state reissues a new registration plate for all
20 trailers, a person who has once paid the tax as increased by 2003
21 PA 152 for a vehicle under this subdivision is not required to
22 pay the tax for that vehicle a second time, but is required to
23 pay only the cost of the reissued plate at the rate provided in
24 section 804(2) for a standard plate. A registration plate issued
25 under this subdivision is nontransferable.

26 (m) For each commercial vehicle used for the transportation

1 of passengers for hire except for a vehicle for which a payment
2 is made under 1960 PA 2, MCL 257.971 to 257.972, according to the
3 following schedule of empty weights:

4 Empty weights	Per 100 pounds
5 0 to 4,000 pounds.....	\$ 1.76
6 4,001 to 6,000 pounds.....	2.20
7 6,001 to 10,000 pounds.....	2.72
8 10,001 pounds and over.....	3.25

9 (n) For each motorcycle, as follows:

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

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

22 Beginning January 1, 1984, the registration tax for each
23 motorcycle is increased by \$3.00. The \$3.00 increase is not part
24 of the tax assessed under this subdivision for the purpose of the

1 annual October 1 revisions but is in addition to the tax assessed
2 as a result of the annual October 1 revisions. Beginning January
3 1, 1984 and ending February 18, 2019, \$3.00 of each motorcycle
4 fee shall be placed in a motorcycle safety fund in the state
5 treasury and shall be used only for funding the motorcycle safety
6 education program as provided for under sections 312b and 811a.
7 Beginning February 19, 2019, \$5.00 of each motorcycle fee shall
8 be placed in the motorcycle safety fund and shall be used only
9 for funding the motorcycle safety education program as provided
10 for under sections 312b and 811a.

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

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

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

1 ~~registration under section 809, according to the following~~
 2 ~~schedule based on the vehicle's list price:~~

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

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

1 ~~More than \$ 29,000.00 - \$ 30,000.00..... \$ 148.00~~

2 ~~More than \$30,000.00, the tax of \$148.00 is increased by~~
3 ~~\$5.00 for each \$1,000.00 increment or fraction of a \$1,000.00~~
4 ~~increment over \$30,000.00. If a current tax increases or~~
5 ~~decreases as a result of 1998 PA 384, only a vehicle purchased or~~
6 ~~transferred after January 1, 1999 shall be assessed the increased~~
7 ~~or decreased tax.~~

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

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

1	More than \$ 23,000.00 - \$ 24,000.00.....	\$ 142.00
2	More than \$ 24,000.00 - \$ 25,000.00.....	\$ 148.00
3	More than \$ 25,000.00 - \$ 26,000.00.....	\$ 154.00
4	More than \$ 26,000.00 - \$ 27,000.00.....	\$ 160.00
5	More than \$ 27,000.00 - \$ 28,000.00.....	\$ 166.00
6	More than \$ 28,000.00 - \$ 29,000.00.....	\$ 172.00
7	More than \$ 29,000.00 - \$ 30,000.00.....	\$ 178.00

8 ~~More than \$30,000.00, the tax of \$178.00 is increased by~~
9 ~~\$6.00 for each \$1,000.00 increment or fraction of a \$1,000.00~~
10 ~~increment over \$30,000.00. If a current tax increases or~~
11 ~~decreases as a result of 1998 PA 384, only a vehicle purchased or~~
12 ~~transferred after January 1, 1999 shall be assessed the increased~~
13 ~~or decreased tax.~~

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

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

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

20 ~~For a vehicle of the 1984 or a subsequent model year that~~
21 ~~has been previously registered by a person other than the person~~
22 ~~applying for registration or for a vehicle of the 1984 or a~~
23 ~~subsequent model year that has been previously registered in~~
24 ~~another state or country and is registered for the first time in~~
25 ~~this state, the tax under this subdivision shall be determined by~~
26 ~~subtracting the model year of the vehicle from the calendar year~~
27 ~~for which the registration is sought. If the result is zero or a~~

1 ~~negative figure, the first registration tax shall be paid. If the~~
 2 ~~result is 1, 2, or 3 or more, then, respectively, the second,~~
 3 ~~third, or subsequent registration tax shall be paid.~~ **THE TAX UNDER**
 4 **THIS SUBDIVISION IS DETERMINED BY SUBTRACTING THE MODEL YEAR OF**
 5 **THE VEHICLE FROM THE CALENDAR YEAR FOR WHICH THE REGISTRATION IS**
 6 **SOUGHT. IF THE RESULT IS 0 TO 5, THE TAX IS \$160.00. IF THE**
 7 **RESULT IS 6 TO 10, THE TAX IS \$140.00. IF THE RESULT IS 11 TO 15,**
 8 **THE TAX IS \$115.00. IF THE RESULT IS 16 OR MORE, THE TAX IS**
 9 **\$82.00.**

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

21 (iii) **ON OCTOBER 1, 2019 AND OCTOBER 1 OF EACH YEAR**
 22 **THEREAFTER, THE TAX ASSESSED UNDER THIS SUBDIVISION SHALL BE**
 23 **ANNUALLY REVISED FOR THE REGISTRATIONS EXPIRING ON THE**
 24 **APPROPRIATE OCTOBER 1 OR AFTER THAT DATE BY MULTIPLYING THE TAX**
 25 **ASSESSED IN THE PRECEDING FISCAL YEAR BY 1 PLUS THE LESSER OF**
 26 **0.01 OR THE INFLATION RATE AND ROUNDING UP THE PRODUCT TO THE**
 27 **NEAREST 1/10 OF A CENT. AS USED IN THIS SUBPARAGRAPH, "INFLATION**

1 RATE" MEANS THE ANNUAL PERCENTAGE CHANGE IN THE CONSUMER PRICE
2 INDEX, AS DETERMINED BY THE SECRETARY OF STATE, COMPARING THE 2
3 MOST RECENT OCTOBER 1 THROUGH SEPTEMBER 30 PERIODS THAT ARE
4 IMMEDIATELY PRECEDING THE APPROPRIATE OCTOBER 1, CONVERTED TO
5 DECIMALS. IF THE ANNUAL PERCENTAGE CHANGE IS NEGATIVE, THEN THE
6 INFLATION RATE IS ZERO. A DETERMINATION BY THE SECRETARY OF STATE
7 OF THE CONSUMER PRICE INDEX, THE INFLATION RATE, OR THE TAX UNDER
8 THIS SUBDIVISION IS PRESUMED CORRECT AND SHALL NOT BE SET ASIDE
9 UNLESS AN ADMINISTRATIVE TRIBUNAL OR A COURT OF COMPETENT
10 JURISDICTION FINDS THE DEPARTMENT'S DETERMINATION TO BE CLEARLY
11 ERRONEOUS.

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

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

1 necessary if there is presented with the application a
2 registration receipt of the previous year that shows on its face
3 the weight of the motor vehicle as registered with the secretary
4 of state and that is accompanied by a statement of the applicant
5 that there has not been a structural change in the motor vehicle
6 that has increased the weight and that the previous registered
7 weight is the true weight.

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

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

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

19 (b) A fee of \$5.75 that shall be credited to the
20 transportation administration collection fund created in section
21 810b.

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

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

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

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

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

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

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

27 (a) If the vehicle is a hybrid electric vehicle, the

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

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

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

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

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

26 (9) As used in this section:

27 (a) "Alternative fuel" means that term as defined in section

1 151 of the motor fuel tax act, 2000 PA 403, MCL 207.1151.

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

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

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

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

21 ~~—— (f) "Purchase price" means the gross proceeds received by
22 the seller in consideration of the sale of the motor vehicle
23 being registered.~~

24 Sec. 801j. (1) Except as otherwise provided in subsection
25 (6), in addition to the required vehicle registration tax under
26 section 801(1)(p), a regional transit authority created under the
27 regional transit authority act, 2012 PA 387, MCL 124.541 to

1 124.558, may charge an additional tax on vehicle registrations
2 issued to residents of a public transit region of not more than
3 \$1.20 for each \$1,000.00 or fraction of \$1,000.00 of the
4 vehicle's list price. ~~as used in calculating the tax under~~
5 ~~section 801(1)(p).~~ The authority may charge the additional tax
6 only upon the approval of a majority of the electors in a public
7 transit region voting on the tax at an election held on the
8 regular November election date as provided in section ~~641(1)(d)~~
9 **641(1)(C)** of the Michigan election law, 1954 PA 116, MCL 168.641.

10 **AS USED IN THIS SUBSECTION:**

11 (A) "GROSS PROCEEDS" MEANS THAT TERM AS DEFINED IN SECTION 1
12 OF THE GENERAL SALES TAX ACT, 1933 PA 167, MCL 205.51, AND
13 INCLUDES THE VALUE OF THE MOTOR VEHICLE USED AS PART PAYMENT OF
14 THE PURCHASE PRICE AS THAT VALUE IS AGREED TO BY THE PARTIES TO
15 THE SALE, AS EVIDENCED BY THE SIGNED AGREEMENT EXECUTED UNDER
16 SECTION 251.

17 (B) "LIST PRICE" MEANS THE MANUFACTURER'S SUGGESTED BASE
18 LIST PRICE AS PUBLISHED BY THE SECRETARY OF STATE, OR THE
19 MANUFACTURER'S SUGGESTED RETAIL PRICE AS SHOWN ON THE LABEL
20 REQUIRED TO BE AFFIXED TO THE VEHICLE UNDER 15 USC 1232, IF THE
21 SECRETARY OF STATE HAS NOT AT THE TIME OF THE SALE OF THE VEHICLE
22 PUBLISHED A MANUFACTURER'S SUGGESTED RETAIL PRICE FOR THAT
23 VEHICLE, OR THE PURCHASE PRICE OF THE VEHICLE IF THE
24 MANUFACTURER'S SUGGESTED BASE LIST PRICE IS UNAVAILABLE FROM THE
25 SOURCES DESCRIBED IN THIS SUBDIVISION.

26 (C) "PURCHASE PRICE" MEANS THE GROSS PROCEEDS RECEIVED BY
27 THE SELLER IN CONSIDERATION OF THE SALE OF THE MOTOR VEHICLE

1 BEING REGISTERED.

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

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

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

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

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

5 (a) The vehicle is part of a product testing program as
6 defined by the United States ~~department~~**DEPARTMENT** of ~~treasury~~
7 **TREASURY** under ~~treas. reg. 1.132-5(n) (2001)~~**.26 CFR 1.132-5(N)** .

8 (b) The vehicle is furnished by the manufacturer to an
9 employee of the manufacturer for the purpose of testing,
10 evaluating product quality and performance, reporting defects, or
11 suggesting product or production improvements as an ordinary and
12 necessary business expense of the manufacturer.

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