

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-SEVENTH LEGISLATURE**

**S.F. No. 2308**

(SENATE AUTHORS: DEKRUIF)

DATE	D-PG	OFFICIAL STATUS
03/08/2012	4239	Introduction and first reading Referred to Transportation

1.1 A bill for an act  
1.2 relating to motor vehicles; increasing registration tax by \$100 on electric  
1.3 vehicles; amending Minnesota Statutes 2010, section 168.013, subdivision 1a.  
1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2010, section 168.013, subdivision 1a, is amended to  
1.6 read:

1.7 Subd. 1a. **Passenger automobile; hearse.** (a) On passenger automobiles as defined  
1.8 in section 168.002, subdivision 24, and hearses, except as otherwise provided, the tax shall  
1.9 be \$10 plus an additional tax equal to 1.25 percent of the base value.

1.10 (b) Subject to the classification provisions herein, "base value" means the  
1.11 manufacturer's suggested retail price of the vehicle including destination charge using list  
1.12 price information published by the manufacturer or determined by the registrar if no  
1.13 suggested retail price exists, and shall not include the cost of each accessory or item of  
1.14 optional equipment separately added to the vehicle and the suggested retail price.

1.15 (c) If the manufacturer's list price information contains a single vehicle identification  
1.16 number followed by various descriptions and suggested retail prices, the registrar shall  
1.17 select from those listings only the lowest price for determining base value.

1.18 (d) If unable to determine the base value because the vehicle is specially constructed,  
1.19 or for any other reason, the registrar may establish such value upon the cost price to the  
1.20 purchaser or owner as evidenced by a certificate of cost but not including Minnesota sales  
1.21 or use tax or any local sales or other local tax.

1.22 (e) The registrar shall classify every vehicle in its proper base value class as follows:

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	FROM	TO
2.1		
2.2	\$ 0	\$ 199.99
2.3	\$ 200	\$ 399.99

2.4 and thereafter a series of classes successively set in brackets having a spread of \$200  
2.5 consisting of such number of classes as will permit classification of all vehicles.

2.6 (f) The base value for purposes of this section shall be the middle point between  
2.7 the extremes of its class.

2.8 (g) The registrar shall establish the base value, when new, of every passenger  
2.9 automobile and hearse registered prior to the effective date of Extra Session Laws 1971,  
2.10 chapter 31, using list price information published by the manufacturer or any nationally  
2.11 recognized firm or association compiling such data for the automotive industry. If unable  
2.12 to ascertain the base value of any registered vehicle in the foregoing manner, the registrar  
2.13 may use any other available source or method. The registrar shall calculate tax using base  
2.14 value information available to dealers and deputy registrars at the time the application for  
2.15 registration is submitted. The tax on all previously registered vehicles shall be computed  
2.16 upon the base value thus determined taking into account the depreciation provisions of  
2.17 paragraph (h).

2.18 (h) The annual additional tax must be computed upon a percentage of the base value  
2.19 as follows: during the first year of vehicle life, upon 100 percent of the base value; for the  
2.20 second year, 90 percent of such value; for the third year, 80 percent of such value; for the  
2.21 fourth year, 70 percent of such value; for the fifth year, 60 percent of such value; for the  
2.22 sixth year, 50 percent of such value; for the seventh year, 40 percent of such value; for the  
2.23 eighth year, 30 percent of such value; for the ninth year, 20 percent of such value; for the  
2.24 tenth year, ten percent of such value; for the 11th and each succeeding year, the sum of \$25.

2.25 (i) In no event shall the annual additional tax be less than \$25.

2.26 (j) For any vehicle previously registered in Minnesota, the annual additional tax  
2.27 due under this subdivision must not exceed the smallest amount of annual additional  
2.28 tax previously paid or due on the vehicle.

2.29 (k) For any electric vehicle within the meaning of section 169.011, subdivision 26a,  
2.30 the motor vehicle taxes imposed under this chapter are increased by \$100.

2.31 **EFFECTIVE DATE.** This section is effective January 1, 2013, and applies to all  
2.32 registrations effective on and after that date.