

CHAPTER 168

MOTOR VEHICLE REGISTRATION, TAXATION,
SALE

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NOTE: A petty misdemeanor under this chapter remains subject to a maximum fine of \$100, except that a violation of this chapter that was originally charged as a misdemeanor and is being treated as a petty misdemeanor under section 609.131 or the rules of criminal procedure is subject to a maximum fine of \$200.

168.01 [Repealed, 1949 c 694 s 5]

168.011 DEFINITIONS.

Subdivision 1. **Words, terms, and phrases.** Unless the language or context clearly indicates that a different meaning is intended, the following words, terms and phrases, for the purposes of this chapter, shall be given the meanings subjoined to them.

Subd. 2. **Application for registration; listing for taxation.** "Application for registration" shall have the same meaning as "listing for taxation," and when a motor vehicle is registered it is also listed.

Subd. 3. **Highway.** A "highway" is any public thoroughfare for vehicles, including streets in cities.

Subd. 4. **Motor vehicle.** (a) "Motor vehicle" means any self-propelled vehicle not operated exclusively upon railroad tracks and any vehicle propelled or drawn by a self-propelled vehicle and includes vehicles known as trackless trolleys which are propelled by electric power obtained from overhead trolley wires but not operated upon rails, except snowmobiles, manufactured homes, and park trailers.

(b) "Motor vehicle" also includes an all-terrain vehicle, as defined in section 84.92, subdivision 8, which (1) has at least four wheels, (2) is owned and operated by a physically disabled person, and (3) displays both physically disabled license plates and a physically disabled certificate issued under section 169.345, subdivision 3.

(c) Motor vehicle does not include an all-terrain vehicle as defined in section 84.92, subdivision 8; except (1) an all-terrain vehicle described in paragraph (b), or (2) an all-terrain vehicle licensed as a motor vehicle before August 1, 1985, in which case the owner may continue to license it as a motor vehicle until it is conveyed or otherwise transferred to another owner, is destroyed, or fails to comply with the registration and licensing requirements of this chapter.

Subd. 5. **Owner.** "Owner" means any person, firm, association, or corporation owning or renting a motor vehicle, or having the exclusive use thereof, under a lease or otherwise, for a period of greater than 30 days.

Subd. 5a. **Registered owner.** "Registered owner" means any person, firm, association, or corporation, other than a secured party, having title to a motor vehicle. If a passenger automobile, as defined in subdivision 7, is under lease for a term of 180 days or more, the lessee is deemed to be the registered owner, for purposes of registration only, provided that the application for renewal of the registration of a passenger automobile described in this subdivision shall be sent to the lessor.

Subd. 6. **Tax, fee.** "Tax" or "fee" means the annual tax imposed on motor vehicles in lieu of all other taxes thereon, except wheelage taxes, so-called, which may be imposed by any city and except gross earnings taxes paid by companies subject or made subject thereto. Such annual tax shall be deemed both a property tax and a highway use tax and shall be on the basis of the calendar year.

Subd. 7. Passenger automobile. "Passenger automobile" means any motor vehicle designed and used for the carrying of not more than 15 persons including the driver. "Passenger automobile" does not include motorcycles, motor scooters, and buses described in subdivision 9, paragraph (a), clause (2). For purposes of taxation only, "passenger automobile" includes pickup trucks and vans, other than commuter vans as defined in section 168.126.

Subd. 8. Manufactured home; park trailer; travel trailer. (a) "Manufactured home" has the meaning given it in section 327.31, subdivision 6.

(b) "Park trailer" means a trailer that:

(1) exceeds 8-1/2 feet in width in travel mode but is no larger than 400 square feet when the collapsible components are fully extended or at maximum horizontal width; and

(2) is used as temporary living quarters.

"Park trailer" does not include a manufactured home.

(c) "Travel trailer" means a trailer, mounted on wheels, that:

(1) is designed to provide temporary living quarters during recreation, camping, or travel;

(2) does not require a special highway movement permit based on its size or weight when towed by a motor vehicle; and

(3) complies with sections 169.80, subdivision 2, and 169.81, subdivision 2.

Subd. 9. Bus; intercity bus. (a) "Bus" means (1) every motor vehicle designed for carrying more than 15 passengers including the driver and used for transporting persons, and (2) every motor vehicle that is (i) designed for carrying more than ten passengers including the driver, (ii) used for transporting persons, and (iii) owned by a nonprofit organization and not operated for hire or for commercial purposes.

(b) "Intercity bus" means any bus operating as a common passenger carrier over regular routes and between fixed termini, but excluding all buses operating wholly within the limits of one city, or wholly within two or more contiguous cities, or between contiguous cities and a terminus outside the corporate limits of such cities, and not more than 20 miles distant measured along the fixed route from such corporate limits.

Subd. 10. Truck. "Truck" means any motor vehicle designed and used for carrying things other than passengers, except pickup trucks and vans included within the definition of passenger automobile in subdivision 7.

Subd. 11. Tractor. "Tractor" means any motor vehicle designed or used for drawing other vehicles but having no provision for carrying loads independently.

Subd. 12. Truck-tractor. "Truck-tractor" means:

(a) a motor vehicle designed and used primarily for drawing other vehicles and not constructed to carry a load other than a part of the weight of the vehicle and load drawn; and

(b) a motor vehicle designed and used primarily for drawing other vehicles used exclusively for transporting motor vehicles and capable of carrying motor vehicles on its own structure.

Subd. 13. Trailer. "Trailer" means any vehicle designed for carrying property or passenger on its own structure and for being drawn by a motor vehicle but shall not include a trailer drawn by a truck-tractor semitrailer combination, or an auxiliary axle on a motor vehicle which carries a portion of the weight of the motor vehicle to which it is attached.

Subd. 14. Semitrailer. "Semitrailer" means a vehicle of the trailer type so designed and used in conjunction with a truck-tractor that a considerable part of its own weight or that of its load rests upon and is carried by the truck-tractor and shall include a trailer drawn by a truck-tractor semitrailer combination.

Subd. 15. Unloaded weight. "Unloaded weight" means the actual weight of the vehicle fully equipped without a load.

Subd. 16. **Gross weight.** "Gross weight" means the actual unloaded weight of the vehicle, either a truck or tractor, or the actual unloaded combined weight of a truck-tractor and semitrailer or semitrailers, or of the truck-tractor, semitrailer and one additional semitrailer, fully equipped for service, plus the weight of the maximum load which the applicant has elected to carry on such vehicle or combined vehicles. The term gross weight applied to a truck used for towing a trailer means the unloaded weight of the truck, fully equipped for service, plus the weight of the maximum load which the applicant has elected to carry on such truck, including the weight of such part of the trailer and its load as may rest upon the truck. The term gross weight applied to school buses means the weight of the vehicle fully equipped with all fuel tanks full of fuel, plus the weight of the passengers and their baggage computed at the rate of 100 pounds per passenger seating capacity, including that for the driver. The term gross weight applied to other buses means the weight of the vehicle fully equipped with all fuel tanks full of fuel, plus the weight of passengers and their baggage computed at the rate of 150 pounds per passenger seating capacity, including that for the driver. For bus seats designed for more than one passenger, but which are not divided so as to allot individual seats for the passengers that occupy them, allow two feet of its length per passenger to determine seating capacity. The term gross weight applied to a truck, truck-tractor or a truck used as a truck-tractor used exclusively by the owner thereof for transporting unfinished forest products or used by the owner thereof to transport agricultural, horticultural, dairy and other farm products including livestock produced or finished by the owner of the truck and any other personal property owned by the farmer to whom the license for such truck is issued, from the farm to market, and to transport property and supplies to the farm of the owner, as described in subdivision 17, shall be the actual weight of the truck, truck-tractor or truck used as a truck-tractor or the combined weight of the truck-tractor and semitrailer plus the weight of the maximum load which the applicant has elected to carry on such vehicle or combined vehicles and shall be licensed and taxed as provided by section 168.013, subdivision 1c. The term gross weight applied to a truck-tractor or a truck used as a truck-tractor used exclusively by the owner, or by a for-hire carrier hauling exclusively for one owner, for towing an equipment dolly shall be the actual weight of the truck-tractor or truck used as a truck-tractor plus the weight of such part of the equipment dolly and its load as may rest upon the truck-tractor or truck used as a truck-tractor, and shall be licensed separately and taxed as provided by section 168.013, subdivision 1e, and the equipment dolly shall be licensed separately and taxed as provided in section 168.013, subdivision 1d, which is applicable for the balance of the weight of the equipment dolly and the balance of the maximum load the applicant has elected to carry on such combined vehicles. The term "equipment dolly" as used in this subdivision means a heavy semitrailer used solely by the owner, or by a for-hire carrier hauling exclusively for one owner, to transport the owner's construction machinery, equipment, implements and other objects used on a construction project, but not to be incorporated in or to become a part of a completed project. The term gross weight applied to a tow truck or towing vehicle defined in section 169.01, subdivision 52, means the weight of the tow truck or towing vehicle fully equipped for service, including the weight of the crane, winch and other equipment to control the movement of a towed vehicle, but does not include the weight of a wrecked or disabled vehicle towed or drawn by the tow truck or towing vehicle.

Subd. 17. **Farm truck.** "Farm truck" means all single unit trucks, truck-tractors, tractors, semitrailers, and trailers used by the owner thereof to transport agricultural, horticultural, dairy, and other farm products, including livestock, produced or finished by the owner of the truck, and any other personal property owned by the farmer to whom the license for the truck is issued, from the farm to market, and to transport property and supplies to the farm of the owner. Trucks, truck-tractors, tractors, semitrailers, and trailers registered as "farm trucks" may be used by the owner thereof to occasionally transport unprocessed and raw farm products, not produced by the owner of the truck, from the place of production to market when the transportation constitutes the first haul of the products, and may be used by the owner thereof, either farmer or logger who harvests and hauls forest products only, to transport logs, pulpwood, lumber,

chips, railroad ties and other raw and unfinished forest products from the place of production to an assembly yard or railhead when the transportation constitutes the first haul thereof, provided that the owner and operator of the vehicle transporting planed lumber shall have in immediate possession a statement signed by the producer of the lumber designating the governmental subdivision, section and township where the lumber was produced and that this haul, indicating the date, is the first haul thereof. The licensed vehicles may also be used by the owner thereof to transport, to and from timber harvesting areas, equipment and appurtenances incidental to timber harvesting, and gravel and other road building materials for timber haul roads.

"Farm trucks" shall also include only single unit trucks, which, because of their construction, cannot be used for any other purpose and are used exclusively to transport milk and cream enroute from farm to an assembly point or place for final manufacture, and for transporting milk and cream from an assembly point to a place for final processing or manufacture. This section shall not be construed to mean that the owner or operator of the truck cannot carry on usual accommodation services for patrons on regular return trips, such as butter, cream, cheese, and other dairy supplies.

Subd. 18. **Registrar.** "Registrar" means the registrar of motor vehicles designated in this chapter.

Subd. 19. **Sworn statement.** "Sworn statement" means any statement required by or made pursuant to the provisions of this chapter, made under oath administered by an officer authorized to administer oaths.

Subd. 20. **First year of life.** "First year of life" means the year of model designation of the vehicle, or, if there be no year of model designation, it shall mean the year of manufacture.

Subd. 21. **Dealer.** "Dealer" means any person, firm, or corporation regularly engaged in the business of manufacturing, or selling, purchasing, and generally dealing in new and unused motor vehicles having an established place of business for the sale, trade, and display of new and unused motor vehicles and having in possession new and unused motor vehicles for the purposes of sale or trade. "Dealer" also includes any person, firm or corporation regularly engaged in the business of manufacturing or selling, purchasing, and generally dealing in new and unused motor vehicle bodies, chassis mounted or not, and having an established place of business for the sale, trade and display of such new and unused motor vehicle bodies, and having in possession new and unused motor vehicle bodies for the purposes of sale or trade.

Subd. 22. **Special mobile equipment.** "Special mobile equipment" means every vehicle not designed or used primarily for the transportation of persons or property and only incidentally operated or moved over a highway, including but not limited to: ditch digging apparatus, moving dollies, pump hoists and other water well drilling equipment registered under chapter 103I, and other machinery such as asphalt spreaders, bituminous mixers, bucket loaders, tractors other than truck-tractors, ditchers, leveling graders, finishing machines, motor graders, road rollers, scarifiers, earth moving carryalls, scrapers, power shovels, drag lines, self-propelled cranes, and earth moving equipment. The term does not include travel trailers, dump trucks, truck mounted transit mixers, truck mounted feed grinders, or other motor vehicles designed for the transportation of persons or property to which machinery has been attached.

Subd. 23. [Repealed, 1989 c 140 s 14]

Subd. 24. [Repealed, 1973 c 218 s 9]

Subd. 25. **Recreational equipment.** (a) "Recreational equipment" means travel trailers including those which telescope or fold down, chassis mounted campers, house cars, motor homes, tent trailers, slip in campers, and converted buses that provide temporary human living quarters. A vehicle is considered to provide temporary living quarters if it:

(1) is not used as the residence of the owner or occupant;

(2) is used for temporary living quarters by the owner or occupant while engaged in recreational or vacation activities; and

(3) is self-propelled or towed on the public streets or highways incidental to the recreational or vacation activities.

(b) For the purposes of this subdivision, a motor home means a unit designed to provide temporary living quarters, built into as an integral part of, or permanently attached to, a self-propelled motor vehicle chassis or van. A motor home must contain permanently installed independent life support systems which meet the American National Standards Institute standard number A119.2 for recreational vehicles and provide at least four of the following facilities, two of which must be from the systems listed in clauses (1), (5), and (6): (1) cooking facility with liquid propane gas supply, (2) refrigerator, (3) self-contained toilet or a toilet connected to a plumbing system with connection for external water disposal, (4) heating or air conditioning separate from the vehicle engine, (5) a potable water supply system including a sink with faucet either self-contained or with connections for an external source, and (6) separate 110-125 volt electrical power supply. For purposes of this subdivision, "permanently installed" means built into or attached as an integral part of a chassis or van, and designed not to be removed except for repair or replacement. A system which is readily removable or held in place by clamps or tie downs is not permanently installed.

Motor homes include but are not limited to, the following:

(1) Type A Motor Home — a raw chassis upon which is built a driver's compartment and an entire body that provides temporary living quarters as defined in this paragraph;

(2) Type B Motor Home — a van-type vehicle that conforms to the motor home definition in this paragraph and has been completed or altered by the final stage manufacturer; and

(3) Type C Motor Home — an incomplete vehicle upon which is permanently attached a body designed to provide temporary living quarters as defined in this paragraph.

(c) Slip in campers are mounted into a pickup truck in the pickup box, either by bolting through the floor of the pickup box or by firmly clamping to the side of the pickup box. The vehicle must be registered as a passenger automobile.

Subd. 26. **Motorcycle.** "Motorcycle" means every motor vehicle having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground, including motor scooters and bicycles with motor attached, other than those vehicles defined as motorized bicycles in subdivision 27, but excluding a tractor.

Subd. 27. **Motorized bicycle.** "Motorized bicycle" means a bicycle that is propelled by a motor of a piston displacement capacity of 50 cubic centimeters or less, and a maximum of two brake horsepower, which is capable of a maximum speed of not more than 30 miles per hour on a flat surface with not more than one percent grade in any direction when the motor is engaged.

Subd. 28. **Van.** "Van" means any vehicle of box-like design with no barrier or separation between the operator's area and the remainder of the cargo-carrying area, and with a manufacturer's nominal rated carrying capacity of three-fourths ton or less.

Subd. 29. **Pickup trucks.** "Pickup truck" means any truck with a manufacturer's nominal rated carrying capacity of three-fourths ton or less and commonly known as a pickup truck.

Subd. 30. **Distributor.** "Distributor" means a person, firm, or corporation which has a bona fide contract or franchise with a manufacturer to distribute the new motor vehicles of that manufacturer to licensed new motor vehicle dealers, but does not include a dealer.

Subd. 31. **First-stage manufacturer.** "First-stage manufacturer" means a person, firm, or corporation which manufactures, assembles, and sells new motor vehicles for resale in this state.

Subd. 32. **Final-stage manufacturer.** "Final-stage manufacturer" means a person, firm, or corporation which performs manufacturing operations on an incomplete motor vehicle or a van-type motor vehicle so that it becomes a type A, B, or C motor home.

Subd. 33. Van converter or modifier. "Van converter or modifier" means a person, firm, or corporation engaged in the business of modifying, completing or converting van-type vehicles into multipurpose passenger vehicles which are not motor homes as defined in subdivision 25.

Subd. 34. Fleet. "Fleet" means a combination of 1,000 or more vehicles and trailers owned by a person solely for the use of that person or employees of the person and registered in this state under section 168.127. It does not include vehicles licensed under section 168.187.

Subd. 35. Limousine. For purposes of motor vehicle registration only, "limousine" means an unmarked luxury passenger automobile that is not a van or station wagon and has a seating capacity of not more than 12 persons, excluding the driver.

Subd. 36. Personal transportation service vehicle. "Personal transportation service vehicle" is a passenger vehicle that has a seating capacity of up to six persons excluding the driver, or a van or station wagon with a seating capacity of up to 12 persons excluding the driver, that provides personal transportation service as defined in section 221.011, subdivision 34.

History: 1949 c 694 s 1; 1951 c 574 s 1,2; 1953 c 275 s 1; 1955 c 352 s 1; 1955 c 600 s 1; 1957 c 175 s 1; 1959 c 178 s 1; 1959 c 258 s 1; 1959 c 562 s 1; 1959 c 627 s 1; 1961 c 340 s 1; 1963 c 597 s 1; 1963 c 637 s 1; 1965 c 108 s 1,2; 1965 c 364 s 1; 1967 c 876 s 1; 1969 c 824 s 1,2; 1971 c 754 s 1; 1971 c 797 s 1; 1973 c 123 art 5 s 7; 1973 c 218 s 1,2; 1973 c 546 s 1-3; 1974 c 273 s 9; 1975 c 29 s 1; 1976 c 343 s 2; 1977 c 214 s 1,2; 1979 c 213 s 1; 1981 c 363 s 2-6; 1981 c 365 s 9; 3Sp1981 c 1 art 2 s 1-4; 1983 c 198 s 1; 1984 c 549 s 1,2; 1985 c 63 s 1-5; 1985 c 291 s 2-4; 1986 c 444; 1986 c 453 s 1; 1986 c 454 s 10; 1987 c 269 s 3; 1988 c 636 s 1,2; 1988 c 647 s 1; 1989 c 140 s 4-5; 1989 c 307 s 1; 1989 c 318 s 4; 1989 c 342 s 1-4; 1990 c 385 s 1; 1990 c 416 s 1; 1990 c 497 s 1; 1990 c 565 s 26,27; 1991 c 112 s 5; 1991 c 284 s 2; 1992 c 578 s 2; 1993 c 117 s 3; 1993 c 323 s 5; 1994 c 510 art 1 s 1; 1994 c 536 s 1; 1994 c 635 art 1 s 4

NOTE: For taxation of manufactured homes, see section 273.13, subdivision 3.

NOTE: The amendments to subdivision 8 by Laws 1994, chapter 510, article 1, section 1, are effective July 1, 1995. See Laws 1994, chapter 510, article 1, section 14.

168.012 VEHICLES EXEMPT FROM LICENSE FEES.

Subdivision 1. (a) The following vehicles are exempt from the provisions of this chapter requiring payment of tax and registration fees, except as provided in subdivision 1c:

(1) vehicles owned and used solely in the transaction of official business by representatives of foreign powers, by the federal government, the state, or any political subdivision;

(2) vehicles owned and used exclusively by educational institutions and used solely in the transportation of pupils to and from such institutions;

(3) vehicles used solely in driver education programs at nonpublic high schools;

(4) vehicles owned by nonprofit charities and used exclusively to transport disabled persons for educational purposes;

(5) vehicles owned and used by honorary consul or consul general of foreign governments; and

(6) ambulances owned by ambulance services licensed under section 144.802, the general appearance of which is unmistakable.

(b) Vehicles owned by the federal government, municipal fire apparatus, police patrols and ambulances, the general appearance of which is unmistakable, shall not be required to register or display number plates.

(c) Unmarked vehicles used in general police work, liquor investigations, arson investigations, and passenger automobiles, pickup trucks, and buses owned or operated by the department of corrections shall be registered and shall display appropriate license number plates which shall be furnished by the registrar at cost. Original and renewal applications for these license plates authorized for use in general police work

and for use by the department of corrections must be accompanied by a certification signed by the appropriate chief of police if issued to a police vehicle, the appropriate sheriff if issued to a sheriff's vehicle, the commissioner of corrections if issued to a department of corrections vehicle, or the appropriate officer in charge if issued to a vehicle of any other law enforcement agency. The certification must be on a form prescribed by the commissioner and state that the vehicle will be used exclusively for a purpose authorized by this section.

(d) Unmarked vehicles used by the department of revenue in conducting seizures or criminal investigations must be registered and must display passenger vehicle classification license number plates which shall be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the commissioner of revenue. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the purposes authorized by this section.

(e) All other motor vehicles shall be registered and display tax-exempt number plates which shall be furnished by the registrar at cost, except as provided in subdivision 1c. All vehicles required to display tax-exempt number plates shall have the name of the state department or political subdivision, or the nonpublic high school operating a driver education program, on the vehicle plainly displayed on both sides thereof in letters not less than 2-1/2 inches high and one-half inch wide; except that each state hospital and institution for the mentally ill and mentally retarded may have one vehicle without the required identification on the sides of the vehicle, and county social service agencies may have vehicles used for child and vulnerable adult protective services without the required identification on the sides of the vehicle. Such identification shall be in a color giving contrast with that of the part of the vehicle on which it is placed and shall endure throughout the term of the registration. The identification must not be on a removable plate or placard and shall be kept clean and visible at all times; except that a removable plate or placard may be utilized on vehicles leased or loaned to a political subdivision or to a nonpublic high school driver education program.

Subd. 1a. Notwithstanding the provisions of this section, or any other law to the contrary, motor vehicles of the conservation officer service need not be specially marked in any way.

Subd. 1b. Motor vehicles of the conservation officer service shall have printed thereon the markings required by this section, for tax exempt vehicles.

Subd. 1c. **Payment of administrative, plate, and filing fee.** The annual administrative fee for a tax-exempt vehicle under this section is \$5. The license plate fee for a tax-exempt vehicle, except a trailer, is \$10 for two plates per vehicle, payable only on the first tax-exempt registration of the vehicle. The registration period for a tax-exempt vehicle is biennial. The administrative fee is due on March 1 biennially and payable the preceding January 1, with validating stickers issued at time of payment.

Subd. 1d. **State lottery vehicles.** Unmarked passenger vehicles used by the state lottery for the purpose of conducting security or criminal investigations or ensuring that lottery retailers are in compliance with law and with their contracts are not required to display tax-exempt number plates, but must be registered and must display passenger vehicle license plates. The registrar shall furnish the license plates to the director of the state lottery at cost. On applying for initial registration or renewal of a registration under this subdivision, the director of the state lottery must certify, on a form prescribed by the registrar and signed by the director, that the vehicles will be used exclusively for the purposes of this subdivision.

Subd. 2. Implements of husbandry and tractors used solely for agricultural purposes or tractors, together with trailers or wagons thereto attached, occasionally hauling agricultural products or necessary commodities used on the farm from said farm to and from the usual market place of the owner, tractors for drawing threshing machinery and implements of husbandry temporarily moved upon the highway shall not be taxed as motor vehicles using the public streets and highways and shall be exempt from the provisions of this chapter.

Subd. 2a. Farm trailers with a gross weight of less than 10,000 pounds, drawn by a passenger automobile or farm truck and used exclusively for transporting agricultural products from farm to farm and to and from the usual market place of the owner, shall not be taxed as motor vehicles using the public streets and highways and shall be exempt from the provisions of this chapter.

Subd. 2b. A trailer used exclusively to carry liquid or dry fertilizer for use on a farm shall not be taxed as a motor vehicle using the public streets and highways and shall be exempt from the provisions of this chapter.

Subd. 3. Special mobile equipment and snowmobiles shall not be taxed as motor vehicles using the public streets and highways, and shall be exempt from the provisions of this chapter.

Subd. 3a. **Special permits.** Motorized golf carts and four-wheel all-terrain vehicles operated under permit and on roadways designated pursuant to section 169.045 are exempt from the provisions of this chapter.

Subd. 4. Bunkhouses, supply cars, shop cars, and other similar camp equipment mounted on trailers and used by highway construction contractors exclusively at construction camp sites shall not be taxed as motor vehicles using the public streets and highways and shall be exempt from the provisions of this chapter. Such trailers with such mounted bunkhouses, supply cars, shop cars, and other similar camp equipment thereon shall be listed and taxed as personal property.

Subd. 5. Motor vehicles, which are used only for the purpose of carrying sawing machines; well drilling machines, pump hoists, and other equipment registered under chapter 103I; barn sprayers or corn shellers permanently attached to them, shall not be subject to the registration tax as herein provided, but shall be listed for taxation as personal property as provided by law.

Subd. 6. All motor vehicle fire apparatus and ambulances operated without profit while owned by a farmers' cooperative association, a body of farmers, a volunteer fire department or association, or a group of citizens, and used solely for the extinguishment of fire in the community in which it is so owned and employed or, in the case of an ambulance used only for the benefit of the community in which it is owned or employed, shall be exempt from taxation.

Subd. 7. Motor vehicles which during any calendar year, or in the case of a vehicle registered pursuant to section 168.017, during the registration period there provided for, are not operated on a public highway shall be exempt from the provisions of this chapter requiring registration, payment of tax and penalties for nonpayment thereof, provided that the owner of any such vehicle shall first file a verified written application with the commissioner of public safety, correctly describing the vehicle and certifying that it has not been and will not be operated upon a public highway. Motor vehicles whose domicile is in a foreign state and are legally licensed in that state and owned by a Minnesota resident shall be exempt from the provisions of this chapter and subject to the provisions of section 168.191. Provided, that this exemption does not conflict with any existing reciprocal agreement with the state in which the vehicle is domiciled.

Subd. 8. Every passenger automobile, travel trailer, other than manufactured homes, or passenger car utility trailer duly registered in any foreign state, district, territory, or country and displaying all license number plates or like insignia required by the laws of such state, district, territory, or country shall be exempt from the provisions of this chapter during the first 60 days of residence of the owner in this state; provided that if the 60-day period expires after the 15th day of any month, the remainder of that month shall be deemed to be within the 60-day period and provided further that any such vehicles shall become subject to the provisions of this chapter immediately upon transfer of the ownership of such vehicles or upon expiration of the registration.

Subd. 9. **Manufactured homes.** Manufactured homes shall not be taxed as motor vehicles using the public streets and highways and shall be exempt from the motor vehicle tax provisions of this chapter. Except as provided in section 273.125, manufactured homes shall be taxed as personal property. The provisions of Minnesota Statutes 1957,

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section 272.02 or any other act providing for tax exemption shall be inapplicable to manufactured homes, except such manufactured homes as are held by a licensed dealer and exempted as inventory. Travel trailers not conspicuously displaying current registration plates on the property tax assessment date shall be taxed as manufactured homes if occupied as human dwelling places. Park trailers not used on the highway during any calendar year must be taxed as manufactured homes if occupied as human dwelling places. Park trailers used on the highway during any calendar year must be taxed under section 168.013, subdivision 1j.

Subd. 10. If a vehicle is used for a purpose which would make it exempt pursuant to subdivision 1 but title is held by a seller or a vendor or is assigned to a third party under a lease purchase agreement or installment sale permitted under section 465.71, exemption shall be determined by the use rather than the holder of the title.

Subd. 11. Semitrailers as defined in section 168.011, subdivision 14, shall not be taxed as a motor vehicle using the public streets and highways and shall display a number plate for identification purposes only.

Subd. 12. **Fees credited to highway user fund.** Administrative fees and fees collected from the sale of license plates under this section must be paid into the state treasury and credited to the highway user tax distribution fund.

History: 1949 c 694 s 2; 1951 c 690 s 1; 1957 c 166 s 1; 1959 c 133 s 1; 1959 c 151 s 1; 1959 c 178 s 2,3; 1959 c 562 s 2; 1961 c 340 s 2; 1961 c 621 s 1; 1965 c 176 s 1; 1965 c 871 s 1; 1967 c 56 s 1; 1967 c 117 s 1; 1967 c 876 s 2; 1967 c 905 s 9; Ex1967 c 48 s 57; 1969 c 95 s 1; 1969 c 965 s 1; 1969 c 1129 art 1 s 15; 1971 c 797 s 2; 1973 c 208 s 1; 1973 c 549 s 1; 1974 c 406 s 26; 1975 c 12 s 1; 1976 c 39 s 1; 1976 c 225 s 1; 1980 c 364 s 1; 1980 c 607 art 2 s 1; 1981 c 37 s 2; 1981 c 113 s 1; 1981 c 365 s 9; 1982 c 523 art 15 s 1; 1982 c 549 s 1; 1983 c 363 s 2; 1985 c 291 s 5-7; 1Sp1985 c 10 s 75; 1Sp1985 c 14 art 4 s 28; 1986 c 336 s 1; 1986 c 444; 1986 c 452 s 18; 1986 c 454 s 11; 1987 c 321 s 2; 1987 c 379 s 1; 1987 c 404 s 149; 1988 c 613 s 26; 1989 c 140 s 6; 1989 c 277 art 1 s 5; 1989 c 342 s 5,6; 1990 c 385 s 2; 1990 c 392 s 1; 1990 c 497 s 2,3; 1990 c 556 s 1; 1992 c 486 s 4; 1992 c 581 s 1,2; 1993 c 187 s 1; 1993 c 375 art 3 s 48; 1994 c 501 s 1; 1994 c 510 art 1 s 2; 1994 c 536 s 2

NOTE: For taxation of manufactured homes, see section 273.13, subdivision 3.

168.013 RATE OF TAX.

Subdivision 1. **Imposition.** Motor vehicles, except as set forth in section 168.012, using the public streets or highways in the state, and park trailers taxed under subdivision 1j, shall be taxed in lieu of all other taxes thereon, except wheelage taxes, so-called, which may be imposed by any city as provided by law, and except gross earnings taxes paid by companies subject or made subject thereto, and shall be privileged to use the public streets and highways, on the basis and at the rate for each calendar year as hereinafter provided.

Subd. 1a. MS 1971 [Repealed, 1973 c 218 s 9]

Subd. 1a. **Passenger automobiles; hearses.** (a) On passenger automobiles as defined in section 168.011, subdivision 7, and hearses, except as otherwise provided, the tax shall be \$10 plus an additional tax equal to 1.25 percent of the base value.

(b) Subject to the classification provisions herein, "base value" means the manufacturer's suggested retail price of the vehicle including destination charge as reflected on the price listing affixed to the vehicle in conformity with United States Code, title 15, sections 1231 to 1233 (Public Law Number 85-506) or otherwise suggested by the manufacturer or determined by the registrar if no suggested retail price exists, and shall not include the cost of each accessory or item of optional equipment separately added to the vehicle and the suggested retail price.

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

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

FROM	TO
\$ 0	\$199.99
200	399.99

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

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

(f) The registrar shall establish the base value, when new, of every passenger automobile and hearse registered prior to the effective date of Extra Session Laws 1971, chapter 31, using list price information published by the manufacturer or any nationally recognized firm or association compiling such data for the automotive industry. If unable to ascertain the base value of any registered vehicle in the foregoing manner, the registrar may use any other available source or method. The tax on all previously registered vehicles shall be computed upon the base value thus determined taking into account the depreciation provisions of paragraph (g).

(g) Except as provided in paragraph (h), the annual additional tax computed upon the base value as provided herein, during the first and second years of vehicle life shall be computed upon 100 percent of the base value; for the third and fourth years, 90 percent of such value; for the fifth and sixth years, 75 percent of such value; for the seventh year, 60 percent of such value; for the eighth year, 40 percent of such value; for the ninth year, 30 percent of such value; for the tenth year, ten percent of such value; for the 11th and each succeeding year, the sum of \$25.

In no event shall the annual additional tax be less than \$25.

(h) The annual additional tax under paragraph (g) on a motor vehicle on which the first annual tax was paid before January 1, 1990, must not exceed the tax that was paid on that vehicle the year before.

Subd. 1b. Motorcycles. On motorcycles the tax is \$10, which includes the surtax provided for in subdivision 14.

Subd. 1c. Farm trucks. (1) On farm trucks having a gross weight of not more than 57,000 pounds, the tax shall be based on total gross weight and shall be 45 percent of the Minnesota base rate prescribed by subdivision 1e during each of the first eight years of vehicle life, but in no event less than \$35, and during the ninth and succeeding years of vehicle life the tax shall be 27 percent of the Minnesota base rate prescribed by subdivision 1e, but in no event less than \$21.

(2) On farm trucks having a gross weight of more than 57,000 pounds, the tax shall be 60 percent of the Minnesota base rate during each of the first eight years of vehicle life and 36 percent of the Minnesota base rate during the ninth and succeeding years.

Subd. 1d. Trailers. On trailers the annual tax is based on total gross weight and is 30 percent of the Minnesota base rate prescribed in subdivision 1e, when the gross weight is 15,000 pounds or less, and when the gross weight of a trailer is more than 15,000 pounds, the tax for the first eight years of vehicle life is 100 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and succeeding years of vehicle life the tax is 75 percent of the Minnesota base rate prescribed by subdivision 1e, but in no event less than \$5, provided, that the tax on trailers with a total gross weight of 3,000 pounds or less is payable biennially.

Farm trailers with a gross weight in excess of 10,000 pounds and as described in section 168.011, subdivision 17, are taxed as farm trucks as prescribed in subdivision 1c.

Subd. 1e. Trucks; tractors; combinations; exceptions. On trucks and tractors except those in this chapter defined as farm trucks, on truck-tractor and semitrailer combinations except those defined as farm combinations, and on commercial zone vehicles, the tax based on total gross weight shall be graduated according to the Minnesota base rate schedule prescribed in this subdivision, but in no event less than \$120.

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Minnesota Base Rate Schedule
Scheduled taxes include five percent
surtax provided for in subdivision 14

TOTAL GROSS WEIGHT IN POUNDS	TAX
A 0 - 1,500	\$ 15
B 1,501 - 3,000	20
C 3,001 - 4,500	25
D 4,501 - 6,000	35
E 6,001 - 9,000	45
F 9,001 - 12,000	70
G 12,001 - 15,000	105
H 15,001 - 18,000	145
I 18,001 - 21,000	190
J 21,001 - 26,000	270
K 26,001 - 33,000	360
L 33,001 - 39,000	475
M 39,001 - 45,000	595
N 45,001 - 51,000	715
O 51,001 - 57,000	865
P 57,001 - 63,000	1015
Q 63,001 - 69,000	1185
R 69,001 - 73,280	1325
S 73,281 - 78,000	1595
T 78,001 - 81,000	1760

For purposes of the Minnesota base rate schedule, for vehicles with six or more axles in the "S" and "T" categories, the base rates are \$1,520 and \$1,620 respectively.

For each vehicle with a gross weight in excess of 81,000 pounds an additional tax of \$50 is imposed for each ton or fraction thereof in excess of 81,000 pounds, subject to subdivision 12.

Truck-tractors except those herein defined as farm and commercial zone vehicles shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the combined gross weight of the truck-tractor and any semitrailer or semitrailers which the applicant proposes to combine with the truck-tractor.

Commercial zone trucks include only trucks, truck-tractors, and semitrailer combinations which are:

- (1) used by an authorized local cartage carrier operating under a permit issued under section 221.296 and whose gross transportation revenue consists of at least 60 percent obtained solely from local cartage carriage, and are operated solely within an area composed of two contiguous cities of the first class and municipalities contiguous thereto as defined by section 221.011, subdivision 17; or,
- (2) operated by an interstate carrier registered under section 221.60, or by an authorized local cartage carrier or other carrier receiving operating authority under chapter 221, and operated solely within a zone exempt from regulation by the interstate commerce commission pursuant to United States Code, title 49, section 10526(b).

The license plates issued for commercial zone vehicles shall be plainly marked. A person operating a commercial zone vehicle outside the zone or area in which its operation is authorized is guilty of a misdemeanor and, in addition to the penalty therefor, shall have the registration of the vehicle as a commercial zone vehicle revoked by the registrar and shall be required to reregister the vehicle at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax shall be refunded during the balance of the registration year.

On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during each of the first eight years of vehicle life shall be 75 percent of the Minnesota base rate schedule. During the ninth and succeeding years of vehicle life the tax shall be 50 percent of the Minnesota base rate schedule.

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On trucks, truck-tractors and semitrailer combinations, except those defined as farm trucks and farm combinations, and except for those commercial zone vehicles specifically provided for in this subdivision, the tax for each of the first eight years of vehicle life shall be 100 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and succeeding years of vehicle life, the tax shall be 75 percent of the Minnesota base rate prescribed by this subdivision.

Subd. 1f. **Buses; commuter vans.** On all intercity buses, the tax during each the first two years of vehicle life shall be based on the gross weight of the vehicle and graduated according to the following schedule:

Gross Weight of Vehicle	Tax
Under 6,000 lbs.	\$125
6,000 to 8,000 lbs., incl.	125
8,001 to 10,000 lbs., incl.	125
10,001 to 12,000 lbs., incl.	150
12,001 to 14,000 lbs., incl.	190
14,001 to 16,000 lbs., incl.	210
16,001 to 18,000 lbs., incl.	225
18,001 to 20,000 lbs., incl.	260
20,001 to 22,000 lbs., incl.	300
22,001 to 24,000 lbs., incl.	350
24,001 to 26,000 lbs., incl.	400
26,001 to 28,000 lbs., incl.	450
28,001 to 30,000 lbs., incl.	500
30,001 and over	550

During each of the third and fourth years of vehicle life, the tax shall be 75 percent of the foregoing scheduled tax; during the fifth year of vehicle life, the tax shall be 50 percent of the foregoing scheduled tax; during the sixth year of vehicle life, the tax shall be 37-1/2 percent of the foregoing scheduled tax; and during the seventh and each succeeding year of vehicle life, the tax shall be 25 percent of the foregoing scheduled tax; provided that the annual tax paid in any year of its life for an intercity bus shall be not less than \$175 for a vehicle of over 25 passenger seating capacity and not less than \$125 for a vehicle of 25 passenger and less seating capacity.

On all intracity buses operated by an auto transportation company in the business of transporting persons for compensation as a common carrier and operating within the limits of cities having populations in excess of 200,000 inhabitants, the tax during each year of the vehicle life of each such bus shall be \$40; on all of such intracity buses operated in cities having a population of less than 200,000 and more than 70,000 inhabitants, the tax during each year of vehicle life of each bus shall be \$10; and on all of such intracity buses operating in cities having a population of less than 70,000 inhabitants, the tax during each year of vehicle life of each bus shall be \$2.

On all other buses and commuter vans, as defined in section 168.126, the tax during each of the first three years of the vehicle life shall be based on the gross weight of the vehicle and graduated according to the following schedule: Where the gross weight of the vehicle is 6,000 pounds or less, \$25. Where the gross weight of the vehicle is more than 6,000 pounds, and not more than 8,000 pounds, the tax shall be \$25 plus an additional tax of \$5 per ton for the ton or major portion in excess of 6,000 pounds. Where the gross weight of the vehicle is more than 8,000 pounds, and not more than 20,000 pounds, the tax shall be \$30 plus an additional tax of \$10 per ton for each ton or major portion in excess of 8,000 pounds. Where the gross weight of the vehicle is more than 20,000 pounds and not more than 24,000 pounds, the tax shall be \$90 plus an additional tax of \$15 per ton for each ton or major portion in excess of 20,000 pounds. Where the gross weight of the vehicle is more than 24,000 pounds and not more than 28,000 pounds, the tax shall be \$120 plus an additional tax of \$25 per ton for each ton or major portion in excess of 24,000 pounds. Where the gross weight of the vehicle is more than 28,000 pounds, the tax shall be \$170 plus an additional tax of \$30 per ton for each ton or major portion in excess of 28,000 pounds.

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During the fourth and succeeding years of vehicle life, the tax shall be 80 percent of the foregoing scheduled tax but in no event less than \$20 per vehicle.

Subd. 1g. **Recreational vehicles.** Self-propelled recreational vehicles shall be separately licensed and taxed annually on the basis of total gross weight and the tax shall be graduated according to the Minnesota base rate schedule prescribed in subdivision 1e, but in no event less than \$20, except as otherwise provided in this subdivision.

For all self-propelled recreational vehicles, the tax for the ninth and succeeding years of vehicle life shall be 75 percent of the tax imposed in the Minnesota base rate schedule.

Towed recreational vehicles shall be separately licensed and taxed annually on the basis of total gross weight at 30 percent of the Minnesota base rate prescribed in subdivision 1e but in no event less than \$5.

Notwithstanding any law to the contrary, all trailers and semitrailers taxed pursuant to this section shall be exempt from any wheelage tax now or hereafter imposed by any political subdivision or political subdivisions.

Subd. 1h. **Motorized bicycles.** On motorized bicycles the tax is \$6, which includes the surtax provided for in subdivision 14.

Subd. 1i. [Repealed, 1985 c 291 s 27]

Subd. 1j. **Park trailers.** Except as provided in section 168.012, subdivision 9, park trailers shall be taxed annually on the basis of total gross weight at 30 percent of the Minnesota base rate prescribed in subdivision 1e, but in no event less than \$5.

Subd. 1k. **Commuter van.** A commuter van, as defined in section 168.126, must be separately licensed and taxed annually on the basis of total gross weight and the tax must be graduated according to the schedule prescribed in subdivision 1f.

Subd. 2. **Prorated fees.** When a motor vehicle first becomes subject to taxation during the registration period for which the tax is paid, the tax shall be for the remainder of the period prorated on a monthly basis, 1/12 of the annual tax for each calendar month or fraction thereof; provided, however, that for a vehicle having an annual tax of \$10 or less there shall be no reduction until on and after September 1 when the annual tax shall be reduced one-half.

Subd. 3. **Application; cancellation; excessive gross weights forbidden.** The applicant for all licenses based on gross weight shall state in writing upon oath, the unloaded weight of the motor vehicle, trailer or semitrailer and the maximum load the applicant proposes to carry thereon, the sum of which shall constitute the gross weight upon which the license tax shall be paid, but in no case shall the declared gross weight upon which the tax is paid be less than 1-1/4 times the declared unloaded weight of the motor vehicle, trailer or semitrailer to be registered, except recreational vehicles taxed under subdivision 1g, school buses taxed under subdivision 18 and tow trucks or towing vehicles defined in section 169.01, subdivision 52. The gross weight of a tow truck or towing vehicle is the actual weight of the tow truck or towing vehicle fully equipped, but does not include the weight of a wrecked or disabled vehicle towed or drawn by the tow truck or towing vehicle.

The gross weight of no motor vehicle, trailer or semitrailer shall exceed the gross weight upon which the license tax has been paid by more than four percent or 1,000 pounds, whichever is greater.

The gross weight of the motor vehicle, trailer or semitrailer for which the license tax is paid shall be indicated by a distinctive character on the license plate or plates except as provided in subdivision 12 and the plate or plates shall be kept clean and clearly visible at all times.

The owner, driver, or user of a motor vehicle, trailer or semitrailer upon conviction for transporting a gross weight in excess of the gross weight for which it was registered or for operating a vehicle with an axle weight exceeding the maximum lawful axle load weight shall be guilty of a misdemeanor and be subject to increased registration or reregistration according to the following schedule:

(1) The owner, driver or user of a motor vehicle, trailer or semitrailer upon conviction for transporting a gross weight in excess of the gross weight for which it is registered by more than four percent or 1,000 pounds, whichever is greater, but less than 25 percent or for operating or using a motor vehicle, trailer or semitrailer with an axle weight exceeding the maximum lawful axle load as provided in section 169.825 by more than four percent or 1,000 pounds, whichever is greater, but less than 25 percent, in addition to any penalty imposed for the misdemeanor shall apply to the registrar to increase the authorized gross weight to be carried on the vehicle to a weight equal to or greater than the gross weight the owner, driver, or user was convicted of carrying, the increase computed for the balance of the calendar year on the basis of 1/12 of the annual tax for each month remaining in the calendar year beginning with the first day of the month in which the violation occurred. If the additional registration tax computed upon that weight, plus the tax already paid, amounts to more than the regular tax for the maximum gross weight permitted for the vehicle under section 169.825, that additional amount shall nevertheless be paid into the highway fund, but the additional tax thus paid shall not permit the vehicle to be operated with a gross weight in excess of the maximum legal weight as provided by section 169.825. Unless the owner within 30 days after a conviction shall apply to increase the authorized weight and pay the additional tax as provided in this section, the registrar shall revoke the registration on the vehicle and demand the return of the registration card and plates issued on that registration.

(2) The owner or driver or user of a motor vehicle, trailer or semitrailer upon conviction for transporting a gross weight in excess of the gross weight for which the motor vehicle, trailer or semitrailer was registered by 25 percent or more, or for operating or using a vehicle or trailer with an axle weight exceeding the maximum lawful axle load as provided in section 169.825 by 25 percent or more, in addition to any penalty imposed for the misdemeanor, shall have the reciprocity privileges on the vehicle involved if the vehicle is being operated under reciprocity canceled by the registrar, or if the vehicle is not being operated under reciprocity, the certificate of registration on the vehicle operated shall be canceled by the registrar and the registrar shall demand the return of the registration certificate and registration plates. The registrar may not cancel the registration or reciprocity privileges for any vehicle found in violation of seasonal load restrictions imposed under section 169.87 unless the axle weight exceeds the year-round weight limit for the highway on which the violation occurred. The registrar may investigate any allegation of gross weight violations and demand that the operator show cause why all future operating privileges in the state should not be revoked unless the additional tax assessed is paid.

(3) When the registration on a motor vehicle, trailer or semitrailer is revoked by the registrar according to provisions of this section, the vehicle shall not be operated on the highways of the state until it is registered or reregistered, as the case may be, and new plates issued, and the registration fee shall be the annual tax for the total gross weight of the vehicle at the time of violation. The reregistration pursuant to this subdivision of any vehicle operating under reciprocity agreements pursuant to section 168.181 or 168.187 shall be at the full annual registration fee without regard to the percentage of vehicle miles traveled in this state.

Subd. 4. Gross earnings tax system. Motor vehicles using the public streets and highways of this state, and owned by companies paying taxes under gross earnings system of taxation, shall be registered and taxed as provided for the registration and taxation of motor vehicles by this chapter, notwithstanding the fact that earnings from such vehicles may be included in the earnings of such companies upon which such gross earnings taxes are computed, and all provisions of this chapter are hereby made applicable to the enforcement and collection of the tax herein provided for.

Subd. 5. Certain vehicles subject to personal property tax. Motor vehicles not subject to taxation as provided in section 168.012, but subject to taxation as personal property within the state under section 273.36 or 273.37, subdivision 1, have a class rate as provided in section 273.13, subdivision 24, provided, that if the person against whom any tax has been levied on the ad valorem basis because of any motor vehicle

shall, during the calendar year for which such tax is levied, be also taxed under the provisions of this chapter, then and in that event, upon proper showing, the commissioner of revenue shall grant to the person against whom said ad valorem tax was levied, such reduction or abatement of net tax capacity or taxes as was occasioned by the so-called ad valorem tax imposed, and provided further that, if said ad valorem tax upon any motor vehicle has been assessed against a dealer in new and unused motor vehicles, and the tax imposed by this chapter for the required period is thereafter paid by the owner, then and in that event, upon proper showing, the commissioner of revenue, upon the application of said dealer, shall grant to such dealer against whom said ad valorem tax was levied such reduction or abatement of net tax capacity or taxes as was occasioned by the so-called ad valorem tax imposed. If such motor vehicle be registered and taxed under this chapter for a fractional part of the calendar year only, then such ad valorem tax shall be reduced in the percentage which such fractional part of the years bears to a full year.

Subd. 6. Listing by dealers. The owner of every motor vehicle not exempted by section 168.012 or 168.28, shall, so long as it is subject to taxation within the state, list and register the same and pay the tax herein provided annually; provided, however, that any dealer in motor vehicles, to whom dealer's plates have been issued as provided in this chapter, coming into the possession of any such motor vehicle to be held solely for the purpose of sale or demonstration or both, shall be entitled to withhold the tax becoming due on such vehicle for the following year if the vehicle is received before the current year registration expires and the transfer is filed with the registrar on or before such expiration date. When, thereafter, such vehicle is otherwise used or is sold, leased, or rented to another person, firm, corporation, or association, the whole tax for the year shall become payable immediately with all arrears.

Subd. 7. Agents. Any act required herein of a registered owner may be performed in the registered owner's behalf by a duly authorized agent. Any person having a lien upon, or claim to, any motor vehicle may pay any tax due thereon to prevent the penalty for delayed registration from accruing, but the registration certificate and number plates shall not be issued until legal ownership is definitely determined.

Subd. 8. Proceeds to highway user tax distribution fund. The proceeds of the tax imposed on motor vehicles under this chapter shall be collected by the registrar of motor vehicles and paid into the state treasury and credited to the highway user tax distribution fund.

Subd. 9. Municipalities not to impose tax; exceptions. No city shall impose any tax or license fee or bond of any kind for the operation of any motor vehicle on its streets if the person or company owning or operating such vehicle holds a certificate or permit to operate such vehicle issued in accordance with the provisions of Minnesota Statutes 1945, Chapter 221, provided, that this section shall not apply to vehicles transporting persons for hire which are operated exclusively within any city or contiguous cities.

Subd. 10. [Repealed, 1973 c 218 s 9]

Subd. 11. [Obsolete, 1951 c 123 s 2]

Subd. 12. Gross weight, additional tax for excessive. Whenever an owner has registered a vehicle and paid the tax as provided in subdivisions 1 to 1g, on the basis of a selected gross weight of the vehicle and thereafter such owner desires to operate such vehicle with a greater gross weight than that for which the tax has been paid, such owner shall be permitted to reregister such vehicle by paying the additional tax due thereon for the remainder of the calendar year for which such vehicle has been reregistered, the additional tax computed pro rata by the month, 1/12 of the annual tax due for each month of the year remaining in the calendar year, beginning with the first day of the month in which such owner desires to operate the vehicle with the greater weight. In computing the additional tax as aforesaid, the owner shall be given credit for the unused portion of the tax previously paid computed pro rata by the month, 1/12 of the annual tax paid for each month of the year remaining in the calendar year beginning with the first day of the month in which such owner desires to operate the vehicle with the greater weight. An owner will be permitted one reduction of gross weight or change of

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registration per year, which will result in a refund. This refund will be prorated monthly beginning with the first day of the month after such owner applies to amend the registration. The application for amendment shall be accompanied by a fee of \$3, and all fees shall be deposited in the highway user tax distribution fund. Provided, however, the owner of a vehicle may reregister the vehicle for a weight of more than 81,000 pounds for one or more 30-day periods. For each 30-day period, the additional tax shall be equal to 1/12 of the difference between the annual tax for the weight at which the vehicle is registered and reregistered. When a vehicle is reregistered in accordance with this provision, a distinctive windshield sticker provided by the commissioner of public safety shall be permanently displayed.

Subd. 13. [Repealed, 1973 c 218 s 9]

Subd. 14. **Increase of tax rate.** Beginning in and for the first calendar year following the issuance and sale of bonds of the state of Minnesota under the provisions of the Constitution of the State of Minnesota, article 14, section 4, and after July 1, 1957, under the provisions of the Constitution of the State of Minnesota, article 14, section 11, the proceeds of the sale of which are to be used in the construction of bridges and approaches thereto forming a part of the trunk highway system, all motor vehicle taxes imposed by section 168.013, subdivisions 1 to 1g shall be increased by 5 percent; such increased rate of tax shall remain in effect until and including the calendar year following the year in which all principal and interest on all of any such bonds shall be paid in full. Immediately upon the payment in full of all interest and principal on all of any such bonds, the commissioner of finance shall certify that fact to the registrar of motor vehicles and the registrar shall, for the second calendar year and thereafter following receipt of such certification, cease to collect motor vehicle taxes at the increased rate prescribed by this subdivision.

Subd. 15. **Adjustment of tax.** Whenever the tax on any vehicle as computed under the provisions of this section is found to be indivisible by \$1, the registrar is authorized to adjust such tax to the nearest even dollar.

Subd. 16. **Repair and servicing permit.** Upon the written application of the owner of a motor vehicle registered and taxed as a commercial zone truck, a truck tractor, a semitrailer, or any combination thereof in accordance with this section, the registrar may grant permission in writing to such owner to operate such vehicle to and from a repair shop or service station outside of its licensed zone of operation for the limited purpose of repair or servicing. The application and any permit issued under this subdivision shall state the location of the repair or servicing facility, together with such other information and subject to such conditions as the registrar may specify. Any motor vehicle operated under such a permit shall carry no load.

Subd. 17. [Repealed, 1981 c 363 s 58]

Subd. 18. **School buses.** Notwithstanding the provisions of subdivision 1, school buses used exclusively for the transportation of students under contract with a school district, or used in connection with transportation for nonprofit educational institutions, shall be taxed during each year of the vehicle life of such bus the amount of \$25.

Subd. 19. **Limited rental of farm trucks to governmental units.** A motor vehicle licensed as a farm truck may be rented to any governmental unit for use in snow removal, flood, tornado, fire or other emergency or disaster situation without affecting its license status.

Subd. 20. **Federal heavy vehicle use tax; proof of payment.** No person may register a motor vehicle that, along with the trailers and semitrailers customarily used with the same type of motor vehicle, has a taxable gross weight of at least 55,000 pounds and is subject to the use tax imposed by the Internal Revenue Code of 1954, section 4481, unless proof of payment of the use tax, if required and in a form as may be prescribed by the secretary of the treasury, is presented.

History: 1949 c 694 s 3; 1951 c 123 s 1,2; 1951 c 575 s 1; 1951 c 576 s 1; 1953 c 58 s 1; 1953 c 374 s 1; 1953 c 737 s 1; 1955 c 352 s 2; 1955 c 605 s 1; 1955 c 749 s 1; 1957 c 60 s 1; 1957 c 176 s 1; 1957 c 875 s 1; 1957 c 961 s 1; 1959 c 154 s 1; 1961 c 282 s 1;

1963 c 119 s 1; 1965 c 94 s 1; 1965 c 108 s 3; 1965 c 147 s 1; 1965 c 202 s 1,2; 1967 c 332 s 1; 1969 c 9 s 31; 1969 c 24 s 1; 1969 c 824 s 3; 1969 c 1059 s 1; 1971 c 700 s 1; 1971 c 754 s 2; Ex1971 c 31 art 5 s 1; 1973 c 54 s 1; 1973 c 123 art 5 s 7; 1973 c 218 s 3-6; 1973 c 260 s 1; 1973 c 492 s 14; 1973 c 582 s 3; 1974 c 406 s 28-31; 1975 c 339 s 8; 1976 c 2 s 172; 1976 c 39 s 2-4; 1977 c 108 s 1; 1977 c 214 s 3; 1977 c 248 s 1-3; 1977 c 347 s 26; 1979 c 213 s 2; 1980 c 427 s 1; 1981 c 321 s 1; 1981 c 357 s 51-54; 1981 c 363 s 7-17; 1Sp1981 c 4 art 4 s 61; 3Sp1981 c 1 art 2 s 5-7; 1982 c 424 s 41; 1983 c 198 s 2,3; 1983 c 371 s 1; 1984 c 549 s 3,4; 1985 c 291 s 8-11; 1985 c 299 s 8,9; 1986 c 398 art 13 s 1; 1986 c 444; 1986 c 454 s 12,13; 1Sp1986 c 3 art 2 s 11; 1987 c 383 s 1; 1988 c 647 s 2; 1988 c 719 art 5 s 84; 1989 c 268 s 5; 1989 c 329 art 13 s 20; 1989 c 342 s 7,8; 1Sp1989 c 1 art 2 s 11; 1990 c 426 art 1 s 21; 1990 c 480 art 7 s 2; 1990 c 556 s 2; 1991 c 112 s 5; 1994 c 536 s 3,4

168.014 MONTHLY SERIES SYSTEM; OWNER'S RIGHT TO CERTIFICATE; EXPIRATION.

The registered owner's right to the registration certificate provided for herein and the right to use the number plates issued therewith shall expire upon the termination of ownership of any person in the motor vehicle for which the same was issued, and in any event at midnight on December 31 of the year for which issued except as provided in section 168.017.

History: 1949 c 694 s 4; 1973 c 6 s 1; 1974 c 406 s 32

168.015 [Repealed, 1973 c 218 s 9]

168.016 COLLECTION OF TAX RATE INCREASE.

The tax provisions include the five percent surtax imposed under section 168.013, subdivision 14 for passenger automobiles, ambulances and hearses, and the five percent increase in taxes provided for in said subdivision 14 shall not be added to the taxes imposed on such vehicles under the provisions of Extra Session Laws 1971, chapter 31.

History: Ex1971 c 31 art 5 s 4

168.017 MONTHLY SERIES REGISTRATION SYSTEM.

Subdivision 1. All passenger automobiles, ambulances, hearses, and pickup trucks shall be registered by the registrar according to the monthly series system of registration prescribed by this section.

Subd. 2. There are established 12 registration periods, each to be designated by a calendar month and to start on the first day of such month and end on the last day of the 12th month from the date of commencing. The registrar shall administer the monthly series system of registration to distribute the work of registering vehicles described in subdivision 1 as uniformly as practicable through the calendar year.

Subd. 3. **Exceptions.** All vehicles subject to registration under the monthly series system shall be registered by the registrar for a period of 12 consecutive calendar months, except as follows:

(a) if the application is an original rather than renewal application; or,

(b) if the applicant is a licensed motor vehicle lessor under section 168.27, in which case the applicant may apply for original registration of a group of ten or more vehicles for a period of four or more months, the month of expiration to be designated by the applicant at the time of registration. However, to qualify for this exemption, the applicant must present the application to the registrar at St. Paul, or at deputy registrar offices as the registrar may designate.

In any instance except that of a licensed motor vehicle lessor, the registrar may register the vehicle which is the subject of the application for a period of not less than three nor more than 15 calendar months, when the registrar determines that to do so will help to equalize the registration and renewal work load of the department.

Subd. 4. Except as otherwise provided in this subdivision, the applicant for regis-

tration of a vehicle under the monthly series system shall pay in full the calendar year registration fee prescribed by law during the 12 consecutive calendar months of registration under the monthly series system. If the registrar registers the vehicle for a period greater or less than a calendar year pursuant to subdivision 3, the calendar year registration fee shall be apportioned as follows: During the first period the fee is 1/12 of the first calendar year fee times the number of months in the period. During the first 12 consecutive months of registration under the monthly series system, the fee is the sum of the following: (a) 1/12 of the first calendar year fee times the months remaining after subtracting the months in the first period of issuance from 12 months, and (b) 1/12 of the second calendar year fee times the number of months in the first period of issuance. The registration fee shall be computed in the same manner for second and subsequent periods of 12 consecutive months of registration under the monthly series system, subject to changes provided by law for registration fees under the calendar year system. If the registrar registers the vehicle for a part of a year pursuant to subdivision 3, the calendar year registration fee shall be apportioned as above in the case of an original registration for part of a year except that the computation shall begin with the second calendar year fee.

Subd. 5. The registrar may promulgate the rules necessary to carry out the provisions of this section.

History: 1973 c 6 s 2; 1974 c 121 s 1-4; 1981 c 363 s 18-19; 1985 c 248 s 70; 1989 c 140 s 7; 1991 c 284 s 1

168.018 QUARTERLY REGISTRATION OF FARM TRUCKS.

The owner of any farm truck as defined in section 168.011, subdivision 17, may elect to register and license the farm truck only for one or more quarters of a registration year, at a tax of one-fourth of the annual tax on the vehicle plus \$5 for each quarterly registration. The owner may not apply for quarterly registration or renewal until seven days before the selected quarter or concurrent quarters. The expiration date of a registration shall be displayed on the license plate in such a manner as the registrar shall direct. No farm truck registered on a quarterly basis shall be operated on the public streets and highways more than ten days beyond the end of the quarter for which it is registered unless the registration has been renewed for another quarter or for the remainder of the registration year.

For purposes of this section registration quarters shall begin on March 1, June 1, September 1, and December 1.

History: 1981 c 363 s 20; 1984 c 549 s 5

168.02 [Repealed, 1949 c 694 s 5]

168.021 LICENSE PLATES FOR PHYSICALLY DISABLED PERSONS.

Subdivision 1. **Special plates; application.** (a) When a motor vehicle registered under section 168.017, a motorcycle, or a self-propelled recreational vehicle is owned or primarily operated by a permanently physically disabled person or a custodial parent or guardian of a permanently physically disabled minor, the owner may apply for and secure from the registrar of motor vehicles (1) immediately, a temporary permit valid for 30 days, if the applicant is eligible for the special plates issued under this paragraph, and (2) two license plates with attached emblems, one plate to be attached to the front, and one to the rear of the vehicle. Application for the plates must be made at the time of renewal or first application for registration. When the owner first applies for the plates, the owner must submit a physician's statement on a form developed by the commissioner under section 169.345, or proof of physical disability provided for in that section.

(b) The owner of a motor vehicle may apply for and secure (i) immediately, a temporary permit valid for 30 days, if the person is eligible to receive the special plates issued under this paragraph, and (ii) a set of special plates for a motor vehicle if:

(1) the owner employs a permanently physically disabled person who would qualify for special plates under this section; and

(2) the owner furnishes the motor vehicle to the physically disabled person for the exclusive use of that person in the course of employment.

Subd. 1a. Scope of privilege. If a physically disabled person parks a vehicle displaying license plates described in this section, or a temporary permit valid for 30 days and issued to an eligible person awaiting receipt of the license plates described in this section, or any person parks the vehicle for a physically disabled person, that person shall be entitled to park the vehicle as provided in section 169.345.

Subd. 2. Design of plates; furnishing by registrar. The registrar of motor vehicles shall design and furnish two license number plates with attached emblems to each eligible owner. The emblem must bear the internationally accepted wheelchair symbol, as designated in section 16B.61, subdivision 5, approximately three inches square. The emblem must be large enough to be visible plainly from a distance of 50 feet. An applicant eligible for the special plates shall pay the motor vehicle registration fee authorized by law less a credit of \$1 for each month registered.

Subd. 2a. Plate returns, transfers. (a) When vehicle ownership is transferred, the owner of the vehicle shall remove the special plates from the vehicle and return them to the registrar. The buyer of the vehicle shall repay the \$1 credit for each month remaining in the registration period for which the special plates were issued. On returning the plates and repaying the remaining credit, the buyer is entitled to receive regular plates for the vehicle without further cost for the rest of the registration period.

(b) Notwithstanding section 168.12, subdivision 1, the special plates may be transferred to a replacement motor vehicle on notification to the registrar. However, the special plates may not be transferred unless the replacement motor vehicle (1) is registered under section 168.017 or is a self-propelled recreational vehicle, and (2) is owned or primarily operated by the permanently physically disabled person.

(c) The transferor shall not receive the \$1 credit for each month the replacement vehicle is registered until the time of renewal or first application for registration on the replacement vehicle.

Subd. 2b. When not eligible. On becoming ineligible for the special plates, the owner of the vehicle shall remove the special plates and return them to the registrar. The owner shall repay the \$1 credit for each month remaining in the registration period for which the special plates were issued. On returning the plates and repaying the remaining credit, the owner may receive regular plates for the vehicle without further cost for the rest of the registration period.

Subd. 3. Penalties for unauthorized use of plates. (a) A person who uses the plates or temporary permit provided under this section on a motor vehicle in violation of this section is guilty of a misdemeanor, and is subject to a fine of \$500. This subdivision does not preclude a person who is not physically disabled from operating a vehicle bearing the plates or temporary permit if:

(1) the person is the owner of the vehicle and permits its operation by a physically disabled person;

(2) the person operates the vehicle with the consent of the owner who is physically disabled; or

(3) the person is the owner of the vehicle, is the custodial parent or guardian of a permanently physically disabled minor, and operates the vehicle to transport the minor.

(b) A driver who is not disabled is not entitled to the parking privileges provided in this section and in section 169.346 unless parking the vehicle for a physically disabled person.

Subd. 4. Fees; disposition. All fees collected from the sale of plates under this section shall be deposited in the state treasury to the credit of the highway user tax distribution fund.

Subd. 5. **Definitions.** For the purposes of this section, the term "physically disabled person" has the meaning given it in section 169.345.

Subd. 6. **Driver's license law not affected.** Nothing in this section shall be construed to revoke, limit, or amend chapter 171.

Subd. 7. [Repealed, 1987 c 355 s 10]

History: 1953 c 152 s 1-6; 1965 c 51 s 21; 1975 c 217 s 1; 1976 c 19 s 1,2; 1977 c 205 s 2; 1979 c 225 s 1; 1979 c 277 s 1-3; 1983 c 117 s 1; 1983 c 216 art 1 s 27; 1985 c 291 s 12; 1986 c 444; 1987 c 355 s 1-6; 1987 c 384 art 2 s 1; 1989 c 234 s 1,2; 1990 c 497 s 4; 1991 c 301 s 1; 1993 c 98 s 1-3

168.022 REFUNDS; MANDATORY REFUND OR REPLACEMENT LAWS.

Subdivision 1. **Entitlement to refund.** If a manufacturer of motor vehicles is required by section 325F.665, subdivision 3, to refund the tax imposed by this chapter, the tax shall be refunded to the manufacturer as provided in this section.

Subd. 2. **Amount of refund.** The amount of the refund shall be the tax paid by the purchaser pursuant to this chapter less 1/12 of the annual tax for the vehicle for each calendar month or fraction of a calendar month between the date of registration and the date the purchase price is refunded.

Subd. 3. **Application.** The refund shall be paid to the manufacturer upon written application to the registrar of motor vehicles with proof of compliance with this section as the registrar may require.

Subd. 4. **Payment out of highway user fund.** Payment of any refund pursuant to this section shall be made out of the highway user fund and the amounts necessary to pay the refunds are appropriated out of the highway user fund.

History: 1983 c 342 art 20 s 1

168.03 [Repealed, 1949 c 694 s 5]

168.031 EXEMPTION FROM REGISTRATION; PERSONS IN ARMED FORCES, DISABLED VETERANS, FORMER PRISONERS OF WAR.

The motor vehicle of any person who engages in active service in time of war or other emergency declared by proper authority in any of the military or naval forces of the United States shall be exempt from the motor vehicle registration tax during the period of such active service and for 40 days immediately thereafter if the owner has filed with the registrar of motor vehicles a written application for exemption with such proof of military service as the registrar may have required and if the motor vehicle is not operated on a public highway within the state, except by the owner while on furlough or leave of absence.

The motor vehicle of any disabled war veteran, which vehicle has been furnished free, in whole or in part, by the United States government to said disabled veteran, shall be exempt from the motor vehicle registration tax. The motor vehicle owned and registered by a former prisoner of war that bears the "EX-POW" plates is exempt from the motor vehicle registration tax.

History: 1941 c 7 s 1; 1943 c 458 s 1; 1951 c 248 s 1; 1971 c 83 s 1; 1993 c 214 s 1

168.032 REFUNDMENT.

If such person shall have paid the tax for the year when entering upon such active service the person shall surrender to the registrar on applying for the exemption the number plates issued upon the registration. Upon proper application and surrender of the number plates, the registrar shall refund to the applicant from the motor vehicle license suspense fund the portion of the tax paid proportionate to the portion of the year during which the motor vehicle will not be used on any highway of the state.

History: 1941 c 7 s 2; 1986 c 444

168.033 MAY PAY PROPORTIONATE PART OF TAX.

If such person shall not have paid the tax for the year when entering upon such active service, the registrar shall not accept the application until the person has registered the motor vehicle and paid the portion of the tax with penalties, if any, proportionate to the portion of the year up to the date of application.

History: 1941 c 7 s 3; 1986 c 444

168.034 [Repealed, 1967 c 515 s 3]

168.035 [Repealed, 1967 c 515 s 3]

168.036 [Repealed, 1967 c 515 s 3]

168.037 [Repealed, 1967 c 515 s 3]

168.038 [Repealed, 1967 c 515 s 3]

168.039 [Repealed, 1967 c 515 s 3]

168.04 MILITARY PERSONNEL; EXEMPTIONS.

Subdivision 1. **Licensed in other states.** The provisions of this chapter, requiring the registration and taxation of motor vehicles and the display of license number plates shall not apply to a motor vehicle operated by an owner who is not a resident of this state or the owner's authorized agent while the owner is serving in the armed forces of the United States, subject to the following conditions and limitations:

(1) The vehicle is properly registered in another state in the name of the owner and displays the license number plates or other insignia required by the laws of the other state;

(2) The owner is a resident of the state in which the vehicle is registered;

(3) The vehicle is used only for personal transportation or for transportation of the owner or authorized agent's personal property; and

(4) The vehicle is subject to all provisions of law applicable to vehicles owned by Minnesota residents except to the extent exemption from law is provided by this section.

Subd. 2. **Licensed by the armed forces.** The provisions of this chapter, requiring the registration and taxation of motor vehicles and the display of license number plates shall not apply to a motor vehicle operated by the owner or authorized agent while the owner is engaged in active service in the armed forces of the United States, subject to the following conditions and limitations:

(1) That such vehicle is properly registered with, and displays the license number plates of, the armed forces of the United States in a foreign country;

(2) That such vehicle is used only for personal transportation or for transportation of the owner or authorized agent's personal property;

(3) That such vehicle shall be subject to all provisions of law applicable to vehicles owned by Minnesota residents except to the extent that exemption from said law is provided by this section;

(4) That the exemption provided by this subdivision shall be valid only for a period of 30 days after a vehicle has arrived in this state.

History: 1967 c 515 s 1,2; 1981 c 167 s 1; 1986 c 444

168.041 IMPOUNDING REGISTRATION PLATES.

Subdivision 1. **Driving after license invalidated.** When a person is convicted of driving a motor vehicle after the suspension, revocation, or cancellation of the person's driver's license or driving privileges, the court shall require the registration plates of the motor vehicle involved in the violation owned by the person or registered in the person's name to be surrendered to the court. The court shall issue a receipt for the surrendered registration plates.

If the violator is not the owner of the motor vehicle, the court shall require the reg-

istration plates of the motor vehicle to be surrendered to the court if the vehicle was used by the violator with the permission of the owner and the owner had knowledge of the fact that the violator's driver's license had been revoked or suspended prior to the commission of the offense.

Subd. 1a. [Repealed, 1992 c 571 art 14 s 14]

Subd. 2. **Moving violation following previous conviction.** If a person is convicted of violating a law or municipal ordinance, except a parking law or ordinance, regulating the operation of motor vehicles on the streets or highways, and the record of the person so convicted shows a previous conviction for driving after suspension or revocation of the person's driver's license or driving privileges, the court may direct the commissioner of public safety to suspend the driver's license of the person for a period not exceeding one year. The court may also require the registration plates of any motor vehicle owned by the violator or registered in the violator's name to be surrendered to the court.

Subd. 3. **Other convictions.** Except as otherwise provided in section 168.042, if a person is convicted of an offense that makes mandatory the revocation of the person's driver's license, or is convicted of driving a motor vehicle without having a valid driver's license in force, the court may require the registration plates of any motor vehicle owned by the person or any motor vehicle registered in the person's name to be surrendered to the court.

Subd. 3a. [Repealed, 1990 c 602 art 1 s 8]

Subd. 4. **Impoundment order; plates surrendered.** If the court issues an impoundment order, the registration plates must be surrendered to the court either three days after the order is issued or on the date specified by the court, whichever date is later. The court may destroy the surrendered registration plates. Except as provided in subdivision 6 or 7, no new registration plates may be issued to the violator or owner until the driver's license of the violator has been reissued or reinstated. The court shall notify the commissioner of public safety within ten days after issuing an impoundment order.

Subd. 4a. [Repealed, 1990 c 602 art 1 s 8]

Subd. 5. **Revocation rescinded.** If the driver's license revocation that is the basis for an impoundment order is rescinded, the registrar of motor vehicles shall issue new registration plates for the vehicle at no cost, when the registrar receives an application that includes a copy of the order rescinding the driver's license revocation.

Subd. 6. **Special series plates.** (a) A violator or owner may apply to the commissioner for new registration plates, which must bear a special series of numbers or letters so as to be readily identified by traffic law enforcement officers. The commissioner may authorize the issuance of special plates if a member of the violator's household has a valid driver's license, the violator or owner has a limited license issued under section 171.30, or the owner is not the violator and the owner has a valid or limited license or a member of the owner's household has a valid driver's license. The commissioner may issue the special plates on payment of a \$25 fee for each vehicle for which special plates are requested. The commissioner may not authorize the issuance of special plates unless the court that impounded the vehicle's plates gives written approval for the issuance of the special plates.

(b) Until the driver's license of the violator is reinstated or reissued, the violator shall inform the commissioner that an impoundment order is in effect when requesting any new registration plates.

Subd. 7. **Transferring vehicle when plates impounded.** A registered owner may not sell a motor vehicle during the time its registration plates have been ordered surrendered or during the time its registration plates bear a special series number, unless the registered owner applies to the court that impounded the plates, for consent to transfer title to the motor vehicle. If the court is satisfied that the proposed sale is in good faith and for a valid consideration, that the registered owner will be deprived of the custody and control of the motor vehicle, and that the sale is not for the purpose of circumventing the provisions of this section, it may certify its consent to the registrar of motor

vehicles. The registrar shall then transfer the certificate of title to the new owner upon proper application and issue new registration plates. After the registration plates have been ordered surrendered to the court under this section, if the title to the motor vehicle is transferred by the foreclosure of a chattel mortgage, the cancellation of a conditional sales contract, a sale upon execution, or by decree or order of a court of competent jurisdiction, the registrar of motor vehicles shall then transfer the certificate of title and issue new registration plates to the new registered owner.

Subd. 8. Application to registration tax. Nothing contained in this section or section 168.042 is intended to change or modify any provision of this chapter, with respect to the taxation of motor vehicles or the time within which motor vehicle taxes must be paid.

Subd. 9. Penalty. A person who fails to surrender any registration plates to the court upon demand under this section, who operates a motor vehicle on a street or highway at a time when a court has ordered the surrender of its registration plates, or who fails to comply with subdivision 6, paragraph (b), is guilty of a misdemeanor.

Subd. 10. Definition of rental motor vehicle. "Rental motor vehicle" means a passenger vehicle, truck, motorcycle, or motorized bicycle:

- (1) that is leased in the name of the violator, or leased jointly in the name of the violator and the violator's spouse; and
- (2) that is one of a fleet of two or more vehicles rented for periods of 30 days or less.

Subd. 11. Fees credited to highway user fund. Fees collected from the sale of license plates under this section must be paid into the state treasury and credited to the highway user tax distribution fund.

History: 1955 c 468 s 1-9; 1961 c 386 s 1,2; 1976 c 166 s 7; 1979 c 50 s 16; 1984 c 549 s 6; 1986 c 444; 1988 c 647 s 3; 1988 c 681 s 1; 1989 c 321 s 6-8; 1990 c 602 art 1 s 1-4; 1991 c 301 s 2; 1992 c 571 art 14 s 1; 1992 c 581 s 3

168.042 ADMINISTRATIVE IMPOUNDMENT OF PLATES.

Subdivision 1. Definitions. (a) For purposes of this section, the following terms have the meanings given.

(b) "Violator" means a person who was driving, operating, or in physical control of the motor vehicle when the violation occurred.

(c) "Violation" means:

(1) a violation of section 169.123 or an impaired driving conviction as defined in section 169.121, subdivision 3, that results in the revocation of a person's driver's license or driving privileges, and also includes an alcohol-related license revocation from another state;

(2) a violation of section 169.129; and

(3) a violation of section 171.24 by a person whose driver's license or driving privileges have been canceled under section 171.04, subdivision 1, clause (8).

Subd. 2. Violation; issuance of impoundment order. The commissioner shall issue a registration plate impoundment order when:

(1) a person's driver's license or driving privileges are revoked for a third violation, as defined in subdivision 1, paragraph (c), clause (1), within five years or a fourth or subsequent violation, as defined in subdivision 1, paragraph (c), clause (1), within 15 years;

(2) a person's driver's license or driving privileges are revoked for a violation of section 169.121, subdivision 3, paragraph (c), clause (4), within five years of one previous violation or within 15 years of two or more previous violations, as defined in subdivision 1, paragraph (c), clause (1); or

(3) a person is arrested for or charged with a violation described in subdivision 1, paragraph (c), clause (2) or (3).

The order shall require the impoundment of the registration plates of the vehicle

involved in the violation and all vehicles owned by, registered, or leased in the name of the violator, including vehicles registered jointly or leased in the name of the violator and another. An impoundment order shall not be issued for the registration plates of a rental vehicle as defined in section 168.041, subdivision 10, or a vehicle registered in another state.

Subd. 3. Notice of impoundment. An impoundment order is effective when the commissioner or a peace officer acting on behalf of the commissioner notifies the violator or the registered owner of the vehicle of the intent to impound and order of impoundment. The notice must advise the violator of the duties and obligations set forth in subdivision 6 and of the right to obtain administrative and judicial review. The notice to the registered owner who is not the violator must include the procedure to obtain new registration plates under subdivision 8. If mailed, the notice and order of impoundment is deemed received three days after mailing to the last known address of the violator or the registered owner.

Subd. 4. Peace officer as agent for notice of impoundment. On behalf of the commissioner, a peace officer issuing a notice of intent to revoke and of revocation under section 169.123 shall also serve a notice of intent to impound and an order of impoundment if the violation is the third violation, as defined in subdivision 1, paragraph (c), clause (1), within five years or the fourth or subsequent violation, as defined in subdivision 1, paragraph (c), clause (1), within 15 years. On behalf of the commissioner, a peace officer who is arresting a person for or charging a person with a violation described in subdivision 1, paragraph (c), clause (2) or (3), shall also serve a notice of intent to impound and an order of impoundment. If the vehicle involved in the violation is accessible to the officer at the time the impoundment order is issued, the officer shall seize the registration plates subject to the impoundment order. The officer shall destroy all plates seized or impounded under this section. The officer shall send to the commissioner copies of the notice of intent to impound and the order of impoundment and a notice that registration plates impounded and seized under this section have been destroyed.

Subd. 5. Temporary permit. If the vehicle is registered to the violator, the officer shall issue a temporary vehicle permit that is valid for seven days when the officer issues the notices under subdivision 4. If the vehicle is registered in the name of another, the officer shall issue a temporary vehicle permit that is valid for 45 days when the notices are issued under subdivision 3. The permit must be in a form determined by the registrar and whenever practicable must be posted on the left side of the inside rear window of the vehicle. A permit is valid only for the vehicle for which it is issued.

Subd. 6. Vehicles subject to impoundment orders. Within seven days after issuance of the impoundment notice, a person who receives a notice of impoundment and impoundment order shall surrender all registration plates subject to the impoundment order that were not seized by a peace officer under subdivision 4. Registration plates required to be surrendered under this subdivision must be surrendered to a Minnesota police department, sheriff, or the state patrol, along with a copy of the impoundment order. A law enforcement agency receiving registration plates under this subdivision shall destroy the plates and notify the commissioner that they have been destroyed. The notification to the commissioner shall also include a copy of the impoundment order.

Subd. 7. Vehicle not owned by violator. A violator may file a sworn statement with the commissioner within seven days of the issuance of an impoundment order stating any material information relating to the impoundment order, including that the vehicle has been sold or destroyed and supplying the date, name, location, and address of the person or entity that purchased or destroyed the vehicle. The commissioner shall rescind the impoundment order if the violator shows that the impoundment order was not properly issued.

Subd. 8. Reissuance of registration plates. (a) The commissioner shall rescind the impoundment order if a person subject to an impoundment order under this section, other than the violator, files with the commissioner an acceptable sworn statement containing the following information:

(1) that the person is the registered owner of the vehicle from which the plates have been impounded under this section;

(2) that the person is the current owner and possessor of the vehicle used in the violation;

(3) the date on which the violator obtained the vehicle from the registered owner;

(4) the residence addresses of the registered owner and the violator on the date the violator obtained the vehicle from the registered owner;

(5) that the person was not a passenger in the vehicle at the time of the violation; and

(6) that the person knows that the violator may not drive, operate, or be in physical control of a vehicle without a valid driver's license.

(b) The commissioner may not rescind the impoundment order nor reissue registration plates to a registered owner if the owner knew or had reason to know that the violator did not have a valid driver's license on the date the violator obtained the vehicle from the owner.

(c) If the order is rescinded, the owner shall receive new registration plates at no cost, if the plates were seized and destroyed.

Subd. 9. Administrative review. At any time during the effective period of an impoundment order, a person may request in writing a review of the impoundment order by the commissioner. On receiving a request, the commissioner or the commissioner's designee shall review the order, the evidence upon which the order was based, and any other material information brought to the attention of the commissioner, and determine whether sufficient cause exists to sustain the order. The commissioner shall report in writing the results of the review within 15 days of receiving the request. The review provided in this subdivision is not subject to the contested case provisions of the administrative procedure act in sections 14.01 to 14.69. As a result of this review, the commissioner may authorize the issuance at no cost of new registration plates to the registered owner of the vehicle if the registered owner's license or driving privileges were not revoked under section 169.123 or as a result of an impaired driving conviction as defined in section 169.121, subdivision 3.

Review under this subdivision shall take place, if possible, at the same time as any administrative review of the person's license revocation under section 169.123, subdivision 5b.

Subd. 10. Petition for judicial review. (a) Within 30 days following receipt of a notice and order of impoundment under this section, a person may petition the court for review. The petition must include the petitioner's date of birth, driver's license number, and date of the violation. The petition shall state with specificity the grounds upon which the petitioner seeks rescission of the order for impoundment. The petition may be combined with any petition filed under section 169.123, subdivision 5c.

(b) Except as otherwise provided in this section, the judicial review and hearing are governed by section 169.123, subdivisions 5c and 6, and shall take place at the same time as any judicial review of the person's license revocation under section 169.123. The filing of the petition shall not stay the impoundment order. The reviewing court may order a stay of the balance of the impoundment period if the hearing has not been conducted within 60 days after filing of the petition upon terms the court deems proper. The court shall order either that the impoundment be rescinded or sustained, and forward the order to the commissioner of public safety. The court shall file its order within 14 days following the hearing.

(c) In addition to the issues described in section 169.123, subdivision 6, the scope of a hearing under this subdivision is limited to:

(1) whether the violator owns, is the registered owner of, possesses, or has access to the vehicle used in the violation;

(2) whether a member of the violator's household has a valid driver's license, the violator or registered owner has a limited license issued under section 171.30, the regis-

tered owner is not the violator and the registered owner has a valid or limited driver's license, or a member of the registered owner's household has a valid driver's license; and

(3) if the impoundment is based on a violation described in subdivision 1, paragraph (c), clause (2) or (3), whether the peace officer had probable cause to believe the violator committed the violation and whether the evidence demonstrates that the violation occurred.

(d) In a hearing under this subdivision, the following shall be admissible in evidence:

- (1) certified copies of the violator's driving record; and
- (2) certified copies of vehicle registration records bearing the violator's name.

Subd. 11. Rescission of revocation; dismissal of charges or acquittal; issuance of new plates. If the driver's license revocation that is the basis for an impoundment order is rescinded, the registrar of motor vehicles shall issue new registration plates for the vehicle at no cost, when the registrar receives an application that includes a copy of the order rescinding the driver's license revocation. If the impoundment order was based on a violation described in subdivision 1, paragraph (c), clause (2) or (3), and the charges have been dismissed with prejudice or the violator has been acquitted of the violation, the registrar of motor vehicles shall issue new registration plates for the vehicle at no cost, when the registrar receives an application that includes a copy of the order dismissing the charges or a copy of the judgment of acquittal.

Subd. 12. Issuance of special registration plates. A violator or registered owner may apply to the commissioner for new registration plates, which must bear a special series of numbers or letters so as to be readily identified by traffic law enforcement officers. The commissioner may authorize the issuance of special plates if:

- (1) the violator has a qualified licensed driver whom the violator must identify;
- (2) the violator or registered owner has a limited license issued under section 171.30;
- (3) the registered owner is not the violator and the registered owner has a valid or limited driver's license; or
- (4) a member of the registered owner's household has a valid driver's license.

The commissioner may issue the special plates on payment of a \$25 fee for each vehicle for which special plates are requested.

Subd. 13. Sale of vehicle subject to impoundment order. A registered owner may not sell a motor vehicle during the time its registration plates have been ordered impounded or during the time its registration plates bear a special series number, unless:

- (1) the sale is for a valid consideration;
 - (2) the transferee does not reside in the same household as the registered owner;
- and
- (3) all elements of section 168A.10 are satisfied.

The registrar may then transfer the title to the new owner upon proper application and issue new registration plates.

Subd. 14. Misdemeanor offenses. A person is guilty of a misdemeanor who:

- (1) fails to comply with an impoundment order under this section;
- (2) files a false statement under subdivision 5 or 6;
- (3) operates a motor vehicle on a street or highway when the vehicle is subject to an impoundment order issued under this section; or
- (4) fails to notify the commissioner of the impoundment order when requesting new plates.

Subd. 15. Fees credited to highway user fund. Fees collected from the sale of license plates under this section must be paid into the state treasury and credited to the highway user tax distribution fund.

History: 1990 c 602 art 1 s 5; 1991 c 199 art 2 s 1; 1992 c 570 art 1 s 1-5; 1992 c 581 s 4; 1993 c 347 s 2; 1994 c 501 s 2; 1994 c 615 s 9

168.05 [Held unconstitutional]**168.053 DRIVE-AWAY IN TRANSIT LICENSE.**

Subdivision 1. **Application; fee; penalty.** Any person, firm, or corporation engaged in the business of transporting motor vehicles owned by another, by delivering, by drive-away or towing methods, either singly or by means of the full mount method, the saddle mount method, the tow bar method, or any other combination thereof, and under their own power, vehicles over the highways of the state from the manufacturer or any other point of origin, to any point of destination, within or without the state, shall make application to the registrar for a drive-away in transit license. This application for annual license shall be accompanied by a registration fee of \$250 and contain such information as the registrar may require. Upon the filing of the application and the payment of the fee, the registrar shall issue to each drive-away operator a drive-away in transit license plate, which must be carried and displayed on the power unit consistent with section 169.79 and the plate shall remain on the vehicle while being operated within the state. Additional drive-away in transit license plates desired by any drive-away operator may be secured from the registrar of motor vehicles upon the payment of a fee of \$5 for each set of additional license plates. Any person, firm, or corporation engaging in the business as a drive-away operator, of transporting and delivering by means of full mount method, the saddle mount method, the tow bar method, or any combination thereof, and under their own power, motor vehicles, who fails or refuses to file or cause to be filed an application, as is required by law, and to pay the fees therefor as the law requires, shall be found guilty of violating the provisions of sections 168.053 to 168.057; and, upon conviction, fined not less than \$50, and not more than \$100, and all costs of court. Each day so operating without securing the license and plates as required therein shall constitute a separate offense within the meaning thereof.

Subd. 2. Notwithstanding any provisions of subdivision 1 inconsistent herewith the provisions of sections 168.053 to 168.057 shall also apply to the delivery of new travel trailers, park trailers, manufactured homes, sectional buildings, and semitrailers by towing methods whether or not the power unit is a part of the combination being delivered.

History: 1941 c 213 s 1; 1959 c 153 s 1; 1961 c 38 s 1; 1961 c 554 s 1; 1969 c 121 s 1; 1981 c 365 s 9; 1984 c 549 s 7; 1986 c 444; 1989 c 323 s 1; 1989 c 342 s 9; 1994 c 536 s 5

168.054 LIABILITY INSURANCE POLICY.

Any person pulling or towing any vehicle as provided in section 168.053 designed, equipped, or intended to operate under its own power, the pulling or towing being accomplished by another vehicle when operating upon any public highway of the state, shall obtain, before such pulling or towing, a liability insurance policy or bond covering public liability and property damage, issued by some insurance or bonding company, or insurance carrier authorized to do business in the state, which policy or bond shall be approved by the registrar and be in the amount of \$10,000 because of bodily injury to or death of one person in any one accident, and, subject to said limit for one person, in the amount of \$100,000 because of bodily injury to or death of two or more persons in any one accident, and in the amount of \$5,000 because of injury to or destruction of property of others in any one accident.

History: 1941 c 213 s 2; 1947 c 166 s 1; 1994 c 536 s 6

168.055 SAFETY CHAINS; SPEED LIMIT.

In pulling or towing such motor vehicles, at least two safety chains shall be used in addition to tow bars and all sets shall be not less than 500 feet apart and no person shall operate such vehicle in excess of 35 miles per hour.

History: 1941 c 213 s 3

168.056 VIOLATION A MISDEMEANOR.

Any person violating the provisions of sections 168.053 to 168.055 shall be guilty of a misdemeanor. The provisions of sections 168.053 to 168.057 shall not apply where such vehicle is being towed as a temporary movement for the purpose of making repairs, or for the purpose of pulling or towing such vehicle from one point to another point for the purpose of making repairs, or on repossessed cars being towed by an agent or employee of any person or bona fide finance company in the state where such towing is incidental to the repossession of such vehicle.

History: 1941 c 213 s 4; 1969 c 6 s 28

168.057 FEES CREDITED TO HIGHWAY USER TAX DISTRIBUTION FUND.

All fees derived from sections 168.053 to 168.057 shall be paid into the state treasury and credited to the highway user tax distribution fund.

History: 1941 c 213 s 5; 1957 c 60 s 2

168.06 [Repealed, 1949 c 694 s 5]

168.073 [Repealed, 1949 c 694 s 5]

168.075 [Repealed, 1949 c 694 s 5]

168.08 [Repealed, 1949 c 694 s 5]

168.09 REGISTRATION; REREGISTRATION.

Subdivision 1. No motor vehicle, except as is exempted by section 168.012, shall use or be operated upon the public streets or highways of the state in any calendar year until it is registered, as provided in this section, and the motor vehicle tax and fees as provided in this chapter are paid and the number plates issued for the motor vehicle are displayed on the vehicle. No motor vehicle, except as provided by section 168.012, which shall for any reason not be subject to taxation as provided in this chapter, shall use or be operated upon the public streets or highways of this state until it is registered, as provided in this section, and shall display number plates as required by the provisions of this chapter, except that the purchaser of a new motor vehicle may operate that motor vehicle without plates if the permit authorized by section 168.091 or 168.092 is displayed.

Subd. 2. When a motor vehicle registered in Minnesota, has during the calendar year for which it is so registered, been reregistered for the following year, the display on such motor vehicle of the plates issued for such motor vehicle on its reregistration for the following year shall on and after November 15 of the calendar year in which it was so reregistered constitute compliance with subdivision 1 requiring display of plates except as provided in subdivisions 3 and 4.

Subd. 3. **Proratable vehicles; other vehicles.** (a) Plates or other insignia issued for a motor vehicle registered under the provisions of section 168.187 for a calendar year shall be displayed on the motor vehicle not later than 12:01 a.m. on March 2 of the year unless extended by the registrar for the period of time required for the issuance of the new plates or insignia. The commissioner of public safety shall register all motor vehicles registered under section 168.187 for a period of 14 months for the registration year 1994 to implement the provisions of this subdivision. The registration year for vehicles registered under section 168.187 as provided in this section shall be from March 1 to the last day of February for 1995 and succeeding years.

(b) Plates or other insignia issued for a self-propelled motor vehicle registered for over 27,000 pounds except a motor vehicle registered under the provision of sections 168.017 and 168.187 shall be displayed on the vehicle not later than 12:01 a.m. on March 2 of the year, nor earlier than 12:01 a.m. on February 15 of the year, unless otherwise extended by the registrar for the period of time required for the issuance of the new plates or insignia.

(c) Plates or other insignia issued for a self-propelled vehicle registered for 27,000 pounds or less and all other motor vehicles except those registered under the provisions

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of section 168.017 or 168.187 shall be displayed not later than 12:01 a.m. on March 2 of the year, and not earlier than January 1 of the year unless otherwise extended by the registrar for the period of time required for the issuance of the new plates or insignia. The registration year for all vehicles as provided in this paragraph and paragraph (b) shall be from March 1 to the last day of February for 1979 and succeeding years.

Subd. 4. A vehicle registered under the monthly series system of registration shall display the plates and insignia issued within ten days of the first day of the month which commences the registration period.

Subd. 5. **Defenses to failure to renew.** No person may be charged with violating this section by reason of failure to renew the registration of a previously registered motor vehicle, except those vehicles registered under section 168.187, if:

(1) the person produces a statement from the registrar to the effect that the person was not notified by the registrar of the annual renewal for the registration of the vehicle to which a citation was issued; and

(2) the person renews the registration and pays the motor vehicle tax and fees due within ten days of being cited for the violation.

Subd. 6. On semitrailers as defined in section 168.011, subdivision 14, a number plate must be assigned to the registered owner as identification for the vehicle and correlate with the certificate of title documentation on file with the department. This number plate shall not display a year designator. The registration card must indicate the number plate for the number plate to be valid.

Subd. 7. **Display of temporary permit; special plates.** A vehicle that displays a special plate issued under section 168.021; 168.12, subdivision 2, 2a, 2b, 2c, or 2d; 168.123; 168.124; 168.125; 168.126; 168.128; or 168.129 may display a temporary permit in conjunction with expired registration if:

(1) the current registration tax and all other fees have been paid in full; and

(2) the plate requires replacement under section 168.12, subdivision 1, paragraph (3).

The permit is valid for a period of 60 days. The permit must be in a form prescribed by the commissioner of public safety and whenever practicable must be posted upon the driver's side of the rear window on the inside of the vehicle. The permit is valid only for the vehicle for which it was issued to allow a reasonable time for the new license plates to be manufactured and delivered to the applicant.

History: (2675) 1921 c 461 s 4; 1923 c 418 s 4; 1927 c 88; 1945 c 14 s 1; 1949 c 130; 1957 c 714 s 1; 1969 c 75 s 1; 1971 c 1 s 1; 1974 c 121 s 6; 1976 c 39 s 5; 1978 c 613 s 1,2; 1981 c 167 s 2,3; 1984 c 549 s 8,9; 1985 c 64 s 1; 1985 c 291 s 13; 1986 c 444; 1990 c 446 s 1; 1993 c 281 s 1,2; 1994 c 536 s 7

168.091 TEMPORARY VEHICLE PERMITS FOR NONRESIDENTS.

Subdivision 1. **Temporary permit for nonresident buyer.** Upon payment of a fee of \$1, the registrar may issue a permit to a nonresident purchasing a new or used motor vehicle in this state for the purpose of allowing such nonresident to remove the vehicle from this state for registration in another state or country. Such permit shall be in lieu of any other registration or taxation for use of the highways and shall be valid for a period of 31 days. The permit shall be in such form as the registrar may determine and, whenever practicable, shall be posted upon the left side of the inside rear window of the vehicle. Each such permit shall be valid only for the vehicle for which issued.

Subd. 2. The registrar may issue a quantity of permits in booklet form to licensed dealers upon payment of the proper fee for each permit contained in said booklet. When issuing a permit, the dealer shall immediately forward to the registrar information on forms supplied by the registrar showing to whom the permit was issued, the vehicle description, date of issue and expiration, and such other information as the registrar may require.

Subd. 3. All payments received for such permits shall be paid into the state treasury and credited to the highway user tax distribution fund.

History: 1969 c 357 s 1; 1976 c 94 s 1; 1986 c 444; 1993 c 53 s 1

168.092 TEMPORARY VEHICLE PERMITS.

Subdivision 1. The motor vehicle registrar may issue a permit to a person purchasing a new or used motor vehicle in this state for the purpose of allowing the purchaser a reasonable time to register the vehicle and pay fees and taxes due on the transfer. The permit is valid for a period of 21 days. The permit must be in a form as the registrar may determine and, whenever practicable must be posted upon the left side of the inside rear window of the vehicle. Each permit is valid only for the vehicle for which issued.

Subd. 2. **Issued to dealers.** The registrar may issue a quantity of permits to licensed dealers. When issuing a permit, the dealer shall complete the permit in the manner prescribed by the department. One copy of the permit shall be retained in sequential order in the dealer's files.

History: 1971 c 853 s 14; 1976 c 94 s 2; 1983 c 68 s 1; 1986 c 444; 1994 c 536 s 8

168.093 REGISTRATION OF PARK TRAILERS.

The motor vehicle registrar shall issue a registration receipt for a park trailer on payment of annual registration tax but may not issue license plates or other insignia. The receipt must be in the form prescribed by the commissioner and must provide the name and address of the owner, the dimensions of the park trailer, and other information required by the registrar.

History: 1989 c 342 s 10

168.10 REGISTRATION; COLLECTOR VEHICLES.

Subdivision 1. **Application.** Except as provided in subdivisions 1a, 1b, 1c, 1d, 1g, and 1h, every owner of any motor vehicle in this state, not exempted by section 168.012 or 168.26, shall as soon as registered ownership of a motor vehicle is acquired and annually thereafter during the period provided in section 168.31, file with the commissioner of public safety on a blank provided by the commissioner a listing for taxation and application for the registration of such vehicle, stating the first, middle and last names, the date of birth, and the address of the primary residence of each registered owner thereof who is a natural person or mailing address if the address of the primary residence has been classified as private data under this chapter, the full name and address of any other registered owner, the name and address of the person from whom purchased, make of motor vehicle, year and number of the model, manufacturer's identification number or serial number, type of body, the weight of the vehicle in pounds, for trailers only, its rated load carrying capacity and for buses only, its seating capacity, and such other information as the commissioner may require. Any false statement willfully and knowingly made in regard thereto shall be deemed perjury and punished accordingly. The listing and application for registration by dealers or manufacturers' agents within the state, of motor vehicles received for sale or use within the state shall be accepted as compliance with the requirements of this chapter, imposed upon the manufacturer.

Registration shall be refused a motor vehicle if the original identification or serial number has been destroyed, removed, altered, covered, or defaced. However, if the commissioner is satisfied on the sworn statements of the registered owner or registered owners or such other persons as the commissioner may deem advisable that the applicant is the legal owner, a special identification number in the form prescribed by the commissioner shall be assigned to the motor vehicle. When it has been determined that the number had been affixed to such vehicle in a manner prescribed by the commissioner, the vehicle may thereafter be registered in the same manner as other motor vehicles. In the case of a new or rebuilt motor vehicle manufactured or assembled without an identification or serial number, the commissioner may assign an identification number to the motor vehicle in the same manner as prescribed heretofore.

Subd. 1a. **Collector's vehicle, pioneer license.** Any motor vehicle manufactured prior to 1936 and owned and operated solely as a collector's item shall be listed for tax-

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tion and registration as follows: An affidavit shall be executed stating the name and address of the owner, the name and address of the person from whom purchased, the make of the motor vehicle, year and number of the model, the manufacturer's identification number and that the vehicle is owned and operated solely as a collector's item and not for general transportation purposes. If the registrar is satisfied that the affidavit is true and correct and the owner pays a \$25 tax, the registrar shall list such vehicle for taxation and registration and shall issue number plates.

The number plates so issued shall bear the inscription "Pioneer," "Minnesota" and the registration number or other combination of characters authorized under section 168.12, subdivision 2a, but no date. The number plates are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for such vehicle. The registrar has the power to revoke said plates for failure to comply with this subdivision.

Subd. 1b. Collector's vehicle, classic car license. Any motor vehicle manufactured between and including the years 1925 and 1948, and designated by the registrar of motor vehicles as a classic car because of its fine design, high engineering standards, and superior workmanship, and owned and operated solely as a collector's item shall be listed for taxation and registration as follows: An affidavit shall be executed stating the name and address of the owner, the name and address of the person from whom purchased, the make of the motor vehicle, year and number of the model, the manufacturer's identification number and that the vehicle is owned and operated solely as a collector's item and not for general transportation purposes. If the registrar is satisfied that the affidavit is true and correct and that the motor vehicle qualifies to be classified as a classic car, and the owner pays a \$25 tax, the registrar shall list such vehicle for taxation and registration and shall issue number plates.

The number plates so issued shall bear the inscription "Classic Car," "Minnesota," and the registration number or other combination of characters authorized under section 168.12, subdivision 2a, but no date. The number plates are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for such vehicle. The registrar has the power to revoke said plates for failure to comply with this subdivision.

The following cars built between and including 1925 and 1948 are classic:

A.C.	
Adler	
Alfa Romeo	
Alvis	Speed 20, 25, and 4.3 litre.
Amilcar	
Aston Martin	
Auburn	All 8-cylinder and 12-cylinder models.
Audi	
Austro-Daimler	
Avions Voisin 12	
Bentley	
Blackhawk	
B.M.W.	Models 327, 328, and 335 only.
Brewster	
(Heart-front Ford)	
Bugatti	
Buick	1931 through 1942: series 90 only.
Cadillac	All 1925 through 1935. All 12's and 16's. 1936-1948: Series 63, 65, 67, 70, 72, 75, 80, 85 and 90 only. 1938-1947: 60 special only. 1940-1947: All 62 Series.

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Chrysler	1926 through 1930: Imperial 80. 1929: Imperial L. 1931 through 1937: Imperial Series CG, CH, CL, and CW. All Newports and Thunderbolts. 1934 CX. 1935 C-3. 1936 C-11. 1937 through 1948: Custom Imperial, Crown Imperial Series C-15, C-20, C-24, C-27, C-33, C-37, and C-40.
Cord	
Cunningham	
Dagmar	Model 25-70 only.
Daimler	
Delage	
Delahaye	
Doble	
Dorris	
Duesenberg	
du Pont	
Franklin	All models except 1933-34 Olympic Sixes.
Frazer Nash	
Graham	1930-1931: Series 137.
Graham-Paige	1929-1930: Series 837.
Hispano Suiza	
Horch	
Hotchkiss	
Invicta	
Isotta Fraschini	
Jaguar	Speedway Series 'Z' only.
Jordan	1925, 1926 and 1927: Model 8-75.
Kissel	1928: Model 8-90, and 8-90 White Eagle. 1929: Model 8-126, and 8-90 White Eagle. 1930: Model 8-126. 1931: Model 8-126.
Lagonda	
Lancia	
La Salle	1927 through 1933 only.
Lincoln	All models K, L, KA, and KB. 1941: Model 168H. 1942: Model 268H.
Lincoln	
Continental	1939 through 1948.
Locomobile	All models 48 and 90. 1927: Model 8-80. 1928: Model 8-80. 1929: Models 8-80 and 8-88.
Marmon	All 16-cylinder models. 1925: Model 74. 1926: Model 74. 1927: Model 75. 1928: Model E75. 1930: Big 8 model. 1931: Model 88, and Big 8.
Maybach	
McFarlan	

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Mercedes Benz	All models 2.2 litres and up.
Mercer	
M.G.	6-cylinder models only.
Minerva	
Nash	1931: Series 8-90. 1932: Series 9-90, Advanced 8, and Ambassador 8. 1933-1934: Ambassador 8. 1925 through 1934: All models. 1935 through 1942: Models 1200, 1201, 1202, 1203, 1204, 1205, 1207, 1208, 1400, 1401, 1402, 1403, 1404, 1405, 1407, 1408, 1500, 1501, 1502, 1506, 1507, 1508, 1603, 1604, 1605, 1607, 1608, 1705, 1707, 1708, 1806, 1807, 1808, 1906, 1907, 1908, 2006, 2007, and 2008 only. 1946 and 1947: Models 2106 and 2126 only.
Packard	
Peerless	1926 through 1928: Series 69. 1930-1931: Custom 8. 1932: Deluxe Custom 8.
Pierce Arrow	
Railton	
Renault	Grand Sport model only.
Reo	1930-1931: Royale Custom 8, and Series 8-35 and 8-52 Elite 8. 1933: Royale Custom 8.
Revere	
Roamer	1925: Series 8-88, 6-54e, and 4-75. 1926: Series 4-75e, and 8-88. 1927-1928: Series 8-88. 1929: Series 8-88, and 8-125. 1930: Series 8-125.
Rohr	
Rolls Royce	
Ruxton	
Salmson	
Squire	
Stearns Knight	
Stevens Duryea	
Steyr	
Studebaker	1929-1933: President, except model 82.
Stutz	
Sunbeam	
Talbot	
Triumph	Dolomite 8 and Gloria 6.
Vauxhall	Series 25-70 and 30-98 only.
Voisin	
Wills Saint Claire	

No commercial vehicles such as hearses, ambulances, or trucks are considered to be classic cars.

Subd. 1c. **Collector's vehicle, collector license.** Any motor vehicle, including any truck, that is at least 20 model years old and manufactured after 1935, or any motor vehicle of a defunct make defined as any car or truck originally licensed as a separate identifiable make as designated by the division of motor vehicles, and owned and operated solely as a collector's vehicle, shall be listed for taxation and registration as follows:

An affidavit shall be executed stating the name and address of the person from whom purchased and of the new owner, the make of the motor vehicle, year and number of the model, the manufacturer's identification number and that the vehicle is owned and operated solely as a collector's item and not for general transportation purposes. The owner must also prove that the owner also has one or more vehicles with regular license plates. If the registrar is satisfied that the affidavit is true and correct and the owner pays a \$25 tax, the registrar shall list the vehicle for taxation and registration and shall issue number plates.

The number plates issued shall bear the inscription "Collector," "Minnesota" and the registration number or other combination of characters authorized under section 168.12, subdivision 2a, but no date. The number plates are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for the vehicle. The registrar has the power to revoke the plates for failure to comply with this subdivision.

Subd. 1d. Collector's vehicle, street rod license. Any modernized motor vehicle manufactured prior to the year 1949 or designed and manufactured to resemble such vehicle shall be listed for taxation and registration as follows:

An affidavit shall be executed stating the name and address of the person from whom purchased and of the new owner, the make of the motor vehicle, year number of model, and the manufacturer's identification number. The affidavit shall further state that the vehicle is owned and operated solely as a street rod and not for general transportation purposes. The owner must also prove that the owner has one or more vehicles with regular license plates. If the registrar is satisfied that the affidavit is true and correct and the owner pays a \$25 tax, the registrar shall list such vehicle for taxation and registration and shall issue number plates.

The number plates issued shall bear the inscription "Street Rod", "Minnesota" and the registration number or other combination of characters authorized under section 168.12, subdivision 2a, but no date. The number plates are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for such vehicle. The registrar has the power to revoke such plates for failure to comply with this subdivision.

Subd. 1e. Outdoor storage. Pioneer, classic, collector vehicles, collector military vehicles, or street rods, licensed or unlicensed, operable or inoperable, may be stored in compliance with local government zoning and ordinances on their owners' property, provided that the vehicles and any outdoor storage areas they may require are maintained in such a manner that they do not constitute a health or environmental hazard and are screened from ordinary public view by means of a fence, shrubbery, rapidly growing trees or other appropriate means. The appropriate local agency or authority may inform an owner of the owner's failure to comply with these requirements, and may order the vehicles removed from the outdoor storage area if the owner fails to comply with these requirements within 20 days after the warning.

Subd. 1f. Equipment. Any pioneer, classic, collector vehicle, collector military vehicle, or street rod shall have all equipment, in operating condition, which was specifically required by law as a condition for its first sale after manufacture.

No law requiring any particular equipment or specifying any standards to be met by motor vehicles shall apply to pioneer, classic, collector vehicles, collector military vehicles, or street rods unless it specifically so states.

Subd. 1g. Original plates. A vehicle registered pursuant to subdivision 1a, 1b, 1c or 1d may in lieu of being issued number plates by the registrar display original Minnesota number plates issued in the same year as the model year of the car on which they are displayed. The number of the original plates must be provided to the registrar. The original plates must be in good condition and shall be used in pairs one to be displayed in the front of the car and one in the rear. Original Minnesota number plates shall not be used if the number on the original plate is identical to a number on any current street rod plate or any other plate in a numbering system used by the registrar. Any person currently using plates issued pursuant to subdivision 1a, 1b, 1c or 1d shall return those

plates to the registrar before substituting original plates. The registrar may charge a fee for registering the number on original plates.

Subd. 1h. Collector military vehicles. (a) A motor vehicle, including a truck, shall be listed and registered under this section if it meets the following conditions:

(1) it is at least 20 years old;

(2) its first owner following its manufacture was a branch of the armed forces of the United States and it presently conforms to the vehicle specifications required during the time of military ownership, or it has been restored and presently conforms to the specifications required by a branch of the armed forces for the model year that the restored vehicle could have been owned by that branch of the armed forces; and

(3) it is owned by a nonprofit organization and operated solely as a collector's vehicle. For purposes of this subdivision, "nonprofit organization" means a corporation, society, association, foundation, or institution organized and operated exclusively for historical or educational purposes, no part of the net earnings of which inures to the benefit of a private individual.

(b) The owner of the vehicle shall execute an affidavit stating the name and address of the person from whom purchased and of the new owner; the make, year, and model number of the motor vehicle; the manufacturer's identification number; and the collector military vehicle identification number, if any, located on the exterior of the vehicle. The affidavit must affirm that the vehicle is owned by a nonprofit organization and is operated solely as a collector's item and not for general transportation purposes. If the registrar is satisfied that the affidavit is true and correct and the owner pays a \$25 tax, the registrar shall list the vehicle for taxation and registration and shall issue number plates. The number plates shall bear the inscriptions "Collector" and "Minnesota" and the registration number, but no date. The number plates are valid without renewal as long as the vehicle is in existence and may not be transferred to another vehicle. The registrar may revoke the plates for failure to comply with this subdivision.

(c) Notwithstanding section 168.09, 168.12, or other law to the contrary, the owner of a registered collector military vehicle is not required to display registration plates on the exterior of the vehicle if the vehicle has an exterior number identification that conforms to the identifying system for military vehicles in effect when the vehicle was last owned by the branch of the armed forces of the United States or in effect in the year to which the collector military vehicle has been restored. However, the state registration plates must be carried in or on the collector military vehicle at all times.

(d) The owner of a registered collector military vehicle that is not required to display registration plates under paragraph (c) may tow a registered trailer behind it. The trailer is not required to display registration plates if the trailer:

(1) does not exceed a gross weight of 15,000 pounds;

(2) otherwise conforms to registration, licensing, and safety laws and specifications;

(3) conforms to military specifications for appearance and identification;

(4) is intended to represent and does represent a military trailer; and

(5) carries registration plates on or in the trailer or the collector military vehicle towing the trailer.

Subd. 2. New body; application. Upon the installation of a new body or the addition to or change of type of any body in or upon any registered motor vehicle, the owner shall file with the registrar a new application setting forth such change, together with the payment of any additional tax to which the motor vehicle by such change has become subject, and shall apply for a revision of the registration made.

Subd. 3. Offenses. It shall be unlawful for any person:

(1) To display or cause to be displayed or to possess any canceled, revoked, suspended or fraudulently obtained or stolen registration plates;

(2) To lend the person's registration plates to another or knowingly to permit the use thereof by another;

(3) To display or represent as the person's own any registration plates not issued to that person; provided, however, this shall not apply to any legal change of ownership of the motor vehicle to which the plates are attached;

(4) To fail or refuse to surrender to the department upon its lawful demand any registration plates which have been revoked, canceled, or suspended by proper authority;

(5) To use a false or fictitious name or address or description of the motor vehicle, identification number, or serial number in any application for registration of a motor vehicle or to knowingly make a false statement or to knowingly conceal a material fact or otherwise commit a fraud in any such application;

(6) To destroy, alter, remove, cover or deface the identification or serial number of any motor vehicle or to knowingly operate any motor vehicle the identification or serial number of which has been destroyed, altered, removed, covered or defaced without first making application for assignment of a special identification number as provided by law.

Subd. 4. **Violations.** It shall be a misdemeanor for any person to violate any of the provisions of this chapter unless such violation is by this chapter or other laws of this state declared to be a felony or gross misdemeanor.

History: (2676) 1921 c 461 s 5; 1923 c 418 s 5; 1937 c 436 s 1; 1941 c 515 s 2; 1951 c 211 s 1,2; 1953 c 88 s 1; 1955 c 59 s 1; 1957 c 714 s 2; 1959 c 74 s 1; 1959 c 315 s 1; 1963 c 579 s 1; 1965 c 107 s 1; 1975 c 55 s 1,2; 1976 c 73 s 1; 1977 c 370 s 1; 1979 c 329 s 1; 1981 c 199 s 1; 3Sp1981 c 1 art 2 s 8; 1984 c 549 s 10-14; 1986 c 336 s 2-5; 1986 c 444; 1988 c 647 s 4; 1990 c 446 s 2; 1991 c 333 s 1-4; 1992 c 581 s 5; 1993 c 85 s 1

168.101 OWNERSHIP AND REGISTRATION OF PASSENGER AUTOMOBILES OR TRUCKS BY PERSONS UNDER THE AGE OF 18; PROHIBITIONS.

Subdivision 1. Except as provided in this subdivision it is unlawful for a person under the age of 18 to own a passenger automobile or truck. A person who is under the age of 18 may own a passenger automobile or truck only if any of the following conditions exist:

(1) The person has completed a driver training course approved by the commissioner of public safety and has attained the age of 17;

(2) The person is a high school graduate and has attained the age of 17;

(3) The person is an employed, emancipated minor who holds a Minnesota drivers license;

(4) The person, before January 1, 1964, owns a passenger automobile or truck which is registered in the person's name with the registrar of motor vehicles;

(5) The person became the owner of the passenger automobile or truck which the person seeks to register in Minnesota while a resident of a foreign state, district, territory, or country, and which passenger automobile or truck is duly registered in the person's name in such foreign state, district, territory, or country.

Subd. 2. Any person who knowingly sells or in any manner knowingly transfers title of a passenger automobile or truck to a person who is prohibited from owning a passenger automobile or truck under the provisions of subdivision 1 shall be guilty of a misdemeanor. Any person who knowingly fails to mail in the application for registration or transfer to the registrar of motor vehicles or otherwise fails to submit said forms to the registrar within 14 days following date of sale shall be guilty of a misdemeanor.

Subd. 3. The registrar of motor vehicles shall refuse to register a passenger automobile or truck unless the owner submits to the registrar, at the time the owner files the first application for registration or transfer of a passenger automobile or truck, a written and verified statement that the owner is 18 years of age or over or, if under the age 18, is permitted by the provisions of subdivision 1 to own a passenger automobile or truck. The statement of an applicant under the age of 18 also shall set forth the number of the applicant's drivers license, or if the applicant has no drivers license the appli-

cant shall so state. The applicant shall make an oath or affirmation before an officer authorized by law to administer oaths and affirmations that the statements made are correct and true. The registrar may prescribe a form for the statement required by this subdivision, which form the registrar may make a part of the application for registration or transfer.

Subd. 4. A person who violates the provisions of this section is guilty of a misdemeanor. The commissioner of public safety shall suspend, for not less than one year, the drivers license of a person who, while under the age of 18, misrepresents the person's age on the statement required by subdivision 3.

Subd. 5. [Repealed, 1989 c 140 s 14]

History: 1963 c 580 s 1; 1965 c 178 s 1; 1967 c 55 s 1; 1969 c 1129 art 1 s 18; 1984 c 549 s 15; 1986 c 444

168.102 SCHOOL BUSES; PREREGISTRATION INSPECTION.

No school bus, as defined in section 169.01, subdivision 6, shall be registered for the first time in this state unless the application for registration is accompanied by a certificate from either the Minnesota state patrol or the dealer showing that the school bus conforms with all rules promulgated by the department of education and with all other applicable provisions of law.

History: 1975 c 283 s 1; 1981 c 37 s 2; 1985 c 248 s 70

168.105 CLASSIC MOTORCYCLE REGISTRATION.

Subdivision 1. **Definition.** A "classic motorcycle" is a motorcycle that is at least 20 years old, original in appearance, and owned solely as a collector's item and used in a classic motorcycle club activity, exhibition, tour, parade, or similar use. A classic motorcycle may not be used for general transportation purposes.

Subd. 2. **Affidavit for registration and taxation.** A classic motorcycle must be listed for taxation and registration by executed affidavit stating (1) the name and address of the owner, (2) the name and address of the person from whom purchased, (3) the make of the classic motorcycle, (4) the year and number of the model, (5) the manufacturer's identification number, (6) that the motorcycle is owned and operated solely as a collector's item and not used for general transportation purposes, and (7) that the owner has one or more motor vehicles with regular license plates.

When the registrar is satisfied that the affidavit is true, correct, and complete and that the owner has paid a \$10 tax, the registrar shall list the vehicle for taxation and registration and shall issue special number plates.

Subd. 3. **License plates.** The registrar shall issue number plates of the same size as standard motorcycle license plates and inscribed "collector" and "Minnesota" with the registration number or other combination of characters authorized under section 168.12, subdivision 2a, but without a date. The plates are valid without renewal as long as the classic motorcycle exists and may be issued for the applicant's use only for the classic motorcycle. The registrar may revoke the plates for noncompliance with this subdivision.

Subd. 4. [Repealed, 1985 c 291 s 27]

Subd. 5. **Original plates.** Instead of being issued special classic motorcycle plates, a classic motorcycle registered under this section may display original Minnesota number plates issued in the same year as the model year of the motorcycle on which they are displayed. The number of the original plates must be provided to the registrar.

Original Minnesota number plates may not be used if the number on the original plate is identical to the number on a current collector's plate issued by the registrar.

A person currently using classic motorcycle plates issued under this section, shall return those plates to the registrar before substituting original plates.

The registrar may charge a fee for registering the number on original plates.

Subd. 6. **Issuance.** The registrar shall begin issuing classic motorcycle plates on January 1, 1984, and thereafter.

History: 1983 c 173 s 1; 1991 c 333 s 5

168.11 REGISTRATION CERTIFICATE.

Subdivision 1. The registrar shall file such application and, upon approval thereof and upon payment of the motor vehicle tax, as herein provided, together with all arrears and penalties, if any, and upon the delivery to the registrar of the duly endorsed certificate of title of the former owner, as provided in chapter 168A, shall assign to it a distinctive number and issue to the registered owner a registration certificate, which shall contain the full name and date of birth, place of residence, with street and number, if in a city, and post office address of the registered owner, a specific description of the vehicle, and the number assigned, together with a place on the face of the certificate in which the registered owner shall, immediately upon receipt thereof, place the registered owner's signature. The registration certificate shall be retained by the registered owner until expiration. When in administering this chapter convenience or necessity requires, the registration certificate shall be used in lieu of the certificate of title on vehicles exempt from chapter 168A.

Subd. 2. In the case of motor vehicles taxed under the provisions of section 168.013, subdivision 1e, a nonnegotiable copy of the registration card shall be issued. The owner or driver shall carry said copy in immediate possession at all times when operating the vehicle and shall display the same upon demand of a peace officer, and authorized representative of the department or an officer authorized by law to enforce the laws relating to the operation of motor vehicles upon the public streets and highways. Nothing herein shall be construed to vary the terms or conditions of section 168.013, subdivision 3.

Subd. 3. If the registrar fails to mail to the registered owner of a motor vehicle a notification of renewal for the motor vehicle at least 30 days before the expiration of the vehicle's registration, and all past due taxes and fees have been paid, the registrar must provide at no charge a written statement to that effect to the registered owner at the owner's request. The registrar must retain in the registrar's files a record sufficient to demonstrate whether any owner of a registered motor vehicle has been notified by mail of the renewal of the registration.

History: (2677) 1921 c 461 s 6; 1923 c 418 s 6; 1959 c 81 s 1; 1974 c 406 s 33; 1985 c 64 s 2; 1986 c 444; 1988 c 647 s 5

168.12 LICENSE PLATES.

Subdivision 1. **Number plates; design, visibility, periods of issuance.** The registrar, upon the approval and payment, shall issue to the applicant the number plates required by law, bearing the state name and the number assigned. The number assigned may be a combination of a letter or sign with figures. The color of the plates and the color of the abbreviation of the state name and the number assigned shall be in marked contrast. The plates shall be lettered, spaced, or distinguished to suitably indicate the registration of the vehicle according to the rules of the registrar, and when a vehicle is registered on the basis of total gross weight, the plates issued shall clearly indicate by letters or other suitable insignia the maximum gross weight for which the tax has been paid. These number plates shall be so treated as to be at least 100 times brighter than the conventional painted number plates. When properly mounted on an unlighted vehicle, these number plates, when viewed from a vehicle equipped with standard headlights, shall be visible for a distance of not less than 1,500 feet and readable for a distance of not less than 110 feet. The registrar shall issue these number plates for the following periods:

(1) New number plates issued pursuant to section 168.012, subdivision 1, shall be issued to a vehicle for as long as it is owned by the exempt agency and shall not be transferable from one vehicle to another but may be transferred with the vehicle from one tax exempt agency to another.

(2) Plates issued for passenger automobiles as defined in section 168.011, subdivision 7, shall be issued for a seven-year period. All plates issued under this paragraph must be replaced if they are seven years old or older at the time of annual registration or will become so during the registration period.

(3) Number plates issued under sections 168.053 and 168.27, subdivisions 16 and 17, shall be for a seven-year period.

(4) Plates for any vehicle not specified in clauses (1) to (3), except for trailers as hereafter provided, shall be issued for the life of the vehicle. Beginning with number plates issued for the year 1981, plates issued for trailers with a total gross weight of 3,000 pounds or less shall be issued for the life of the trailer and shall be not more than seven inches in length and four inches in width.

In a year in which plates are not issued, the registrar shall issue for each registration a tab or sticker to designate the year of registration. This tab or sticker shall show the calendar year or years for which issued, and is valid only for that period. The number plates, number tabs, or stickers issued for a motor vehicle may not be transferred to another motor vehicle during the period for which it is issued, except a motor vehicle registered under section 168.187.

Notwithstanding any other provision of this subdivision, number plates issued to a vehicle which is used for behind-the-wheel instruction in a driver education course in a public school may be transferred to another vehicle used for the same purpose without payment of any additional fee. The registrar shall be notified of each transfer of number plates under this paragraph and may prescribe a form for notification.

Subd. 2. Amateur radio station licensee; special license plates. Any applicant who is an owner or joint owner of a passenger automobile, van or pickup truck, or a self-propelled recreational vehicle, and a resident of this state, and who holds an official amateur radio station license, or a citizens radio service class D license, in good standing, issued by the Federal Communications Commission shall upon compliance with all laws of this state relating to registration and the licensing of motor vehicles and drivers, be furnished with license plates for the motor vehicle, as prescribed by law, upon which, in lieu of the numbers required for identification under subdivision 1, shall be inscribed the official amateur call letters of the applicant, as assigned by the Federal Communications Commission. The applicant shall pay in addition to the registration tax required by law, the sum of \$10 for the special license plates, and at the time of delivery of the special license plates the applicant shall surrender to the registrar the current license plates issued for the motor vehicle. This provision for the issue of special license plates shall apply only if the applicant's vehicle is already registered in Minnesota so that the applicant has valid regular Minnesota plates issued for that vehicle under which to operate it during the time that it will take to have the necessary special license plates made. If owning or jointly owning more than one motor vehicle of the type specified in this subdivision, the applicant may apply for special plates for each of not more than two vehicles, and, if each application complies with this subdivision, the registrar shall furnish the applicant with the special plates, inscribed with the official amateur call letters and other distinguishing information as the registrar considers necessary, for each of the two vehicles. And the registrar may make reasonable rules governing the use of the special license plates as will assure the full compliance by the owner and holder of the special plates, with all existing laws governing the registration of motor vehicles, the transfer and the use thereof.

Despite any contrary provision of subdivision 1, the special license plates issued under this subdivision may be transferred to another motor vehicle upon the payment of a fee of \$5. The registrar must be notified of the transfer and may prescribe a form for the notification.

Fees collected under this subdivision must be paid into the state treasury and credited to the highway user tax distribution fund.

Subd. 2a. Personalized plates; rules. Personalized license plates must be issued to an applicant for registration of a passenger automobile including a passenger automobile registered as a classic car, pioneer car, collector car, or street rod; van; pickup truck; motorcycle including a classic motorcycle; or self-propelled recreational vehicle, upon compliance with the laws of this state relating to registration of the vehicle and upon payment of a one-time fee of \$100 in addition to the registration tax required by law for the vehicle. The registrar shall designate a replacement fee for personalized license

plates that is calculated to cover the cost of replacement. This fee must be paid by the applicant whenever the personalized license plates are required to be replaced by law. In lieu of the numbers assigned as provided in subdivision 1, personalized license plates must have imprinted on them a series of not more than seven numbers and letters in any combination. When an applicant has once obtained personalized plates, the applicant shall have a prior claim for similar personalized plates in the next succeeding year as long as current registration is maintained. The commissioner of public safety shall adopt rules in the manner provided by chapter 14, regulating the issuance and transfer of personalized license plates. No words or combination of letters placed on personalized license plates may be used for commercial advertising, be of an obscene, indecent, or immoral nature, or be of a nature that would offend public morals or decency. The call signals or letters of a radio or television station are not commercial advertising for the purposes of this subdivision.

Notwithstanding the provisions of subdivision 1, personalized license plates issued under this subdivision may be transferred to another motor vehicle owned or jointly owned by the applicant, upon the payment of a fee of \$5, which must be paid into the state treasury and credited to the highway user tax distribution fund. The registrar may by rule provide a form for notification. A personalized license plate issued for a classic car, pioneer car, collector car, street rod, or classic motorcycle may not be transferred to a vehicle not eligible for such a license plate.

Notwithstanding any law to the contrary, if the personalized license plates are lost, stolen, or destroyed, the applicant may apply and shall receive duplicate license plates bearing the same combination of letters and numbers as the former personalized plates upon the payment of the fee required by section 168.29.

Fees from the sale of permanent and duplicate personalized license plates must be paid into the state treasury and credited to the highway user tax distribution fund.

Subd. 2b. Firefighters; special license plate. The registrar shall issue special license plates to any applicant who is both a member of a fire department receiving state aid under chapter 69 and an owner or joint owner of a passenger automobile, van, or pickup truck, upon payment of a fee of \$10 and upon payment of the registration tax required by law for the vehicle and compliance with other laws of this state relating to registration and licensing of motor vehicles and drivers. In lieu of the identification required under subdivision 1, the special license plates shall be inscribed with a symbol of a Maltese Cross together with five numbers. No applicant shall receive more than two sets of plates for vehicles owned or jointly owned by the applicant.

Special plates issued under this subdivision may only be used during the period that the owner or joint owner of the vehicle is a member of a fire department as specified in this subdivision. When the person to whom the special plates were issued is no longer a member of a fire department or when the vehicle ownership is transferred, the special license plates shall be removed from the vehicle and returned to the registrar. Upon return of the special plates, the owner or purchaser of the vehicle is entitled to receive regular plates for the vehicle without cost for the remainder of the registration period for which the special plates were issued. Firefighter license plates issued pursuant to this subdivision may be transferred to another motor vehicle upon payment of \$5, which fee shall be paid into the state treasury and credited to the highway user tax distribution fund.

The commissioner of public safety may adopt rules under the administrative procedure act, sections 14.001 to 14.69, to govern the issuance and use of the special plates authorized in this subdivision. All fees from the sale of special license plates for firefighters shall be paid into the state treasury and credited to the highway user tax distribution fund.

Subd. 2c. National guard; special plates. The registrar shall issue special license plates to any applicant who is a regularly enlisted, commissioned, or retired member of the Minnesota national guard, other than an inactive member who is not a retired member, and is an owner or joint owner of a passenger automobile, van, or pickup truck included within the definition of a passenger automobile upon payment of a fee of \$10,

payment of the registration tax required by law, and compliance with other laws of this state relating to registration and licensing of motor vehicles and drivers. The adjutant general shall design these special plates subject to the approval of the registrar. No applicant shall be issued more than two sets of plates for vehicles owned or jointly owned by the applicant. The adjutant general shall estimate the number of special plates that will be required and submit the estimate to the registrar.

Special plates issued under this subdivision may only be used during the period that the owner or joint owner of the vehicle is an active or retired member of the Minnesota national guard as specified in this subdivision. When the person to whom the special plates were issued is no longer an active or retired member of the Minnesota national guard, the special plates must be removed from the vehicle and returned to the registrar. Upon return of the special plates, the owner or purchaser of the vehicle is entitled to receive regular plates for the vehicle without cost for the remainder of the registration period for which the special plates were issued. While the person is an active or retired member of the Minnesota national guard, plates issued pursuant to this subdivision may be transferred to another motor vehicle owned or jointly owned by that person upon payment of a fee of \$5.

For purposes of this subdivision, "retired member" means a person placed on the roll of retired officers or roll of retired enlisted members in the office of the adjutant general under section 192.18 and who is not deceased.

All fees collected under the provisions of this subdivision shall be paid into the state treasury and credited to the highway user tax distribution fund.

The registrar may adopt rules under the administrative procedure act to govern the issuance and use of the special plates authorized by this subdivision.

Subd. 2d. Ready reserve; special plates. The registrar shall issue special license plates to an applicant who is not eligible for special license plates under subdivision 2c, who is a member of the United States armed forces ready reserve as described in United States Code, title 10, section 268, and is an owner or joint owner of a passenger automobile, van, or pickup truck, on paying a fee of \$10, paying the registration tax required by law, and complying with other laws of this state relating to registration and licensing of motor vehicles and drivers. The commissioner of veterans affairs shall design these special plates subject to the approval of the registrar. No applicant may be issued more than two sets of plates for vehicles owned or jointly owned by the applicant. The commissioner of veterans affairs shall estimate the number of special plates that will be required and submit the estimate to the registrar.

Special plates issued under this subdivision may only be used during the period that the owner or joint owner of the vehicle is a member of the ready reserve. When the person is no longer a member, the special plates must be removed from the vehicle and returned to the registrar. On returning the special plates, the owner or purchaser of the vehicle is entitled to receive regular plates for the vehicle without cost for the rest of the registration period for which the special plates were issued. While the person is a member of the ready reserve, plates issued under this subdivision may be transferred to another motor vehicle owned or jointly owned by that person on paying a fee of \$5.

The fees collected under this subdivision must be paid into the state treasury and credited to the highway user tax distribution fund.

The registrar may adopt rules under the administrative procedure act to govern the issuance and use of the special plates authorized by this subdivision.

Subd. 2e. Volunteer ambulance attendants; special plates. (a) The registrar shall issue special license plates to an applicant who is a volunteer ambulance attendant as defined in section 144.8091, subdivision 2, and who owns or jointly owns a motor vehicle taxed as a passenger automobile. The registrar shall issue the special plates on payment of the registration tax required by law for the vehicle, compliance with all other applicable laws relating to registration and licensing of motor vehicles and drivers, and payment of an additional fee of \$10. The registrar shall not issue more than one set of these plates to each qualified applicant.

(b) A person may use special plates issued under this subdivision only during the period that the person is a volunteer ambulance attendant. When the person to whom the special plates were issued ceases to be a volunteer ambulance attendant, or when ownership of the vehicle is transferred, the person shall remove the special plates from the vehicle and return them to the registrar. On return of the plates, the owner of the vehicle, or new owner in case of a transferred vehicle, is entitled to receive regular license plates for the vehicle without cost for the rest of the registration period for which the special plates were issued. Special plates issued under this subdivision may be transferred to another vehicle owned by the volunteer ambulance attendant on payment of a fee of \$5.

(c) The fees specified in this subdivision must be paid into the state treasury and deposited in the highway user tax distribution fund.

(d) The commissioner may adopt rules governing the design, issuance, and sale of the special plates authorized by this subdivision.

Subd. 3. [Repealed, 1990 c 497 s 13]

Subd. 4. [Repealed, 1990 c 497 s 13]

Subd. 5. **Additional fee.** In addition to any fee otherwise authorized or any tax otherwise imposed upon any motor vehicle, the payment of which is required as a condition to the issuance of any number license plate or plates, the commissioner of public safety may impose a fee that is calculated to cover the cost of manufacturing and issuing the license plate or plates, except for license plates issued to disabled veterans as defined in section 168.031 and license plates issued pursuant to section 168.124, 168.125, or 168.27, subdivisions 16 and 17, for passenger automobiles. Graphic design license plates shall only be issued for vehicles registered pursuant to section 168.017 and recreational vehicles registered pursuant to section 168.013, subdivision 1g.

Fees collected under this subdivision must be paid into the state treasury and credited to the highway user tax distribution fund.

History: (2678) 1921 c 461 s 7; 1923 c 418 s 7; 1951 c 628 s 1; 1955 c 396 s 1-3; Ex1961 c 5 s 1; 1963 c 125 s 1,2; 1965 c 149 s 1; 1967 c 46 s 1; 1971 c 716 s 1; 1973 c 218 s 7; 1975 c 245 s 1; 1975 c 248 s 1; 1976 c 343 s 5; 1977 c 108 s 2; 1977 c 347 s 27; 1978 c 636 s 1; 1980 c 372 s 1; 1981 c 357 s 55,56; 1981 c 363 s 21,22; 1982 c 424 s 130; 1982 c 467 s 1; 1983 c 19 s 1,2; 1983 c 195 s 1; 1983 c 318 s 1; 1984 c 549 s 16-18; 1985 c 248 s 70; 1Sp1985 c 10 s 76,77; 1986 c 444; 1987 c 384 art 2 s 1; 1988 c 636 s 3; 1988 c 647 s 6-8; 1989 c 140 s 8,9; 1990 c 422 s 10; 1990 c 497 s 5; 1991 c 274 s 2,3; 1991 c 333 s 6,7; 1992 c 581 s 6,7; 1993 c 214 s 2; 1993 c 281 s 3; 1994 c 443 s 1; 1994 c 465 art 3 s 16; 1994 c 536 s 9

168.123 VETERANS; SPECIAL LICENSE PLATES.

Subdivision 1. **General requirements; fees.** The registrar shall issue special license plates to an applicant who served in the active military service in a branch of the armed forces of the United States or of a nation or society allied with the United States in conducting a foreign war, was discharged under honorable conditions, and is an owner or joint owner of a motor vehicle included within the definition of a passenger automobile or which is self-propelled recreational equipment, on payment of a fee of \$10 for each set of two plates, payment of the registration tax required by law, and compliance with other laws relating to registration and licensing of motor vehicles and drivers. The additional fee of \$10 is payable for each set of plates, is payable only when the plates are issued, and is not payable in a year in which tabs or stickers are issued instead of number plates. An applicant must not be issued more than two sets of plates for vehicles owned or jointly owned by the applicant.

The veteran shall have a certified copy of the veteran's discharge papers, indicating character of discharge, at the time of application. If an applicant served in the active military service in a branch of the armed forces of a nation or society allied with the United States in conducting a foreign war and is unable to obtain a record of that service and discharge status, the commissioner of veterans affairs may certify the applicant as qualified for the veterans' license plates provided under this section.

Subd. 2. **Design.** The commissioner of veterans affairs shall design the special plates, subject to the approval of the registrar, that satisfy the following requirements:

(a) For a Vietnam veteran who served after July 1, 1961, and before July 1, 1978, the special plates must bear the inscription "VIETNAM VET" and the letters "V" and "V" with the first letter directly above the second letter and both letters just preceding the first numeral of the special license plate number.

(b) For a veteran stationed on the island of Oahu, Hawaii, or offshore, during the attack on Pearl Harbor on December 7, 1941, the special plates must bear the inscription "PEARL HARBOR SURVIVOR" and the letters "P" and "H" with the first letter directly above the second letter and both letters just preceding the first numeral of the special license plate number.

(c) For a veteran who served during World War I or World War II, the special plates must bear the inscription "WORLD WAR VET" and:

(1) for a World War I veteran, the characters "W" and "I" with the first character directly above the second character and both characters just preceding the first numeral of the special license plate number; or

(2) for a World War II veteran, the characters "W" and "II" with the first character directly above the second character and both characters just preceding the first numeral of the special license plate number.

(d) For a veteran who served during the Korean Conflict, the special plates must bear the inscription "KOREAN VET" and the letters "K" and "V" with the first letter directly above the second letter and both letters just preceding the first numeral of the special license plate number.

(e) For a combat wounded veteran who is a recipient of the purple heart medal, the special plates must bear the inscription "COMBAT WOUNDED VET" and inscribed with a facsimile of the official purple heart medal and the letters "c" over "w" with the first letter directly over the second letter just preceding the first numeral of the special license plate number.

(f) For a Persian Gulf war veteran, the special plates must bear the inscription "GULF WAR VET" and the letters "G" and "W" with the first letter directly above the second letter and both letters just preceding the first numeral of the special license plate number. For the purposes of this section, "Persian Gulf war veteran" means a person who served on active duty after August 1, 1990, in a branch of the armed forces of the United States or United Nations during Operation Desert Shield, Operation Desert Storm, or other military operation in the Persian Gulf area combat zone as designated in United States Presidential Executive Order No. 12744, dated January 21, 1991.

(g) For a veteran who served in the Laos War after July 1, 1961, and before July 1, 1978, the special plates must bear the inscription "LAOS WAR VET" and the letters "L" and "V" with the first letter directly above the second letter and both letters just preceding the first numeral of the special license plate number.

Subd. 3. **Number estimated.** The commissioner of veterans affairs shall estimate the number of special plates that will be required and submit the estimate to the registrar.

Subd. 4. **Plate transfers.** On payment of a fee of \$5, plates issued under this section may be transferred to another motor vehicle owned or jointly owned by the person to whom the plates were issued.

Subd. 5. **Fees credited.** Fees collected under this section must be paid into the state treasury and credited to the highway user tax distribution fund.

Subd. 6. **Rules.** The registrar may adopt rules under the administrative procedure act to govern the issuance and use of the special plates authorized by this section.

History: 1988 c 636 s 4; 1989 c 269 s 39; 1989 c 301 s 1; 1991 c 274 s 4; 1994 c 396 s 1,2

168.124 SPECIAL LICENSE PLATES FOR CONGRESSIONAL MEDAL OF HONOR RECIPIENTS.

Subdivision 1. **Issuance and design.** The registrar of motor vehicles shall issue special license plates bearing the inscription "MEDAL OF HONOR" to an applicant who is a recipient of the congressional medal of honor and upon the applicant's compliance with the laws of this state relating to the registration and licensing of motor vehicles and drivers. The special license plates must be of a design and size determined by the registrar. Only one set of plates bearing the inscription "MEDAL OF HONOR" may be issued for each qualified applicant.

Subd. 2. **Application.** Application for issuance of these plates may be made only at the time of renewal or first application for registration.

Subd. 3. **No fee.** The registrar shall issue a set of medal of honor plates to qualified applicants free of charge and the plates must be replaced by the department without charge if they become damaged. In addition, no fee may be charged for a subsequent year when tabs or stickers are issued for that motor vehicle on which the special medal of honor plates are placed.

Subd. 4. **Transfer.** Despite the provisions of section 168.12, subdivision 1, medal of honor plates issued under this section may be transferred to another personal motor vehicle owned or jointly owned by the medal of honor recipient upon notification to the registrar of motor vehicles.

Subd. 5. **Motor vehicle; special definition.** For purposes of this section, "motor vehicle" means a vehicle for personal use, not used for commercial purposes, and may include a passenger automobile, van, pickup truck, motorcycle, or recreational vehicle.

Subd. 6. **When issued.** The registrar of motor vehicles shall begin issuing medal of honor plates for the calendar year 1984 and thereafter.

History: 1983 c 267 s 1; 1989 c 140 s 10

168.125 SPECIAL LICENSE PLATES FOR FORMER PRISONERS OF WAR.

Subdivision 1. **Issuance and design.** The registrar shall issue special license plates bearing the inscription "EX-POW" to any applicant who is both a former prisoner of war and an owner or joint owner of a motor vehicle upon the applicant's compliance with all the laws of this state relating to the registration and licensing of motor vehicles and drivers. The special license plates shall be of a design and size to be determined by the commissioner. Plates bearing the "EX-POW" inscription may be issued for only one motor vehicle per applicant.

Subd. 1a. **Application.** Application for issuance of these plates shall be made at the time of renewal or first application for registration. The application shall include a certification by the commissioner of veterans affairs that the applicant was a member of the military forces of the United States who was captured, separated, and incarcerated by an enemy of the United States during a period of armed conflict.

Subd. 1b. **No fee.** The registrar shall issue a set of EX-POW plates to qualified applicants, free of charge for the cost of the plates, and shall replace them without charge if they become damaged. In addition, no fee may be charged for a subsequent year when tabs or stickers are issued for that motor vehicle on which the special EX-POW plates are placed.

Subd. 1c. **Plates transfer.** Notwithstanding the provisions of section 168.12, subdivision 1, the special license plates issued under this section may be transferred to another motor vehicle owned or jointly owned by the former prisoner of war upon notification to the registrar of motor vehicles.

Subd. 1d. **Surviving spouse.** Upon the death of a former prisoner of war, the registrar shall continue to issue free of charge, upon renewal, the special license plates to a vehicle owned by the surviving spouse of the former prisoner of war. Special license plates issued to a surviving spouse may be transferred to another vehicle owned by the surviving spouse as provided in subdivision 1c. No fee may be charged for replacement plates issued to a surviving spouse or for tabs or stickers issued for the motor vehicle

on which the special "EX-POW" plates are placed. A surviving spouse is not exempt from the motor vehicle registration tax.

Subd. 1e. **Motor vehicle; special definition.** For purposes of this section, "motor vehicle" means a passenger automobile, van, pickup truck, motorcycle, or recreational vehicle.

Subd. 2. **Special plates; EX-POW and disability insignia.** The registrar shall issue special license plates bearing both the "EX-POW" and disability insignia to any applicant who is entitled to the special license plates provided under this section and who is also entitled to special license plates for the physically disabled under section 168.021 upon compliance with the provisions of both sections. The special license plates shall be of a design and size to be determined by the commissioner.

Subd. 3. **Rules; commissioner of public safety.** The commissioner of public safety may promulgate by rule, in accordance with the provisions of chapter 14, the procedures for issuance or transfer of the special license plates authorized under this section.

Subd. 4. **Rules; commissioner of veterans affairs.** The commissioner of veterans affairs shall establish the procedure for obtaining the certification of former prisoner of war status.

Subd. 5. **Savings provision.** Nothing in this section shall alter the exemption for disabled war veterans provided for in section 168.031.

History: 1982 c 424 s 130; 1982 c 593 s 1; 1988 c 636 s 5; 1989 c 140 s 11; 1989 c 301 s 2; 1990 c 497 s 6; 1993 c 214 s 3

168.126 COMMUTER VANS; REGISTRATION, LICENSE PLATES.

Subdivision 1. **Unique registration category.** A unique vehicle registration category is established for vehicles known as commuter vans. "Commuter van" means a vehicle having a capacity of seven to 16 persons that meets the criteria set forth in section 221.011, subdivision 27.

Subd. 2. **License plates.** The registrar shall issue special license plates for a commuter van as defined in section 221.011, subdivision 27, upon the applicant's compliance with the laws of Minnesota relating to registration and licensing of motor vehicles and drivers.

Subd. 3. **Eligibility criteria; commissioner of public safety.** The commissioner of public safety, in cooperation with the commissioner of transportation, shall establish criteria and procedures governing applications for and issuance of plates permitted by this section. The criteria and procedures may include:

- (1) certification of vehicle use as a commuter van;
- (2) provision for transfer of special license plates; and
- (3) deposit of fees for the registration, sale, and transfer of commuter vans.

The special plate must be designed to specifically identify the vehicle as a commuter van.

History: 1983 c 311 s 2; 1984 c 655 art 1 s 32; 1989 c 140 s 12; 1994 c 536 s 10

168.127 FLEET VEHICLES; REGISTRATION, FEES.

Subdivision 1. **Registration category.** A unique registration category is established for vehicles and trailers of a fleet. Vehicles registered in the fleet must be issued a distinctive license plate. The design and size of the fleet license plate must be determined by the commissioner.

Subd. 2. **Annual registration period.** Instead of the registration period assigned for vehicles registered under sections 168.014, 168.017, and 168.12, subdivisions 1 and 2a, a person may register a fleet on an annual basis. The annual registration period for vehicles in the fleet will be determined by the commissioner. By January 1, the applicant must provide all information necessary to qualify as a fleet registrant including a list of all vehicles in the fleet. On initial registration, all taxes and fees for vehicles in the fleet must be reassessed based on the expiration date. Gross weights for fleet vehicles may not be changed during the registration period.

Subd. 3. **Registration cards issued.** On approval of the application for fleet registration the commissioner must issue a registration card for each qualified vehicle in the fleet. The registration card must be carried in the vehicle at all times and be made available to a peace officer on demand. Validation stickers must be issued to vehicles registered by gross weight.

Subd. 4. **Filing registration applications.** Initial fleet applications for registration and renewals must be filed with the registrar or authorized representative at the main headquarters offices of the department of public safety in St. Paul.

Subd. 5. **Renewal of fleet registration.** On the renewal of a fleet registration the registrant shall pay full licensing fees for every vehicle registered in the preceding year unless the vehicle has been properly deleted from the fleet. In order to delete a vehicle from a fleet, the fleet registrant must surrender to the commissioner the registration card, validation stickers, and license plates. If the card, stickers, or license plates are lost or stolen, the fleet registrant shall submit a sworn statement stating the circumstances for the inability to surrender the card, stickers, and license plates. The commissioner shall assess a penalty of 20 percent of the total tax due on the fleet against the fleet registrant who fails to renew the licenses issued under this section or fails to report the removal of vehicles from the fleet within 30 days. The penalty must be paid within 30 days after it is assessed.

Subd. 6. **Fees.** Instead of the \$3.25 filing fee for each vehicle, the applicant shall pay a \$3.25 administrative fee for each vehicle in the fleet. The administrative fee must be deposited in the state treasury and credited to the highway user tax distribution fund. A filing fee of \$3.25 must be collected by the processing office for an application regardless of the number of vehicles listed.

History: 1986 c 453 s 2

168.128 LIMOUSINE REGISTRATION, LICENSE PLATES.

Subdivision 1. **Unique registration category.** A unique vehicle registration category is established for limousines as defined in section 168.011, subdivision 35.

Subd. 2. **License plates.** A person who operates a limousine for other than personal use shall apply to register the vehicle as provided in this section. A person who operates a limousine for personal use may apply. The registrar shall issue limousine license plates upon the applicant's compliance with laws relating to registration and licensing of motor vehicles and drivers and certification by the owner that an insurance policy in an aggregate amount of \$300,000 per accident is in effect for the entire period of the registration under section 65B.135. The applicant must provide the registrar with proof that the passenger automobile license tax and a \$10 fee have been paid for each limousine receiving limousine license plates. The limousine license plates must be designed to specifically identify the vehicle as a limousine and must be clearly marked with the letters "LM." Limousine license plates may not be transferred upon sale of the limousine, but may be transferred to another limousine owned by the same person upon notifying the registrar and paying a \$5 transfer fee.

Subd. 3. **Insurance.** The application must include a certificate of insurance verifying that a valid commercial insurance policy is in effect and giving the name of the insurance company and the number of the insurance policy. The policy must provide stated limits of liability, exclusive of interest and costs, with respect to each vehicle for which coverage is granted, of not less than \$100,000 because of bodily injury to one person in any one accident and, subject to said limit for one person, of not less than \$300,000 because of injury to two or more persons in any one accident and of not less than \$100,000 because of injury to or destruction of property. The insurance company must notify the commissioner if the policy is canceled or if the policy no longer provides the coverage required by this subdivision.

The commissioner shall immediately notify the commissioner of transportation if the policy of a person required to have a permit under section 221.84 is canceled or no longer provides the coverage required by this subdivision.

Subd. 4. **Fees credited to highway user fund.** Fees collected from the sale of license plates under this section must be paid into the state treasury and credited to the highway user tax distribution fund.

History: 1988 c 636 s 6; 1989 c 318 s 5; 1991 c 284 s 3,4; 1992 c 581 s 8

168.1281 PERSONAL TRANSPORTATION SERVICE PLATES.

Subdivision 1. **License plates.** A person who operates a personal transportation service vehicle shall apply to register the vehicle as provided in this section. The registrar shall issue personal transportation service plates on the applicant's compliance with laws relating to registration and licensing of motor vehicles and drivers, and certification by the owner that an insurance policy meeting the requirements of subdivision 2 is in effect for the entire period of registration. The applicant must provide the registrar with proof that the passenger automobile license tax and a \$10 fee have been paid for each vehicle receiving personal transportation service license plates. The registrar shall design personal transportation service license plates so that the plates identify the vehicle as a personal transportation service vehicle, and clearly display the letters "LS." Personal transportation service license plates issued to a vehicle may not be transferred to another vehicle, except that they may be transferred to another personal transportation service vehicle owned by the same owner on notification to the registrar and payment of a \$5 transfer fee.

Subd. 2. **Insurance.** An application under subdivision 1 must include a certificate of insurance that (1) verifies that a valid commercial insurance policy is in effect, and (2) gives the name of the insurance company and the number of the policy. The policy must provide stated limits of liability, exclusive of interest and costs, with respect to each vehicle for which coverage is granted, of (1) not less than \$100,000 because of bodily injury to one person in any one accident, (2) subject to the limit for one person, not less than \$300,000 because of injury to two or more persons in any one accident, and (3) not less than \$100,000 because of injury to or destruction of property. The insurance company must notify the commissioner if the policy is canceled or if the policy no longer provides the coverage required by this subdivision.

Subd. 3. **Notification of cancellation.** The commissioner shall immediately notify the commissioner of transportation if the policy of a person required to have a permit under section 221.85 is canceled or no longer provides the coverage required by subdivision 2.

Subd. 4. [Repealed, 1994 c 635 art 1 s 41]

Subd. 5. **Pickup of passengers restricted.** (a) A vehicle bearing personal transportation service license plates may not pick up passengers for hire within Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington county.

(b) The registrar shall include a notice of the restriction in paragraph (a), with its effective date, with each set of personal transportation service license plates issued.

History: 1992 c 578 s 3; 1993 c 117 s 4; 1993 c 323 s 1; 1994 c 635 art 1 s 9

168.129 SPECIAL COLLEGIATE LICENSE PLATES.

Subdivision 1. **General requirements and procedures.** The commissioner of public safety shall issue special collegiate license plates to an applicant who:

- (1) is an owner or joint owner of a passenger automobile, pickup truck, or van;
- (2) pays a fee determined by the commissioner to cover the costs of handling and manufacturing the plates;
- (3) pays the registration tax required under section 168.12;
- (4) pays the fees required under this chapter;
- (5) contributes at least \$25 annually to the scholarship account established in subdivision 6; and
- (6) complies with laws and rules governing registration and licensing of vehicles and drivers.

Subd. 2. **Design.** After consultation with each participating college, university or post-secondary system, the commissioner shall design the special collegiate plates.

In consultation with the commissioner, a participating college or university annually shall indicate the anticipated number of plates needed.

Subd. 3. **No refund.** Contributions under this section must not be refunded.

Subd. 4. **Plate transfers.** Notwithstanding section 168.12, subdivision 1, on payment of a transfer fee of \$5, plates issued under this section may be transferred to another passenger vehicle, pickup, or van owned or jointly owned by the person to whom the special plates were issued.

Subd. 5. **Fees credited.** The fees collected under this section must be deposited in the state treasury and credited to the highway user tax distribution fund. Fees collected under this section do not include the contributions collected for the scholarship account.

Subd. 6. **Scholarship account.** A scholarship account is created in the state treasury. Except for one percent that may be retained by the commissioner of public safety for administrative costs, all contributions received under this section must be deposited by the commissioner in the scholarship account. Money in the scholarship account is appropriated to the governing board of the institution to which it is attributable, as provided in subdivision 7.

Subd. 7. **Record.** The commissioner shall maintain a record of the number of license plates issued for each post-secondary institution or system in order to determine the amount of scholarship funds available to that institution or system.

History: 1991 c 356 art 7 s 2; 1992 c 513 art 1 s 19,20

168.13 PROOF OF OWNERSHIP.

The registrar shall approve no application and issue no number plates for any motor vehicle, unless and until the title certificate theretofore issued under chapter 168A is delivered to the registrar, who shall be satisfied from the records that all taxes and fees due hereunder shall have been paid, and endorsements upon the certificate are in writing and have been signed by the seller and purchaser.

Motor vehicles brought into Minnesota from other states shall not be registered or have number plates issued therefor until such registration certificate or other evidence of title as may reasonably be required from the registrant within that state be surrendered to the registrar in the same manner as certificates of this state, or in lieu thereof, such view and evidence of the chain of ownership be had as will assure the payment of the proper tax so long as the motor vehicle shall be in the state.

History: (2679) 1921 c 461 s 8; 1923 c 418 s 8; 1986 c 444; 1988 c 647 s 9

168.14 [Repealed, 1949 c 694 s 5]

168.15 RIGHTS AS TO REGISTRATION CERTIFICATES AND NUMBER PLATES.

Upon the transfer of ownership, destruction, theft, dismantling as such, or the permanent removal by the owner thereof from this state of any motor vehicle registered in accordance with the provisions of this chapter, the right of the owner of such vehicle to use the registration certificate and number plates assigned such vehicle shall expire, and such certificate and any existing plates shall be, by such owner, forthwith returned, with transportation prepaid, to the registrar with a signed notice of the date and manner of termination of ownership, giving the name and post office address, with street and number, if in a city, of the person to whom transferred. No fee may be charged for a return of plates under this section. When the ownership of a motor vehicle shall be transferred to another who shall forthwith register the same in the other's name, the registrar may permit the manual delivery of such plates to the new owner of such vehicle. When seeking to become the owner by gift, trade, or purchase of any vehicle for which a registration certificate has been theretofore issued under the provisions of this

chapter, a person shall join with the registered owner in transmitting with the application the registration certificate, with the assignment and notice of sale duly executed upon the reverse side thereof, or, in case of loss of such certificate, with such proof of loss by sworn statement, in writing, as shall be satisfactory to the registrar. Upon the transfer of any motor vehicle by a manufacturer or dealer, for use within the state, whether by sale, lease, or otherwise, such manufacturer or dealer shall, within seven days after such transfer, file with the registrar a notice or report containing the date of such transfer, a description of such motor vehicles, and the name, street and number of residence, if in a city, and the post office address of the transferee, and shall transmit therewith the transferee's application for registration thereof.

Upon the transfer of any automobile engine or motor, except a new engine or motor, transferred with intent that the same be installed in a new automobile, and whether such transfer be made by a manufacturer or dealer, or otherwise, and whether by sale, lease or otherwise, the transferor shall, within two days after such transfer, file with the registrar a notice or report containing the date of such transfer and a description, together with the maker's number of the engine or motor, and the name and post office address of the purchaser, lessee, or other transferee.

History: (2681) 1921 c 461 s 10; 1923 c 418 s 10; 1927 c 89; 1984 c 489 s 1; 1986 c 444

168.16 REFUNDS; APPROPRIATION.

After the tax upon any motor vehicle shall have been paid for any year, refund shall be made for errors made in computing the tax or fees and for the error on the part of an owner who may in error have registered a motor vehicle that was not before, nor at the time of registration, nor at any time thereafter during the current past year, subject to tax in this state, provided that after more than two years after the tax was paid no refund shall be made for any tax paid on any vehicle exempted from taxation by reasons of nonuse as provided by section 168.012. The refundment shall be made from any fund in possession of the registrar and shall be deducted from the registrar's monthly report to the commissioner of finance. A detailed report of the refundment shall accompany the report. The former owner of a transferred vehicle by an assignment in writing endorsed upon the registration certificate and delivered to the registrar within the time provided herein may sell and assign to the new owner thereof the right to have the tax paid by the former owner accredited to the owner who duly registers the vehicle. Any owner at the time of such occurrence, whose vehicle shall be permanently destroyed, or sold to the federal government, the state, or political subdivision thereof, shall upon filing a verified claim be entitled to a refund of the unused portion of the tax paid upon the vehicle, computed as follows:

(1) If the vehicle is registered under the calendar year system of registration, the refund is computed pro rata by the month, 1/12 of the annual tax paid for each month of the year remaining after the month in which the plates and certificate were returned to the registrar;

(2) In the case of a vehicle registered under the monthly series system of registration, the amount of the refund is equal to the sum of the amounts of the license fee attributable to those months remaining in the licensing period after the month in which the plates and certificate were returned to the registrar.

There is hereby appropriated to the persons entitled to a refund, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make the refund and payment.

History: (2682) 1921 c 461 s 11; 1923 c 418 s 11; 1931 c 174 s 1; 1935 c 142 s 1; 1945 c 600 s 1; 1953 c 42 s 1; 1957 c 895 s 1; 1959 c 157 s 6; 1963 c 147 s 1; 1965 c 148 s 1; 1973 c 6 s 3; 1973 c 492 s 14; 1981 c 363 s 23; 1986 c 444

168.163 [Repealed, 1949 c 694 s 5]

168.165 [Repealed, 1973 c 218 s 9]

168.17 SUSPENSION OF REGISTRATION.

All registrations and issue of number plates shall be subject to amendment, suspension, modification or revocation by the registrar summarily for any violation of or neglect to comply with the provisions of this chapter. In any case where the proper registration of a motor vehicle is dependent upon procuring information entailing such delay as to unreasonably deprive the owner of the use of the motor vehicle, the registrar may issue a tax receipt and plates conditionally. In any case when revoking a registration for cause, the registrar shall have authority to demand the return of the number plates and registration certificates, and, if necessary, to seize the number plates issued for such registration.

History: (2683) 1921 c 461 s 12; 1923 c 418 s 12; 1986 c 444

168.18 [Repealed, 1953 c 698 s 7]

168.181 NONRESIDENT OWNERS, RECIPROCITY AGREEMENTS OR ARRANGEMENTS; CONDITIONS AND LIMITATIONS.

Subdivision 1. Notwithstanding any provision of law to the contrary or inconsistent herewith, the registrar of motor vehicles with the approval of the attorney general is hereby empowered to make agreements with the duly authorized representatives of the other states, District of Columbia, territories and possessions of the United States, or arrangements with foreign countries or provinces exempting the residents of such other states, districts, territories and possessions, and foreign countries or provinces using the public streets and highways of this state from the payment of any or all motor vehicle taxes or fees imposed by this chapter, subject to the following conditions and limitations:

(1) Upon condition that the exemption provided herein shall be operative as to a motor vehicle owned by a nonresident only to the extent that under the laws of the state, district, territory or possession, or foreign country or province of residence like exemptions are granted to motor vehicles registered under the laws and owned by residents of Minnesota.

(2) Upon condition that any such motor vehicle so operated in this state by any such nonresident shall at all times carry and display all license number plates or like insignia required by the laws of the state, district, territory or possession, or foreign country or province of residence.

(3) Upon condition that the exemptions provided herein shall not apply to a passenger automobile or travel trailer owned by a resident of any state, district, territory or possession, or foreign country or province temporarily residing in this state while gainfully employed on the same job for a period of six months or more.

(4) Upon condition that the exemptions provided herein shall not apply to motor vehicles owned by nonresidents including any foreign corporation and used for carrying on intrastate commerce within this state. Such nonresident or foreign corporation shall be required to register each such vehicle and pay the same tax and penalties if any therefor as is required with reference to like vehicles owned by residents of Minnesota.

(5) Upon condition that the exemption provided herein shall not apply to a truck, tractor, truck-tractor, or semitrailer, except two-wheeled trailers of less than 3,000 pounds carrying capacity; if

(a) The class of its registration does not permit to it a statewide operation in the state of its registration, or if

(b) The registration fee or tax for which it is registered is computed on a mileage basis, or if

(c) Its gross weight exceeds the gross weight for which it is registered in the state, district, territory or possession, or foreign country or province of its registration.

(6) Upon condition that nonresident owners of commercial vehicles, including trucks, truck-tractors, trailers, semitrailers, and buses domiciled in a foreign state, district, territory or possession, or foreign country or province, and bringing such vehicles

into the state of Minnesota for the purpose of doing interstate business shall be required to comply with all the laws and regulations as to payment of taxes applicable to like vehicles owned by Minnesota residents unless the state, district, territory or possession, or foreign country or province grants full reciprocity privileges comparable to that extended by sections 168.181 to 168.231. In the event a state, district, territory or possession, or foreign country or province is not fully reciprocal as to taxes or fees on commercial vehicles or buses operated in interstate commerce, then in that event such owners of foreign commercial vehicles or buses shall be required to pay a tax in an amount similar to the tax of whatever character assessed by such other state, district, territory or possession, or foreign country or province against vehicles registered in Minnesota and operated in interstate commerce in that state, district, territory or possession, or foreign country or province. It is further provided that such owners of foreign commercial vehicles and buses subject to registration under the provisions of this paragraph shall make application for a permit in which shall be set forth the conditions for operation of such vehicles in this state.

Subd. 2. Agreements made pursuant to this section may also include exemption from taxes or fees on a vehicle owned by a person, firm, or corporation licensed as a motor vehicle dealer or motor vehicle manufacturer in another state or country when such vehicle is operated displaying the dealer plates or manufacturer plates issued to such dealer or manufacturer by the jurisdiction of residence; provided, however, that such operation is not for the purpose of soliciting the sale of vehicles within this state other than at an auction conducted by a motor vehicle auctioneer licensed under section 168.27. Greater privileges shall not be granted to such dealer or manufacturer than permitted by the laws of the jurisdiction of residence. Nothing contained herein shall be construed to apply to or vary the terms and conditions of sections 168.053 to 168.057.

History: 1953 c 698 s 1; 1963 c 63 s 1; 1980 c 478 s 1; 1986 c 444; 1989 c 342 s 11

168.183 MOTOR VEHICLES OF CERTAIN NONRESIDENTS.

Subdivision 1. **Payment of taxes.** All trucks, truck-tractors, trailers and semitrailers, which comply with all of the provisions of section 168.181 but are excluded from the exemptions provided therein solely because of the intrastate nature of their movement in this state, owned by nonresidents owning or operating circuses, carnivals or similar amusement attractions or concessions shall be required to comply with all laws and rules as to the payment of taxes applicable to like vehicles owned by Minnesota residents but such nonresidents may make application to pay such tax for each vehicle proportionate to the number of months or fraction thereof such vehicles are in this state.

Subd. 2. **Contents of application.** The application shall contain such information and shall be executed in such manner as the registrar may require and shall include a complete itinerary of the applicant and shall be accompanied by such evidence of ownership as the registrar shall deem necessary.

Subd. 3. **Permit.** Upon payment of the required tax the registrar shall issue, in lieu of registration plates, a permit for each vehicle so taxed. The permit shall contain the name and address of the owner, the make, type, serial number and year model of the vehicle, the expiration date and any other information deemed necessary by the registrar. The permit must be carried in the vehicle at all times while being operated in this state.

History: 1957 c 88 s 1-3; 1985 c 248 s 70

168.187 INTERSTATE REGISTRATION AND RECIPROCITY.

Subdivision 1. **Declaration of policy.** It is the policy of this state to promote and encourage the fullest possible use of its highway system by authorizing the making of agreements, arrangements, and declarations with other jurisdictions, for reciprocal recognition of vehicle registrations and/or for proportional registration, with respect to

vehicles registered in this state and such other jurisdictions, thus contributing to the economic and social development and growth of this state. It is the policy of this state to agree with other states that no vehicle shall pay more than the equivalent of one full registration fee per annum.

Subd. 2. Definitions. (1) The words, terms and phrases defined in section 168.011, when used in this section, shall have the same meanings herein as is ascribed to them in section 168.011, unless the context otherwise requires, or unless a different definition is given in this section.

(2) The words and phrases hereafter defined in this section shall have the meanings respectively ascribed to them when used in this section, except when the context otherwise requires.

Subd. 3. State. "State" means a state, territory or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a foreign country and a state or province of a foreign country.

Subd. 4. Proratable vehicle. "Proratable vehicle" means any vehicle which is operated in more than one state and used for the transportation of persons for hire, or designed, used or maintained primarily for the transportation of property.

Subd. 5. Fleet. "Fleet" means three or more proratable vehicles, at least two of which are motor powered vehicles. The motor vehicle reciprocity commission may by agreement with another state provide that a fleet of this state and another state may consist of a lesser number of vehicles.

Subd. 6. [Repealed, 1976 c 149 s 63]

Subd. 7. Authority to make vehicle registration agreements, arrangements or declarations. The commissioner of public safety may enter into any agreement or arrangement with the duly authorized representatives of other states or make any independent declaration, granting to vehicles or to owners of vehicles which are properly registered or licensed in another state, benefits, privileges, and exemptions from the payment, wholly, or partially, of any registration taxes, fees, or other charges imposed upon such vehicles or owners with respect to the operation or ownership of such vehicles under the laws of this state, upon such conditions as are specified therein, provided the terms or conditions of such agreement, arrangement, or declaration are not inconsistent with any law of this state.

Any such agreement or arrangement shall be made in writing and shall provide that vehicles properly registered or licensed in this state, when operated upon highways of the other state, shall receive exemptions, benefits, and privileges of a similar kind or to a similar degree as are extended to vehicles properly registered or licensed in such state when operated in this state. Any such declaration shall contemplate and provide for mutual benefits, reciprocal privileges or equitable treatment of the owners of vehicles registered in this and the other state. Each such agreement, arrangement, or declaration shall, in the judgment of the commissioner of public safety, be in the best interest of this state and the citizens thereof and shall be fair and equitable with respect to the benefits which the agreement brings to the economy of this state.

Subd. 8. Base state reciprocity. (1) Any agreement, arrangement, or declaration made under the authority of this section may contain provisions authorizing the registration or licensing in another state of vehicles based in such other state, which vehicles otherwise would be required to be registered or licensed in this state, except that such provisions shall not apply to passenger cars.

(2) For the purpose of this section, a vehicle shall be deemed to be based in the state where it is most frequently dispatched, garaged, serviced, maintained, operated or otherwise controlled.

(3) For the purpose of this section, the owner of a vehicle shall declare the state in which it is based, but the final determination of the state in which a vehicle is based shall be made by the commissioner of public safety of this state for the purpose of determining liability for registration and other fees and penalties due this state. To the extent possible, the commissioner of public safety shall be governed by the criteria specified in this section, and agreement with the administrator of any other interested state.

(4) Any agreement, arrangement, or declaration made under this section may grant exemptions, benefits, and privileges for vehicles in accordance with the terms thereof.

Subd. 9. Provisions to be in every agreement, arrangement and declaration. (1) Every agreement, arrangement, and declaration, and amendment thereto and cancellation thereof, shall be in writing and shall be filed in the office of the commissioner of public safety. A copy of each agreement, arrangement or declaration, and of each amendment thereto and cancellation thereof, shall be filed in the office of the commissioner of public safety within ten days after execution or the effective date of the instrument, whichever is later. The commissioner of public safety shall provide copies for public distribution upon request and the payment of a reasonable charge.

(2) Every agreement, arrangement and declaration made under authority of this section shall contain a provision authorizing the commissioner of public safety to cancel and revoke the agreement with respect to this state upon 30 days notice to the other party or parties thereto.

(3) All agreements, arrangements, and declarations made under authority of this section shall contain a provision specifying that no registration, permit privilege or exemption issued or accruing thereunder, shall excuse the operator or owner of any vehicle from compliance with the laws of this state, except those requiring registration.

Subd. 10. Fees for proportional registration. (1) "Total fleet miles" means the total number of miles operated in all states during the preceding year by the motor vehicles in a fleet during such year.

(2) "In-state miles" means the total number of miles operated in this state during the preceding year by the motor vehicles in a fleet during such year.

(3) The registration fees for proratable vehicles of a fleet based in another state shall be determined as follows:

(A) Divide in-state miles by total fleet miles.

(B) Determine the total amount which would be required under the laws of this state for full registration of each and every vehicle in the fleet, at the regular annual or applicable fees, for the unexpired portion of the registration year.

(C) Multiply the sum obtained under clause (3)(B) by the quotient obtained under clause (3)(A).

(4) The registration fees for proratable vehicles of a fleet based in this state shall be determined as follows:

(A) Divide in-state miles plus all other fleet miles not subjected to charges in other states nor declared for other prorate agreement states by total fleet miles.

(B) Determine the total amount which would be required under the laws of this state for full registration of each and every vehicle in the fleet, at the regular annual or applicable fees for the unexpired portion of the registration year.

(C) Multiply the sum obtained under clause (4)(B) by the quotient under clause (4)(A).

(5) The provisions of this section shall constitute complete authority for the registration of the proratable vehicles of a fleet upon a proportional registration basis without reference to or application of any other statutes of this state except as in this section expressly provided.

Subd. 11. Application for proportional registration. (1) Any owner of one or more fleets may file an application for proportional registration of the vehicles of one or more of such fleets with the commissioner of public safety, in lieu of registration of such vehicles under other sections of this chapter. The application shall be in such form and shall contain such information as the commissioner shall require.

(2) Applications for proportional registration shall be filed annually at such time or times as the commissioner establishes by rule. Every application for proportional registration shall at the time and in the manner required by the commissioner be supported by the payment of the registration fees in the amount determined in the manner provided in subdivision 10.

Subd. 12. Registration of proratable vehicles. (1) The commissioner of public safety shall register proratable vehicles of a fleet upon application and payment of registration fees as provided in subdivision 11. Payment of an additional fee for each vehicle so registered may be required by the commissioner in an amount not to exceed \$5 per motor powered vehicle, for issuance of a plate, sticker, or other suitable identification for each vehicle. A registration card shall be issued for each vehicle registered, which shall appropriately identify the vehicle for which it is issued. Such registration card shall be carried in or upon the vehicle for which it has been issued, at all times, except that the registration cards for all vehicles in a combination of vehicles may be carried in or upon the vehicle supplying the motive power.

(2) Fleet vehicles registered as provided in (1) shall be deemed fully registered in this state for any type of movement or operation, except that when a state grant of authority is required for any movement or operation, no such vehicle shall be operated in this state unless the owner or operator thereof has been granted authority or rights therefor by the public utilities commission and unless said vehicle is being operated in conformity with such authority or rights. No registration under this section shall excuse the owner or operator of any vehicle from compliance with the laws of this state, except those requiring registration and licensing.

Subd. 13. No proportional registration in only one state. The right of proportional registration of fleet vehicles authorized by this section, or by any agreement, arrangement, or declaration made under the authority of this section, shall be subject to the condition that each vehicle proportionally registered shall be proportionally or otherwise properly registered in at least one other state during the period for which it is proportionally registered in this state.

Subd. 14. Registration of additional fleet vehicles. Vehicles acquired by the owner after the commencement of the registration year and added to a proportionally registered fleet shall be proportionally registered by applying the mileage percentage used in the original application for such fleet for such registration period to the regular registration fees due with respect to such vehicles for the remainder of the registration year.

Subd. 15. Withdrawal of fleet, credits, and accounting. If any vehicle is withdrawn from a proportionally registered fleet during the period for which it is registered, the owner of such fleet shall so notify the commissioner of public safety. The commissioner of public safety may require the owner to surrender cab cards and such other identification devices with respect to such vehicle. If a vehicle is permanently withdrawn from a proportionally registered fleet because it has been destroyed, sold or otherwise completely removed from the service of the owner, the unused portion of the fees paid with respect to such vehicle shall be applied against liability of such owner for subsequent additions to such fleet during such registration year or for additional fees upon audit. If at the end of such registration year there remains an unused portion of fees paid with respect to such permanently withdrawn vehicles, such unused fees shall be applied against registration fees for the registration year immediately following the year during which such vehicles were permanently withdrawn. The unused portion of fees of a vehicle permanently withdrawn from a fleet shall be a sum equal to the amount paid with respect to such vehicle when it was first proportionally registered in such registration year, reduced by 1/12 of the total annual proportional registration fee applicable to such vehicle for each calendar month of the registration year including the month the notice of withdrawal is received by the commissioner of public safety, except that no unused portion of fees of less than \$5 shall be considered or applied. If an unused portion of fees cannot be applied against registration fees for the registration year immediately following, an application for refund of the unused portion may be made to the commissioner, who shall make such rules as may be required for payment of such refund.

Subd. 16. New fleets. The initial application for proportional registration of a fleet shall state the mileage data with respect to such fleet for the preceding year in this and other states. If no operations were conducted with such fleet during the preceding year, the application shall contain a full statement of the proposed method of operation and estimates of annual mileage in this and other states. The commissioner of public safety

shall determine the in-state and total fleet miles to be used in computing the proportional registration fee for the fleet. The commissioner of public safety may adjust the estimate in the application if the commissioner is not satisfied with its correctness.

Subd. 17. Trip permits. Subject to agreements or arrangements made or entered into pursuant to subdivision 7, the commissioner may issue trip permits for use of Minnesota highways by individual vehicles, on an occasional basis, for periods not to exceed 120 hours in compliance with rules promulgated pursuant to subdivision 23 and upon payment of a fee of \$15.

Subd. 18. Refusal of proportional registration. The commissioner of public safety may refuse proportional registration of vehicles based in another state on finding that such other state does not grant similar registration privileges to fleet vehicles based in this state and that such refusal is in the best interest of this state.

Subd. 19. Preservation of records and audit. Any owner whose application for proportional registration has been accepted shall preserve the records on which it is based for a period of four years following the date of its filing. Each acceptance shall be conditioned upon agreement of the owner to make such records available to the commissioner of public safety, at the commissioner's request, for audit as to accuracy of computations and payments and assessments of deficiencies or allowances for credit. If any owner fails to make records available to the commissioner of public safety upon request or fails to maintain records from which the owner's true liability may be determined, the commissioner may, 30 days after a written demand for availability of records or notification of insufficient records, impose an arbitrary assessment of liability based on the commissioner's estimate of the true liability of such owner as determined from information furnished by the owner, information gathered by the commissioner at the commissioner's own instance, information available to the commissioner concerning operations by similar owners and such other pertinent information as may be available to the commissioner.

Subd. 20. Joint or reciprocal audits. The commissioner of public safety may make arrangements with agencies of other states administering motor vehicle registration laws for joint or reciprocal audits of any owner.

Subd. 21. Assessments and claims upon audit. Upon audit, the commissioner of public safety shall assess for any deficiencies found to be due. No assessment for deficiency or claim for credit may be made for any period for which records are not longer required. Any sums found to be due and owing upon audit shall bear annual interest of six percent from the date when they should have been paid until the date of actual payment. If in the judgment of the commissioner of public safety the deficiencies are the result of bad faith or an attempt to evade payment under this section, a penalty of 25 percent shall be added to the deficiency.

Subd. 22. Relation to other state laws. The provisions of this section shall constitute complete authority for the registration of fleet vehicles upon a proportional registration basis without reference to or application of any other statutes of this state except as in this section expressly provided.

Subd. 23. Proportional registration not exclusive. Nothing contained in this section relating to proportional registration of fleet vehicles shall be construed as requiring any vehicle to be proportionally registered; if it is otherwise registered in this state for the operation in which it is engaged including, but not by way of limitation, regular registration, temporary registration, or trip permit or registration.

Subd. 24. Administrative agreements and rules. The commissioner of public safety may enter into agreements or arrangements with other states on behalf of this state for proportional registration of proratable vehicles in the manner provided in this section for the purpose of facilitating the administration thereof. In addition, the commissioner may make arrangements or agreements with other states for the exchange of information for audit and enforcement activities in connection with such proportional registration. The registration of fleet vehicles under this section shall be subject to the rights, terms and conditions granted or contained in any applicable agreement or arrangement made by the commissioner under the authority of this section.

Subd. 25. **Appeal procedure.** Any fleet owner operating under license and fee procedures of this section, upon disagreement with the commissioner of public safety in the commissioner's administration of this section, may petition in writing to the commissioner stating clearly the rationale for disagreement with any procedure or decision. The commissioner shall rule on the reconsideration petition after a hearing held as a contested case pursuant to chapter 14.

Subd. 26. **Delinquent filing or payment.** If a fleet owner or owner-operator licensed under this section and section 296.171 is delinquent in either filing or paying the international fuel tax agreement reports for more than 30 days, or paying the international registration plan billing for more than 30 days, the fleet owner or owner-operator, after ten days' written notice, is subject to suspension of the apportioned license plates and the international fuel tax agreement license.

History: 1971 c 457 s 1; 1973 c 582 s 3; 1974 c 522 s 1; 1976 c 149 s 35-43; 1980 c 614 s 123; 1982 c 424 s 130; 1985 c 248 s 70; 1986 c 444; 1987 c 383 s 2; 1989 c 195 s 1; 1992 c 581 s 9,10; 1993 c 13 art 1 s 29; 1993 c 281 s 4

168.19 [Repealed, 1953 c 698 s 7]

168.191 VEHICLES DOMICILED IN FOREIGN STATE AND OWNED BY MINNESOTA RESIDENT.

The provisions of section 168.181 shall be operative as to motor vehicles actually domiciled in a foreign state, district, territory or possession or foreign country or province and legally licensed in that state, district, territory or possession or foreign country or province and owned by a Minnesota resident.

History: 1953 c 698 s 2

168.20 [Repealed, 1953 c 698 s 7]

168.201 DENIAL OR WITHDRAWAL OF BENEFITS AND PRIVILEGES.

Such agreements or arrangements as limited by sections 168.181 and 168.191 may also provide for the denial or withdrawal of the benefits and privileges granted under such agreement or arrangement as to any person, corporation, or association of any kind if in the opinion of the registrar such person, corporation, or association should not be granted such benefits or privileges.

History: 1953 c 698 s 3

168.21 [Repealed, 1953 c 698 s 7]

168.211 SUBJECTION TO STATE LAWS GENERALLY.

All vehicles operated in Minnesota pursuant to sections 168.181 to 168.231 shall be subject to all provisions of law applicable to vehicles owned or operated by Minnesota residents except to the extent that exemption is provided from said laws by such sections.

History: 1953 c 698 s 4

168.22 [Repealed, 1953 c 698 s 7]

168.221 COMMERCIAL VEHICLES; TAXES OR FEES.

The registrar may promulgate such rules as may be necessary to accomplish the purpose of section 168.181, paragraph 6, as to the payment of partial taxes collectible under sections 168.181 to 168.231 and may waive any reciprocal agreement required thereunder with any state, district, territory, or possession or arrangements with foreign countries or provinces if under the laws of such state, district, territory, or possession or foreign country or province residents of Minnesota are privileged to operate motor vehicles upon the streets and highways of such state, district, territory, or possession

or foreign country or province without the payment of taxes or fees of any character whatsoever.

History: 1953 c 698 s 5; 1985 c 248 s 70

168.23 [Repealed, 1953 c 698 s 7]

168.231 TAX PROCEEDS CREDITED TO HIGHWAY USER TAX DISTRIBUTION FUND.

The proceeds of the tax imposed under the provisions of sections 168.181 to 168.231 shall be collected by the registrar of motor vehicles and paid into the state treasury and credited to the highway user tax distribution fund.

History: 1953 c 698 s 6; 1957 c 60 s 3

168.26 CERTAIN MANUFACTURERS NEED NOT REGISTER.

Manufacturers within the state of motor vehicles which shall not use the public highways, and manufacturers or dealers distributing motor vehicles which shall not have used the public highways in the state and are not for sale in the state from points in this state to other states, shall be exempt from the provisions of this chapter requiring the listing and registration thereof.

History: (2685) 1921 c 461 s 14; 1923 c 418 s 14

168.27 MOTOR VEHICLE DEALERS; VIOLATIONS, PENALTIES.

Subdivision 1. **Definitions.** For the purposes of this section, the following terms have the meanings given them:

(1) "Leasing motor vehicles" means furnishing a motor vehicle for a fee under a bailor-bailee relationship where no incidences of ownership are intended to be transferred other than the right to use the vehicle for a stated period of time.

(2) "Brokering motor vehicles" means arranging sales between willing buyers and sellers of motor vehicles and receiving a fee for said service.

(3) "Wholesaling motor vehicles" means selling new or used motor vehicles to dealers for resale to the public.

(4) "Auctioning motor vehicles" means arranging for and handling the sale of motor vehicles, not the property of the auctioneer, to the highest bidder.

(5) "Dealer" includes licensed new motor vehicle dealers, used motor vehicle dealers, wholesalers, auctioneers, lessors of new or used motor vehicles, scrap metal processors, used vehicle parts dealers, and salvage pools.

(6) "Commercial building" means a permanent, enclosed building that is on a permanent foundation and connected to local sewer and water facilities or otherwise complying with local sanitary codes, is adapted to commercial use, and conforms to local government zoning requirements. "Commercial building" may include strip office malls or garages if a separate entrance and a separate address are maintained and the dealership is clearly identified as a separate business.

(7) "Commercial office space" means office space occupying all or part of a commercial building.

(8) "Horse trailer" is a trailer designed and used to carry horses and other livestock, which has not more than three axles and a maximum gross weight capacity of not more than 24,000 pounds.

(9) "Isolated or occasional sales or leases" means the sale or lease of not more than five motor vehicles in a 12-month period, exclusive of pioneer or classic motor vehicles as defined in section 168.10, subdivisions 1a and 1b, or sales by a licensed auctioneer selling motor vehicles at an auction if, in the ordinary course of the auctioneer's business, the sale of motor vehicles is incidental to the sale of other real or personal property.

(10) "Used motor vehicle" means a motor vehicle for which title has been trans-

ferred from the person who first acquired it from the manufacturer, distributor, or dealer. A new motor vehicle will not be considered a used motor vehicle until it has been placed in actual operation and not held for resale by an owner who has been granted a certificate of title on the motor vehicle and has registered the motor vehicle in accordance with this chapter and chapters 168A and 297B, or the laws of the residence of the owner.

(11) "New motor vehicle" means a motor vehicle other than described in paragraph (10).

(12) "Junked vehicle" means a vehicle that is declared unrepairable under section 168A.151.

(13) "Motor vehicle" has the meaning given it in section 168.011, subdivision 4, and also includes a park trailer as defined in section 168.011, subdivision 8.

Subd. 2. New motor vehicle dealer. (a) No person shall engage in the business of selling new motor vehicles or shall offer to sell, solicit, or advertise the sale of new motor vehicles without first acquiring a new motor vehicle dealer license. A new motor vehicle dealer licensee shall be entitled thereunder to sell, broker, wholesale, or auction and to solicit and advertise the sale, broker, wholesale, or auction of new motor vehicles covered by the franchise and any used motor vehicles or to lease and to solicit and advertise the lease of new motor vehicles and any used motor vehicles and such sales or leases may be either for consumer use at retail or for resale to a dealer. A new motor vehicle dealer may engage in the business of buying or otherwise acquiring vehicles for dismantling the vehicles and selling used parts and remaining scrap materials under chapter 168A, except that a new motor vehicle dealer may not purchase a junked vehicle from a salvage pool, insurance company, or its agent unless the dealer is also licensed as a used vehicle parts dealer. Nothing herein shall be construed to require an applicant for a dealer license who proposes to deal in: (1) new and unused motor vehicle bodies; or (2) type A, B, or C motor homes as defined in section 168.011, subdivision 25, to have a bona fide contract or franchise in effect with either the first-stage manufacturer of the motor home or the manufacturer or distributor of any motor vehicle chassis upon which the new and unused motor vehicle body is mounted. The modification or conversion of a new van-type vehicle into a multipurpose passenger vehicle which is not a motor home does not constitute dealing in new or unused motor vehicle bodies, and a person engaged in the business of selling these van-type vehicles must have a bona fide contract or franchise with the appropriate manufacturer under subdivision 10. A van converter or modifier who owns these modified or converted van-type vehicles may sell them at wholesale to new motor vehicle dealers having a bona fide contract or franchise with the first-stage manufacturer of the vehicles.

(b) The requirements pertaining to franchises do not apply to persons who remodel or convert motor vehicles for medical purposes. For purposes of this subdivision, "medical purpose" means certification by a licensed physician that remodeling or conversion of a motor vehicle is necessary to enable a disabled person to use the vehicle.

Subd. 3. Used motor vehicle dealer. No person shall engage in the business of selling or arranging the sale of used motor vehicles or shall offer to sell, solicit, arrange, or advertise the sale of used motor vehicles without first acquiring a used motor vehicle dealer license. A used motor vehicle dealer licensee shall be entitled thereunder to sell, lease, broker, wholesale or auction and to solicit and advertise the sale, lease, broker, wholesale or auction of any used motor vehicles for consumer use at retail or for resale to a dealer. A used motor vehicle dealer may engage in the business of buying or otherwise acquiring vehicles for dismantling the vehicles and selling used parts and remaining scrap materials under chapter 168A, except that a used motor vehicle dealer may not acquire a junked vehicle from a salvage pool, insurance company, or its agent, unless the dealer is also licensed as a used vehicle parts dealer.

Subd. 3a. Scrap metal processor. (a) A person must have a scrap metal processor license to engage in the business of:

- (1) buying or otherwise acquiring vehicles other than hulks; or

(2) offering to buy or otherwise acquire, or soliciting or advertising the buying or acquiring of, vehicles other than hulks for processing and selling the metal for remelting. For purposes of this subdivision, a "hulk" is a motor vehicle that is incapable, under its own power, of moving and is incapable of transporting persons or property and has had any valuable used parts removed. Its sole value is its metallic content.

(b) A scrap metal processor licensee is entitled to buy or otherwise acquire vehicles and to solicit and advertise the buying or acquiring of vehicles for processing and selling the metal for remelting. A scrap metal processor licensee may not acquire a junked vehicle for the purpose of dismantling and selling used vehicle parts and remaining scrap materials unless the scrap metal processor is also licensed as a used vehicle parts dealer.

Subd. 3b. Used vehicle parts dealer. A person must have a used vehicle parts dealer's license to be primarily engaged in the business of buying or otherwise acquiring vehicles for the purpose of dismantling the vehicles and selling used parts and the remaining scrap metals.

Subd. 3c. Vehicle salvage pool. A person must have a vehicle salvage pool license to engage in the business of: storing and displaying, offering to store or display, or soliciting or advertising the storing or displaying, for sale, of damaged or junked vehicles as an agent or escrow agent of an insurance company. A vehicle salvage pool licensee is entitled to store and display and to solicit and advertise the storing and displaying, for sale, of damaged or junked vehicles as an agent or escrow agent of an insurance company. A vehicle salvage pool licensee shall not sell junked vehicles to any party other than a licensed used parts dealer.

Subd. 4. Motor vehicle lessor. No person shall engage in the business of leasing motor vehicles or shall offer to lease, solicit or advertise to lease motor vehicles without first acquiring a motor vehicle lessor license. A motor vehicle lessor licensee shall be entitled thereunder to lease or rent either by the hour, day or longer period for a fee and to solicit and advertise the lease or rental of motor vehicles. A motor vehicle lessor having leased motor vehicles, may sell the vehicles upon their return to the lessor after termination or expiration of the lease without obtaining a used motor vehicle dealer license.

Subd. 5. MS 1961 [Repealed, 1965 c 681 s 4]

Subd. 5. MS 1982 [Repealed, 1984 c 549 s 34; 1984 c 654 art 3 s 153]

Subd. 5a. Consignment sales. No person may solicit, accept, offer for sale, or sell motor vehicles for consignment sale unless licensed as a new or used motor vehicle dealer, a motor vehicle wholesaler, or a motor vehicle auctioneer. This requirement does not apply to a licensed auctioneer selling motor vehicles at an auction if, in the ordinary course of the auctioneer's business, the sale of motor vehicles is incidental to the sale of other real or personal property.

Subd. 6. Motor vehicle wholesaler. No person shall engage in the business of wholesaling motor vehicles to dealers for resale or shall offer to sell, solicit or advertise the sale of motor vehicles to dealers for resale without first acquiring a motor vehicle wholesaler license. A motor vehicle wholesaler licensee shall be entitled thereunder to sell, solicit or advertise the sale of motor vehicles at wholesale for resale; provided that a wholesaler may sell, solicit, or advertise the sale of new motor vehicles only to dealers duly licensed to sell the same make of motor vehicles.

Subd. 7. Motor vehicle auctioneer. No person shall engage in the business of auctioning motor vehicles for more than one owner at an auction or shall offer to sell, solicit or advertise the sale of motor vehicles at auction without first acquiring a motor vehicle auctioneer license. A motor vehicle auctioneer licensee shall be entitled thereunder to sell, solicit and advertise the sale of used motor vehicles belonging to others at auction.

Subd. 8. Exemptions. (1) Salespeople and other employees of licensed dealers under this section shall not be required to obtain individual licenses.

(2) Isolated or occasional sales or leases of new or used motor vehicles shall be exempt from the provisions of this section. A person who makes only isolated or occa-

sional sales or leases is not required to be licensed under this section, is not considered to be in the business of selling or leasing motor vehicles, and does not qualify to receive dealer plates under subdivision 16. "Isolated or occasional sales or leases" means the sale, purchase, or lease of not more than five motor vehicles in a 12-month period.

Subd. 9. Application. Application for such license and renewal thereof shall be made to the registrar of motor vehicles, shall be in writing, and duly verified by oath. The applicant shall submit such information as the registrar may require to administer this section, on blanks provided by the registrar for such purpose.

Subd. 10. Established place of business. All licensees under this section shall have an established place of business which shall include as a minimum:

(1) For a new motor vehicle dealer, the following:

(a) a commercial building owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records, and files necessary to conduct the business are kept and maintained with personnel available during normal business hours. Dealership business hours must be conspicuously posted on the place of doing business and readily viewable by the public;

(b) a bona fide contract or franchise (1) in effect with a manufacturer or distributor of the new motor vehicles the dealer proposes to sell, broker, wholesale, or auction, or (2) in effect with the first-stage manufacturer or distributor of new motor vehicles purchased from a van converter or modifier which the dealer proposes to sell, broker, wholesale, or auction, or (3) in effect with the final stage manufacturer of the new type A, B, or C motor homes which the dealer proposes to sell, broker, wholesale, or auction;

(c) a facility for the repair and servicing of motor vehicles and the storage of parts and accessories, not to exceed ten miles distance from the principal place of business. Such service may be provided through contract with bona fide operators actually engaged in such services;

(d) an area either indoors or outdoors to display motor vehicles which is owned or under lease by the licensee; and

(e) a sign clearly identifying the dealership by name which is readily viewable by the public.

(2) For a used motor vehicle dealer, the following:

(a) a commercial building owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records, and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or automatic telephone answering service during normal business hours. Dealership business hours must be conspicuously posted on the place of doing business and readily viewable by the public;

(b) an area either indoors or outdoors to display motor vehicles which is owned or under lease by the licensee; and

(c) a sign clearly identifying the dealership by name which is readily viewable by the public.

(3) For a motor vehicle lessor, the following: a commercial office space where the books, records, and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours. Business hours must be conspicuously posted on the place of doing business and readily viewable by the public. The office space must be owned or under lease for a minimum term of one year by the licensee.

(4) For a motor vehicle wholesaler, the following: a commercial office space where the books, records, and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours. The office space must be owned or under lease for a minimum term of one year by the licensee.

(5) For a motor vehicle auctioneer, the following: a permanent enclosed commer-

cial building, within or without the state, on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records, and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(6) If a new or used motor vehicle dealer maintains more than one place of doing business in a county, the separate places shall be listed on the application. If additional places of business are maintained outside of one county, separate licenses shall be obtained for each county.

(7) If a motor vehicle lessor, wholesaler, or auctioneer maintains more than one permanent place of doing business, either in one or more counties, the separate places shall be listed in the application, but only one license shall be required. If a lessor proposes to sell previously leased or rented vehicles at a location outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2, other than cities of the first class, the lessor must obtain a license for each nonmetropolitan area county in which sales are to take place.

(8) If a motor vehicle dealer, lessor, or wholesaler does not have direct access to a public road or street, any privately owned roadway providing access to a public road or street must be clearly identified and adequately maintained.

Subd. 11. **Licenses.** Application for license or notification of a change of location of a license must include a street address, not a post office box, and is subject to the registrar's approval. Upon the filing of an application for a license and the proper fee, the registrar is authorized, unless the application on its face appears to be invalid, to grant a 90-day temporary license and during said 90-day period shall investigate the fitness of the applicant, inspect the site and make such other investigation as is necessary to insure compliance with the licensing law. The registrar may extend the temporary license 30 days. At the end of the period of investigation the license shall either be granted or denied. The license must be denied if within the previous five years the applicant was enjoined due to a violation of section 325F.69 or convicted of violating section 325E.14, 325E.15, 325E.16, or 325F.69, or convicted under section 609.53 of receiving or selling stolen vehicles, or convicted of violating United States Code, title 15, sections 1981 to 1991, as amended through December 31, 1984. If the application is approved, the registrar shall license the applicant as a motor vehicle dealer for the remainder of the calendar year, and issue a certificate of license therefor as the registrar may provide upon which shall be placed a distinguishing number of identification of such dealer. Each initial application for a license shall be accompanied by a fee of \$50 in addition to the annual fee. The annual fee shall be \$100. All initial fees and annual fees shall be paid into the state treasury and credited to the general fund. If the initial application is received by the registrar after July 1 of any year, the first annual fee shall be reduced by one-half.

Subd. 12. **Grounds for suspension and revocation.** A license may be suspended or revoked by the registrar of motor vehicles upon proof satisfactory to the registrar of any of the following:

- (1) violations of any of the provisions of this chapter or chapter 168A, 297B, 325E, or 325F;
- (2) violation of or refusal to comply with the requests and order of the registrar;
- (3) failure to make or provide to the registrar all listings, notices, and reports required by the registrar;
- (4) failure to pay to the registrar all taxes, fees, and arrears due from and by such dealer;
- (5) failure to duly apply for renewal of license provided for herein;
- (6) revocation of previous license, of which the records of the registrar relating thereto shall be prima facie evidence of such previous revocation;
- (7) failure of continued occupancy of an established place of business;
- (8) sale of a new and unused current model motor vehicle other than the make of

motor vehicle described in the franchise or contract filed with the original application or renewal thereof, without permission from the registrar;

(9) sale of a new and unused current model motor vehicle to anyone except for consumer use, or to a dealer duly licensed to sell the same make of motor vehicle;

(10) material misstatement or misrepresentation in application for license or renewal thereof;

(11) having advertised, printed, displayed, published, distributed, broadcast or televised or caused or permitted to be advertised, printed, displayed, published, distributed, broadcast or televised in any manner whatsoever, or having made orally any statement or representation with regard to the sale, lease or financing of motor vehicles which is false, deceptive or misleading;

(12) having been convicted of violating section 325F.69, or having been enjoined due to a violation of section 325F.69;

(13) having been convicted of violating the Minnesota odometer law, section 325E.14, 325E.15, or 325E.16, or the federal odometer law, United States Code, title 15, sections 1981 to 1991, as amended through December 31, 1984;

(14) having been convicted of violating the sale of motor vehicles on Sunday law, section 168.275; or

(15) having been convicted under section 609.53 of receiving or selling stolen vehicles.

With respect to clauses (12), (13), and (15), the registrar may suspend or revoke a license immediately upon receiving certification of conviction or permanent injunction. A hearing is required under subdivision 13 within 30 days following a summary suspension or revocation under this paragraph, if a hearing is requested by the licensee.

Subd. 12a. Grounds for cancellation without hearing. A license may be canceled by the registrar upon satisfactory proof that the dealer has failed to provide or maintain the required surety bond, or that the dealer has failed to provide or maintain the insurance required under chapter 65B. Surety companies and insurers providing required coverages shall promptly notify the registrar upon canceling any surety bond or required insurance. The registrar shall notify the dealer of the reason or reasons for cancellation before the cancellation occurs.

Subd. 13. Suspension and revocation; hearing. The registrar of motor vehicles, upon the registrar's own motion or upon the complaint of another, shall prepare and cause to be served upon the licensee complained of, a written notice or complaint setting forth, in substance, the violations charged, a statement of the deficiencies which exist and any corrective action deemed appropriate. Said notice shall include a statement that in the event corrective action is deemed appropriate and corrective action is not taken, the dealer's license may be suspended or revoked. The notice shall require the licensee to appear at the time and place fixed therein before the registrar, and show cause why the license should not be suspended or revoked.

The registrar shall, at the time and place fixed in the notice, proceed to hear and determine the matter on its merits. All hearings shall be conducted in accordance with the provisions of chapter 14, except that the provisions of section 14.50, shall not apply. The registrar is authorized to subpoena witnesses and administer oaths. If the registrar shall find the existence of any of the causes for suspension or revocation as set forth in subdivision 12 and determine that corrective action has not been taken or that corrective action will not prevent repetition of the violations charged or that the public interest will not be served by corrective action and the licensee's license should be suspended or revoked, the registrar shall issue a written order setting out the decision, and a copy of such order shall be served upon such licensee in the manner provided by law for the service of summons in a civil action. On finding that the dealer has violated any of the provisions of this section but that the nature of said violation or the circumstances thereof are such that a suspension of the license would be adequate, the registrar may, instead of revoking the license suspend it for a period not exceeding 90 days. On finding that the violation does not justify a suspension only, the registrar shall revoke

the license. Upon a suspension or revocation, if it be a new or used motor vehicle dealer, said licensee shall immediately return to the registrar all number plates, including any "in transit" plates and temporary permits, in its possession and its dealer's license certificate.

Subd. 14. Appeal. Any party or person aggrieved by such order of suspension, revocation or imposition of a penalty may seek judicial review pursuant to the provisions of chapter 14.

Subd. 15. Enforcement. The registrar is hereby authorized to enforce this section and is directed to appoint under the registrar's hand not less than seven persons amongst the registrar's several employees, as inspectors and investigators and who when so appointed, shall have full authority to enforce this section throughout the state. The registrar, the registrar's inspectors or investigators, when traveling or otherwise pursuing their duties outside the office of the registrar, shall be paid for their actual expenses incurred out of the same funds as other employees of the registrar of motor vehicles. The inspectors shall assist licensees in compliance with laws governing licensees and administered hereunder.

Subd. 16. Plates: distinguishing numbers, fees, taxes, uses. (a) The registrar shall issue to every motor vehicle dealer, upon a request from the motor vehicle dealer licensed as provided in subdivision 2 or 3, one or more plates displaying a general distinguishing number. This subdivision does not apply to a scrap metal processor, a used vehicle parts dealer, or a vehicle salvage pool. The fee for each of the first four plates is \$75 per calendar year, of which \$60 must be paid to the registrar and the remaining \$15 is payable as sales tax on motor vehicles under section 297B.035. For each additional plate, the dealer shall pay the registrar a fee of \$25 and a sales tax on motor vehicles of \$15 per calendar year. The registrar shall deposit the tax in the state treasury and it shall be credited as provided in section 297B.09. Motor vehicles, new or used, owned by the motor vehicle dealership and bearing the number plate, except vehicles leased to the user who is not an employee of the dealer during the term of the lease, held for hire, or customarily used by the dealer as a tow truck, service truck, or parts vehicle, may be driven upon the streets and highways of this state:

(1) by the motor vehicle dealer or dealer's spouse, or any full-time employee of the motor vehicle dealer for either private or business purposes;

(2) by a part-time employee when the use is directly related to a particular business transaction of the dealer;

(3) for demonstration purposes by any prospective buyer thereof for a period of 48 hours or in the case of a truck, truck-tractor, or semitrailer, for a period of seven days; or

(4) in a promotional event that lasts no longer than four days in which at least three motor vehicles are involved.

(b) A new or used motor vehicle sold by the motor vehicle dealer and bearing the motor vehicle dealer's number plate may be driven upon the public streets and highways for a period of 72 hours by the buyer for either of the following purposes: (1) removing the vehicle from this state for registration in another state, or (2) permitting the buyer to use the motor vehicle before the buyer receives number plates pursuant to registration. Use of a motor vehicle by the buyer under the provisions of clause (2) of the preceding sentence before the buyer receives number plates pursuant to registration constitutes a use of the public streets or highways for the purpose of the time requirements for registration of motor vehicles.

Subd. 17. Application for in transit plates. Every licensed dealer in motor vehicles may make application upon a blank provided by the registrar for that purpose for dealer in transit license plates for use upon all new or used motor vehicles being transported from the dealer's source of supply, or other place of storage, to the dealer's place of business, or to another place of storage, or from one dealer to another. The registrar shall then issue to the dealer the number of plates as the dealer may request, upon the payment by the dealer to the registrar of the sum of \$5 per plate per calendar year. The

registrar may issue in transit plates, upon the payment of the sum of \$5 to the registrar, to dealers duly licensed in other states or provinces upon information furnished in the manner as the registrar may prescribe, and which satisfies the registrar that persons or companies applying therefor are duly licensed dealers under the laws of the states or provinces.

Subd. 18. Testimonial powers. The registrar shall have, and is hereby granted full authority to issue subpoenas requiring the attendance of witnesses before the registrar, production of books, papers, and other documents, articles, or instruments, and compel the disclosure by such witnesses of all facts known to them relative to the matter under investigation, and shall have full authority to administer oaths and to take testimony. All parties disobeying the orders of subpoenas of the registrar shall be guilty of contempt, as in proceedings in district courts of the state and may be punished in like manner.

Subd. 19. Violations. Any person, copartnership, or corporation, domestic or foreign, and any officer, or director, or employee of a corporation, domestic or foreign, who shall violate or neglect, fail or refuse to comply with any of the provisions of this section shall be guilty of a misdemeanor.

Subd. 19a. Injunction. The commissioner or a county attorney may institute a civil action in the name of the state in district court for an injunction prohibiting a violation of this section. The court, upon proper proof that the defendant has engaged in a practice prohibited by this section, may enjoin the future commission of that practice. It is not a defense to an action that the state may have adequate remedies at law. Service of process must be as in any other civil suit, except that where a defendant in the action is a natural person or firm residing outside the state, or is a foreign corporation, service of process may also be made by personal service outside the state; in the manner provided by section 303.13, subdivision 1, paragraph (3); or as the court may direct. Process is valid if it satisfies the requirements of due process of law, whether or not the defendant is doing business in Minnesota regularly or habitually. Nothing in this subdivision limits the rights or remedies otherwise available to persons under common law or other statutes of this state.

Subd. 20. Application. This section shall not apply to any person, copartnership, or corporation engaged in the business of selling vehicles designed to operate exclusively over snow, motor scooters, motorized wheelchairs, utility trailers, farm wagons, farm trailers, farm tractors or other farm implements whether self-propelled or not, even though such wagons, trailers, tractors or implements may be equipped with a trailer hitch, or to any person licensed as a real estate broker or salesperson pursuant to chapter 82, who engages in the business of selling, or who offers to sell, solicits or advertises the sale of manufactured homes affixed to land, unless such person, copartnership or corporation shall also be engaged in the business of selling other motor vehicles or manufactured homes within the provisions of this section. As used in this subdivision the term "utility trailer" has the following meaning:

"Utility trailer" means a motorless vehicle, other than a boat trailer or snowmobile trailer, equipped with one or two wheels and having a carrying capacity of 2000 pounds or less and used for carrying property on its own structure while being drawn by a motor vehicle.

Subd. 21. [Repealed, 1981 c 59 s 20]

Subd. 22. Motorized bicycles, boat and snowmobile trailers. Any person, copartnership, or corporation having a permanent enclosed commercial building or structure either owned in fee or leased and engaged in the business, either exclusively or in addition to any other occupation, of selling motorized bicycles, boat trailers, horse trailers, or snowmobile trailers, may apply to the registrar for a dealer's license. Upon payment of a \$10 fee the registrar shall license the applicant as a dealer for the remainder of the calendar year in which the application was received. Thereafter the license may be renewed on or before the second day of January of each year by payment of a fee of \$10. The registrar shall issue to each dealer, upon request of the dealer, dealer plates as provided in subdivision 16 upon payment of \$5 for each plate, and the plates may

be used in the same manner and for the same purposes as is provided in subdivision 16. Except for motorized bicycle dealers, the registrar shall also issue to the dealer, upon request of the dealer, "in transit" plates as provided in subdivision 17 upon payment of a fee of \$5 for each plate. This subdivision shall not be construed to abrogate any of the provisions of this section as the same relates to the duties, responsibilities, and requirements of persons, copartnerships, or corporations engaged in the business, either exclusively or in addition to other occupations, of selling motor vehicles or manufactured homes. This section shall not be construed to require a manufacturer of snowmobile trailers whose manufacturing facility is located outside of the metropolitan area as defined in section 473.121 to have a dealer's license to transport the snowmobile trailers to dealers or retail outlets in the state.

Subd. 23. Registrar may file charges. The registrar or the registrar's appointed inspectors may file charges with the county attorney against any licensee who violates any of the provisions of this section, including but not limited to, the grounds for suspension or revocation set out in subdivision 12. Any violation of this section is a misdemeanor.

Subd. 24. Bonds. All persons licensed hereunder shall keep in full force and effect a bond with a corporate surety to be approved by the registrar of motor vehicles in amounts as herein provided; in the case of boat trailer, snowmobile trailer, horse trailer or motorized bicycle dealers in the amount of \$5,000; and as to all other persons in the amount of \$25,000. The bond shall be conditioned on the faithful performance by the licensee of the obligations imposed by the laws of this state, including the conduct required of a licensee by this section and other sections governing the sale or transfer of motor vehicles, and the payment of all taxes, license fees, and penalties. The bond shall be for the benefit of the state of Minnesota and any transferor, seller, or purchaser of a motor vehicle for any monetary loss caused by failure of the licensee to meet the obligations enumerated above. Proceedings on the forfeiture of the bonds shall be commenced in the district court of the county wherein the business of the licensed person was carried on, or if in more than one county, the county in which the offense occurred. This subdivision does not apply to a used vehicle parts dealer or a scrap metal processor.

Subd. 25. Preemption of local ordinances. It is the intent and purpose of this section to establish a uniform statewide system of bonding motor vehicle dealers and the provisions of this section shall supersede and preempt all bonding requirements imposed by any local government unit.

Subd. 26. Advertising disclosure. All advertising by a motor vehicle dealer must disclose that the vehicle is being offered for sale by a dealer through use of the dealership name, the term "dealer," or the abbreviation "DLR."

History: (2686) 1921 c 461 s 15; 1923 c 418 s 15; 1931 c 217 s 2; 1935 c 143 s 1; 1935 c 271 s 1; 1939 c 209 s 1; 1941 c 176 s 1; 1943 c 265 s 1; 1947 c 58 s 1; 1949 c 476 s 1; 1953 c 43 s 2; 1955 c 331 s 1; 1955 c 626 s 1; 1955 c 820 s 16; 1961 c 75 s 1; 1961 c 650 s 1; 1963 c 52 s 1, 2; 1965 c 681 s 1; 1969 c 399 s 1; 1969 c 1148 s 27; 1971 c 444 s 1-2; 1973 c 123 art 5 s 7; 1974 c 54 s 1; 1974 c 273 s 10; 1976 c 342 s 3; 1977 c 27 s 1,2; 1977 c 168 s 1-9; 1977 c 214 s 4; 1977 c 347 s 28; 1978 c 570 s 1; 1980 c 427 s 2-6; 1980 c 478 s 2,3; 1981 c 196 s 1; 1981 c 357 s 57,58; 1981 c 363 s 24; 1981 c 365 s 9; 1982 c 424 s 130; 1984 c 549 s 19,20; 1984 c 654 art 3 s 59,60; 1985 c 63 s 6,7; 1985 c 186 s 1-4; 1985 c 291 s 14; 1986 c 444; 1986 c 454 s 14-16; 1Sp1986 c 3 art 1 s 24; 1987 c 383 s 3; 1988 c 496 s 1-10; 1988 c 634 s 1-8; 1989 c 323 s 2-4; 1989 c 342 s 12; 1990 c 497 s 7; 1991 c 333 s 8,9; 1992 c 367 s 1; 1993 c 259 s 1; 1994 c 465 art 3 s 14; 1994 c 500 s 1; 1994 c 536 s 11-16; 1994 c 587 art 2 s 21

168.2701 LIABILITY OF LESSORS FOR UNPAID TRAFFIC VIOLATIONS.

When a motor vehicle lessor, licensed under section 168.27, subdivision 2, 3, or 4, is issued a traffic violation citation for a violation committed by a lessee while operating the leased or rented vehicle, the lessor shall convey to the issuing authority within 15 days of the lessor receiving knowledge of the traffic violation, information to the

extent available, including the driver's full name, home address, local address, if any, license number, employer's name and address, post office box, and form of payment. Upon compliance with this section, the lessor is not liable for the amount of fine, penalty assessment, late payment penalty, or cost of warrants issued in connection with the violation. However, action on the part of the issuing authority relieving the lessor of liability does not absolve the person incurring the violation of responsibility for the infraction.

History: 1986 c 332 s 1

168.2702 MOTOR VEHICLE LEASES: INDEMNITY AGREEMENTS.

Notwithstanding other law to the contrary, a provision in a motor vehicle lease agreement that indemnifies the lessor against any claims or liabilities arising out of the use, operation, or maintenance of the vehicle by the lessee includes the right to indemnity for traffic violations, penalties, and punitive damages caused by the lessee and is enforceable in accordance with its terms. This section does not relieve the lessor of any liability, penalty, or damages arising out of its own acts or omissions.

History: 1991 c 280 s 1

168.271 INFORMATIONAL LABELS ON PICKUP TRUCKS; PENALTY.

Subdivision 1. Every manufacturer of new trucks having a gross vehicle weight of 9,000 pounds or less which are sold or offered for sale for use upon the public streets or highways within this state shall, prior to the delivery of the new truck to a Minnesota dealer, or at or prior to the introduction date of new models delivered to a Minnesota dealer prior to introduction date, securely affix to the windshield or side window of the truck a label upon which the manufacturer shall endorse clearly, distinctly and legibly true and correct entries disclosing information identical to and in the same manner as required on new automobiles. The label shall remain affixed to the truck until delivery of the truck to the ultimate purchaser. Any manufacturer who shall willfully fail to affix a proper label required by this section or any person who shall willfully remove, alter or mutilate a label prior to delivery of the truck to the ultimate purchaser is guilty of a misdemeanor. This section shall not apply to trucks for which the annual sales in Minnesota of the previous model year were less than 200.

Subd. 2. This section shall apply to new trucks having a gross vehicle weight of 9,000 pounds or less built after December 31, 1978.

History: 1977 c 385 s 1,2

168.274 DEFINITIONS.

The following definitions shall apply for the words or terms used in sections 168.274 to 168.276 unless other meaning is clearly apparent from the language or context.

"Motor vehicle" means and includes all vehicles propelled otherwise than by muscular power, excepting such vehicles as run only upon rails or tracks.

"New motor vehicle" means only newly manufactured motor vehicles and includes but is not limited to motorcycles, trailers, trucks, passenger cars and tractors.

"Used motor vehicle" means every motor vehicle, title to, or possession of, which has been transferred from the person who first acquired it from the manufacturer or dealer and has been so used as to become or is commonly known as secondhand within the ordinary meaning thereof, and includes every motor vehicle other than a new motor vehicle, including but not limited to motorcycles, trailers, tractors, trucks and passenger cars.

"Person" includes natural persons, firms, partnerships, corporations, associations or other artificial bodies, trustees, receiver and officers, employees, agents, and others acting for or on behalf of any person.

History: 1957 c 386 s 3

168.275 SALE OF MOTOR VEHICLES ON SUNDAY FORBIDDEN.

Any person who shall carry on or engage in the business of buying, selling, exchanging, dealing in or trading in new or used motor vehicles; or who shall open any place of business or lot wherein the person attempts to or does engage in the business of buying, selling, exchanging, dealing or trading in new or used motor vehicles; or who does buy, sell, exchange, deal or trade in new or used motor vehicles as a business on the first day of the week, commonly known and designated as Sunday, is guilty of a misdemeanor for the first offense, and a gross misdemeanor for each succeeding offense. Such a person upon conviction for the first offense shall pay a fine not to exceed \$700 or be imprisoned for a period of not more than ten days; and for the second offense shall pay a fine not to exceed \$3,000 or be imprisoned for a period of not more than 30 days or both; and for the third or each subsequent offense shall pay a fine of not more than \$3,000 or be imprisoned for a period of not more than six months or both.

History: 1957 c 386 s 1; 1984 c 628 art 3 s 11; 1986 c 444

168.276 SUSPENSION OR REVOCATION OF LICENSES.

Every court having jurisdiction over offenses committed in violation of the provisions of section 168.275 hereof shall forward to the registrar of motor vehicles of this state within ten days following a conviction, a record thereof. If a person so convicted holds a license as a dealer for the sale of new or used motor vehicles under the provisions of section 168.27, upon the receipt by the registrar of motor vehicles of a second record of conviction of such dealer, the registrar of motor vehicles shall suspend such dealer's license for a period of 30 days, and upon receipt of a third record of conviction of any such dealer, the registrar of motor vehicles shall permanently revoke such dealer's license.

History: 1957 c 386 s 2

168.28 VEHICLES SUBJECT TO TAX; EXCEPTIONS.

Every motor vehicle (except those exempted in section 168.012, and except those which are being towed upon the streets and highways and which shall not be deemed to be using the streets and highways within the meaning of this section) shall be deemed to be one using the public streets and highways and hence as such subject to taxation under this act if such motor vehicle has since April 23, 1921, used such public streets or highways, or shall actually use them, or if it shall come into the possession of an owner other than as a manufacturer, dealer, warehouse operator, mortgagee or pledgee. New and unused motor vehicles in the possession of a dealer solely for the purpose of sale, and used or secondhand motor vehicles which have not theretofore used the public streets or highways of this state which are in the possession of a dealer solely for the purpose of sale and which are duly listed as herein provided, shall not be deemed to be vehicles using the public streets or highways. The driving or operating of a motor vehicle upon the public streets or highways of this state by a motor vehicle dealer or any employee of such motor vehicle dealer for demonstration purposes or for any purpose incident to the usual and customary conduct and operation of the business in which licensed under section 168.27 to engage, or solely for the purpose of moving it from points outside or within the state to the place of business or storage of a licensed dealer within the state or solely for the purpose of moving it from the place of business of a manufacturer, or licensed dealer within the state to the place of business or residence of a purchaser outside the state, shall not be deemed to be using the public streets or highways in the state within the meaning of this chapter or of the Constitution of the state of Minnesota, article XIV, and shall not be held to make the motor vehicle subject to taxation under this chapter as one using the public streets or highways, if during such driving or moving the dealer's plates herein provided for shall be duly displayed upon such vehicle. Any dealer or distributor may register a motor vehicle prior to its assessment or taxation as personal property, and pay the license fee and tax thereon for the full calendar year as one using the public streets and highways, and thereafter such vehicle shall be deemed to be one using the public streets and highways

and shall not be subject to assessment or taxation as personal property during the calendar year for which it is so registered, whether or not such vehicle shall actually have used the streets or highways.

History: (2687) 1921 c 461 s 16; 1923 c 418 s 16; 1941 c 176 s 2; 1953 c 315 s 1; 1961 c 611 s 1; 1976 c 2 s 172; 1986 c 444; 1986 c 454 s 17

168.29 REPLACEMENT PLATES.

In the event of the defacement, loss or destruction of any number plates or validation stickers, the registrar, upon receiving and filing a sworn statement of the vehicle owner, setting forth the circumstances of the defacement, loss, destruction or theft of the number plates or validation stickers, together with any defaced plates or stickers and the payment of a fee calculated to cover the cost of replacement, shall issue a new set of plates or stickers.

The registrar shall then note on the registrar's records the issue of new number plates and shall proceed in such manner as the registrar may deem advisable to cancel and call in the original plates so as to insure against their use on another motor vehicle.

Duplicate registration certificates plainly marked as duplicates may be issued in like cases upon the payment of a \$1 fee.

Fees collected under this section must be paid into the state treasury and credited to the highway user tax distribution fund.

History: (2688) 1921 c 461 s 17; 1923 c 418 s 17; 1943 c 56 s 1; 1973 c 218 s 8; 1977 c 327 s 1; 1984 c 549 s 21; 1985 c 291 s 15; 1986 c 444; 1990 c 497 s 8; 1992 c 581 s 11

168.30 [Repealed, 1988 c 647 s 13]

168.31 TAX, WHEN DUE AND PAYABLE.

Subdivision 1. **Time payable.** The tax required under this chapter to be paid upon a motor vehicle for each calendar year becomes due when the vehicle first uses the public streets or highways in the state, and upon January 1 each year thereafter, except those vehicles which are taxed under section 168.017 and vehicles registered under 168.09, subdivision 3. Taxes due upon January 1 become payable upon November 15 preceding the calendar year for which they are assessed. The tax required to register vehicles for the registration year March 1 to the last day of February is due on March 1 and payable January 1 preceding. The tax required to register vehicles under the provisions of section 168.017 is due the first day of the month commencing the 12-month registration period and payable during the 45 days preceding the due date. Nothing in this section shall preclude prepayment.

Subd. 2. [Repealed, 1973 c 6 s 7]

Subd. 3. [Repealed, 1984 c 549 s 34]

Subd. 4. **Installments.** If the tax for a vehicle assessed under section 168.013 amounts to more than \$400, the owner may pay such tax by installments. The owner shall tender with the application for registration one-third of the annual tax due or \$400, whichever is greater, plus any penalties or arrears, plus a fee of \$10. Instead of this fee, the applicant may furnish a bond, bank letter of credit, or certificate of deposit approved by the registrar of motor vehicles, for the total of the tax still due. The amount of the bond, letter of credit, or certificate of deposit may include any penalties which are assessed. The bond, letter of credit, or certificate of deposit shall be for the benefit of the state for monetary loss caused by failure of the vehicle owner to pay delinquent license fees and penalties. The remainder of the tax due shall be paid in two equal installments; the due date of the first installment shall be the first day of the fifth month of the registration period for which the tax is assessed and the second installment shall be due on the first day of the ninth month of the registration period for which the tax is assessed. When the applicant elects to pay the administrative fee, the registrar shall issue to the applicant validation stickers for the installment paid. When the applicant elects to furnish a bond, bank letter, or letter of deposit, the registrar shall issue valida-

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tion stickers for the registration year. If an owner of a vehicle fails to pay an installment on or before the due date thereof, the vehicle shall not use the public streets or highways in this state until the installment or installments of the tax remaining due on such vehicle shall have been paid in full for the licensed year together with a penalty at the rate of \$1 per day for the remainder of the month in which the balance of the tax becomes due and \$4 a month for each succeeding month or fraction thereof during which the balance of the tax remains unpaid. Upon the payment of the balance of the tax and the penalties, the registrar shall issue a registration certificate to the owner of the vehicle in the manner provided by law. The registrar shall deny installment payment privileges provided in this subdivision in the subsequent year to any owner on any or all vehicles of such owner who during the current year fails to pay any installment due within one month after the due date.

Subd. 4a. Installments. If the tax for a vehicle assessed under section 168.187 amounts to more than \$400, the owner may pay the tax by installments. The owner shall submit with the application for registration, no later than January 1, one-third of the Minnesota annual tax due or \$400, whichever is greater. The applicant shall furnish a bond, bank letter of credit, or certificate of deposit approved by the registrar of motor vehicles, for the total of the tax still due. The amount of the bond, letter of credit, or certificate of deposit may include any penalties assessed. The bond, letter of credit, or certificate of deposit must be for the benefit of the state for monetary loss caused by failure of the vehicle owner to pay delinquent license fees and penalties. The remainder of the tax due must be paid in two equal installments; the due date of the first installment is May 1 and the second installment is due on September 1. If an owner of a vehicle fails to pay an installment on or before the due date, the vehicle must not be used on the public streets or highways in this state until the installment or installments of the tax remaining due on the vehicle has been paid in full for the licensed year, together with a penalty at the rate of \$1 per day for the remainder of the month in which the balance of the tax becomes due and \$4 a month for each succeeding month or fraction of it during which the balance of the tax remains unpaid. The registrar shall deny installment payment privileges provided in this subdivision in the subsequent year to any owner on any or all vehicles of an owner who during the current year fails to pay any installment and penalties due within one month after the due date.

Subd. 5. Refunds. For the annual tax paid on any vehicle before the calendar year for which that tax was assessed, the owner of the vehicle who paid the tax shall be entitled to full refund if such vehicle is permanently destroyed or removed from the state before the calendar year for which the tax was paid or if it is not used at all during the calendar year for which the tax was paid, and the owner makes affidavit concerning the nonuse as provided by section 168.012.

Subd. 6. Tax a personal obligation. All taxes imposed under the provisions of this chapter shall be deemed the personal obligation of the registered owner and the amount of such tax, including added penalties for the nonpayment thereof, shall be a first lien upon the vehicle taxed, paramount and superior to all other liens thereon whether previously or subsequently accruing thereon; and, in addition to any other remedy herein prescribed, the state shall have a right of action against the owner for the recovery of the amount of any delinquent tax thereon, including the penalties accruing because of the nonpayment thereof, or for the enforcement of the tax lien thereon hereby declared, or both, in any court of competent jurisdiction. The county attorney of the county in which such motor vehicle is owned shall perform such service in the matter of the commencement and prosecution of such suit or in the prosecution of any other remedy for the enforcement of such tax as the attorney general may require.

History: (2690) 1921 c 461 s 19; 1923 c 418 s 19; 1933 c 344 s 3; 1941 c 515 s 4; 1943 c 153 s 1; 1951 c 401 s 1; 1953 c 123 s 1; 1957 c 714 s 3; 1961 c 170 s 1; 1973 c 6 s 4,5; 1976 c 39 s 6; 1976 c 225 s 2; 1978 c 613 s 3; 1980 c 498 s 1; 1981 c 167 s 4; 1984 c 549 s 22,23; 1985 c 291 s 16; 1986 c 444; 1989 c 195 s 2,3; 1993 c 281 s 5

168.32 [Repealed, 1961 c 120 s 2]

168.321 MANUFACTURERS TO FILE STATEMENT.

The registrar may refuse to register any new vehicle unless the manufacturer thereof has filed the sworn statement herein provided for the model of the motor vehicle offered for registration. The registrar shall have authority to determine the weight of any vehicle on which the record of the manufacturer's shipping weight is not available in the office.

Every manufacturer of a motor vehicle sold or offered for sale within this state shall each year file with the registrar a sworn statement showing the various models manufactured, the manufacturer's shipping weights including the weight of automatic transmissions where such equipment is offered as optional equipment and not included in the shipping weight, the beginning serial or identification number of each model or series if manufactured on a yearly model basis, or if not manufactured on a yearly model basis, the formula or method used to determine the year of model, and such other information as the registrar deems necessary. Upon the introduction of any new models during the year, the manufacturer shall in like manner file a new statement setting forth the required information for each new model.

The information furnished in the manufacturer's statement may be considered by the registrar as prima facie evidence of the facts contained therein.

History: 1961 c 120 s 1; 1986 c 444

168.325 DIVISION OF MOTOR VEHICLES.

Subdivision 1. A division in the department of public safety to be known as the division of motor vehicles is hereby created, under the supervision and control of the director. The commissioner may place the director's position in the unclassified service if the position meets the criteria established in section 43A.08, subdivision 1a.

Subd. 2. All the functions, powers, and duties now vested in or imposed upon the secretary of state as registrar of motor vehicles as prescribed in Minnesota Statutes 1967, chapter 168, or any other law, relating to the registration of motor vehicles, the issuance of motor vehicle licenses, the licensing of motor vehicle dealers, and other matters therein contained not otherwise provided for in this section, are hereby transferred to, vested in, and imposed upon the commissioner of public safety. The duties of the secretary of state in relation thereto as heretofore constituted are abolished.

Subd. 3. [Repealed, 1991 c 199 art 1 s 56]

Subd. 4. All the powers and duties now vested in or imposed upon the secretary of state in the issuance of chauffeurs' licenses and school bus drivers' licenses as prescribed in Minnesota Statutes 1967, chapter 168, are hereby transferred to, vested in, and imposed upon the commissioner of public safety. The duties of the secretary of state in connection with the issuance of such licenses are hereby abolished.

History: 1969 c 1129 art 1 s 15; 1974 c 15 s 1; 1982 c 560 s 49

168.33 COMMISSIONER OF PUBLIC SAFETY IS REGISTRAR.

Subdivision 1. **Duties.** The commissioner of public safety shall be the registrar of motor vehicles of the state of Minnesota, and shall exercise all the powers granted to and perform all the duties imposed by this chapter. The commissioner of public safety may employ not to exceed eight persons as inspectors, to obtain information and report to the registrar regarding motor vehicles subject to taxation under this chapter upon which the tax has not been paid, and to present suitable complaints to courts of competent jurisdiction.

Subd. 2. **Powers regarding deputy registrars.** The registrar may appoint, hire, and discharge and fix the compensation of the necessary employees, in the manner provided by law, as may be required to enable the registrar to properly carry out the duties imposed by this chapter. The registrar may appoint, and for cause discontinue, a deputy registrar for any statutory or home rule charter city as the public interest and convenience may require, without regard to whether the county auditor of the county in which the city is situated has been appointed as the deputy registrar for the county or

has been discontinued as the deputy registrar for the county, and without regard to whether the county in which the city is situated has established a county license bureau which issues motor vehicle licenses as provided in section 373.32.

The registrar may appoint, and for cause discontinue, a deputy registrar for any statutory or home rule charter city as the public interest and convenience may require, if the auditor for the county in which the city is situated chooses not to accept appointment as the deputy registrar for the county or is discontinued as a deputy registrar, or if the county in which the city is situated has not established a county license bureau which issues motor vehicle licenses as provided in section 373.32. A person appointed by the registrar as a deputy registrar for any statutory or home rule charter city must be a resident of the county in which the city is situated.

The registrar may appoint, and for cause discontinue, the county auditor of each county as a deputy registrar. Upon approval of the county board, the auditor, with the approval of the director of motor vehicles, may appoint, and for cause discontinue, the clerk or equivalent officer of each statutory or home rule charter city or any other person as a deputy registrar as public interest and convenience may require, regardless of the appointee's county of residence. At the request of the governing body of a statutory or home rule charter city, the auditor shall appoint, and may for cause discontinue, the clerk or equivalent officer of a city, or another officer or employee of the city designated by the governing body, as a deputy registrar:

- (1) if the city is a county seat or, if not, is larger than the seat of the county in which it is situated; and
- (2) no office of a deputy registrar is situated within the city or within 15 miles of the city by the most direct public route.

Notwithstanding any other provision, a person other than a county auditor or a director of a county license bureau, who was appointed by the registrar before August 1, 1976, as a deputy registrar for any statutory or home rule charter city, may continue to serve as deputy registrar and may be discontinued for cause only by the registrar. The county auditor who appointed the deputy registrars is responsible for the acts of deputy registrars appointed by the auditor. Each deputy, before entering upon the discharge of duties, shall take and subscribe an oath to faithfully discharge the duties and to uphold the laws of the state. If a deputy registrar appointed under this subdivision is not an officer or employee of a county or statutory or home rule charter city, the deputy shall in addition give bond to the state in the sum of \$10,000, or a larger sum as may be required by the registrar, conditioned upon the faithful discharge of duties as deputy registrar. A corporation governed by chapter 302A may be appointed a deputy registrar. Upon application by an individual serving as a deputy registrar and the giving of the requisite bond as provided in this subdivision, personally assured by the individual or another individual approved by the commissioner of public safety, a corporation named in an application shall become the duly appointed and qualified successor to the deputy registrar. Each deputy registrar appointed under this subdivision shall keep and maintain, in a convenient public place within or in close proximity to the place for which appointed, a registration and motor vehicle tax collection bureau, to be approved by the registrar, for the registration of motor vehicles and the collection of taxes on motor vehicles. The deputy registrar shall keep records and make reports to the registrar as the registrar, from time to time, may require. The records must be maintained at the facility of the deputy registrar. The records and facilities of the deputy registrar must at all times be open to the inspection of the registrar or the registrar's agents. The deputy registrar shall report to the registrar by the next working day following receipt all registrations made and taxes and fees collected by the deputy registrar. The filing fee imposed under subdivision 7 must be deposited in the treasury of the place for which appointed or, if not a public official, a deputy shall retain the filing fee, but the registration tax and any additional fees for delayed registration the deputy registrar has collected the deputy registrar shall deposit by the next working day following receipt in an approved state depository to the credit of the state through the state treasurer. The place for which the deputy registrar is appointed through its governing body must

provide the deputy registrar with facilities and personnel to carry out the duties imposed by this subdivision if the deputy is a public official. In all other cases, the deputy shall maintain a suitable facility for serving the public.

Subd. 2a. Deputy registrars, continuation in office. Persons serving as deputy registrars on the effective date of this act shall continue to hold such office until a successor is duly appointed and qualifies.

Subd. 2b. Deputy registrars, employment status. Deputy registrars, and their employees, who retain the filing fee in lieu of a salary, shall, after July 1, 1971, be considered as independent contractors for pension purposes, and ineligible because of such service for coverage under the Minnesota state retirement system or membership in the public employees retirement association.

Those deputy registrars as defined in this subdivision who are covered by the Minnesota state retirement system on June 30, 1971, shall have the option of terminating said coverage on July 1, 1971, or of continuing said coverage until termination of state service. The form of the option and the time for filing shall be as prescribed by the board of directors of the system. Those choosing to continue said coverage, shall provide from the filing fees retained the employee and employer contributions as required by chapter 352.

Subd. 3. Record. The registrar shall keep a suitable record of all motor vehicles registered in the registrar's office, indexed, according to registration number, according to name of the registered owner, according to make of motor vehicle and the factory identification number for such makes as are so identified or according to the serial number of such makes as are so identified until the manufacturers thereof adopt and use an identification number, and according to such other information as the registrar shall deem advisable. Duplicates of the certificate of registration shall be used, until a more efficient system is evolved, to make the registration number and registered owner's indexes herein required, and such other copies as are desirable. The registrar may furnish to any one applying therefor transcripts of such records for not less than the cost of preparing the same; provided, that any sums in excess of such cost received by the registrar for furnishing such transcripts shall be paid by the registrar into the state treasury. The registrar shall also furnish copies thereof, without charge, to the chiefs of police of the cities of Minneapolis, St. Paul, and Duluth.

Subd. 4. Record of cars not using highways. The registrar shall keep a record of all motor vehicles listed for taxation or registered, other than those using public streets or highways, according to the name of the owner only.

Subd. 5. Synopsis of laws; report. The registrar shall prepare a brief synopsis of this chapter, and such other matter dealing with rules in the use of motor vehicles as the registrar may deem advisable, and furnish a copy of same to any person upon application. The registrar shall prepare, on or before November 15, preceding any regular legislative session, a report to the legislature containing such information and recommendations as the registrar may deem advisable.

Subd. 6. Application forms furnished. The registrar shall furnish, from time to time, to the county recorder of each county in the state forms for listing and for applications for registration, as provided herein, and shall, before January first in each year, furnish to the county recorder of each county, and to such others as the registrar shall deem advisable, charts or lists setting forth the tax to which each motor vehicle is subject. The registrar shall immediately destroy all number plates surrendered to the registrar which are unsuitable for further issue, and shall cancel all certificates so surrendered.

Subd. 7. Fees. In addition to all other statutory fees and taxes, a filing fee of \$3.50 is imposed on every application; except that a filing fee may not be charged for a document returned for a refund or for a correction of an error made by the department or a deputy registrar. The filing fee shall be shown as a separate item on all registration renewal notices sent out by the department of public safety. No filing fee or other fee may be charged for the permanent surrender of a certificate of title and license plates for a motor vehicle. Filing fees collected under this subdivision by the registrar must

be paid into the state treasury and credited to the highway user tax distribution fund, except fees for registrations of new motor vehicles. Filing fees collected for registrations of new motor vehicles must be paid into the state treasury with 50 percent of the money credited to the general fund and 50 percent credited to the highway user tax distribution fund.

History: (2693) 1921 c 461 s 22; 1923 c 418 s 22; 1927 c 340 s 1; 1939 c 259 s 1; 1949 c 131 s 1; 1949 c 132 s 1; 1951 c 384 s 1; 1957 c 82 s 1; 1965 c 45 s 9; 1969 c 540 s 9; 1969 c 1129 art 1 s 15-17; 1971 c 58 s 1; 1971 c 625 s 1,3; 1971 c 853 s 13; 1973 c 123 art 5 s 7; 1973 c 375 s 1; 1975 c 146 s 1; 1976 c 181 s 2; 1976 c 281 s 1,2; 1977 c 327 s 2,3; 1979 c 329 s 3; 1981 c 357 s 59; 1984 c 549 s 24; 1984 c 629 s 3; 1984 c 654 art 3 s 61; 1985 c 248 s 70; 1985 c 291 s 17; 1986 c 444; 1988 c 496 s 11; 1988 c 647 s 10; 1989 c 209 art 1 s 16; 1989 c 269 s 40,41; 1990 c 426 art 1 s 22; 1990 c 565 s 28; 1991 c 56 s 1

168.34 INFORMATION TO BE FURNISHED.

The registrar shall maintain in the registrar's office an information bureau to answer questions, through personal inquiry, telephone, or letter. Registrations shall be completed with the utmost dispatch to render the most efficient service to the public. The registrar, or any deputy or employee, shall not be liable to any person for mistake or negligence in the giving of information not willfully calculated to injure such person. The registration system shall be so conducted, and the requirements thereof so construed, as to furnish to the public immediate, accurate information as to any single car about which the inquiry may be made, and to furnish the registrar a means of checking back during any year to determine that all motor vehicles subject to taxation and licensing have had the proper tax or fee paid thereon.

History: (2694) 1921 c 461 s 23; 1923 c 418 s 23; 1925 c 299 s 3; 1965 c 51 s 22; 1986 c 444; 1993 c 85 s 2

168.345 MOTOR VEHICLE REGISTRATIONS; INFORMATION; SURCHARGE.

Subdivision 1. Telephone information. Information concerning motor vehicle registrations shall not be furnished on the telephone to any person except the personnel of law enforcement agencies and the personnel of federal, state, and local governmental units.

Subd. 2. Lessees; information. The registrar may not furnish information concerning registered owners of passenger automobiles who are lessees under a lease for a term of 180 days or more to any person except the personnel of law enforcement agencies and federal, state, and local governmental units, and, at the registrar's discretion, to persons who use the information to notify lessees of automobile recalls. The registrar may release information about lessees in the form of summary data, as defined in section 13.02, to persons who use the information in conducting statistical analysis and market research.

Subd. 3. Requests for information; surcharge on fee. The commissioner shall impose a surcharge of 50 cents on each fee charged by the commissioner under section 13.03, subdivision 3, for copies or electronic transmittal of public information concerning motor vehicle registrations. This surcharge only applies to a fee imposed in responding to a request made in person or by mail, or to a request for transmittal through a computer modem. The surcharge does not apply to the request of an individual for information concerning vehicles registered in that individual's name. The commissioner shall forward the surcharges collected under this subdivision to the commissioner of finance on a monthly basis. Upon receipt, the commissioner of finance shall credit the surcharges to the general fund.

History: 1965 c 901 s 68; 1989 c 178 s 1; 1993 c 266 s 17; 1993 c 326 art 11 s 2,4

168.346 PRIVACY OF NAME OR RESIDENCE ADDRESS.

The registered owner of a motor vehicle may request in writing that the owner's residence address or name and residence address be classified as private data on individuals, as defined in section 13.02, subdivision 12. The commissioner shall grant the classification upon receipt of a signed statement by the owner that the classification is required for the safety of the owner or the owner's family, if the statement also provides a valid, existing address where the owner consents to receive service of process. The commissioner shall use the mailing address in place of the residence address in all documents and notices pertaining to the motor vehicle. The residence address or name and residence address and any information provided in the classification request, other than the mailing address, are private data on individuals and may be provided to requesting law enforcement agencies, probation and parole agencies, and public authorities, as defined in section 518.54, subdivision 9.

History: 1990 c 461 s 1; 1993 c 326 art 2 s 2; 1994 c 618 art 1 s 24

168.35 INTENT TO ESCAPE TAX.

Any person who shall, with intent to escape payment of any tax on a motor vehicle, as herein provided, delay or neglect to properly list and apply to register the same, or, with intent to prevent the payment or collection of the proper tax, fee, or lien thereon, violate or neglect to comply with any of the provisions of this chapter, shall be guilty of a gross misdemeanor.

History: (2695) 1921 c 461 s 24; 1923 c 418 s 24

168.36 UNREGISTERED VEHICLES, USE.

Subdivision 1. **Misdemeanor.** Any person who shall use or cause any motor vehicle to be used or operated in violation of the provisions of this chapter or while a certificate of registration of a motor vehicle issued to the person is suspended or revoked, or who shall knowingly deliver a motor vehicle to another to be used or operated in violation of this chapter, or who shall violate any of the provisions thereof, shall be guilty of a misdemeanor.

Subd. 2. **Certain acts, misdemeanors.** Any person who shall loan or use any number plate or registration certificate upon or in connection with any motor vehicle except the one for which the same was duly issued, or upon any such motor vehicle after such certificate or plates, or the right to use the same, have expired, or any person who shall retain in possession or shall fail to surrender, as herein provided, any such number plate or registration certificate shall be guilty of a misdemeanor. Any person who manufactures, buys, sells, uses or displays motor vehicle license number plates, motor vehicle registration certificates, or tax receipts issued by this state or any other state, territory or district in the United States, without proper authority from such state, territory or district of the United States, shall be guilty of a misdemeanor.

Subd. 3. **Alterations, misdemeanors.** Any person who shall deface or alter any registration certificate or number plate or retain the same in possession after it has been defaced or altered shall be guilty of a misdemeanor.

History: (2696, 2697, 2698) 1921 c 461 s 25-27; 1923 c 418 s 25-27; 1925 c 299 s 4; 1951 c 211 s 3; 1986 c 444; 1987 c 383 s 4

168.37 PLATE TABS OR STICKERS; MONTHLY REGISTRATION SYSTEM.

Subdivision 1. [Repealed, 1973 c 6 s 7]

Subd. 2. [Repealed, 1973 c 6 s 7]

Subd. 3. The registrar may rearrange the words and figures on plates issued for vehicles under the monthly series system of registration to provide space on the plates for tabs or stickers which the registrar shall issue to indicate the period of registration.

History: (2703) 1911 c 365 s 10; 1921 c 472 s 2; 1927 c 326; 1939 c 213; 1947 c 405 s 1; 1949 c 410; 1967 c 464 s 1; 1973 c 6 s 6; 1974 c 121 s 5; 1986 c 444

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168.38 [Repealed, 1957 c 412 s 3]

168.381 MANUFACTURE OF MOTOR VEHICLE LICENSE NUMBER PLATES.

License number plates required by law may be manufactured by the Minnesota correctional facility-St. Cloud, the Minnesota correctional facility-Stillwater or other facility established by law for the confinement of persons convicted of felony upon order from the registrar of motor vehicles, such order to state the quality of material desired in such plates, the specifications thereof, and the amount or number desired.

Should the commissioner of corrections decide not to supply the required quantity of license plates, or discontinue the manufacture of plates, the commissioner of public safety is authorized to seek other suppliers on a competitive basis. Materials purchased to be used in the manufacture of such motor vehicle number plates shall be tested as to conformance with specifications established by the commissioner of public safety in a privately operated laboratory service to be designated by the commissioner. The cost of such laboratory shall be included in the cost of materials purchased. The cost of delivery of such number plates to the commissioner of public safety at places which the commissioner may designate shall be included in the expenses incurred in their manufacture. The commissioner of public safety shall establish new or revised specifications for the material and equipment used in the manufacture of number plates ordered for manufacture after August 1, 1975, and may from time to time revise such specifications, provided that such specifications conform to the requirements of section 168.12. In establishing new or revised specifications the commissioner shall consult with and give consideration to the advice and recommendations of representatives of the Minnesota state patrol, local police officers' associations and the county sheriffs' association.

Moneys appropriated to the department of public safety to procure the plates for any fiscal year or years shall be available for allotment, encumbrance, and expenditure from and after the date of the enactment of such appropriation. Materials and equipment used in the manufacture of such number plates are subject only to the approval of the commissioner of public safety.

This section contemplates that moneys to be appropriated to the department of public safety in order to carry out the terms and provisions of this section will be appropriated by the legislature from the highway user tax distribution fund.

History: 1957 c 412 s 1,2; 1965 c 158 s 1; 1969 c 1129 art 1 s 15; 1973 c 140 s 1; 1975 c 10 s 1; 1979 c 102 s 13; 1981 c 37 s 2; 1986 c 444

- 168.39** [Repealed, 1971 c 644 s 17]
- 168.40** [Repealed, 1971 c 644 s 17]
- 168.41** [Repealed, 1971 c 644 s 17]
- 168.413** [Repealed, 1971 c 644 s 17]
- 168.42** [Repealed, 1971 c 644 s 17]
- 168.423** [Repealed, 1971 c 644 s 17]
- 168.43** [Repealed, 1971 c 644 s 17]
- 168.44** [Repealed, 1971 c 644 s 17]
- 168.45** [Repealed, 1971 c 644 s 17]
- 168.46** [Repealed, 1984 c 549 s 34]
- 168.47** [Repealed, 1963 c 753 art 2 s 17]
- 168.48** [Repealed, 1963 c 753 art 2 s 17]
- 168.49** [Repealed, 1963 c 753 art 2 s 17]
- 168.50** [Held unconstitutional]
- 168.51** [Held unconstitutional]
- 168.52** [Held unconstitutional]
- 168.53** [Held unconstitutional]

168.54 MOTOR VEHICLES, TRANSFER OF OWNERSHIP.

Subdivision 1. [Repealed, 1971 c 25 s 37]

Subd. 2. [Repealed, 1979 c 333 s 108]

Subd. 3. [Repealed, 1979 c 333 s 108]

Subd. 4. A fee of \$2 is imposed upon every transfer of ownership by the commissioner of public safety of any motor vehicle for which a registration certificate has heretofore been issued under this chapter, except vehicles sold for the purposes of salvage or dismantling or permanent removal from the state.

Subd. 5. The proceeds of the fee imposed under the provisions of this section shall be collected by the commissioner of public safety and paid into the general fund.

Subd. 6. The unobligated balances in excess of \$4,000 in said revolving fund as of June 30 of each fiscal year shall be canceled into the general fund.

History: *Ex 1955 c 5 s 1-6; 1957 c 159 s 1; 1969 c 399 s 1; 1969 c 1129 art 1 s 15; 1969 c 1148 s 29; 1971 c 25 s 38; 1973 c 147 s 1; 1979 c 333 s 86,87*

168.61 INTERCITY BUSES.

Subdivision 1. The term "intercity bus" as used in sections 168.61 to 168.65 means a motor bus as defined in section 168.011, subdivision 9, which is owned or operated by either a resident or nonresident of Minnesota in interstate commerce under authority of the Interstate Commerce Commission or in combined interstate and intrastate commerce under authority of the Interstate Commerce Commission and the department of public service of Minnesota, as a result of which operation such bus operates both within and without the territorial limits of the state of Minnesota.

Subd. 2. For the calendar year 1958 and during each year thereafter intercity buses shall be subject to registration and taxation as motor vehicles on an apportionment basis.

History: *1957 c 80 s 1; 1971 c 25 s 67*

168.62 REGISTRATION.

Subdivision 1. An owner or operator of more than one intercity bus shall register a percentage of those intercity buses of the owner or operator in Minnesota. The percentage of the intercity buses so registered shall be determined by dividing the total number of miles traveled by such intercity buses within the state of Minnesota by the total number of miles traveled by such intercity buses both within and without the state of Minnesota. Such percentage figure so arrived at is the percentage of intercity motor buses which the owner or operator thereof shall register in Minnesota. A fractional intercity bus shall be registered as one intercity bus. The number of intercity buses so registered in the state of Minnesota are deemed to be domiciled in Minnesota and subject to motor vehicle taxation in this state.

Subd. 2. When the number of intercity buses to be registered in Minnesota is determined as herein provided, the owner or operator thereof shall select the particular intercity buses to be so registered. The motor vehicle tax to be paid thereon for each calendar year shall be determined by the registrar of motor vehicles, who shall compute the amount of motor vehicle tax on each intercity bus of the owner or operator thereof as though all of such intercity buses were required to be registered in Minnesota. The amount so arrived at shall then be divided by the total number of intercity buses of such owner or operator to obtain the average motor vehicle tax due on an intercity bus registered in Minnesota. Such average tax shall be paid on each intercity bus registered in Minnesota in the same manner and at the same time as other motor vehicles using the streets and highways of Minnesota are taxed and the taxes paid thereon. The registrar of motor vehicles shall issue number plates for the intercity buses registered in Minnesota.

Subd. 3. At the same time that an owner or operator of intercity buses registers them in Minnesota and obtains number plates therefor, the owner or operator shall

apply for special identification plates or certificates for the remainder of that fleet of intercity buses. The registrar of motor vehicles shall design an appropriate plate or identification certificate for this purpose which shall be issued upon the payment of a fee of \$10 covering each intercity bus so identified. The proceeds of such fees shall be deposited to the credit of the highway user tax distribution fund. No intercity bus shall at any time be operated in the state of Minnesota without either Minnesota number plates or special identification plates or certificates issued as herein provided.

History: 1957 c 80 s 2; 1959 c 365 s 1; 1986 c 444

168.63 REGISTRAR OF MOTOR VEHICLES, DUTIES.

Subdivision 1. It shall be the duty of the registrar of motor vehicles to administer and to enforce the terms and conditions of sections 168.61 to 168.65.

Subd. 2. The registrar of motor vehicles shall determine the percentage of intercity buses to be registered in Minnesota by an owner or operator thereof. The registrar shall determine the total number of miles traveled by each intercity bus within the state of Minnesota and the total number of miles such intercity bus traveled both within and without the state of Minnesota. In making such determinations the registrar may use mileage records of operation of each owner or operator of intercity buses for such period of time as the registrar deems appropriate and during which operation existed. If there are no operations in Minnesota for any period of time so as to determine the mileage records of operation the registrar shall use such estimates as will fairly determine the percentage of intercity buses which any owner or operator thereof shall register in Minnesota.

Subd. 3. When increasing the fleet of intercity buses after the beginning of a calendar year in which a percentage of the fleet has been registered in Minnesota, the owner or operator of those intercity buses shall notify the registrar of motor vehicles thereof.

Subd. 4. Whenever substituting an intercity bus in the fleet as a result of new purchase or otherwise, the owner or operator of intercity buses shall likewise notify the registrar of motor vehicles thereof.

Subd. 5. At the close of each calendar year and not later than February 15th of the next succeeding year, beginning with 1959, the registrar of motor vehicles shall recompute and redetermine the number of intercity buses required to have been registered in Minnesota for the prior year and the actual amount of tax liability for such previous year shall likewise be redetermined. Any additional tax which may be due by any owner or operator of intercity buses shall be paid forthwith. If it is determined as a result of such recomputation that there has been an overpayment of tax, the amount of such overpayment shall be credited to the amount of tax which may be due by the owner or operator of intercity buses in any subsequent year. In the event any owner or operator of intercity buses discontinues operations in Minnesota and has a tax credit due as a result of overpayment of motor vehicle taxes for any year, the amount of such overpayment shall be refunded. Such sums as are necessary to make the refunds herein are hereby appropriated annually from the highway user tax distribution fund.

History: 1957 c 80 s 3; 1963 c 166 s 1; 1986 c 444

168.64 RULES, REQUIREMENTS.

The registrar of motor vehicles shall:

(a) Promulgate such rules as the registrar may deem necessary in order to fully administer and carry out the terms and provisions of sections 168.61 to 168.65;

(b) Require owners and operators of intercity buses to furnish such information and to make and file such reports as the registrar deems necessary in order to administer sections 168.61 to 168.65.

(c) Require recomputation of the percentage of intercity buses of any owner or operator at any time the registrar has reason to believe that an insufficient number of such intercity buses of such owner or operator are registered in Minnesota. If as a result of any such recomputation, the registrar of motor vehicles determines that additional

intercity buses should be registered in Minnesota, the registrar shall require the owner or operator thereof to so register such additional buses and pay the taxes thereon in accordance with the standards required by this section. All intercity buses registered under the terms of this provision shall be registered for a full calendar year. All taxes computed on the percentage of intercity buses to be registered in the state of Minnesota shall likewise be computed on the basis of a full calendar year. If additional taxes are required to be paid by an owner or operator of intercity buses under this provision, such owner or operator shall also pay interest at the rate of six percent per annum on the amount so paid with interest computed from January 1st of the calendar year in which the taxes are due to the date of payment.

History: 1957 c 80 s 4; 1985 c 248 s 70; 1986 c 444

168.65 VIOLATIONS.

Subdivision 1. It shall be unlawful for any owner or operator of intercity buses to willfully violate any provision of sections 168.61 to 168.65 or to willfully furnish false information or reports to the registrar of motor vehicles which such registrar may require.

Subd. 2. **Appeal.** If after a public hearing, upon due notice, the registrar of motor vehicles determines that any owner or operator of intercity buses has violated any term or provisions of sections 168.61 to 168.65 or willfully furnished false information or reports, the registrar shall cancel all number plates and all special identification plates or certificates issued to the owner or operator of intercity buses. The intercity buses, during such calendar year, shall not operate upon the streets and highways of the state unless the owner's or operator's entire fleet of intercity buses is then registered in the state of Minnesota and the motor vehicle taxes paid on them for the full calendar year in which the offense occurs. Any determination by the registrar of motor vehicles is subject to appeal in accordance with chapter 14.

History: 1957 c 80 s 5; 1983 c 247 s 67

168.66 MOTOR VEHICLE RETAIL INSTALLMENT SALES; DEFINITIONS.

Subdivision 1. For the purposes of sections 168.66 to 168.77 the terms defined in this section have the meanings given them.

Subd. 2. "Person" means an individual, partnership, corporation, association, and other group however organized.

Subd. 3. "Retail installment sale" means any sale evidenced by a retail installment contract wherein retail buyer agrees to buy and retail seller agrees to sell a motor vehicle at a sale price payable in one or more installments with the payment of a finance charge.

Subd. 4. "Retail installment contract" means any agreement, entered into in this state, evidencing a retail installment sale of a motor vehicle, other than for the purpose of resale, when purchased primarily for personal, family or household use, pursuant to which title to, or a lien upon the motor vehicle is retained by the retail seller as security for the retail buyer's obligation. This term includes a mortgage, conditional sale contract, or any contract for the bailment or leasing of a motor vehicle by which the bailee or lessee contracts to pay as compensation for its use a sum substantially equivalent to the retail installment sale price of the motor vehicle and by which it is agreed that the bailee or lessee is bound to become, or has the option of becoming, the owner of such motor vehicle for no additional consideration or for nominal additional consideration. "Retail installment contract" does not include any agreement, entered into in this state, evidencing an installment sale of a motor vehicle purchased primarily for use in business. For purposes of this subdivision, "business" means a commercial or industrial enterprise which is carried on for the purpose of active or passive investment or profit.

Subd. 5. "Motor vehicle" means any device propelled or drawn by any power other than muscular power, in, upon, or by which any person or property is, or may be transported or drawn upon a highway, excepting building and road construction equipment

not subject to motor vehicle registration fees, snowmobiles, three-wheel off-road vehicles, boat, snowmobile, and other utility trailers, farm tractors, and agricultural machinery not designed primarily for highway transportation, but which may incidentally transport persons or property on a public highway, or any other device which may not be lawfully operated upon a highway at the time of sale.

Subd. 6. "Retail seller" or "seller" means a person who sells or agrees to sell a motor vehicle under a retail installment contract to a retail buyer.

Subd. 7. "Retail buyer" or "buyer" means a person who buys or agrees to buy a motor vehicle from a retail seller not for the purpose of resale and who executes a retail installment contract in connection therewith.

Subd. 8. "Sales finance company" means a person engaged, in whole or in part, in the business of purchasing retail installment contracts in this state from one or more retail sellers. The term includes a bank, trust company, or industrial loan and thrift company, if so engaged. The term also includes a retail seller engaged, in whole or in part, in the business of creating and holding retail installment contracts. The term does not include the pledges of an aggregate number of the contracts to secure a bona fide loan thereon.

Subd. 9. "Cash sale price" means the price at which the seller would in good faith sell to the buyer, and the buyer would in good faith buy from the seller, the motor vehicle which is the subject matter of the retail installment contract, if such sale were a sale for cash, instead of a retail installment sale. The cash sale price may include any taxes, charges for delivery, servicing, repairing or improving the motor vehicle, including accessories and their installation, and any other charges agreed upon between the parties. The cash price may not include a documentary fee or document administration fee in excess of \$25 for services actually rendered to, for, or on behalf of, the retail buyer in preparing, handling, and processing documents relating to the motor vehicle and the closing of the retail sale.

Subd. 10. "Total of payments" means the amount which the buyer contracts to pay under a retail installment contract, excluding any down payment.

Subd. 11. "Finance charge" means any charge payable directly or indirectly by the buyer and imposed directly or indirectly by the seller as a condition of the extension of credit under a retail installment contract, and includes a time price differential. The term does not include the cost of any insurance and other benefits included in the retail installment contract and any other permissible cost or expense incidental to the retail installment sale or any charge of a type payable in a comparable cash transaction, or any taxes, fees, or charges that actually are or will be paid to public officials or government agencies for determining the existence of or for perfecting, releasing, or satisfying a security interest. The term also does not include premiums for insurance against loss of or damage to property, or against liability arising out of the ownership or use of property if the insurance coverage may be obtained from a person of the buyer's choice.

Subd. 12. "Administrator" means the commissioner of commerce of the state of Minnesota.

Subd. 13. Words in the singular include the plural and vice versa.

History: 1957 c 266 s 1; 1959 c 54 s 1; 1961 c 438 s 1; 1971 c 577 s 11; 1980 c 614 s 95; 1982 c 473 s 27; 1983 c 289 s 114 subd 1; 1984 c 655 art 1 s 92; 1987 c 349 art 2 s 3-8

168.67 SALES FINANCE COMPANIES; LICENSES, FEES, REFUNDS.

(a) No person shall engage in the business of a sales finance company in this state without a license therefor as provided in sections 168.66 to 168.77 provided, however, that no bank, trust company, savings bank, savings and loan association, or credit union, whether state or federally chartered, industrial loan and thrift company, or licensee under the Minnesota regulated loan act authorized to do business in this state shall be required to obtain a license under sections 168.66 to 168.77.

(b) The application for a license shall be in writing, under oath and in the form

prescribed by the administrator. The application shall contain the name of the applicant; date of incorporation, if incorporated; the address where the business is or is to be conducted and similar information as to any branch office of the applicant; the name and resident address of the owner or partners, or, if a corporation or association, of the directors, trustees and principal officers, and other pertinent information the administrator requires.

(c) The licensee fee for the fiscal year beginning July 1 and ending June 30 of the following year, or any part thereof shall be the sum of \$150 for the principal place of business of the licensee, and the sum of \$75 for each branch of the licensee, maintained in this state. Any licensee who proves to the satisfaction of the administrator, by affidavit or other proof satisfactory to the administrator, that during the 12 calendar months of the immediately preceding fiscal year, for which the license has been paid that the licensee has not held retail installment contracts exceeding \$15,000 in amount, shall be entitled to a refund of that portion of each license fee paid in excess of \$25. The administrator shall certify to the commissioner of finance that the licensee is entitled to a refund, and payment thereof shall be made by the state treasurer. The amount necessary to pay for the refundment of the license fee is appropriated out of the general fund. All license fees received by the administrator under sections 168.66 to 168.77 shall be deposited with the state treasurer.

(d) Each license shall specify the location of the office or branch and must be conspicuously displayed there. In case the location be changed, the administrator shall endorse the change of location on the license.

(e) Upon the filing of such application, and the payment of the fee, the administrator shall issue a license to the applicant to engage in the business of a sales finance company under and in accordance with the provisions of sections 168.66 to 168.77 for a period which shall expire the last day of June next following the date of its issuance. The license shall not be transferable or assignable. No licensee shall transact any business provided for by sections 168.66 to 168.77 under any other name.

History: 1957 c 266 s 2; 1959 c 364 s 1; 1961 c 281 s 1; 1969 c 399 s 1; 1973 c 492 s 14; 1976 c 86 s 1; 1981 c 220 s 15; 1983 c 230 s 3; 1984 c 576 s 24; 1986 c 444

168.68 SUSPENSION OR REVOCATION OF LICENSE.

(a) A license may be suspended or revoked by the administrator on the following grounds:

- (1) material misstatement in application for license;
- (2) intentional failure to comply with any provision of sections 168.66 to 168.77 relating to retail installment contract;
- (3) defrauding any retail buyer to the buyer's damage;
- (4) fraudulent misrepresentation, circumvention or concealment by the licensee through whatever subterfuge or device of any of the material particulars or the nature thereof required to be stated or furnished to the retail buyer under sections 168.66 to 168.77.

(b) If a licensee is a firm, association or corporation, it shall be sufficient cause for the suspension or revocation of a license that any officer, director or trustee of a licensed firm, association or corporation, or any member of a licensed partnership, has so acted or failed to act as would be cause for suspending or revoking a license to such part as an individual. Each licensee shall be responsible for the acts of any or all of the licensee's employees while acting as the licensee's agent, if the licensee after actual knowledge of that employee's act retained the benefits, proceeds, profits or advantages accruing from the acts or otherwise ratified the acts.

(c) No license shall be suspended or revoked except after hearing. The administrator shall give the licensee at least ten days' written notice, in the form of an order to show cause, of the time and place of the hearing by certified mail addressed to the principal place of business in this state of the licensee. The notice shall contain the grounds of complaint against the licensee. Any order suspending or revoking the license shall

recite the grounds upon which it is based. The order shall be entered upon the records of the administrator and shall not be effective until after 30 days' written notice thereof given after such entry forwarded by certified mail to the licensee at such principal place of business. No revocation, suspension or surrender of any license shall impair or affect the obligation of any lawful retail installment contract acquired previously thereto by the licensee.

(d) Within 30 days after the service of notice of any order of suspension or revocation of a license, the licensee aggrieved may appeal from the order to the district court for the county in which the principal place of business of the licensee in this state is located, by service of a written notice of appeal upon the administrator, and filing it with proof of service with the court administrator of the court to which the appeal is taken, within five days. The district court has jurisdiction over the appeal. It shall be entered upon the records of the court and tried according to the rules of civil procedure in so far as they are applicable. Upon receiving service of a notice of appeal, the administrator shall file with the court administrator of the district court to which the appeal is taken a certified copy of the order appealed from and of the order to show cause upon which it was based. Unless otherwise ordered by the court, the documents filed shall frame the issues to be determined upon the appeal. The court shall determine, de novo, all questions, both of fact and of law, touching upon the legality and reasonableness of the determination of the administrator, and shall render such judgment as shall be lawful and just. Pending final judgment on the appeal, the order appealed from shall be stayed. Upon motion of the licensee or the administrator, the appeal shall be tried ahead of all other actions pending before the court except criminal cases. Appeals may be taken as in other civil cases.

History: 1957 c 266 s 3; 1978 c 674 s 60; 1983 c 247 s 68; 1986 c 444; 1Sp1986 c 3 art 1 s 82

168.69 COMPLAINT ALLEGING VIOLATION.

Any retail buyer having reason to believe that sections 168.66 to 168.77 relating to the buyer's retail installment contract has been violated may file with the administrator a written complaint setting forth the details of such alleged violation and the administrator, upon receipt of such complaint, may inspect the pertinent books, records, letters and contracts of the licensee, assignee of the licensee, and of the retail seller involved, relating to such specific written complaint.

History: 1957 c 266 s 4; 1986 c 444; 1994 c 382 s 14

168.70 TESTIMONIAL POWERS OF ADMINISTRATOR.

The administrator shall have power to issue subpoenas to compel the attendance of witnesses and the production of documents, papers, books, records and other evidence before the administrator in any matter over which the administrator has jurisdiction, control or supervision pertaining to sections 168.66 to 168.77. The administrator shall have the power to administer oaths and affirmations to any person whose testimony is required.

If any person shall refuse to obey any such subpoena, or to give testimony, or to produce evidence as required thereby, any judge of any district court may, upon application and proof of such refusal, make an order for the issuance of a subpoena, or subpoena duces tecum, for the witness to appear before the administrator and to give testimony, and to produce evidence as required thereby. Upon filing such order in the office of the court administrator of such court the administrator shall issue a subpoena, as directed, under the seal of said court, requiring the person to whom it is directed to appear at the time and place therein designated.

If any person served with any such subpoena shall refuse to obey the same, or to give testimony or to produce evidence as required thereby, the administrator may report such refusal to the court, and the court shall thereupon enforce obedience to the subpoena in the manner provided by law for enforcing obedience to subpoenas of the court.

History: 1957 c 266 s 5; 1986 c 444; 1Sp1986 c 3 art 1 s 82

168.705 EXAMINATIONS, SPECIAL INVESTIGATIONS, COSTS.

For the purpose of discovering violations of sections 168.66 to 168.77 or securing information lawfully required by the administrator hereunder, the administrator may, at any time, either personally or by a person or persons duly designated by the administrator, investigate the conditional sales contracts and business related to the conditional sales contracts and examine the books, accounts, records, and files used therein, of every licensee and of every person who shall be engaged in the business of a sales finance company, whether the person shall act as principal or agent, or under or without the authority of sections 168.66 to 168.77. For that purpose, the administrator and the administrator's duly designated representative shall have free access to the offices and places of business, books, accounts, papers, records, files, safes, and vaults of all these persons. The administrator and all persons duly designated by the administrator shall have authority to require the attendance of and to examine, under oath, all persons whomsoever whose testimony the administrator may require relative to the conditional sales contract or the business or to the subject matter of any examination, investigation, or hearing.

The administrator may make an examination of the affairs, business, office, and records of licensees as often as considered necessary. The administrator may assess a fee covering the necessary costs of an examination or special investigation under this section, section 168.69, or reports filed under section 168.706. The fee is payable to the administrator on the administrator's request for payment. The administrator may maintain an action for the recovery of the costs in any court of competent jurisdiction.

History: 1971 c 398 s 1; 1981 c 220 s 16; 1986 c 444; 1987 c 349 art 2 s 9

168.706 BOOKS OF ACCOUNT; ANNUAL REPORT.

The licensee shall keep and use in the licensee's business such books, accounts, and records as will enable the administrator to determine whether the licensee is complying with the provisions of sections 168.66 to 168.77 and with the rules lawfully made by the administrator hereunder. Every licensee shall preserve such books, accounts, and records, including cards used in the card system, if any, for at least two years after making the final entry on any conditional sale contract recorded therein.

Each licensee shall annually on or before March 15 file a report to the administrator giving such relevant information as the administrator reasonably may require concerning the business and operations during the preceding calendar year of each licensed place of business, conducted by such licensee within the state. Such report shall be made under oath and shall be in the form prescribed by the administrator, who shall make and publish annually an analysis and recapitulation of such reports.

History: 1971 c 398 s 3; 1985 c 248 s 70; 1986 c 444

168.71 RETAIL INSTALLMENT CONTRACTS.

(a)(1) Every retail installment contract shall be in writing, shall contain all the agreements of the parties, shall be signed by the retail buyer and seller, and a copy thereof shall be furnished to such retail buyer at the time of the execution of the contract.

(2) No provisions for confession of judgment or power of attorney therefor contained in any retail installment contract or contained in a separate agreement relating thereto, shall be valid or enforceable.

(3) The holder of a precomputed retail installment contract may, if the contract so provides, collect a delinquency and collection charge on each installment in arrears for a period not less than ten days in an amount not in excess of five percent of each installment or \$5, whichever is greater. In addition to such delinquency and collection charge, the retail installment contract, whether interest-bearing or precomputed, may provide for the payment of attorneys' fees not exceeding 15 percent of the amount due and payable under such contract where such contract is referred to an attorney not a salaried employee of the holder of the contract for collection plus the court costs.

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(4) Unless written notice has been given to the retail buyer of actual or intended assignment of a retail installment contract, payment thereunder or tender thereof made by the retail buyer to the last known holder of such contract shall be binding upon all subsequent holders or assignees.

(5) Upon written request from the retail buyer, the holder of the retail installment contract shall give or forward to the retail buyer a written statement of the dates and amounts of payments and the total amount unpaid under such contract. A retail buyer shall be given a written receipt for any payment when made in cash.

(b) The retail installment contract shall contain the following items:

(1) The cash sale price of the motor vehicle which is the subject matter of the retail installment contract;

(2) The total amount of the retail buyer's down payment, whether made in money or goods, or partly in money or partly in goods;

(3) The difference between items one and two;

(4) The charge, if any, included in the transaction for any insurance and other benefits not included in clause (1), specifying the types of coverage and taxes, fees, and charges that actually are or will be paid to public officials or government agencies, including those for perfecting, releasing, or satisfying a security interest if such taxes, fees, or charges are not included in clause (1);

(5) Principal balance, which is the sum of items three and four;

(6) The amount of the finance charge;

(7) The total of payments payable by the retail buyer to the retail seller and the number of installment payments required and the amount of each installment expressed in dollars or percentages, and date of each payment necessary finally to pay the total of payments which is the sum of item five and item six.

Provided, however, that said items one to seven inclusive need not be stated in the terms, sequence or order set forth above. Provided further, that clauses (6) and (7) may be disclosed on the assumption that all scheduled payments under the contract will be made when due.

In lieu of the above clauses, the retail seller may give the retail buyer disclosures which satisfy the requirements of the Federal Truth-In-Lending Act in effect as of the time of the contract, notwithstanding whether or not that act applies to the transaction.

(c) Every retail seller or sales finance company, if a charge for insurance on the motor vehicle is included in a retail installment contract shall within 30 days after execution of the retail installment contract send or cause to be sent to the retail buyer a policy or policies or certificate of insurance, which insurance shall be written by a company authorized to do business in this state, clearly setting forth the amount of the premium, the kind or kinds of insurance and the scope of the coverage and all the terms, exceptions, limitations, restrictions and conditions of the contract or contracts of the insurance. The buyer of a motor vehicle under a retail installment contract shall have the privilege of purchasing such insurance from an agent or broker of the buyer's own selection and selecting an insurance company mutually acceptable to the seller and the buyer; provided, however, that the inclusion of the cost of the insurance premium in the retail installment contract when the buyer selects the agent, broker or company, shall be optional with the seller.

(d) Any sales finance company hereunder may purchase or acquire from any retail seller any retail installment contract on such terms and conditions as may be mutually agreed upon between them.

(e) An acknowledgment by the retail buyer of the delivery of any such copy or notice as required in subsection (a) contained in the body of the statement or contract shall be conclusive proof of delivery in any action or proceeding by or against any assignee of a retail installment contract.

History: 1957 c 266 s 6; 1965 c 812 s 26; 1986 c 444; 1987 c 349 art 2 s 10; 1989 c 341 art 2 s 4

168.72 TIME PRICE DIFFERENTIALS.

Subdivision 1. (a) The finance charge authorized by sections 168.66 to 168.77 in a retail installment sale may not exceed the following simple interest annual percentage rates:

Class 1. Any motor vehicle designated by the manufacturer by a year model of the same or not more than one year prior to the year in which the sale is made - 18 percent per year.

Class 2. Any motor vehicle designated by the manufacturer by a year model of two or three years prior to the year in which the sale is made - 19.75 percent per year.

Class 3. Any motor vehicle not in Class 1 or Class 2 - 23.25 percent per year.

(b) The finance charge must be computed on the principal balance outstanding from time to time. The beginning principal balance must be as originally determined under section 168.71.

Retail installment contracts may be interest-bearing or precomputed, and fixed-rate or variable rate. For precomputed retail installment contracts, the finance charge may be calculated in advance on the assumption that all scheduled payments will be made when due and the effect of prepayment in full is governed by section 168.73. To compute time for the purpose of calculating interest under this section and section 168.73, a day may be considered 1/30 of a month when calculation is made for a fraction of a calendar month. A year is 12 calendar months. A calendar month is that period from a given date in one month to the same numbered date in the following month, and if there is no same-numbered date, to the last day of the following month. When a period of time includes a whole month and a fraction of a month, the fraction of a month is considered to follow the whole month. In the alternative, for interest-bearing retail installment contracts, a retail seller may charge finance charges not to exceed 1/365th of the simple interest annual percentage rate permitted in this section for each actual day elapsed from the date of the retail installment contract through and including the date of payment in full.

(c) The finance charge is inclusive of all charges incident to investigating and making the contract, and for the extension of the credit provided for in the contract and no fee, commission, expense, or other charge whatsoever may be taken, received, reserved, or contracted for except taxes, fees, and charges that actually are or will be paid to public officials or government agencies for determining the existence of or for perfecting, releasing, or satisfying a security interest, and except as provided in sections 168.66 to 168.77.

Subd. 2. [Repealed, 1980 c 451 s 2; 1984 c 655 art 1 s 81; 1985 c 107 s 3]

Subd. 3. [Repealed, 1980 c 599 s 10]

Subd. 4. A sale of a manufactured home made after July 31, 1983, is governed by the provisions of subdivision 1 for purposes of determining the lawful finance charge rate, except that the maximum finance charge for a class I manufactured home may not exceed 14.5 percent per year. A retail installment sale of a manufactured home that imposes a time price differential rate that is greater than the rate permitted by this subdivision is lawful and enforceable in accordance with its terms until the indebtedness is fully satisfied if the rate was lawful when the sale was made.

History: 1957 c 266 s 7; 1980 c 451 s 1; 1980 c 599 s 5; 1981 c 365 s 9; 1983 c 250 s 29; 1983 c 350 s 1; 1985 c 107 s 1,2; 1987 c 349 art 2 s 11,12; 1989 c 217 s 20

168.73 PREPAYMENT IN FULL, REFUND CREDITS, ALLOWANCE.

Notwithstanding the provisions of any retail installment contract to the contrary, any retail buyer may pay in full at any time before maturity the debt of any retail installment contract without penalty. In paying a precomputed retail installment contract in full, the retail buyer shall receive a refund credit thereon for such anticipation of payments. For contracts with substantially equal scheduled monthly payments remaining after the date of prepayment in full, the refund must be calculated for all fully unexpired monthly payment periods following the date of payment in full. For all other contracts,

the refund must be calculated as of the date in the month following prepayment which corresponds to the original contract date. The refund shall be calculated according to the actuarial method, less an acquisition cost of \$15 which may be deducted from the refund so calculated.

Where the amount of the credit for anticipation of payment is less than \$1, no refund need be made.

The actuarial method means the method of allocating payments on a contract between the principal amount and finance charge at the contract rate charged under section 168.72, whereby a payment is applied first to the accumulated finance charge and then to the unpaid principal balance based on the original terms of the contract and based on the assumption that all payments are made on the due date as originally scheduled or deferred.

History: 1957 c 266 s 8; 1987 c 349 art 2 s 13; 1989 c 217 s 21

168.74 EXTENSION OF SCHEDULES, PAYMENTS.

The holder of a precomputed retail installment contract may, upon written agreement with the retail buyer, extend the scheduled due date, or defer the scheduled payment of all or part of any installment payment or payments, or renew the balance of such contract. In any such case the holder may restate the amount of the installments and the time schedule therefor, and collect as a refinance charge for such extension, deferment or renewal, a flat service fee not to exceed \$5 and a total additional charge not exceeding the simple interest annual percentage rate under the original retail installment contract calculated on the respective descending balances computed from the date of such extension, deferment or renewal.

History: 1957 c 266 s 9; 1976 c 86 s 2; 1987 c 349 art 2 s 14

168.75 VIOLATIONS.

(a) Any person engaged in the business of a sales finance company in this state without a license therefor as provided in sections 168.66 to 168.77 shall be guilty of a gross misdemeanor and punished by a fine not exceeding \$3,000, or by imprisonment for a period not to exceed one year, or by both such fine and imprisonment in the discretion of the court.

(b) In case of an intentional failure to comply with any provision of sections 168.66 to 168.77, the buyer shall have a right to recover from the person committing such violation, to set off or counterclaim in any action by such person to enforce such contract an amount as liquidated damages, the whole of the contract due and payable, plus reasonable attorneys' fees.

(c) In case of a failure to comply with any provision of sections 168.66 to 168.77, other than an intentional failure, the buyer shall have a right to recover from the person committing such violation, to set off or counterclaim in any action by such person to enforce such contract an amount as liquidated damages equal to three times the amount of any time price differential charged in excess of the amount authorized by sections 168.66 to 168.77 or \$50, whichever is greater, plus reasonable attorneys' fees.

History: 1957 c 266 s 10; 1971 c 398 s 2; 1984 c 628 art 3 s 11

168.76 SEVERABILITY CLAUSE.

If any provision of sections 168.66 to 168.77 or the application thereof to any person or circumstances is held unconstitutional, the remainder of sections 168.66 to 168.77 and the application of such provision to other persons or circumstances shall not be affected thereby.

History: 1957 c 266 s 11

168.77 CITATION OF ACT.

Sections 168.66 to 168.77 may be cited as "the motor vehicle retail installment sales act."

History: 1957 c 266 s 12

168.78 MOTOR VEHICLE PURCHASES; DISCLOSURE.

Subdivision 1. **Definition.** For the purposes of this section: (a) The term "seller" means a person selling more than five motor vehicles in a calendar year and in the business of selling or leasing motor vehicles.

(b) The term "contract" means a written agreement between a seller and a purchaser for the sale of a motor vehicle, but not including a conditional sales contract entered into pursuant to a separate purchase agreement that contains the disclosures contained in this section.

Subd. 2. **Disclosure.** A seller of motor vehicles shall include in any contract with a purchaser or prospective purchaser of a motor vehicle a statement in ten point bold faced all capital type located by a blank for the purchaser's signature stating: "IMPORTANT: THIS MAY BE A BINDING CONTRACT AND YOU MAY LOSE ANY DEPOSITS IF YOU DO NOT PERFORM ACCORDING TO ITS TERMS". If a forfeiture is not possible that part of the disclosure may be crossed out at the time of the purchaser's signature.

Subd. 3. **Effect of omission.** Any contract not meeting the requirements of subdivision 2 is voidable at the option of the purchaser prior to the purchaser taking possession of the motor vehicle.

History: 1981 c 176 s 1

168.81 REPORTS OF STORAGE OF MOTOR VEHICLE FOR 30 DAYS MADE TO BUREAU OF CRIMINAL APPREHENSION.

Every operator of a structure or place where motor vehicles are stored shall report in writing to the bureau of criminal apprehension the fact that any motor vehicle has been continuously stored in such structure or place more than 30 days without having been removed therefrom when the owner thereof is not personally known to such operator and no contract exists between such operator and owner for such term storage. Such report shall be in form prescribed by such bureau, furnishing identification of such vehicle.

Any person violating this section shall be guilty of a misdemeanor.

History: 1957 c 872 s 1

168.82 ONE-WAY TRIP PERMITS.

Subdivision 1. Whenever a person seeks to operate a motor vehicle or tow a manufactured home owned by a nonresident upon the highways of this state solely for the purpose of transporting it from a point outside the state to another point outside the state, and such vehicle is not otherwise exempt from registration and taxation as provided by law, such owner shall not be required to register the vehicle and pay the tax but in lieu thereof shall apply in writing to the registrar for a one-way trip permit and pay a fee of \$10. Unless such act of transportation also requires approval by the commissioner of transportation as provided in section 169.86, such person may be permitted to proceed with such vehicle into the state, not to exceed 35 miles, to the nearest city wherein a deputy registrar is located before securing such permit. The application for permit shall be in such form and contain such information as the registrar may determine. Any motor vehicle operated under such permit shall carry no load. As used in this section, "person" includes a natural person, firm, copartnership, association, or corporation.

Subd. 2. Fees collected pursuant to subdivision 1 shall be paid into the state treasury and credited to the highway user tax distribution fund.

History: 1963 c 53 s 1,2; 1973 c 123 art 5 s 7; 1976 c 166 s 7; 1981 c 365 s 9

168.83 [Repealed, 1973 c 645 s 1]

MOTOR BICYCLE RENTAL BUSINESSES**168.831 MOTOR BICYCLE RENTAL BUSINESS; DEFINITIONS.**

Subdivision 1. For the purposes of sections 168.831 to 168.837 the terms defined in this section have the meanings given them.

Subd. 2. "Motor bicycle" means a self-propelled vehicle used on the public highways having a saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground. The term includes motor scooters and motor-cycles but does not include tractors.

Subd. 3. "Motor bicycle business" means furnishing, renting, or leasing motor bicycles for pay or hire.

History: 1965 c 258 s 1

168.832 LICENSE.

No person, firm or corporation shall engage in the motor bicycle business, either exclusively or in connection with any other occupation, without being licensed as provided in sections 168.831 to 168.837. An applicant for a license or renewal shall apply to the commissioner of public safety in writing. The application shall be duly verified. The applicant shall submit such information as the commissioner of public safety may require, upon blanks supplied by the commissioner, including but not limited to the following: The name and address of the owner, the address of the business, the approximate number of motor bicycles to be used in the business, and the number on the state number plate of each motor bicycle. A license, unless revoked, continues in force through December 31 of each year. The annual license fee is \$25, which shall be deposited in the general fund of the state treasury. A separate license shall be obtained for each place of business. The licensee shall display the license in a prominent place on the premises.

History: 1965 c 258 s 2; 1969 c 399 s 1; 1969 c 1129 art 1 s 15; 1986 c 444

168.833 INSURANCE REQUIRED.

No license shall be issued until the applicant obtains and files with the commissioner of public safety a policy of liability insurance by an insurance company authorized to do business under the laws of the state of Minnesota, to be kept in force for the remainder of the licensing year. The policy shall insure the applicant, the applicant's renters, and lessees, and the persons operating such motor bicycles against liability for loss in the sum of \$25,000 for injury to or death of any one person in any one accident, \$50,000 for injury to or death of more than one person in any one accident, and \$5,000 because of damage to or destruction of property in any one accident resulting from the negligent operation, use or defective condition of any motor bicycle belonging to the applicant. The policy shall contain a provision for a continuing liability thereunder for the term of the license to the full amount thereof, notwithstanding any recovery thereon. The policy also shall contain an endorsement to the effect that the liability under the policy is not affected by reason of any motor bicycle having been furnished to, or rented or leased by a minor, and further, that the commissioner of public safety shall be notified by letter at least ten days before the cancellation of the insurance policy. The policy shall also contain a provision providing for at least \$200 medical payments to cover the operator or passenger of such vehicle if personal injury results to the operator or passenger from its use.

History: 1965 c 258 s 3; 1969 c 1129 art 1 s 15; 1986 c 444

168.834 LICENSEE'S DUTIES.

Subdivision 1. **Rental to licensed operators only; parental consent.** A licensee shall not rent, lease, or furnish a motor bicycle to any person who is not licensed by the state of Minnesota to operate such a vehicle, or, in the case of a nonresident who is not duly licensed to operate such a vehicle under the law of the state or country of residence.

It is unlawful to rent, lease, or furnish a motor bicycle to a person under the age of 18 years unless the person furnishes and leaves with the licensee a statement in writing showing the consent of the person's parent or guardian to the rental, lease, or furnishing of a motor bicycle to such person. Before renting, leasing, or furnishing a motor bicycle to a person the licensee shall make a permanent and legible record containing the name, address, and age of the person to whom the motor bicycle is leased, rented, or furnished, and shall record on this record the number and date of issue and expiration of the driver's license, together with any limitations noted thereon and the description of the person as set forth on the driver's license. The record so kept also shall identify the vehicle rented, leased, or furnished to the person by the number on the vehicle's state number plate.

Subd. 2. Maintenance; operating instructions; safety helmets. The licensee shall maintain in safe operating condition all motor bicycles rented, leased, or furnished by the licensee. The licensee, the licensee's agent, or employee shall explain the operation, including but not limited to the controls, pedals, gears, and brakes, of the particular motor bicycle to be used by the person before the person uses it, unless the licensee, the licensee's agent, or employee is aware that the person knows how to operate the particular motor bicycle.

The licensee, the licensee's agent or employee shall call to the attention of the user of such vehicle the precautionary measures that must be followed for the safety of the driver and the public and make available for each motor bicycle at least one sanitized safety helmet, or similar headgear, which shall be offered for use to the driver.

History: 1965 c 258 s 4; 1986 c 444

168.835 USE OF MOTOR BICYCLE BY UNLICENSED PERSON PROHIBITED.

It is unlawful for a person to whom a motor bicycle is rented, leased, or furnished, to rent, sublease, or otherwise authorize the use of the vehicle to a person who is not licensed by the state of Minnesota to operate such a vehicle.

History: 1965 c 258 s 5

168.836 MUNICIPAL ORDINANCES.

A city may enact ordinances regulating the motor bicycle business which are not in conflict with the provisions of sections 168.831 to 168.837.

History: 1965 c 258 s 6; 1973 c 123 art 5 s 7

168.837 PENALTIES; REVOCATION OF LICENSE.

A person who violates the provisions of sections 168.831 to 168.837 is guilty of a misdemeanor. The commissioner of public safety, after notice and a hearing, may revoke the license of a licensee who is convicted of violating any of the provisions of sections 168.831 to 168.837.

History: 1965 c 258 s 7; 1969 c 1129 art 1 s 15

RENTAL TRUCKS AND TRAILERS

168.841 DEFINITIONS.

As used in sections 168.841 to 168.846, "rental truck" means a truck or truck-tractor and "rental trailer" means a trailer or semitrailer as these terms are defined in section 168.011, which is one of a fleet of two or more such vehicles owned and operated for hire for periods of 30 days or less both within and without the state of Minnesota, which are clearly identified as belonging to a particular owner, and which are not otherwise required to be registered in the state.

History: 1971 c 49 s 1

168.842 REGISTRATION AND TAXATION OF RENTAL TRUCKS.

An owner of rental trucks shall annually register a percentage of the owner's rental trucks in Minnesota. The number of rental trucks required to be registered in the state shall be determined by dividing the total number of miles traveled within the state during the next preceding calendar year by all rental trucks owned by an owner by the total number of miles traveled both within and without the state during the next preceding calendar year by all rental trucks owned by that owner and applying the percentage figure thus arrived at to the total number of rental trucks owned by that owner. The number of rental trucks thus determined shall be the number of rental trucks deemed to be domiciled within the state and subject to registration and taxation in a calendar year.

History: 1971 c 49 s 2; 1986 c 444

168.843 REGISTRATION AND TAXATION OF RENTAL TRAILERS.

An owner or operator of rental trailers shall annually register a percentage of the rental trailers of that owner or operator in Minnesota. The number of rental trailers required to be registered in Minnesota shall be a number equal to the average number of rental trailers operated in and through the state during the preceding calendar year. The number of rental trailers thus determined shall be the number of rental trailers deemed to be domiciled within the state and subject to registration and taxation in a calendar year.

History: 1971 c 49 s 3; 1986 c 444

168.844 OTHER VEHICLES.

Upon registration of the number of rental trucks or rental trailers required by sections 168.841 to 168.846 to be registered in this state and upon payment of all registration fees, all rental trucks or rental trailers owned by an owner and identified as being a part of the owner's fleet and currently licensed in any state, territory, province, country or the District of Columbia shall be permitted to operate in this state in both interstate and intrastate commerce.

History: 1971 c 49 s 4; 1986 c 444

168.845 RULES.

The registrar of motor vehicles shall administer sections 168.841 to 168.846 and may promulgate such rules pursuant to chapter 14 as may be required, including forms for the submission of required data as to rental trucks or rental trailers owned, miles traveled within and without the state, average number of rental trailers operated in and through the state and such other information as may be required for the enforcement of sections 168.841 to 168.846. The registrar may establish dates for the submission of required forms and reports and may, for good cause shown, waive any deadline established.

History: 1971 c 49 s 5; 1982 c 424 s 130; 1985 c 248 s 70

168.846 PENALTY.

Any person who shall knowingly submit any false or incomplete information or report required by sections 168.841 to 168.846 or rule promulgated pursuant to sections 168.841 to 168.846 or who shall in any manner violate any provision of sections 168.841 to 168.846 shall be guilty of a misdemeanor. In addition the registrar may exercise the powers provided by section 168.17.

History: 1971 c 49 s 6; 1985 c 248 s 70