

1.1 moves to amend H.F. No. 3547 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2019 Supplement, section 168.013, subdivision 1a, is
1.4 amended to read:

1.5 Subd. 1a. **Passenger automobile; hearse.** (a) On passenger automobiles as defined in
1.6 section 168.002, subdivision 24, and hearses, except as otherwise provided, the registration
1.7 tax is calculated as:

1.8 (1) \$10; plus ~~an additional tax equal to~~

1.9 (2) 1.25 percent of the ~~base value~~ manufacturer's suggested retail price of the vehicle,
1.10 subject to the adjustments in paragraphs (f) and (g).

1.11 (b) ~~Subject to the classification provisions herein, "Base value" means the manufacturer's~~
1.12 ~~suggested retail price of the vehicle including destination charge using list price information~~
1.13 ~~published by the manufacturer or determined by the registrar if no suggested retail price~~
1.14 ~~exists, and shall~~ The registration tax calculation not include the cost of each accessory or
1.15 item of optional equipment separately added to the vehicle and the manufacturer's suggested
1.16 retail price, and does not include a destination charge, except for a vehicle previously
1.17 registered in Minnesota prior to the effective date of this section.

1.18 (c) In the case of the first registration of a new vehicle sold or leased by a licensed dealer,
1.19 the dealer may elect to individually determine the ~~base value of~~ registration tax on the
1.20 vehicle using manufacturer's suggested retail price information provided by the manufacturer.
1.21 ~~The registrar must use the base value determined by the dealer to properly classify the~~
1.22 ~~vehicle.~~ A dealer that elects to make the determination must retain a copy of the suggested
1.23 retail price label or other supporting documentation with the vehicle transaction records
1.24 maintained under Minnesota Rules, part 7400.5200.

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

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

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

2.9	FROM	TO
2.10	\$ 0	\$ 199.99
2.11	\$ 200	\$ 399.99

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

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

2.16 ~~(g) (d) The registrar shall must establish the base value, when new, of every passenger~~
 2.17 ~~automobile and hearse registered prior to the effective date of Extra Session Laws 1971,~~
 2.18 ~~chapter 31, registration tax using: (1) the amount determined by a licensed dealer under~~
 2.19 ~~paragraph (c), if determined; (2) list price information published by the manufacturer or~~
 2.20 ~~any nationally recognized firm or association compiling such data for the automotive~~
 2.21 ~~industry; or (3) the retail price label as provided by the manufacturer under United States~~
 2.22 ~~Code, title 15, section 1232. If unable to ascertain the base value of any registered vehicle~~
 2.23 ~~in the foregoing manner, the registrar may use any other available source or method.~~

2.24 ~~(e) The registrar shall must calculate the registration tax using base value information~~
 2.25 ~~available to dealers and deputy registrars at the time the initial application for registration~~
 2.26 ~~is submitted. The tax on all previously registered vehicles shall be computed upon the base~~
 2.27 ~~value thus determined taking into account the depreciation provisions of paragraph (h).~~
 2.28 ~~Except for data integrity purposes, the commissioner must not adjust the manufacturer's~~
 2.29 ~~suggested retail price or destination charge for the vehicle in a subsequent registration period.~~

2.30 ~~(h) (f) The annual additional tax calculation under paragraph (a), clause (2), must be~~
 2.31 ~~computed upon adjusted based on a percentage of the base value identified amount, as~~
 2.32 ~~follows: during the first year of vehicle life, upon 100 percent of the base value amount;~~
 2.33 ~~for the second year, 90 percent of such value the amount; for the third year, 80 percent of~~
 2.34 ~~such value the amount; for the fourth year, 70 percent of such value the amount; for the~~

3.1 fifth year, 60 percent of ~~such value~~ the amount; for the sixth year, 50 percent of ~~such value~~
3.2 the amount; for the seventh year, 40 percent of ~~such value~~ the amount; for the eighth year,
3.3 30 percent of ~~such value~~ the amount; for the ninth year, 20 percent of ~~such value~~ the amount;
3.4 and for the tenth year, ten percent of ~~such value~~; the amount.

3.5 (g) For the 11th and each succeeding year, the ~~sum of~~ calculation under paragraph (a),
3.6 clause (2), must be adjusted to \$25.

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

3.8 ~~(j)~~ (h) For any vehicle previously registered in Minnesota and regardless of prior
3.9 ownership, the total amount due under this subdivision and subdivision 1m must not exceed
3.10 the smallest total amount previously paid or due on the vehicle.

3.11 (i) Nothing in this subdivision prevents collection of a tax or fee that for data integrity
3.12 purposes the commissioner determines is due for a current or prior registration period.

3.13 **EFFECTIVE DATE.** This section is effective January 1, 2021, or upon completion of
3.14 the necessary programming changes to the replacement motor vehicle title and registration
3.15 information system, whichever is earlier, and applies to taxes payable for a registration
3.16 period starting on or after that date. The commissioner of public safety must notify the
3.17 revisor of statutes of the implementation date."

3.18 Amend the title accordingly