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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 3573

02/17/2022 Authored by McDonald, Heinrich, Lillie, Petersburg, Backer and others
The bill was read for the first time and referred to the Committee on Transportation Finance and Policy

1.1 A bill for an act
1.2 relating to motor vehicles; increasing motor vehicle registration period to 24
1.3 months; amending Minnesota Statutes 2020, sections 168.002, subdivision 33;
1.4 168.013, subdivisions 1a, 1b, 1c, 1d, 1e, 1f, 1g, 1h, 1k, 1m, 2, 3, 6, 12, 21, 22;
1.5 168.017; 168.018; 168.022, subdivision 2; 168.09, subdivision 5; 168.10,
1.6 subdivision 1; 168.127, subdivision 2; 168.187, subdivisions 10, 11, 15, 16; 168.31,
1.7 subdivisions 1, 4a; 168.33, subdivision 7; Minnesota Statutes 2021 Supplement,
1.8 section 168.31, subdivision 4.

1.9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.10 Section 1. Minnesota Statutes 2020, section 168.002, subdivision 33, is amended to read:

1.11 Subd. 33. Tax. "Tax" means the annual biennial registration tax imposed on vehicles in
1.12 lieu of all other taxes, except wheelage taxes which may be imposed by any city, and gross
1.13 earnings taxes paid by companies. The annual biennial tax is both a property tax and a
1.14 highway use tax and shall be on the basis of the calendar year biennium.

1.15 Sec. 2. Minnesota Statutes 2020, section 168.013, subdivision 1a, is amended to read:

1.16 Subd. 1a. Passenger automobile; hearse. (a) On passenger automobiles as defined in
1.17 section 168.002, subdivision 24, and hearses, except as otherwise provided, the registration
1.18 tax is calculated as \$10 \$20 plus:

1.19 (1) for a vehicle initially registered in Minnesota prior to November 16, 2020, 4.25 2.5
1.20 percent of the manufacturer's suggested retail price of the vehicle and the destination charge,
1.21 subject to the adjustments in paragraphs (f) and (g); or

2.1 (2) for a vehicle initially registered in Minnesota on or after November 16, 2020, ~~1.285~~
2.2 2.57 percent of the manufacturer's suggested retail price of the vehicle, subject to the
2.3 adjustments in paragraphs (f) and (g).

2.4 (b) The registration tax calculation must not include the cost of each accessory or item
2.5 of optional equipment separately added to the vehicle and the manufacturer's suggested
2.6 retail price. The registration tax calculation must not include a destination charge, except
2.7 for a vehicle previously registered in Minnesota prior to November 16, 2020.

2.8 (c) In the case of the first registration of a new vehicle sold or leased by a licensed dealer,
2.9 the dealer may elect to individually determine the registration tax on the vehicle using
2.10 manufacturer's suggested retail price information provided by the manufacturer. The registrar
2.11 must use the manufacturer's suggested retail price determined by the dealer as provided in
2.12 paragraph (d). A dealer that elects to make the determination must retain a copy of the
2.13 manufacturer's suggested retail price label or other supporting documentation with the
2.14 vehicle transaction records maintained under Minnesota Rules, part 7400.5200.

2.15 (d) The registrar must determine the manufacturer's suggested retail price:

2.16 (1) using list price information published by the manufacturer or any nationally
2.17 recognized firm or association compiling such data for the automotive industry;

2.18 (2) if the list price information is unavailable, using the amount determined by a licensed
2.19 dealer under paragraph (c);

2.20 (3) if a dealer does not determine the amount, using the retail price label as provided by
2.21 the manufacturer under United States Code, title 15, section 1232; or

2.22 (4) if the retail price label is not available, using the actual sales price of the vehicle.

2.23 If the registrar is unable to ascertain the manufacturer's suggested retail price of any registered
2.24 vehicle in the foregoing manner, the registrar may use any other available source or method.

2.25 (e) The registrar must calculate the registration tax using information available to dealers
2.26 and deputy registrars at the time the initial application for registration is submitted.

2.27 (f) The amount under paragraph (a), clauses (1) and (2), must be calculated based on a
2.28 percentage of the manufacturer's suggested retail price, as follows: during the first year of
2.29 vehicle life, upon 100 percent of the price; for the second year, 90 percent of the price; for
2.30 the third year, 80 percent of the price; for the fourth year, 70 percent of the price; for the
2.31 fifth year, 60 percent of the price; for the sixth year, 50 percent of the price; for the seventh
2.32 year, 40 percent of the price; for the eighth year, 30 percent of the price; for the ninth year,
2.33 20 percent of the price; and for the tenth year, ten percent of the price.

3.1 (g) For the 11th and each succeeding year, the amount under paragraph (a), clauses (1)
 3.2 and (2), must be calculated as ~~\$25~~ \$50.

3.3 (h) Except as provided in subdivision 23, for any vehicle previously registered in
 3.4 Minnesota and regardless of prior ownership, the total amount due under this subdivision
 3.5 and subdivision 1m must not exceed the smallest total amount previously paid or due on
 3.6 the vehicle.

3.7 Sec. 3. Minnesota Statutes 2020, section 168.013, subdivision 1b, is amended to read:

3.8 Subd. 1b. **Motorcycle.** On motorcycles the tax is ~~\$10~~ \$20, which includes the surtax
 3.9 provided for in subdivision 14.

3.10 Sec. 4. Minnesota Statutes 2020, section 168.013, subdivision 1c, is amended to read:

3.11 Subd. 1c. **Farm truck.** (a) On farm trucks having a gross weight of not more than 57,000
 3.12 pounds, the tax shall be based on total gross weight and shall be 45 percent of the Minnesota
 3.13 base rate prescribed by subdivision 1e during each of the first eight years of vehicle life,
 3.14 but in no event less than ~~\$35~~ \$70, and during the ninth and succeeding years of vehicle life
 3.15 the tax shall be 27 percent of the Minnesota base rate prescribed by subdivision 1e, but in
 3.16 no event less than ~~\$21~~ \$42.

3.17 (b) On farm trucks having a gross weight of more than 57,000 pounds, the tax shall be
 3.18 60 percent of the Minnesota base rate during each of the first eight years of vehicle life and
 3.19 36 percent of the Minnesota base rate during the ninth and succeeding years.

3.20 Sec. 5. Minnesota Statutes 2020, section 168.013, subdivision 1d, is amended to read:

3.21 Subd. 1d. **Trailer.** (a) On trailers registered at a gross vehicle weight of greater than
 3.22 3,000 pounds, the ~~annual~~ biennial tax is based on total gross weight and is 30 percent of the
 3.23 Minnesota base rate prescribed in subdivision 1e, when the gross weight is 15,000 pounds
 3.24 or less, and when the gross weight of a trailer is more than 15,000 pounds, the tax for the
 3.25 first eight years of vehicle life is 100 percent of the tax imposed in the Minnesota base rate
 3.26 schedule, and during the ninth and succeeding years of vehicle life the tax is 75 percent of
 3.27 the Minnesota base rate prescribed by subdivision 1e. A trailer registered at a gross vehicle
 3.28 weight greater than 3,000 pounds but no greater than 7,200 pounds may be taxed either: (1)
 3.29 ~~annually~~ biennially as provided in this paragraph; or (2) once every ~~three~~ six years on the
 3.30 basis of total gross weight and is 90 percent of the Minnesota base rate prescribed in
 3.31 subdivision 1e, provided that the filing fee under section 168.33, subdivision 7, paragraph
 3.32 (a), is multiplied by ~~three~~ six, with funds collected by the commissioner allocated

4.1 proportionally in the same manner as provided in section 168.33, subdivision 7, paragraph
4.2 (e).

4.3 (b) Farm trailers with a gross weight in excess of 10,000 pounds and as described in
4.4 section 168.002, subdivision 8, are taxed as farm trucks as prescribed in subdivision 1c.

4.5 (c) ~~Effective on and after July 1, 2001,~~ Trailers registered at a gross vehicle weight of
4.6 3,000 pounds or less must display a distinctive plate. The registration on the license plate
4.7 is valid for the life of the trailer only if it remains registered at the same gross vehicle weight.
4.8 The onetime registration tax for trailers registered for the first time in Minnesota is \$55.
4.9 ~~For trailers registered in Minnesota before July 1, 2001, and for which:~~

4.10 ~~(1) registration is desired for the remaining life of the trailer, the registration tax is \$25;~~
4.11 ~~or~~

4.12 ~~(2) permanent registration is not desired, the biennial registration tax is \$10 for the first~~
4.13 ~~renewal if registration is renewed between and including July 1, 2001, and June 30, 2003.~~
4.14 ~~These trailers must be issued permanent registration at the first renewal on or after July 1,~~
4.15 ~~2003, and the registration tax is \$20.~~

4.16 For trailers registered at a gross weight of 3,000 pounds or less before July 1, 2001, but
4.17 not renewed until on or after July 1, 2003, the registration tax is \$20 and permanent
4.18 registration must be issued.

4.19 Sec. 6. Minnesota Statutes 2020, section 168.013, subdivision 1e, is amended to read:

4.20 Subd. 1e. **Truck; tractor; combination; exceptions.** (a) On trucks and tractors except
4.21 those in this chapter defined as farm trucks, on truck-tractor and semitrailer combinations
4.22 except those defined as farm combinations, and on commercial zone vehicles, the tax based
4.23 on total gross weight shall be graduated according to the Minnesota base rate schedule
4.24 prescribed in this subdivision, but in no event less than ~~\$120~~ \$240.

4.25 Minnesota Base Rate Schedule

4.26 Scheduled taxes include five percent

4.27 surtax provided for in subdivision 14

4.28	TOTAL GROSS WEIGHT IN POUNDS				TAX
4.29	A	0	-	1,500	\$ <u>15 30</u>
4.30	B	1,501	-	3,000	<u>20 40</u>
4.31	C	3,001	-	4,500	<u>25 50</u>
4.32	D	4,501	-	6,000	<u>35 70</u>

5.1	E	6,001	-	10,000	<u>45 90</u>
5.2	F	10,001	-	12,000	<u>70 140</u>
5.3	G	12,001	-	15,000	<u>105 210</u>
5.4	H	15,001	-	18,000	<u>145 290</u>
5.5	I	18,001	-	21,000	<u>190 380</u>
5.6	J	21,001	-	26,000	<u>270 540</u>
5.7	K	26,001	-	33,000	<u>360 720</u>
5.8	L	33,001	-	39,000	<u>475 950</u>
5.9					<u>595</u>
5.10	M	39,001	-	45,000	<u>1,190</u>
5.11					<u>715</u>
5.12	N	45,001	-	51,000	<u>1,430</u>
5.13					<u>865</u>
5.14	O	51,001	-	57,000	<u>1,730</u>
5.15					<u>1015</u>
5.16	P	57,001	-	63,000	<u>2,030</u>
5.17					<u>1185</u>
5.18	Q	63,001	-	69,000	<u>2,370</u>
5.19					<u>1325</u>
5.20	R	69,001	-	73,280	<u>2,650</u>
5.21					<u>1595</u>
5.22	S	73,281	-	78,000	<u>3,190</u>
5.23					<u>1760</u>
5.24	T	78,001	-	80,000	<u>3,520</u>

5.25 (b) For purposes of the Minnesota base rate schedule, for vehicles with six or more axles
5.26 in the "S" and "T" categories, the base rates are ~~\$1,520 and \$1,620~~ \$3,040 and \$3,240,
5.27 respectively.

5.28 (c) For each vehicle with a gross weight in excess of 80,000 pounds an additional tax
5.29 of ~~\$50~~ \$100 is imposed for each ton or fraction thereof in excess of 80,000 pounds, subject
5.30 to subdivision 12 or section 169.86, subdivision 5a, as applicable.

5.31 (d) For purposes of registration identification, for vehicles registered in the "O" category,
5.32 the owner must declare at the time of registration whether the vehicle will carry a weight
5.33 of 55,000 pounds or more and therefore be subject to the federal heavy vehicle use tax. For
5.34 those owners who declare a weight less than 55,000 pounds, a distinctive weight sticker
5.35 must be issued and the owner is restricted to a gross vehicle weight of less than 55,000
5.36 pounds.

5.37 (e) Truck-tractors except those herein defined as farm and commercial zone vehicles
5.38 shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the

6.1 combined gross weight of the truck-tractor and any semitrailer or semitrailers which the
6.2 applicant proposes to combine with the truck-tractor.

6.3 (f) Commercial zone trucks include only trucks, truck-tractors, and semitrailer
6.4 combinations which are operated by an interstate carrier registered under section 221.60,
6.5 or by a carrier receiving operating authority under chapter 221, and operated solely within
6.6 a zone exempt from regulation pursuant to United States Code, title 49, section 13506.

6.7 (g) The license plates issued for commercial zone vehicles shall be plainly marked. A
6.8 person operating a commercial zone vehicle outside the zone or area in which its operation
6.9 is authorized is guilty of a misdemeanor and, in addition to the misdemeanor penalty, the
6.10 registrar shall revoke the registration of the vehicle as a commercial zone vehicle and shall
6.11 require that the vehicle be registered at 100 percent of the full ~~annual~~ biennial tax prescribed
6.12 in the Minnesota base rate schedule, and no part of this tax may be refunded during the
6.13 balance of the registration ~~year~~ biennium.

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

6.18 (i) On trucks, truck-tractors and semitrailer combinations, except those defined as farm
6.19 trucks and farm combinations, and except for those commercial zone vehicles specifically
6.20 provided for in this subdivision, the tax for each of the first eight years of vehicle life is 100
6.21 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and
6.22 succeeding years of vehicle life, the tax is 75 percent of the Minnesota base rate prescribed
6.23 by this subdivision.

6.24 (j) For the purpose of registration, trailers coupled with a truck-tractor, semitrailer
6.25 combination are semitrailers.

6.26 Sec. 7. Minnesota Statutes 2020, section 168.013, subdivision 1f, is amended to read:

6.27 Subd. 1f. **Bus; commuter van.** (a) On all intercity buses, the tax during each of the first
6.28 two years of vehicle life shall be based on the gross weight of the vehicle and graduated
6.29 according to the following schedule:

Gross Weight of Vehicle	Tax
Under 6,000 lbs.	\$125 <u>\$250</u>
6,000 to 8,000 lbs., incl.	125 <u>250</u>

7.1		125
7.2	8,001 to 10,000 lbs., incl.	<u>250</u>
7.3		150
7.4	10,001 to 12,000 lbs., incl.	<u>300</u>
7.5		190
7.6	12,001 to 14,000 lbs., incl.	<u>380</u>
7.7		210
7.8	14,001 to 16,000 lbs., incl.	<u>420</u>
7.9		225
7.10	16,001 to 18,000 lbs., incl.	<u>450</u>
7.11		260
7.12	18,001 to 20,000 lbs., incl.	<u>520</u>
7.13		300
7.14	20,001 to 22,000 lbs., incl.	<u>600</u>
7.15		350
7.16	22,001 to 24,000 lbs., incl.	<u>700</u>
7.17		400
7.18	24,001 to 26,000 lbs., incl.	<u>800</u>
7.19		450
7.20	26,001 to 28,000 lbs., incl.	<u>900</u>
7.21		500
7.22	28,001 to 30,000 lbs., incl.	<u>1,000</u>
7.23		550
7.24	30,001 and over	<u>1,100</u>

7.25 (b) During each of the third and fourth years of vehicle life, the tax shall be 75 percent
7.26 of the foregoing scheduled tax; during the fifth year of vehicle life, the tax shall be 50 percent
7.27 of the foregoing scheduled tax; during the sixth year of vehicle life, the tax shall be 37-1/2
7.28 percent of the foregoing scheduled tax; and during the seventh and each succeeding year
7.29 of vehicle life, the tax shall be 25 percent of the foregoing scheduled tax; provided that the
7.30 ~~annual~~ biennial tax paid in any year of its life for an intercity bus shall be not less than ~~\$175~~
7.31 \$350 for a vehicle of over 25-passenger seating capacity and not less than ~~\$125~~ \$250 for a
7.32 vehicle of 25-passenger and less seating capacity.

7.33 (c) On all intracity buses operated by an auto transportation company in the business of
7.34 transporting persons for compensation as a common carrier and operating within the limits
7.35 of cities, the tax during each year of the vehicle life of each such bus shall be ~~\$2~~ \$4.

7.36 (d) On all other buses and commuter vans, as defined in section 168.126, the tax during
7.37 each of the first three years of the vehicle life shall be based on the gross weight of the
7.38 vehicle and graduated according to the following schedule: Where the gross weight of the
7.39 vehicle is 6,000 pounds or less, ~~\$25~~ \$50. Where the gross weight of the vehicle is more than
7.40 6,000 pounds, and not more than 8,000 pounds, the tax shall be ~~\$25~~ \$50 plus an additional

8.1 tax of ~~\$5~~ \$10 per ton for the ton or major portion in excess of 6,000 pounds. Where the
 8.2 gross weight of the vehicle is more than 8,000 pounds, and not more than 20,000 pounds,
 8.3 the tax shall be ~~\$30~~ \$60 plus an additional tax of ~~\$10~~ \$20 per ton for each ton or major
 8.4 portion in excess of 8,000 pounds. Where the gross weight of the vehicle is more than 20,000
 8.5 pounds and not more than 24,000 pounds, the tax shall be ~~\$90~~ \$180 plus an additional tax
 8.6 of ~~\$15~~ \$30 per ton for each ton or major portion in excess of 20,000 pounds. Where the
 8.7 gross weight of the vehicle is more than 24,000 pounds and not more than 28,000 pounds,
 8.8 the tax shall be ~~\$120~~ \$240 plus an additional tax of ~~\$25~~ \$50 per ton for each ton or major
 8.9 portion in excess of 24,000 pounds. Where the gross weight of the vehicle is more than
 8.10 28,000 pounds, the tax shall be ~~\$170~~ \$340 plus an additional tax of ~~\$30~~ \$60 per ton for each
 8.11 ton or major portion in excess of 28,000 pounds.

8.12 (e) During the fourth and succeeding years of vehicle life, the tax shall be 80 percent of
 8.13 the foregoing scheduled tax but in no event less than ~~\$20~~ \$40 per vehicle.

8.14 Sec. 8. Minnesota Statutes 2020, section 168.013, subdivision 1g, is amended to read:

8.15 Subd. 1g. **Recreational vehicle.** (a) Self-propelled recreational vehicles must be
 8.16 separately licensed and taxed ~~annually~~ biennially on the basis of total gross weight. The tax
 8.17 must be graduated according to the Minnesota base rate schedule prescribed in subdivision
 8.18 1e, but in no event less than ~~\$20~~ \$40, except as otherwise provided in this subdivision.

8.19 (b) For all self-propelled recreational vehicles, the tax for the ninth and succeeding years
 8.20 of vehicle life is 75 percent of the tax imposed in the Minnesota base rate schedule.

8.21 (c) Towed recreational vehicles must be separately licensed and taxed under either one
 8.22 of the following, as determined by the vehicle owner: (1) ~~annually~~ biennially on the basis
 8.23 of total gross weight at 30 percent of the Minnesota base rate prescribed in subdivision 1e;
 8.24 or (2) once every three years on the basis of total gross weight at 90 percent of the Minnesota
 8.25 base rate prescribed in subdivision 1e, provided that the filing fee under section 168.33,
 8.26 subdivision 7, paragraph (a), is multiplied by three, with funds collected by the commissioner
 8.27 allocated proportionally in the same manner as provided in section 168.33, subdivision 7,
 8.28 paragraph (e). In no event is the tax under this paragraph less than ~~\$5~~ \$10.

8.29 (d) Notwithstanding any law to the contrary, all trailers and semitrailers taxed pursuant
 8.30 to this section are exempt from any wheelage tax now or hereafter imposed by any political
 8.31 subdivision or political subdivisions.

9.1 Sec. 9. Minnesota Statutes 2020, section 168.013, subdivision 1h, is amended to read:

9.2 Subd. 1h. **Motorized bicycle.** On motorized bicycles the tax is ~~\$6~~ \$12, which includes
9.3 the surtax provided for in subdivision 14.

9.4 Sec. 10. Minnesota Statutes 2020, section 168.013, subdivision 1k, is amended to read:

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

9.8 Sec. 11. Minnesota Statutes 2020, section 168.013, subdivision 1m, is amended to read:

9.9 Subd. 1m. **Electric vehicle.** In addition to the tax under subdivision 1a, a surcharge of
9.10 ~~\$75~~ \$150 is imposed for an all-electric vehicle, as defined in section 169.011, subdivision
9.11 1a. Notwithstanding subdivision 8, revenue from the fee imposed under this subdivision
9.12 must be deposited in the highway user tax distribution fund.

9.13 Sec. 12. Minnesota Statutes 2020, section 168.013, subdivision 2, is amended to read:

9.14 Subd. 2. **Prorated fees.** When a motor vehicle first becomes subject to taxation during
9.15 the registration period for which the tax is paid, or when a vehicle becomes subject to
9.16 taxation upon transfer from a motor vehicle dealer, the tax shall be for the remainder of the
9.17 period prorated on a monthly basis, ~~1/12~~ 1/24 of the ~~annual~~ biennial tax for each calendar
9.18 month or fraction thereof; provided, however, that for a vehicle having ~~an annual~~ a biennial
9.19 tax of ~~\$10~~ \$20 or less there shall be no reduction until on and after September 1 when the
9.20 ~~annual~~ biennial tax shall be reduced one-half.

9.21 Sec. 13. Minnesota Statutes 2020, section 168.013, subdivision 3, is amended to read:

9.22 Subd. 3. **Application; cancellation; excessive gross weight forbidden.** (a) The applicant
9.23 for all licenses based on gross weight shall state the unloaded weight of the motor vehicle,
9.24 trailer, or semitrailer and the maximum load the applicant proposes to carry on it, the sum
9.25 of which constitutes the gross weight upon which the license tax must be paid. However,
9.26 the declared gross weight upon which the tax is paid must not be less than 1-1/4 times the
9.27 declared unloaded weight of the motor vehicle, trailer, or semitrailer to be registered, except
9.28 recreational vehicles taxed under subdivision 1g, school buses taxed under subdivision 18,
9.29 and tow trucks or towing vehicles defined in section 168B.011, subdivision 12a. The gross
9.30 weight of a tow truck or towing vehicle is the actual weight of the tow truck or towing

10.1 vehicle fully equipped, but does not include the weight of a wrecked or disabled vehicle
10.2 towed or drawn by the tow truck or towing vehicle.

10.3 (b) Except as provided by special permit issued under section 169.86, the gross weight
10.4 of a motor vehicle, trailer, or semitrailer must not exceed the gross weight upon which the
10.5 license tax has been paid by more than four percent or 1,000 pounds, whichever is greater;
10.6 provided that, a vehicle transporting unfinished forest products on a highway, other than a
10.7 highway that is part of the system of interstate and defense highways, unless a federal
10.8 exemption is granted, in accordance with paragraph (d)(3):

10.9 (1) shall not exceed its gross vehicle weight upon which the license tax has been paid,
10.10 or gross axle weight on any axle, by more than five percent and, notwithstanding other law
10.11 to the contrary, is not subject to any fee, fine, or other assessment or penalty for exceeding
10.12 a gross vehicle or axle weight by up to five percent. This clause applies year round to
10.13 suppliers of unfinished forest products to mills; and

10.14 (2) is not subject to any provision of paragraph (d) or chapter 169 limiting the gross axle
10.15 weight of any individual axle unless the entire vehicle also exceeds its gross vehicle weight
10.16 plus its weight allowance allowed in clause (1) and plus any weight allowance permitted
10.17 under section 169.826 or 169.8261, in which case the vehicle is subject to all applicable
10.18 penalties for excess weight violations.

10.19 (c) The gross weight of the motor vehicle, trailer, or semitrailer for which the license
10.20 tax is paid must be indicated by a distinctive character on the license plate or plates except
10.21 as provided in subdivision 12 or section 169.86, subdivision 5a, as applicable, and the plate
10.22 or plates must be kept clean and clearly visible at all times.

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

10.28 (1) Upon conviction for transporting a gross weight in excess of the gross weight for
10.29 which a motor vehicle, trailer, or semitrailer is registered by more than the allowance set
10.30 forth in paragraph (b) but less than 25 percent, or for operating or using a motor vehicle,
10.31 trailer, or semitrailer with an axle weight exceeding the maximum lawful axle load as
10.32 provided in sections 169.822 to 169.829 by more than the allowance set forth in paragraph
10.33 (b) but less than 25 percent, the owner, driver, or user of the motor vehicle, trailer, or
10.34 semitrailer used to commit the violation, in addition to any penalty imposed for the

11.1 misdemeanor, shall apply to the registrar to increase the authorized gross weight to be carried
11.2 on the vehicle to a weight equal to or greater than the gross weight the owner, driver, or
11.3 user was convicted of carrying. The increase is computed for the balance of the ~~calendar~~
11.4 year biennium on the basis of ~~1/12~~ 1/24 of the ~~annual~~ biennial tax for each month remaining
11.5 in the ~~calendar year~~ biennium beginning with the first day of the month in which the violation
11.6 occurred. If the additional registration tax computed upon that weight, plus the tax already
11.7 paid, amounts to more than the regular tax for the maximum gross weight permitted for the
11.8 vehicle under sections 169.822 to 169.829, that additional amount must nevertheless be
11.9 paid into the highway fund, but the additional tax thus paid does not authorize or permit
11.10 any person to operate the vehicle with a gross weight in excess of the maximum legal weight
11.11 as provided by sections 169.822 to 169.829. Unless the owner within 30 days after a
11.12 conviction applies to increase the authorized weight and pays the additional tax as provided
11.13 in this section, the registrar shall revoke the registration on the vehicle and demand the
11.14 return of the registration card and plates issued on that registration.

11.15 (2) Upon conviction of an owner, driver, or user of a motor vehicle, trailer, or semitrailer
11.16 for transporting a gross weight in excess of the gross weight for which the motor vehicle,
11.17 trailer, or semitrailer was registered by 25 percent or more or for operating or using the
11.18 vehicle or trailer with an axle weight exceeding the maximum lawful axle load as provided
11.19 in sections 169.822 to 169.829 by 25 percent or more, and in addition to any penalty imposed
11.20 for the misdemeanor, the registrar shall either (i) cancel the reciprocity privileges on the
11.21 vehicle involved if the vehicle is being operated under reciprocity or (ii) if the vehicle is
11.22 not being operated under reciprocity, cancel the certificate of registration on the vehicle
11.23 operated and demand the return of the registration certificate and registration plates. The
11.24 registrar may not cancel the registration or reciprocity privileges for any vehicle found in
11.25 violation of seasonal load restrictions imposed under section 169.87 unless the axle weight
11.26 exceeds the year-round weight limit for the highway on which the violation occurred. The
11.27 registrar may investigate any allegation of gross weight violations and demand that the
11.28 operator show cause why all future operating privileges in the state should not be revoked
11.29 unless the additional tax assessed is paid.

11.30 (3) Clause (1) does not apply to the first haul of unprocessed or raw farm products or
11.31 unfinished forest products, when the registered gross weight is not exceeded by more than
11.32 ten percent. For purposes of this clause, "first haul" means (i) the first, continuous
11.33 transportation of unprocessed or raw farm products from the place of production or on-farm
11.34 storage site to any other location within 100 miles of the place of production or on-farm
11.35 storage site, or (ii) the continuous or noncontinuous transportation of unfinished forest

12.1 products from the place of production to the place of final processing or manufacture located
 12.2 within 200 miles of the place of production.

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

12.11 Sec. 14. Minnesota Statutes 2020, section 168.013, subdivision 6, is amended to read:

12.12 Subd. 6. **Listing by dealers.** The owner of every motor vehicle not exempted by section
 12.13 168.012 or 168.28, shall, so long as it is subject to taxation within the state, list and register
 12.14 the same and pay the tax herein provided ~~annually~~ biennially; provided, however, that any
 12.15 dealer in motor vehicles, to whom dealer's plates have been issued as provided in this chapter,
 12.16 coming into the possession of any such motor vehicle to be held solely for the purpose of
 12.17 sale or demonstration or both, shall be entitled to withhold the tax becoming due on such
 12.18 vehicle for the following ~~year~~ biennium. When, thereafter, such vehicle is otherwise used
 12.19 or is sold, leased, or rented to another person, firm, corporation, or association, the tax for
 12.20 the remainder of the ~~year~~ biennium, prorated on a monthly basis, shall become payable
 12.21 immediately.

12.22 Sec. 15. Minnesota Statutes 2020, section 168.013, subdivision 12, is amended to read:

12.23 Subd. 12. **Additional tax for excessive gross weight.** (a) Whenever an owner has
 12.24 registered a vehicle and paid the tax as provided in subdivisions 1 to 1g, on the basis of a
 12.25 selected gross weight of the vehicle and thereafter such owner desires to operate such vehicle
 12.26 with a greater gross weight than that for which the tax has been paid, such owner shall be
 12.27 permitted to reregister such vehicle by paying the additional tax due thereon for the remainder
 12.28 of the ~~calendar year~~ biennium for which such vehicle has been reregistered, the additional
 12.29 tax computed pro rata by the month, ~~1/12~~ 1/24 of the ~~annual~~ biennial tax due for each month
 12.30 ~~of the year~~ remaining in the ~~calendar year~~ biennium, beginning with the first day of the
 12.31 month in which such owner desires to operate the vehicle with the greater weight. In
 12.32 computing the additional tax as aforesaid, the owner shall be given credit for the unused
 12.33 portion of the tax previously paid computed pro rata by the month, ~~1/12~~ 1/24 of the ~~annual~~

13.1 biennial tax paid for each month ~~of the year~~ remaining in the ~~calendar year~~ biennium
 13.2 beginning with the first day of the month in which such owner desires to operate the vehicle
 13.3 with the greater weight. An owner will be permitted one reduction of gross weight or change
 13.4 of registration per ~~year~~ biennium, which will result in a refund. This refund will be prorated
 13.5 monthly beginning with the first day of the month after such owner applies to amend the
 13.6 registration. The application for amendment shall be accompanied by a fee of \$3, and all
 13.7 fees shall be deposited in the highway user tax distribution fund. Provided, however, the
 13.8 owner of a vehicle may reregister the vehicle for a weight of more than 81,000 pounds for
 13.9 one or more 30-day periods. For each 30-day period, the additional tax shall be equal to
 13.10 ~~1/12~~ 1/24 of the difference between the ~~annual~~ biennial tax for the weight at which the
 13.11 vehicle is registered and reregistered.

13.12 (b) This subdivision does not apply to the owner of a vehicle who pays the additional
 13.13 tax for excessive gross weight under section 169.86, subdivision 5a, when buying a permit
 13.14 to operate with the greater gross weight.

13.15 Sec. 16. Minnesota Statutes 2020, section 168.013, subdivision 21, is amended to read:

13.16 Subd. 21. **Technology surcharge.** For every vehicle registration renewal required under
 13.17 this chapter, the commissioner shall collect a surcharge of ~~\$2.25~~ \$4.50. Surcharges collected
 13.18 under this subdivision must be credited to the driver and vehicle services technology account
 13.19 under section 299A.705.

13.20 Sec. 17. Minnesota Statutes 2020, section 168.013, subdivision 22, is amended to read:

13.21 Subd. 22. **Optional donation for education on anatomical gifts.** As part of procedures
 13.22 for payment of the vehicle registration tax under this section, the commissioner shall allow
 13.23 a vehicle owner to add to the tax a ~~\$2~~ \$4 donation for the purposes of public information
 13.24 and education on anatomical gifts under section 171.075, for in-person transactions conducted
 13.25 by a deputy registrar appointed under section 168.33, subdivision 2. This subdivision applies
 13.26 to ~~annual~~ biennial renewal registrations only, and does not apply to registrations authorized
 13.27 under sections 168.053 to 168.057, 168.127, 168.187, and 168.27.

13.28 Sec. 18. Minnesota Statutes 2020, section 168.017, is amended to read:

13.29 **168.017 MONTHLY SERIES REGISTRATION SYSTEM.**

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

14.1 Subd. 2. **12 24 uniform registration periods.** There are established ~~12~~ 24 registration
 14.2 periods, each to be designated by a calendar month and to start on the first day of such
 14.3 month and end on the last day of the ~~12th~~ 24th month from the date of commencing. The
 14.4 registrar shall register all vehicles subject to registration under the monthly series system
 14.5 for a minimum period of ~~12~~ 24 consecutive calendar months.

14.6 Subd. 3. **Exceptions.** The registrar shall register all vehicles subject to registration under
 14.7 the monthly series system for a period of ~~12~~ 24 consecutive calendar months, unless:

14.8 (1) the application is an original under section 168.127; or

14.9 (2) the applicant is a licensed motor vehicle lessor under section 168.27 and the vehicle
 14.10 is leased or rented for periods of time of not more than 28 days, in which case the applicant
 14.11 may apply for initial or renewed registration of a vehicle for a period of four or more months,
 14.12 the month of expiration to be designated by the applicant at the time of registration. To
 14.13 qualify for this exemption, the applicant must present the application to a designated deputy
 14.14 registrar office. Subsequent registration periods when the applicant is not a qualified motor
 14.15 vehicle lessor under this subdivision must be for a period of ~~12~~ 24 months commencing
 14.16 from the last month for which registration was issued.

14.17 Subd. 4. **Proportional registration payment system.** Except as otherwise provided in
 14.18 this subdivision, the applicant for registration of a vehicle under the monthly series system
 14.19 shall pay in full the ~~calendar year~~ biennial registration fee prescribed by law during the ~~12~~
 14.20 24 consecutive calendar months of registration under the monthly series system. If the
 14.21 registrar registers the vehicle for a period greater or less than a ~~calendar year~~ biennium
 14.22 pursuant to subdivision 3, the ~~calendar year~~ biennial registration fee shall be apportioned
 14.23 as follows: During the first period the fee is ~~1/12~~ 1/24 of the first ~~calendar year~~ biennium
 14.24 fee times the number of months in the period. During the first ~~12~~ 24 consecutive months of
 14.25 registration under the monthly series system, the fee is the sum of the following: (a) ~~1/12~~
 14.26 1/24 of the first ~~calendar year~~ biennium fee times the months remaining after subtracting
 14.27 the months in the first period of issuance from ~~12~~ 24 months, and (b) ~~1/12~~ 1/24 of the second
 14.28 ~~calendar year~~ biennium fee times the number of months in the first period of issuance. The
 14.29 registration fee shall be computed in the same manner for second and subsequent periods
 14.30 of ~~12~~ 24 consecutive months of registration under the monthly series system, subject to
 14.31 changes provided by law for registration fees under the ~~calendar year~~ biennial system. If
 14.32 the registrar registers the vehicle for a part of a ~~year~~ biennium pursuant to subdivision 3,
 14.33 the ~~calendar year~~ biennial registration fee shall be apportioned as above in the case of an
 14.34 original registration for part of a ~~year~~ biennium except that the computation shall begin with
 14.35 the second ~~calendar year~~ biennium fee.

15.1 Subd. 5. **Registration period extension for leased vehicle.** (a) Notwithstanding
 15.2 subdivisions 3 and 4, a person leasing for at least ~~one year~~ two years a vehicle registered
 15.3 under this section may obtain an extension of the motor vehicle's registration period for the
 15.4 unexpired portion of the lease period, for a period not to exceed ~~11~~ 23 months beyond the
 15.5 expiration of the registration period.

15.6 (b) In order to obtain an extension under this subdivision a lessee must:

15.7 (1) apply to the registrar on a form the registrar prescribes;

15.8 (2) submit to the registrar a copy of the lease;

15.9 (3) pay an administrative fee of ~~\$5~~ \$10; and

15.10 (4) pay a tax of ~~1/12~~ 1/24 of the tax for the registration period being extended for each
 15.11 month of the extension.

15.12 (c) On an applicant's compliance with paragraph (b) the registrar shall issue the applicant
 15.13 a license plate tab or sticker designating the new month of expiration of the registration.
 15.14 The extended registration expires on the tenth day of the month following the month
 15.15 designated on the tab or sticker.

15.16 (d) All fees collected under paragraph (b), clause (3), must be deposited in the vehicle
 15.17 services operating account under section 299A.705, subdivision 1. Taxes collected under
 15.18 paragraph (b), clause (4), must be deposited in the highway user tax distribution fund.

15.19 Sec. 19. Minnesota Statutes 2020, section 168.018, is amended to read:

15.20 **168.018 QUARTERLY REGISTRATION OF FARM TRUCKS.**

15.21 (a) The owner of (1) any farm truck as defined in section 168.002, subdivision 8, or (2)
 15.22 a truck owned by a retailer who is engaged in the intrastate transportation of fertilizer or
 15.23 agricultural chemicals directly to a farm for on-farm use within a radius of 50 miles of the
 15.24 retailer's business location, may elect to register and license the truck only for one or more
 15.25 quarters of a registration ~~year~~ biennium, at a tax of ~~one-fourth~~ one-eighth of the ~~annual~~
 15.26 biennial tax on the vehicle plus \$5 for each quarterly registration. The owner may not apply
 15.27 for quarterly registration or renewal until seven days before the selected quarter or concurrent
 15.28 quarters. The expiration date of a registration shall be displayed on the license plate in such
 15.29 a manner as the registrar shall direct. No truck registered on a quarterly basis shall be
 15.30 operated on the public streets and highways more than ten days beyond the end of the quarter
 15.31 for which it is registered unless the registration has been renewed for another quarter or for
 15.32 the remainder of the registration ~~year~~ biennium.

16.1 (b) For purposes of this section registration quarters shall begin on March 1, June 1,
16.2 September 1, and December 1.

16.3 Sec. 20. Minnesota Statutes 2020, section 168.022, subdivision 2, is amended to read:

16.4 Subd. 2. **Amount of refund.** The amount of the refund shall be the tax paid by the
16.5 purchaser pursuant to this chapter less ~~1/12~~ 1/24 of the ~~annual~~ biennial tax for the vehicle
16.6 for each calendar month or fraction of a calendar month between the date of registration
16.7 and the date the purchase price is refunded.

16.8 Sec. 21. Minnesota Statutes 2020, section 168.09, subdivision 5, is amended to read:

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

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

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

16.17 Sec. 22. Minnesota Statutes 2020, section 168.10, subdivision 1, is amended to read:

16.18 Subdivision 1. **Application.** (a) Except as provided in subdivisions 1a, 1b, 1c, 1d, 1g,
16.19 and 1h, every owner of any motor vehicle in this state, not exempted by section 168.012 or
16.20 168.26, shall as soon as registered ownership of a motor vehicle is acquired and ~~annually~~
16.21 biennially thereafter during the period provided in section 168.31, file with the commissioner
16.22 of public safety on a blank provided by the commissioner a listing for taxation and application
16.23 for the registration of such vehicle, stating the first, middle and last names, the date of birth,
16.24 and the address of the primary residence of each registered owner thereof who is a natural
16.25 person or mailing address if the address of the primary residence has been classified as
16.26 private data under this chapter, the full name and address of any other registered owner, the
16.27 name and address of the person from whom purchased, make of motor vehicle, year and
16.28 number of the model, manufacturer's identification number or serial number, type of body,
16.29 the weight of the vehicle in pounds, for trailers only, its rated load carrying capacity and
16.30 for buses only, its seating capacity, and such other information as the commissioner may
16.31 require. Any false statement willfully and knowingly made in regard thereto shall be deemed
16.32 perjury and punished accordingly. The listing and application for registration by dealers or

17.1 manufacturers' agents within the state, of motor vehicles received for sale or use within the
17.2 state shall be accepted as compliance with the requirements of this chapter, imposed upon
17.3 the manufacturer.

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

17.15 Sec. 23. Minnesota Statutes 2020, section 168.127, subdivision 2, is amended to read:

17.16 Subd. 2. **Annual Biennial registration period.** The ~~annual~~ biennial registration period
17.17 for vehicles in the fleet will be determined by the commissioner. The applicant must provide
17.18 all information necessary to qualify as a fleet registrant including a list of all vehicles in the
17.19 fleet. On initial registration, all taxes and fees for vehicles in the fleet must be reassessed
17.20 based on the expiration date.

17.21 Sec. 24. Minnesota Statutes 2020, section 168.187, subdivision 10, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

18.14 Sec. 25. Minnesota Statutes 2020, section 168.187, subdivision 11, is amended to read:

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

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

18.25 Sec. 26. Minnesota Statutes 2020, section 168.187, subdivision 15, is amended to read:

18.26 Subd. 15. **Withdrawal of fleet vehicle; credits, accounting.** If any vehicle is withdrawn
18.27 from a proportionally registered fleet during the period for which it is registered, the owner
18.28 of such fleet shall so notify the commissioner of public safety. The commissioner of public
18.29 safety may require the owner to surrender cab cards and such other identification devices
18.30 with respect to such vehicle. If a vehicle is permanently withdrawn from a proportionally
18.31 registered fleet because it has been destroyed, sold or otherwise completely removed from
18.32 the service of the owner, the unused portion of the fees paid with respect to such vehicle

19.1 shall be applied against liability of such owner for subsequent additions to such fleet during
 19.2 such registration ~~year~~ biennium or for additional fees upon audit. If at the end of such
 19.3 registration ~~year~~ biennium there remains an unused portion of fees paid with respect to such
 19.4 permanently withdrawn vehicles, such unused fees shall be applied against registration fees
 19.5 for the registration ~~year~~ biennium immediately following the year during which such vehicles
 19.6 were permanently withdrawn. The unused portion of fees of a vehicle permanently withdrawn
 19.7 from a fleet shall be a sum equal to the amount paid with respect to such vehicle when it
 19.8 was first proportionally registered in such registration ~~year~~ biennium, reduced by ~~1/12~~ 1/24
 19.9 of the total ~~annual~~ biennial proportional registration fee applicable to such vehicle for each
 19.10 calendar month of the registration ~~year~~ biennium including the month the notice of
 19.11 withdrawal is received by the commissioner of public safety, except that no unused portion
 19.12 of fees of less than \$5 shall be considered or applied. If an unused portion of fees cannot
 19.13 be applied against registration fees for the registration ~~year~~ biennium immediately following,
 19.14 an application for refund of the unused portion may be made to the commissioner, who
 19.15 shall make such rules as may be required for payment of such refund.

19.16 Sec. 27. Minnesota Statutes 2020, section 168.187, subdivision 16, is amended to read:

19.17 Subd. 16. **New fleets.** The initial application for proportional registration of a fleet shall
 19.18 state the mileage data with respect to such fleet for the preceding ~~year~~ biennium in this and
 19.19 other states. If no operations were conducted with such fleet during the preceding ~~year~~
 19.20 biennium, the application shall contain a full statement of the proposed method of operation
 19.21 and estimates of ~~annual~~ biennial mileage in this and other states. The commissioner of public
 19.22 safety shall determine the in-state and total fleet miles to be used in computing the
 19.23 proportional registration fee for the fleet. The commissioner of public safety may adjust the
 19.24 estimate in the application if the commissioner is not satisfied with its correctness.

19.25 Sec. 28. Minnesota Statutes 2020, section 168.31, subdivision 1, is amended to read:

19.26 Subdivision 1. **When due and payable.** The tax required under this chapter to be paid
 19.27 upon a motor vehicle for each ~~calendar year~~ biennium becomes due when the vehicle first
 19.28 uses the public streets or highways in the state, and upon the first January 1 each ~~year~~
 19.29 biennium thereafter, except those vehicles which are taxed under section 168.017 and
 19.30 vehicles registered under 168.09, subdivision 3. Taxes due upon the first January 1 become
 19.31 payable upon November 15 preceding the ~~calendar year~~ biennium for which they are assessed.
 19.32 The tax required to register vehicles for the registration ~~year~~ biennium March 1 to the last
 19.33 day of February is due on the first March 1 and payable January 1 preceding. The tax required
 19.34 to register vehicles under the provisions of section 168.017 is due the first day of the month

20.1 commencing the ~~12-month~~ 24-month registration period and payable during the 45 days
20.2 preceding the due date. Nothing in this section shall preclude prepayment.

20.3 Sec. 29. Minnesota Statutes 2021 Supplement, section 168.31, subdivision 4, is amended
20.4 to read:

20.5 Subd. 4. **Installments; registration generally.** (a) If the tax for a vehicle assessed under
20.6 section 168.013, subdivision 1c, 1d, 1e, or 1g, amounts to more than \$400, the owner may
20.7 pay the tax by installments.

20.8 (b) The owner shall tender with the application for registration one-third of the ~~annual~~
20.9 biennial tax due or \$400, whichever is greater, plus any penalties or arrears, plus a fee of
20.10 \$10. Instead of this fee, the applicant may furnish a bond, bank letter of credit, or certificate
20.11 of deposit approved by the registrar of motor vehicles, for the total of the tax still due. The
20.12 amount of the bond, letter of credit, or certificate of deposit may include any penalties
20.13 assessed. The bond, letter of credit, or certificate of deposit must be for the benefit of the
20.14 state for monetary loss caused by failure of the vehicle owner to pay delinquent license fees
20.15 and penalties.

20.16 (c) The remainder of the tax due must be paid in two equal installments. The due date
20.17 of the first installment is July 1, and the second installment is due November 1.

20.18 (d) When the applicant elects to pay the administrative fee, the registrar shall issue to
20.19 the applicant validation stickers indicating the expiration date of a registration. When the
20.20 applicant elects to furnish a bond, bank letter, or letter of deposit, the registrar shall issue
20.21 regular validation stickers for the registration ~~year~~ biennium.

20.22 (e) If an owner of a vehicle fails to pay an installment on or before its due date, the
20.23 vehicle must not be used on the public streets or highways in this state until the installment
20.24 or installments of the tax remaining due on the vehicle have been paid in full for the licensed
20.25 ~~year~~ biennium together with a penalty at the rate of \$1 per day for the remainder of the
20.26 month in which the balance of the tax becomes due and \$4 a month for each succeeding
20.27 month or fraction of a month during which the balance of the tax remains unpaid. Upon the
20.28 payment of the balance of the tax and the penalties, the registrar shall issue a registration
20.29 certificate to the owner of the vehicle in the manner provided by law. The registrar shall
20.30 deny installment payment privileges provided in this subdivision in the subsequent ~~year~~
20.31 biennium to any owner on any or all vehicles of the owner who during the current ~~year~~
20.32 biennium fails to pay any installment due within one month after the due date.

21.1 Sec. 30. Minnesota Statutes 2020, section 168.31, subdivision 4a, is amended to read:

21.2 Subd. 4a. **Installments; interstate registration and reciprocity.** (a) If the tax for a
21.3 vehicle assessed under section 168.187 amounts to more than \$400, the owner may pay the
21.4 tax by installments.

21.5 (b) The owner shall submit with the application for registration, no later than January
21.6 1, one-third of the Minnesota ~~annual~~ biennial tax due or \$400, whichever is greater. The
21.7 applicant shall furnish a bond, bank letter of credit, or certificate of deposit approved by
21.8 the registrar of motor vehicles, for the total of the tax still due. The amount of the bond,
21.9 letter of credit, or certificate of deposit may include any penalties assessed. The bond, letter
21.10 of credit, or certificate of deposit must be for the benefit of the state for monetary loss caused
21.11 by failure of the vehicle owner to pay delinquent license fees and penalties.

21.12 (c) The remainder of the tax due must be paid in two equal installments; The due date
21.13 of the first installment is May 1, and the second installment is due on September 1.

21.14 (d) If an owner of a vehicle fails to pay an installment on or before the due date, the
21.15 vehicle must not be used on the public streets or highways in this state until the installment
21.16 or installments of the tax remaining due on the vehicle has been paid in full for the licensed
21.17 ~~year~~ biennium, together with a penalty at the rate of \$1 per day for the remainder of the
21.18 month in which the balance of the tax becomes due and \$4 a month for each succeeding
21.19 month or fraction of it during which the balance of the tax remains unpaid. The registrar
21.20 shall deny installment payment privileges provided in this subdivision in the subsequent
21.21 ~~year~~ biennium to any owner on any or all vehicles of an owner who during the current ~~year~~
21.22 biennium fails to pay any installment and penalties due within one month after the due date.

21.23 Sec. 31. Minnesota Statutes 2020, section 168.33, subdivision 7, is amended to read:

21.24 Subd. 7. **Filing fees; allocations.** (a) In addition to all other statutory fees and taxes, a
21.25 filing fee of:

21.26 (1) ~~\$7~~ \$14 is imposed on every vehicle registration renewal, excluding pro rate
21.27 transactions; and

21.28 (2) \$11 is imposed on every other type of vehicle transaction, including motor carrier
21.29 fuel licenses under sections 168D.05 and 168D.06, and pro rate transactions.

21.30 (b) Notwithstanding paragraph (a):

21.31 (1) a filing fee may not be charged for a document returned for a refund or for a correction
21.32 of an error made by the Department of Public Safety, a dealer, or a deputy registrar; and

22.1 (2) no filing fee or other fee may be charged for the permanent surrender of a title for a
22.2 vehicle.

22.3 (c) The filing fee must be shown as a separate item on all registration renewal notices
22.4 sent out by the commissioner.

22.5 (d) The statutory fees and taxes, and the filing fees imposed under paragraph (a) may
22.6 be paid by credit card or debit card. The deputy registrar may collect a surcharge on the
22.7 statutory fees, taxes, and filing fee not greater than the cost of processing a credit card or
22.8 debit card transaction, in accordance with emergency rules established by the commissioner
22.9 of public safety. The surcharge must be used to pay the cost of processing credit and debit
22.10 card transactions.

22.11 (e) The fees collected under this subdivision by the department must be allocated as
22.12 follows:

22.13 (1) of the fees collected under paragraph (a), clause (1):

22.14 (i) ~~\$5.50~~ \$11 must be deposited in the vehicle services operating account; and

22.15 (ii) ~~\$1.50~~ \$3 must be deposited in the driver and vehicle services technology account;
22.16 and

22.17 (2) of the fees collected under paragraph (a), clause (2):

22.18 (i) \$3.50 must be deposited in the general fund;

22.19 (ii) \$6.00 must be deposited in the vehicle services operating account; and

22.20 (iii) \$1.50 must be deposited in the driver and vehicle services technology account.