

1.1 moves to amend H.F. No. 1684, the delete everything amendment
1.2 (H1684DE2), as follows:

1.3 Page 24, delete section 3 and insert:

1.4 "Sec. 3. Minnesota Statutes 2020, section 168.013, subdivision 1a, is 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 \$10 plus:

1.8 (1) for a vehicle initially registered in Minnesota prior to November 16, 2020, 1.25
1.9 percent of the manufacturer's suggested retail price of the vehicle and the destination charge,
1.10 subject to the adjustments in paragraphs (f) ~~and~~, (g), and (h); or

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

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

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 registration tax on the vehicle using
1.20 manufacturer's suggested retail price information provided by the manufacturer. The registrar
1.21 must use the manufacturer's suggested retail price determined by the dealer as provided in
1.22 paragraph (d). A dealer that elects to make the determination must retain a copy of the
1.23 manufacturer's suggested retail price label or other supporting documentation with the
1.24 vehicle transaction records maintained under Minnesota Rules, part 7400.5200.

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

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

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

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

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

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

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

2.13 (f) The amount under paragraph (a), clauses (1) and (2), must be calculated based on a
2.14 percentage of the manufacturer's suggested retail price, as follows:

2.15 (1) during the first year of vehicle life, upon 100 percent of the price;

2.16 (2) for the second year, 90 percent of the price;

2.17 (3) for the third year, 80 percent of the price;

2.18 (4) for the fourth year, 70 percent of the price;

2.19 (5) for the fifth year, 60 percent of the price;

2.20 (6) for the sixth year, ~~50~~ 55 percent of the price;

2.21 (7) for the seventh year, ~~40~~ 45 percent of the price;

2.22 (8) for the eighth year, ~~30~~ 40 percent of the price;

2.23 (9) for the ninth year, ~~20~~ 35 percent of the price; and

2.24 (10) for the tenth year, ~~ten~~ 30 percent of the price;

2.25 (11) for the 11th year, 25 percent of the price; and

2.26 (12) for the 12th year, 20 percent of the price.

2.27 (g) For the ~~11th and each succeeding~~ 13th year, the amount under paragraph (a), clauses
2.28 (1) and (2), ~~must be calculated as \$25~~ is the greater of (1) an amount as calculated based
2.29 on 15 percent of the manufacturer's suggested retail price, or (2) \$45.

3.1 (h) For the 14th and each succeeding year, the amount under paragraph (a), clauses (1)
3.2 and (2), is the greater of (1) an amount as calculated based on ten percent of the
3.3 manufacturer's suggested retail price, or (2) \$45.

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

3.8 **EFFECTIVE DATE.** This section is effective the day following final enactment, and
3.9 applies to taxes payable for a registration period starting on or after October 1, 2021."