

Subject Tiny houses; vehicle registration

Authors Elkins

Analyst Matt Burress, Legislative Analyst (matt.burress@house.mn)

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Summary

This bill broadens the definition of a travel trailer, in the chapter of statutes governing motor vehicle registration and taxation, to include a tiny house mounted on wheels. This has the effect of reducing the registration tax rate by shifting the vehicle's categorization from a general trailer (under current law) to instead be a towed recreational vehicle.

Background. The registration tax for trucks and various types of vehicles follows a base rate schedule that graduates the tax, so that the amount owed increases with higher gross weights.

The tax on trailers that weigh over 15,000 pounds is (1) 100 percent of the base rate schedule for the first eight years of vehicle life, and (2) 75 percent of the base rate schedule in the ninth and subsequent years. The tax on towed recreational vehicles is 30 percent of the base rate schedule. Minn. Stat. § 168.013, subds. 1d and 1g.