

## CHAPTER 168

MOTOR VEHICLES; REGISTRATION;  
TAXATION; SALES; DEALERS

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## 168.011 DEFINITIONS.

*[For text of subds 1 to 3, see M.S.1984]*

Subd. 4. **Motor vehicle.** "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 and manufactured homes. Motor vehicle does not include a three-wheel off-road vehicle as defined in section 84.92, subdivision 8.

*[For text of subds 5 to 23, see M.S.1984]*

Subd. 25. **Recreational equipment.** (a) "Recreational equipment" means house 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.

*[For text of subds 26 and 27, see M.S.1984]*

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 passenger-carrying or cargo-carrying area, and with a manufacturer's nominal rated carrying capacity of three-fourths ton or less and commonly known as a van.

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.

**History:** 1985 c 63 s 1-5; 1985 c 291 s 2-4

## 168.012 VEHICLES EXEMPT FROM LICENSE FEES.

Subdivision 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 thereof, or vehicles owned and used exclusively by educational institutions and used solely in the transportation of pupils to and from such institutions, shall be exempt from the provision of this chapter requiring payment of tax or registration fees, except as provided in subdivision 1c.

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.

Unmarked vehicles used in general police work, arson investigations, and passenger vehicles, station wagons, and buses owned or operated by the department

of corrections shall be registered and shall display passenger vehicle classification license number plates which shall be furnished by the registrar at cost. Original and renewal applications for these passenger vehicle 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.

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 public subdivision on the vehicle plainly printed on both sides thereof in letters not less than 2-1/2 inches high, one inch wide and of a three-eighths inch stroke; except that each state hospital and institution for the mentally ill and mentally retarded may have one vehicle without the required printing on the sides of the vehicle. Such printing shall be in a color giving a marked contrast with that of the part of the vehicle on which it is placed and shall be done with a good quality of paint that will endure throughout the term of the registration. The printing must be on a part of the vehicle itself and not on a removable plate or placard of any kind 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.

*[For text of subds 1a and 1b, see M.S.1984]*

Subd. 1c. (a) The annual fee for trailer license plates issued to a tax-exempt vehicle under this section is \$5 for each plate.

(b) The annual fee for license plates issued to all other tax-exempt vehicles is a \$5 administrative handling fee and \$10 for two plates per vehicle.

(c) On and after March 1, 1986, the registration period for a tax-exempt vehicle is biennial and new plates will be issued for the life of the vehicle. Fees are due on March 1 biennially and payable the preceding January 1, with validating stickers issued at time of payment. If the tax-exempt vehicle is newly registered for less than the two-year period, the fee must be apportioned by six-month increments, but in no event may the fee be less than \$5 per vehicle.

*[For text of subds 2 to 8, see M.S.1984]*

Subd. 9. 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 274.19, manufactured homes shall be taxed as personal property. The provisions of Minnesota Statutes 1957, 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. House trailers not used on the highway during any calendar year shall be taxed as manufactured homes if occupied as human dwelling places.

*[For text of subd 10, see M.S.1984]*

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.

**History:** 1985 c 291 s 5-7; 1Sp1985 c 10 s 75; 1Sp1985 c 14 art 4 s 28

### 168.013 RATE OF TAX.

*[For text of subds 1 to 1b, see M.S.1984]*

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, except as otherwise provided in this subdivision. On farm trucks having a gross weight of not more than 57,000 pounds during each of the first eight years of vehicle life, the tax shall be 45 percent of the tax imposed in the Minnesota base rate schedule.

On farm trucks having a gross weight of not more than 57,000 pounds during the ninth and succeeding years of vehicle life, the tax shall be 27 percent of the Minnesota base rate schedule.

(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 the first eight years of vehicle life and 36 percent of the Minnesota base rate during the ninth and succeeding years, except as otherwise provided in this subdivision. On farm trucks having a gross weight of more than 57,000 pounds during the first eight years of vehicle life, the tax shall be 60 percent of the tax imposed in the Minnesota base rate schedule.

On farm trucks having a gross weight of more than 57,000 pounds, during the ninth and succeeding years of vehicle life, the tax shall be 36 percent of the tax imposed in the Minnesota base rate schedule.

In addition to the gross weight tax imposed on a truck-tractor or truck used as a truck-tractor, each semitrailer shall be taxed a fee of \$10 for a one-year period or \$50 for a five-year period whichever the applicant elects.

*[For text of subd 1d, see M.S.1984]*

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.

**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	1525
T	78,001 - 81,000	1625

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 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, except as otherwise provided in this subdivision. On commercial zone trucks, during the ninth and succeeding years of vehicle life, the tax shall be 50 percent of the tax imposed in the Minnesota base rate schedule.

On trucks, truck-tractors and semitrailer combinations, except those defined as farm trucks and farm combinations, and except for those urban trucks and combina-

tions and commercial zone vehicles specifically provided for in this subdivision, the tax for 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, except as otherwise provided in this subdivision.

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, during each of the first eight years of vehicle life the tax shall be 100 percent of the tax imposed in the Minnesota base rate schedule.

*[For text of subd 1f, see M.S.1984]*

**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.

*[For text of subd 1h, see M.S.1984]*

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

*[For text of subd 2, see M.S.1984]*

**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 wreckers defined in section 169.01, subdivision 52. The gross weight of a wrecker is the actual weight of the wrecker fully equipped, but does not include the weight of a wrecked or disabled vehicle towed or drawn by the wrecker.

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.

*[For text of subds 4 to 15, see M.S.1984]*

**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.

*[For text of subds 18 to 20, see M.S.1984]*

**History:** 1985 c 291 s 8-11; 1985 c 299 s 8,9

## **168.021 LICENSE PLATES FOR PHYSICALLY HANDICAPPED PERSONS.**

**Subdivision 1. Special plates; application for issuance.** When a motor vehicle registered under section 168.017, or a self-propelled recreational vehicle, is owned or primarily operated by a physically handicapped person, the owner may apply for and secure from the registrar of motor vehicles two license number plates with attached emblems, one plate to be attached to the front, and one to the rear of the vehicle. Application for issuance of these plates must be made at the time of renewal or first application for registration.

*[For text of subds 1a to 7, see M.S.1984]*

**History:** 1985 c 291 s 12

## **168.09 REGISTRATION; REREGISTRATION.**

*[For text of subds 1 to 4, see M.S.1984]*

**Subd. 5.** No person may be charged with violating this section by reason of failure to renew the registration of a previously registered motor vehicle 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.

**History:** 1985 c 64 s 1; 1985 c 291 s 13

## **168.105 CLASSIC MOTORCYCLES.**

*[For text of subds 1 to 3, see M.S.1984]*

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

*[For text of subds 5 and 6, see M.S.1984]*

## **168.11 REGISTRATION CERTIFICATE.**

*[For text of subds 1 and 2, see M.S.1984]*

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 his or her 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:** 1985 c 64 s 2

**168.12 LICENSE PLATES.**

Subdivision 1. **Number plates; 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) number plates issued pursuant to sections 168.27, subdivisions 16 and 17, and 168.053 shall be for a one-year period;

(2) 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;

(3) plates issued for passenger automobiles as defined in section 168.011, subdivision 7, motorcycles, motorized bicycles, and motor scooters shall be issued for a six-year period starting not later than October 1986, or until the next general reissuance of plates every six years thereafter, whichever is less; and

(4) plates for any vehicle not specified in clauses (1), (2) and (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.

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

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each transfer of number plates under this paragraph, and may prescribe a form for notification.

*[For text of subds 2 to 4, see M.S.1984]*

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 of \$2 for a license plate for a motorcycle, motorized bicycle, or motorized sidecar, and \$3 for license plates, other than license plates issued pursuant to section 168.27, subdivisions 16 and 17, for passenger automobiles; provided that no fee is required for plates issued within one calendar year before a general reissuance of plates under subdivision 1. 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.

**History:** 1Sp1985 c 10 s 76,77

## 168.27 MOTOR VEHICLE DEALERS; VIOLATIONS, PENALTIES.

*[For text of subd 1, see M.S.1984]*

Subd. 2. **New motor vehicle dealer.** (a) No person shall engage in the business of selling or arranging the sale of new motor vehicles or shall offer to sell, solicit, arrange 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 his 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. 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 may sell these modified or converted van-type vehicles which he owns 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 handicapped person to use the vehicle.

*[For text of subds 3 to 9, see M.S.1984]*

Subd. 10. **Place of doing 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 permanent enclosed commercial building 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;

(b) a bona fide contract or franchise (1) in effect with a manufacturer or distributor of the new motor vehicles he 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 he 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 he 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.

(2) For a used motor vehicle dealer the following: a permanent enclosed commercial building 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 for the books, records and files necessary to conduct the business and maintained with personnel available during normal business hours or automatic telephone answering service during normal working hours.

(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.

(4) For a motor vehicle broker, 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.

(5) 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.

(6) For a motor vehicle auctioneer, the following: a permanent enclosed commercial 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.

(7) 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.

(8) If a motor vehicle lessor, broker 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.

Subd. 11. **Licenses.** 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 which 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 him of any of the following:

- (1) violations of any of the provisions of this chapter;
- (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 him;
- (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.

*[For text of subds 13 to 23, see M.S.1984]*

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, snowmobile 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.

*[For text of subd 25, see M.S.1984]*

**History:** 1985 c 63 s 6,7; 1985 c 186 s 1-4; 1985 c 291 s 14

#### 168.29 DUPLICATE PLATES.

In the event of the defacement, loss or destruction of any number plates, 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, together with any defaced plates and the payment of the fee of \$5 shall issue a new set of plates. The registrar shall then note on his records the issue of such new number plates and shall proceed in such manner as he 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.

**History:** 1985 c 291 s 15

#### 168.31 TAX, WHEN DUE AND PAYABLE.

*[For text of subd 1, see M.S.1984]*

Subd. 4. **Installments.** If the tax for a vehicle assessed under section 168.013 or 168.187 amounts to more than \$400, the owner may pay such tax by installments. The owner shall tender with his 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 validation 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.

*[For text of subds 5 and 6, see M.S. 1984]*

**History:** 1985 c 291 s 16

### 168.33 COMMISSIONER OF PUBLIC SAFETY TO BE REGISTRAR.

*[For text of subds 1 to 6, see M.S. 1984]*

**Subd. 7. Fees.** In addition to all other statutory fees and taxes, a filing fee of \$3.25 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.

**History:** 1985 c 291 s 17

### 168.72 TIME PRICE DIFFERENTIALS.

Subdivision 1. (a) The time price differential authorized by sections 168.66 to 168.77 in a retail installment sale may not exceed the following 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 - \$10 per \$100 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 - \$11 per \$100 per year.

Class 3. Any motor vehicle not in Class 1 or Class 2 - \$13 per \$100 per year plus a flat charge of \$3 for each retail installment sale.

(b) The time price differential must be computed on the principal balance as determined under section 168.71, clause (b) and must be computed at the rate indicated on contracts payable in successive monthly installment payments substantially equal in amount extending for a period of one year. For purposes of this subdivision and section 168.73, contracts payable in successive monthly installment payments include those where the first installment is scheduled for not less than 15

days nor more than one month and 15 days from the date of the contract. On contracts providing for installment payments extending for a period less than or greater than one year, the time price differential must be computed proportionately.

(c) When a retail installment contract provides for unequal or irregular installment payments, the time price differential is at the effective rate provided in clause (a) hereof, having due regard for the irregular schedule of payment.

(d) The time price differential 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 as provided in sections 168.66 to 168.77.

Subd. 2. [Repealed, 1985 c 107 s 3]

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 time price differential rate, except that the maximum time differential for a class I manufactured home may not exceed \$8 per \$100 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:** 1985 c 107 s 1,2