

April 19, 2023

Jocelyn Benson  
Michigan Secretary of State  
430 W. Allegan St.  
Richard H. Austin Building – 4<sup>th</sup> Floor  
Lansing, MI 48918

Madam Secretary,

I am the President of the Family Motor Coach Association (FMCA), one of the largest organizations in North America dedicated to the support of camping and recreational vehicle use. FMCA has 73,557 members in the United States and 1,758 members in Canada. Since its inception in 1963 FMCA has issued more than 500,000 memberships to families who look to the association as their source of information about all facets of RV ownership and travel.

Some members residing in Michigan contacted the organization about the tax implications of owning an older model motor home in Michigan. Statute MCL 257.801(1)(p)(i)(B) applies an annual registration fee to every motor vehicle produced since 1984 using the original list price of the vehicle (i.e. the MSRP) rather than the current market value. While this discrepancy in value might not be significant for automobiles, it can create an enormous hardship for persons owning older motor homes.

To give some examples:

1. A 2000 Country Coach Concept Series motor home cost \$580,800 when new but now is valued by JD Powers at \$35,750. The annual registration fee, based on the original MSRP, is \$3,492. However the person who bought a 2022 motor home with the same current value of \$36,000 would pay only \$222.
2. In 1990, a custom made Prevost motor home could have cost at least \$2,000,000 but the current value of a comparable 30-year-old Prevost on RV Trader is around



\$130,000. The annual registration fee based on the original MSRP is \$12,000. By contrast, the person who last year bought a new motor home valued at \$130,000 would pay \$786 in annual registration fees.

While your calculation method may work for automobiles, SUV's, and non-commercial trucks, which generally have a much shorter life span, it does not work at all for motor homes which may still be operating 25-30 years after manufacture.

We respectfully request that you update your algorithms and tax rates for these older motor homes. The owners are extremely proud of their role in preserving these vintage recreational vehicles and do not wish to be forced to sell them because of Michigan registration fees.

There are a number of ways this issue could be approached, but one possible avenue is to update the statute to carve out an exception for older motor homes and apply either (1) a more equitable value such as current market value or (2) an adjusted tax rate to ensure that the registration fee is not such a large percent of the current value of the motor home.

I appreciate your attention to this issue and look forward to hearing your thoughts on this proposal.

Respectfully,



Rett Porter  
National President  
FMCA



Chris Smith  
Chief Executive Officer  
FMCA