

Licensed to Save Money

This article is aimed at our Michigan members. Canadian members can read it so long as they promise not to gloat over the fact that Michiganders sometimes have to pay more taxes than they do.

Some months ago, Hagerty Insurance asked the club to request it Michigan members to write their State representative protesting legislators' proposal to add, what in effect was a tax, to our insurance premiums. The Michigan Catastrophic Claims Association (MCCA) levy a fee to on each insured vehicle largely to pay for unlimited personal injury protection benefits.

Two years ago the fee was added at a rate of \$71 to each vehicle's premium, now it is \$100 and next year it will be \$127. Whether that was fair or not was not the question, what was arguable was whether a flat fee should be levied on all car insurance irrespective of the premium. For many in our club, the fee for low value cars, driven a limited amount each year, could double the premiums.

As it turns out, Hagerty and other lobbyists were partially successful in that law makers were persuaded to reduce the MCCA fee to \$20 for cars registered as Historic or Authentic. For this reason it may be worth considering whether it's time to insure your car in one of these categories.

Both Historic and Authentic plates are only available for vehicles that are:

- More than 25 year old
- Owned solely as a collector's item
- Used only for events such as historical club activities, parades, and car shows and not used for routine transportation.



Besides the considerable savings in the MCCA charge, cars carrying the navy blue with yellow lettering Historic plates pay only a \$30 license fee every 10 years. Alternatively, you can opt for an Authentic plate. You must first find an original license plate for the same year as your car. Note that each year, up to 1988, had a different plate color that may well not look good with your particular car. The fee to register this plate to your vehicle is \$35 but it is payable only once until you sell, transfer, scrap, or modify the vehicle.

You can get more information at the Secretary of State's office and at www.michigan.gov Authentic License Plates are available from a number of places including www.amchild.org a charity that asks for tax deductible donations rather than actually sells the plates.