

To J. A. O. Preus, Governor of the State of Minnesota.

Sir: I have the honor to transmit herewith the
biennial report of this department for the fiscal years ending
June 30, 1921 and June 30, 1922.

Mike Holm,
Secretary of State.

#2910

BIENNIAL REPORT
of the
SECRETARY OF STATE
Of Minnesota.

To the Senators and Members of the Forty-third Session of the
Legislature of the State of Minnesota.

The receipts for fees paid by candidates at the primaries
for June 19, 1922, as paid into this department and turned over
to the treasury, were \$4,740.00. The filing fees paid for new
corporations, by corporations renewing their corporate existence
or increasing their capital stock, and by foreign corporations
complying with the law during this two years period, amounted to
\$216,980.00 The receipts from all other sources amounted to
\$14,907.85.

Automobile Department.

The following is a brief summary of the receipts in this
department for the calendar years of 1921 and 1922.

The statement of these receipts is made for the periods
from January 1 to December 31 of each year for the reason that
the taxes collected and registrations made are for those
periods and hence I deem that this form of statement will be
more significant.

Jan. 1, 1921 to Dec. 31, 1921.

Jan. 1, 1922 to Dec. 31, 1922.

Registration Tax

Class	Number		Number	
A	142,072	\$1,669,882.19	176,344	\$2,124,010.04
B	161,658	3,326,824.34	164,978	3,483,080.34
T	15,970	200,639.56	28,014	390,104.59
X	8,924	383,330.55	11,221	434,864.81
Z	860	2,839.34	601	3,254.28
Motorcycles	3,168	<u>20,036.20</u>	3,240	<u>25,219.70</u>
Total		\$5,603,552.18		\$6,460,533.76.
Dealers Plates		42,862.00		28,584.25
Duplicate Plates & Certificates		3,711.25		8,712.50
Tax Exempt Plates		594.65		124.65
Chauffeurs Registration		10,328.50		12,860.00
Additional Fees				996.82
Interest on Checking Account		56.82		561.52
Licenses issued under old law before April 23, 1921		13,064.00		
Transfers under old law		117.00		
Extra Dealers plates under old law		41.00		
Telephone Calls		5.15		
Delayed 1921 Registration				<u>31,312.52</u>
Total		\$5,674,332.55		\$6,543,686.02

The work of this department was tremendously increased by the new registration law. The requirements for motor vehicle registration under the new law that went into effect April 23, 1921, are exceedingly complicated and technical when compared with the

requirements under the old law. In this radical departure from previous procedure the legislature endeavored to foresee as clearly as possible the varied complications that would arise. To their credit it should be said that they did well, but it could hardly have been expected that the law would be perfect.

Because the law was so new and because it did not in many cases clearly cover certain conditions which were not anticipated, administration of the law has been exceedingly difficult and laborious. During the first weeks of registration more than two-thirds of all the applications had to be returned for correction. The correspondence made necessary by these errors and misunderstanding of various technicalities of the law has been tremendous.

The volume of the business is startling to one who has not thought of the size and wealth of the State of Minnesota. Within the twelve month's period from May 1, 1921, to May 1, 1922, practically all of the more than 350,000 motor vehicles of the state were registered twice with the payment of over ten million dollars. During the rush period of registration this department daily mailed out on the average of twelve thousand pairs of plates which alone weighed approximately six tons. For each registration there was sent out a registration certificate and of each registration certificate there were made eight fac-simile copies. One complete set of these was furnished to each of the police departments of the three largest cities and the others were filed in our office either numerically or alphabetically, according to a definite system to make up the various files made necessary in order to keep a check from year to year on the registrations that should be made and were not made, and to give the public information with reference to the registration and ownership of vehicles in the state. A more detailed recommendation than can be included in this report is being made to the legislature of the desirable changes that would, in my opinion, improve the motor vehicle registration law.

The general criticism of the law is: First, that the tax is not equitable and, second, that the requirements as stated in the

law are not clear. The objections are centered about:

1. The valuation upon which the tax is computed
2. The classification of motor vehicles in the determination of the minimums.
3. The classification of motor vehicles as to exemptions.
4. The registration of so-called rebuilt cars.
5. The registration of motor vehicles brought in from other states.
6. The time for registration.
7. Dealers registrations.
8. Penalties for delayed registration.

I am recommending that:

1. Some plan be evolved which will make it possible to tax all corresponding models of the same make on the same valuation regardless of the fluctuations of market price.
2. A greater differentiation as to weight and value be made in determining the minimum tax for various motor vehicles.
3. A clearer statement be made as to the status under the law of a number of classes of used cars.
4. A clearer statement should be made as to when a motor vehicle by reason of wear and tear should cease to become subject to the tax and what should constitute a rebuilt vehicle insofar as the law should apply to make it first subject to the tax on the day when it is put into running order.
5. The registration of motor vehicles brought in to Minnesota under the registration of other states be more clearly defined so that bona-fide tourists for whom the privilege is intended may enjoy the hospitality that the state intends for them, and so that others shall be made to pay their just share of the tax.
6. A system of state inspection be provided which will insure better enforcement of the law, and that
7. A more effective method be evolved of collecting delinquent taxes.

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