

County and Municipal Excise and Wheel Tax Requirements

General Requirements (Effective July 1, 2017)

- Local units may not impose a wheel tax without concurrently imposing a local excise tax (and vice-versa).
- Municipalities must have a population of at least 5,000 residents to impose these taxes.
- Municipalities must have an INDOT approved transportation asset management plan (TAMP) in order to impose these taxes.
- Any county can impose these taxes, but counties must have an INDOT approved TAMP in order to impose the higher tax rates.

General Procedures (Effective July 1, 2017)

- Ordinances to impose, amend or revoke these taxes must be passed and provided to BMV and DOR on or before September 1 of the adoption year to go into effect on January 1. (Example: Ordinances provided on September 1, 2017 go into effect January 1, 2018).
- If a TAMP is required as a condition of the tax, the TAMP approval must also be provided to BMV and DOR on or before September 1 of the adoption year.
- Failure to adhere to the September 1 deadline will delay the tax for an additional year. (Example: Ordinance provided on September 2, 2017 cannot go into effect until January 1, 2019).
- Ordinances can impose the same tax rate on all eligible vehicles, or the ordinance can impose different rates for each of the eligible vehicle types.
- BMV sends an annual memo to all 92 county auditors and all fiscal officers of eligible municipalities explaining the requirements, deadlines and parameters of the taxes.
- BMV also sends a spreadsheet with all eligible vehicles to aid in creation of the ordinance and as the official report to BMV of the various tax rates being imposed.
- BMV coordinates all submissions with DOR to assist local units with full compliance.

Questions

BMV

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Eligible Vehicles

- County/Municipal Excise Tax
 - Passenger vehicles (cars)
 - Motorcycles
 - Motor driven cycles (scooters)
 - Trucks up to 11,000 pounds
- County/Municipal Wheel Tax
 - Heavy trucks (11,001+ pounds)
 - Semitractors
 - Trailers (light and heavy)
 - Recreational vehicles
 - Semitrailers
 - Buses

Allowable Tax Rates

- County Excise Tax (w/o TAMP)
 - Not less than 2% and not more than 10%; or
 - Not less than \$7.50 and not more than \$25
- County Excise Tax (w/TAMP)
 - Not less than 2% and not more than 20%; or
 - Not less than \$7.50 and not more than \$50
- County Wheel Tax (w/o TAMP)
 - Not less than \$5.00 and not more than \$40
- County Wheel Tax (w/TAMP)
 - Not less than \$5.00 and not more than \$80
- Municipal Excise Tax
 - Not less than \$7.50 and not more than \$25
- Municipal Wheel Tax
 - Not less than \$5.00 and not more than \$40