

HOUSE BILL No. 1677

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.5; IC 6-6-5-2; IC 9-18.1-11-5.

Synopsis: Vehicle taxes. Provides that the following taxes are due and shall be paid for the current registration year at the time a qualifying vehicle is registered: (1) A county vehicle excise tax. (2) A county wheel tax. (3) A municipal vehicle excise tax. (4) A municipal wheel tax. (5) A vehicle excise tax. Removes a provision that imposes an administrative penalty for not: (1) renewing; or (2) providing full payment for the renewal of; a vehicle registration. Makes conforming amendments.

Effective: July 1, 2019.

Wolkins

January 24, 2019, read first time and referred to Committee on Ways and Means.



First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1677

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-3.5-4-2, AS AMENDED BY P.L.256-2017,
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2019]: Sec. 2. (a) An adopting entity of any county may,
4 subject to the limitation imposed by subsection (f), adopt an ordinance
5 to impose a county vehicle excise tax in accordance with this chapter
6 on each vehicle listed in subsection (e) that is registered in the county.
7 (b) If a county does not use a transportation asset management plan
8 approved by the Indiana department of transportation, the adopting
9 entity of the county may impose the surtax either:
10 (1) at a rate of not less than two percent (2%) nor more than ten
11 percent (10%); or
12 (2) at a specific amount of at least seven dollars and fifty cents
13 (\$7.50) and not more than twenty-five dollars (\$25).
14 However, the surtax on a vehicle may not be less than seven dollars and
15 fifty cents (\$7.50). The adopting entity shall state the surtax rate or
16 amount in the ordinance which imposes the tax.
17 (c) If a county uses a transportation asset management plan



1 approved by the Indiana department of transportation, the adopting
2 entity of the county may impose the surtax either:

- 3 (1) at a rate of at least two percent (2%) and not more than twenty
4 percent (20%); or
5 (2) at a specific amount of at least seven dollars and fifty cents
6 (\$7.50) and not more than fifty dollars (\$50).

7 However, the surtax on a vehicle may not be less than seven dollars and
8 fifty cents (\$7.50). The adopting entity shall state the surtax rate or
9 amount in the ordinance that imposes the tax.

10 (d) Subject to the limits and requirements of this section, the
11 adopting entity may do any of the following:

- 12 (1) Impose the county vehicle excise tax at the same rate or
13 amount on each vehicle that is subject to the tax.
14 (2) Impose the county vehicle excise tax on vehicles subject to the
15 tax at one (1) or more different rates based on the class of vehicle
16 listed in subsection (e).

17 (e) The county vehicle excise tax applies to the following vehicles:

- 18 (1) Passenger vehicles.
19 (2) Motorcycles.
20 (3) Trucks with a declared gross weight that does not exceed
21 eleven thousand (11,000) pounds.
22 (4) Motor driven cycles.

23 (f) The adopting entity may not adopt an ordinance to impose the
24 surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to
25 impose the wheel tax.

26 (g) Notwithstanding any other provision of this chapter or
27 IC 6-3.5-5, ordinances adopted by a county council before June 1,
28 2013, to impose or change the county vehicle excise tax and the annual
29 wheel tax in the county remain in effect until the ordinances are
30 amended or repealed under this chapter or IC 6-3.5-5.

31 (h) A county vehicle excise tax imposed by this chapter for a vehicle
32 is due and shall be paid **each year for the current registration year**
33 at the time the vehicle is registered.

34 SECTION 2. IC 6-3.5-5-2, AS AMENDED BY P.L.256-2017,
35 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36 JULY 1, 2019]: Sec. 2. (a) The adopting entity of any county may,
37 subject to the limitation imposed by subsection (b), adopt an ordinance
38 to impose a county wheel tax in accordance with this chapter on each
39 vehicle that:

- 40 (1) is included in one (1) of the classes of vehicles listed in
41 section 3 of this chapter;
42 (2) is not exempt from the wheel tax under section 4 of this



1 chapter; and

2 (3) is registered in the county.

3 (b) The adopting entity of a county may not adopt an ordinance to
4 impose the wheel tax unless it concurrently adopts an ordinance under
5 IC 6-3.5-4 to impose the county vehicle excise tax.

6 (c) The adopting entity may impose the wheel tax at a different rate
7 for each of the classes of vehicles listed in section 3 of this chapter. In
8 addition, the adopting entity may establish different rates within the
9 classes of buses, semitrailers, trailers, tractors, and trucks based on
10 weight classifications of those vehicles that are established by the
11 bureau of motor vehicles for use throughout Indiana. However, the
12 wheel tax rate for a particular class or weight classification of vehicles:

13 (1) may not be less than five dollars (\$5) and may not exceed
14 forty dollars (\$40), if the county does not use a transportation
15 asset management plan approved by the Indiana department of
16 transportation; or

17 (2) may not be less than five dollars (\$5) and may not exceed
18 eighty dollars (\$80), if the county uses a transportation asset
19 management plan approved by the Indiana department of
20 transportation.

21 The adopting entity shall state the initial wheel tax rates in the
22 ordinance that imposes the tax.

23 (d) A wheel tax imposed by this chapter for a vehicle is due and
24 shall be paid **each year for the current registration year** at the time
25 the vehicle is registered.

26 SECTION 3. IC 6-3.5-10-2, AS AMENDED BY P.L.256-2017,
27 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 2019]: Sec. 2. (a) The fiscal body of an eligible municipality
29 may, subject to subsections (d) and (e), adopt an ordinance to impose
30 a municipal vehicle excise tax on each vehicle listed in subsection (c)
31 that is registered in the eligible municipality. The eligible municipality
32 may impose the surtax at a specific amount of:

33 (1) at least seven dollars and fifty cents (\$7.50); and

34 (2) not more than twenty-five dollars (\$25).

35 The eligible municipality shall state the surtax rate or amount in the
36 ordinance that imposes the tax.

37 (b) Subject to the limits and requirements of this section, the fiscal
38 body of an eligible municipality may do any of the following:

39 (1) Impose the municipal vehicle excise tax at the same amount
40 on each vehicle that is subject to the tax.

41 (2) Impose the municipal vehicle excise tax on vehicles subject to
42 the tax at one (1) or more different amounts based on the class of



- 1 vehicle listed in subsection (c).
- 2 (c) The municipal vehicle excise tax applies to the following
- 3 vehicles:
- 4 (1) Passenger vehicles.
- 5 (2) Motorcycles.
- 6 (3) Trucks with a declared gross weight that does not exceed
- 7 eleven thousand (11,000) pounds.
- 8 (4) Motor driven cycles.
- 9 (d) The fiscal body of an eligible municipality may not adopt an
- 10 ordinance to impose the surtax unless the fiscal body concurrently
- 11 adopts an ordinance under IC 6-3.5-11 to impose the municipal wheel
- 12 tax.
- 13 (e) The fiscal body of an eligible municipality may not adopt an
- 14 ordinance to impose the surtax unless the eligible municipality uses a
- 15 transportation asset management plan approved by the Indiana
- 16 department of transportation.
- 17 (f) A municipal vehicle excise tax imposed by this chapter for a
- 18 vehicle is due and shall be paid ~~each year~~ **for the current registration**
- 19 **year** at the time the vehicle is registered.
- 20 SECTION 4. IC 6-3.5-11-2, AS AMENDED BY P.L.256-2017,
- 21 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 22 JULY 1, 2019]: Sec. 2. (a) The fiscal body of an eligible municipality
- 23 may, subject to subsections (b) and (c), adopt an ordinance to impose
- 24 a municipal wheel tax in accordance with this chapter on each vehicle
- 25 that:
- 26 (1) is included in one (1) of the classes of vehicles listed in
- 27 section 3 of this chapter;
- 28 (2) is not exempt from the wheel tax under section 4 of this
- 29 chapter; and
- 30 (3) is registered in the eligible municipality.
- 31 (b) The fiscal body of an eligible municipality may not adopt an
- 32 ordinance to impose the wheel tax unless the fiscal body concurrently
- 33 adopts an ordinance under IC 6-3.5-10 to impose the municipal vehicle
- 34 excise tax.
- 35 (c) The fiscal body of an eligible municipality may not adopt an
- 36 ordinance to impose the wheel tax unless the eligible municipality uses
- 37 a transportation asset management plan approved by the Indiana
- 38 department of transportation.
- 39 (d) The fiscal body of an eligible municipality may impose the
- 40 wheel tax at a different rate for each of the classes of vehicles listed in
- 41 section 3 of this chapter. In addition, the fiscal body may establish
- 42 different rates within the classes of buses, recreational vehicles,



1 semitrailers, trailers, tractors, and trucks based on weight
 2 classifications of those vehicles that are established by the bureau of
 3 motor vehicles for use throughout Indiana. However, the wheel tax rate
 4 for a particular class or weight classification of vehicles may not be less
 5 than five dollars (\$5) and may not exceed forty dollars (\$40). The fiscal
 6 body shall state the initial wheel tax rates in the ordinance that imposes
 7 the tax.

8 (e) A wheel tax imposed by this chapter for a vehicle is due and
 9 shall be paid **each year for the current registration year** at the time
 10 the vehicle is registered.

11 SECTION 5. IC 6-6-5-2, AS AMENDED BY P.L.256-2017,
 12 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2019]: Sec. 2. (a) The vehicle excise tax is imposed on the
 14 following vehicles in accordance with this chapter:

- 15 (1) Passenger motor vehicles.
- 16 (2) Motorcycles.
- 17 (3) Motor driven cycles.
- 18 (4) Collector vehicles.
- 19 (5) Trailer vehicles with a declared gross weight of nine thousand
 20 (9,000) pounds or less.
- 21 (6) Trucks with a declared gross weight of eleven thousand
 22 (11,000) pounds or less.
- 23 (7) Mini-trucks.
- 24 (8) Military vehicles.

25 (b) The vehicle excise tax is imposed on a vehicle:

- 26 (1) instead of the ad valorem property tax levied for state or local
 27 purposes; and
- 28 (2) in addition to any registration fees imposed under IC 9-18.1 on
 29 the vehicle.

30 (c) The vehicle excise tax imposed by this chapter is a listed tax and
 31 subject to the provisions of IC 6-8.1.

32 (d) The vehicle excise tax imposed by this chapter for a vehicle is
 33 due and shall be paid **each year for the current registration year** at
 34 the time the vehicle is registered.

35 SECTION 6. IC 9-18.1-11-5, AS AMENDED BY P.L.256-2017,
 36 SECTION 124, IS AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) The bureau shall collect an
 38 administrative penalty of fifteen dollars (\$15) from the following
 39 persons:

- 40 (1) A person that fails to:
 - 41 (A) register; or
 - 42 (B) provide full payment for the registration of;



1 a vehicle within forty-five (45) days after the date on which the
2 person acquires the vehicle.
3 ~~(2) A person that fails to:~~
4 ~~(A) renew; or~~
5 ~~(B) provide full payment for the renewal of;~~
6 ~~the registration of a vehicle by the date on which the registration~~
7 ~~expires.~~
8 ~~(3) (2) A person who:~~
9 ~~(A) owns a vehicle;~~
10 ~~(B) becomes an Indiana resident; and~~
11 ~~(C) fails to register or provide full payment for the registration~~
12 ~~of;~~
13 a vehicle within sixty (60) days after the person becomes an
14 Indiana resident.
15 (b) An administrative penalty collected under subsection (a) shall
16 be deposited in the commission fund.
17 (c) A person described in subsection (a) commits a Class C
18 infraction.

