

WHEEL TAX & EXCISE SURTAX OVERVIEW



Local Technical Assistance Program

The Wheel Tax and Excise Surtax are local taxes used to fund the construction, reconstruction, repair, or maintenance of county, city, and town road facilities. All counties are eligible to adopt a **County Wheel Tax (IC 6-3.5-5)** and **County Excise Surtax (IC 6-3.5-4)** and municipal governments with a population greater than 5,000 are eligible to enact a **Municipal Wheel Tax (IC 6-3.5-11)** and **Municipal Excise Surtax (IC 6-3.5-10)**.

Adoption Timeline — Both taxes must be adopted by **September 1** in order to go into effect on **January 1** of the following year.

EXCISE SURTAX (IC 6-3.5-4 & IC 6-3.5-10)

Applicable Vehicles

This tax applies to all vehicles subject to the motor vehicle excise tax as outlined in IC 6-6-5 including:

- Passenger Vehicles
- Trucks <= 11,000 pounds
- Motorcycles
- Motor Driven Cycles (Mopeds)
- Trailer <= 9,000 pounds
- Collector Vehicles
- Mini Trucks

Allowable Rates

Flat Rate

- **Municipalities**
 - Minimum of \$7.50
 - Maximum of \$25
- **Counties**
 - Minimum of \$7.50
 - Maximum of \$50

Percentage Rate (Counties Only)

- Minimum of 2%
- Maximum of 20%

WHEEL TAX (IC 6-3.5-5 & IC 6-3.5-11)

Applicable Vehicles

This tax applies to all other vehicles including:

- Trailer > 9,000 pounds
- Truck > 11,000 pounds
- Buses
- Semi-Tractors
- Semi-Trailers
- RVs

Allowable Rates

Flat Rate

- **Municipalities**
 - Minimum of \$5
 - Maximum of \$40
- **Counties**
 - Minimum of \$5
 - Maximum of \$80

ADDITIONAL INFORMATION

Both taxes must be adopted concurrently and no single vehicle would pay both the wheel tax and excise surtax. If a county has imposed a county wheel tax/excise surtax and a municipality within that county has adopted a municipal wheel tax/excise surtax, then a vehicle registered in that municipality would pay both the county and municipal wheel tax or excise surtax.

To view estimated revenue at minimum & maximum rates, visit ***inltap.info/LOHUT***

