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# ENGROSSED HOUSE BILL No. 1033

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DIGEST OF HB1033 (Updated February 19, 1998 10:42 am - DI 44)

**Citations Affected:** IC 6-6.

**Synopsis:** Motor vehicle excise tax. Provides that if a person: (1) fails to register a vehicle with the bureau of motor vehicles; (2) fails to pay the motor vehicle excise tax; and (3) displays on the vehicle a license plate issued by another state, any interest or penalties for the delinquent excise tax that is collected by the department of state revenue (minus a reasonable amount determined by the department for administrative expenses) shall be deposited in the state general fund for distribution to the county in which the person resides.

**Effective:** July 1, 1998.

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**Ayres, Stevenson, Fesko, Bauer,  
Kruse, Kuzman, Budak,  
Villalpando, Mock, Bottorff**

(SENATE SPONSORS — LANDSKE, ALEXA, KENLEY, GERY, K. ADAMS)

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January 6, 1998, read first time and referred to Committee on Ways and Means.  
January 26, 1998, amended, reported — Do Pass.  
January 29, 1998, read second time, ordered engrossed. Engrossed.  
February 3, 1998, read third time, passed. yeas 94, nays 4.

SENATE ACTION

February 9, 1998, read first time and referred to Committee on Finance.  
February 19, 1998, reported favorably — Do Pass.

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Second Regular Session 110th General Assembly (1998)

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 1997 General Assembly.

## HOUSE ENROLLED ACT No. 1033

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AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 6-6-5-9, AS AMENDED BY P.L.62-1996, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 9. (a) The bureau, in the administration and collection of the annual license excise tax imposed by this chapter, may utilize the services and facilities of license branches operated under IC 9-16 in its administration of the motor vehicle registration laws of the state of Indiana. The license branches may be so utilized in accordance with such procedures, in such manner, and to such extent as the bureau shall deem necessary and proper to implement and effectuate the administration and collection of the excise tax imposed by this chapter. However, in the event the bureau shall utilize such license branches in the collection of excise tax, the following apply:

(1) The excise taxes so collected by each license branch shall be deposited daily by the license branch in a separate account in a depository duly designated by the state board of finance. The county treasurer of the county for which the collections are due may withdraw funds from the account at least two (2) times each week. The county treasurer is responsible for the safekeeping and investment of money withdrawn by the county treasurer under this

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subsection. Before the eleventh day of the month following the month in which the collections are made, the bureau of motor vehicles shall report the excise taxes collected outside the county to the county treasurer of the county to which the collections are due. The bureau shall forward a copy of this excise tax report to the county auditor of the county.

(2) A license branch shall each week forward a report to the county auditor of the county to whom the collections are due, showing the excise tax collected on each vehicle and a copy of each registration certificate for all collections within the county.

(3) Each license branch shall also report to the bureau all excise taxes collected under this chapter in the same manner and at the same time as registration fees are reported.

(4) Premiums for insurance to protect the funds collected by license branches against theft shall be paid by the bureau, except that the bureau may issue blanket coverage for all branches at its discretion. At the discretion of the bureau, the bureau may:

(A) self-insure to cover the activities of the license branches; or

(B) rather than purchase a bond or crime policy for each branch, purchase a single blanket bond or crime insurance policy endorsed to include faithful performance to cover all branches.

(5) If the services of a license branch are used by the bureau in the collection of the excise tax imposed by this chapter, the license branch shall collect the service charge prescribed under IC 9-29 for each vehicle registered upon which an excise tax is collected by that branch.

(6) If the excise tax imposed by this chapter is collected by the department of state revenue, the money collected shall be deposited in the state general fund to the credit of the appropriate county and reported to the bureau of motor vehicles on the first working day following the week of collection. **Except as provided in subdivision (7),** any amount collected by the department which represents interest or a penalty shall be retained by the department and used to pay its costs of enforcing this chapter.

**(7) This subdivision applies only to interest or a penalty collected by the department of state revenue from a person who:**

**(A) fails to properly register a vehicle as required by IC 9-18 and pay the tax due under this chapter; and**

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**(B) during any time after the date by which the vehicle was required to be registered under IC 9-18 displays on the vehicle a license plate issued by another state.**

**The total amount collected by the department that represents interest or a penalty, minus a reasonable amount determined by the department to represent its administrative expenses, shall be deposited in the state general fund for the credit of the county in which the person resides. The amount shall be reported to the bureau of motor vehicles on the first working day following the week of collection.**

The bureau may contract with a bank card or credit card vendor for acceptance of bank or credit cards. However, if there is a vendor transaction charge or discount fee, whether billed to the bureau or charged directly to the bureau's account, the bureau shall collect from the person using the card an official fee that may not exceed the highest transaction charge or discount fee charged to the bureau by bank or credit card vendors during the most recent collection period. This fee may be collected regardless of retail merchant agreements between the bank and credit card vendors that may prohibit such a fee. The fee is a permitted additional charge under IC 24-4.5-3-202.

(b) On or before April 1 of each year the bureau shall provide to the auditor of state the amount of motor vehicle excise taxes collected for each county for the preceding year.

(c) On or before May 10 and November 10 of each year the auditor of state shall distribute to each county one-half (1/2) of:

**(1) the amount of delinquent taxes; and**

**(2) any penalty or interest described in subsection (a)(7);**

that have been credited to the county under subsection (a). There is appropriated from the state general fund the amount necessary to make the distributions required by this subsection. The county auditor shall apportion and distribute the delinquent tax distributions to the taxing units in the county at the same time and in the same manner as excise taxes are apportioned and distributed under section 10 of this chapter.

(d) The commissioner of insurance shall prescribe the form of the bonds or crime policies required by this section.

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