



February 18, 2005

HOUSE BILL No. 1496

DIGEST OF HB 1496 (Updated February 16, 2005 8:30 pm - DI 44)

Citations Affected: IC 6-3.5.

Synopsis: Wheel tax and excise surtax exemption. Provides that a county may adopt an ordinance to exempt a vehicle owned by a person who is at least 65 years of age and whose state adjusted gross income does not exceed \$25,000 from the wheel tax, the license excise surtax, or both.

Effective: July 1, 2005.

Dvorak, Fry, Neese

January 18, 2005, read first time and referred to Committee on Ways and Means.
February 17, 2005, reported — Do Pass.

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HB 1496—LS 6736/DI 103+



February 18, 2005

First Regular Session 114th General Assembly (2005)

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 2004 Regular Session of the General Assembly.

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HOUSE BILL No. 1496

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 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The county
3 council of any county may, subject to the ~~limitation~~ **limitations**
4 imposed by ~~subsection~~ **subsections (c) and (d)**, adopt an ordinance to
5 impose an annual license excise surtax at the same rate or amount on
6 each motor vehicle listed in subsection (b) that is registered in the
7 county. The county council may impose the surtax either:
8 (1) at a rate of not less than two percent (2%) nor more than ten
9 percent (10%); or
10 (2) at a specific amount of at least seven dollars and fifty cents
11 (\$7.50) and not more than twenty-five dollars (\$25).
12 However, the surtax on a vehicle may not be less than seven dollars and
13 fifty cents (\$7.50). The county council shall state the surtax rate or
14 amount in the ordinance which imposes the tax.
15 (b) The license excise surtax applies to the following vehicles:
16 (1) Passenger vehicles.
17 (2) Motorcycles.

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1 (3) Trucks with a declared gross weight that does not exceed
2 eleven thousand (11,000) pounds.

3 (c) The county council may not adopt an ordinance to impose the
4 surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to
5 impose the wheel tax.

6 **(d) A county council that adopts an ordinance under subsection**
7 **(a) may adopt an ordinance to exempt from the surtax a vehicle**
8 **that is owned by a person:**

9 (1) who is at least sixty-five (65) years of age on or before
10 December 31 of the year preceding the year in which the
11 surtax is due; and

12 (2) whose adjusted gross income (as defined in IC 6-3-1-3.5)
13 for the year preceding the year in which the surtax is due does
14 not exceed twenty-five thousand dollars (\$25,000).

15 **For purposes of this subsection, a person's adjusted gross income**
16 **includes the adjusted gross income of the person's spouse and any**
17 **other person with whom ownership of the vehicle is shared, if**
18 **applicable.**

19 ~~(d)~~ (e) Notwithstanding any other provision of this chapter or
20 IC 6-3.5-5, ordinances adopted by a county council before June 1,
21 1983, to impose or change the annual license excise surtax and the
22 annual wheel tax in the county remain in effect until the ordinances are
23 amended or repealed under this chapter or IC 6-3.5-5.

24 SECTION 2. IC 6-3.5-5-2 IS AMENDED TO READ AS
25 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The county
26 council of any county may, subject to the limitation imposed by
27 subsection (b), adopt an ordinance to impose an annual wheel tax on
28 each vehicle which:

29 (1) is included in one (1) of the classes of vehicles listed in
30 section 3 of this chapter;

31 (2) is not exempt from the wheel tax under section 4 of this
32 chapter; ~~and~~

33 **(3) is not exempt under an ordinance adopted under**
34 **subsection (d); and**

35 ~~(3)~~ (4) is registered in the county.

36 (b) The county council of a county may not adopt an ordinance to
37 impose the wheel tax unless it concurrently adopts an ordinance under
38 IC 6-3.5-4 to impose the annual license excise surtax.

39 (c) The county council may impose the wheel tax at a different rate
40 for each of the classes of vehicles listed in section 3 of this chapter. In
41 addition, the county council may establish different rates within the
42 classes of buses, semitrailers, trailers, tractors, and trucks based on

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

7 **(d) A county council that adopts an ordinance under subsection**
8 **(a) may adopt an ordinance to exempt from the wheel tax a vehicle**
9 **that is owned by a person:**

10 **(1) who is at least sixty-five (65) years of age on or before**
11 **December 31 of the year preceding the year in which the**
12 **wheel tax is due; and**

13 **(2) whose adjusted gross income (as defined in IC 6-3-1-3.5)**
14 **for the year preceding the year in which the wheel tax is due**
15 **does not exceed twenty-five thousand dollars (\$25,000).**

16 **For purposes of this subsection, a person's adjusted gross income**
17 **includes the adjusted gross income of the person's spouse and any**
18 **other person with whom ownership of the vehicle is shared, if**
19 **applicable.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1496, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

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Committee Vote: yeas 15, nays 2.

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