

SENATE BILL No. 150

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.5.

Synopsis: County excise surtax and wheel tax. Permits a county income tax council to adopt, increase, decrease, or rescind a motor vehicle excise surtax and a wheel tax for a county.

Effective: May 1, 2012.

Boots

January 4, 2012, read first time and referred to Committee on Local Government.

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Second Regular Session 117th General Assembly (2012)

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 2011 Regular Session of the General Assembly.

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SENATE BILL No. 150



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

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

1 SECTION 1. IC 6-3.5-4-1 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE MAY 1, 2012]: Sec. 1. As used in this
 3 chapter:
 4 **"Adopting entity" means either the county council or the**
 5 **county income tax council established by IC 6-3.5-6-2 for the**
 6 **county, whichever adopts an ordinance to impose a surtax**
 7 **first.**
 8 "Branch office" means a branch office of the bureau of motor
 9 vehicles.
 10 "County council" includes the city-county council of a county that
 11 contains a consolidated city of the first class.
 12 "Motor vehicle" means a vehicle which is subject to the annual
 13 license excise tax imposed under IC 6-6-5.
 14 "Net annual license excise tax" means the tax due under IC 6-6-5
 15 after the application of the adjustments and credits provided by
 16 that chapter.
 17 "Surtax" means the annual license excise surtax imposed by a



1 county council an adopting entity under this chapter.
 2 SECTION 2. IC 6-3.5-4-1.1 IS ADDED TO THE INDIANA CODE
 3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MAY
 4 1, 2012]: **Sec. 1.1. For purposes of acting as the adopting entity**
 5 **under this chapter, a county income tax council is comprised of the**
 6 **same members as the county income tax council that is established**
 7 **by IC 6-3.5-6-2 for the county (regardless of the income tax that**
 8 **may be in effect in the county). The county income tax council shall**
 9 **use the same procedures that apply under IC 6-3.5-6 when acting**
 10 **as an adopting entity under this chapter.**
 11 SECTION 3. IC 6-3.5-4-2 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE MAY 1, 2012]: Sec. 2. (a) ~~The county~~
 13 **council An adopting entity** of any county may, subject to the
 14 limitation imposed by subsection (c), adopt an ordinance to impose an
 15 annual license excise surtax at the same rate or amount on each motor
 16 vehicle listed in subsection (b) that is registered in the county. The
 17 ~~county council~~ **adopting entity** may impose the surtax either:
 18 (1) at a rate of not less than two percent (2%) nor more than ten
 19 percent (10%); or
 20 (2) at a specific amount of at least seven dollars and fifty cents
 21 (\$7.50) and not more than twenty-five dollars (\$25).
 22 However, the surtax on a vehicle may not be less than seven dollars and
 23 fifty cents (\$7.50). The ~~county council~~ **adopting entity** shall state the
 24 surtax rate or amount in the ordinance which imposes the tax.
 25 (b) The license excise surtax applies to the following vehicles:
 26 (1) Passenger vehicles.
 27 (2) Motorcycles.
 28 (3) Trucks with a declared gross weight that does not exceed
 29 eleven thousand (11,000) pounds.
 30 (c) The ~~county council~~ **adopting entity** may not adopt an ordinance
 31 to impose the surtax unless it concurrently adopts an ordinance under
 32 IC 6-3.5-5 to impose the wheel tax.
 33 (d) Notwithstanding any other provision of this chapter or
 34 IC 6-3.5-5, ordinances adopted by a county council before ~~June 1,~~
 35 ~~1983,~~ **May 1, 2012,** to impose or change the annual license excise
 36 surtax and the annual wheel tax in the county remain in effect until the
 37 ordinances are amended or repealed under this chapter or IC 6-3.5-5.
 38 SECTION 4. IC 6-3.5-4-3 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE MAY 1, 2012]: Sec. 3. If ~~a county council~~
 40 **an adopting entity** adopts an ordinance imposing the surtax after
 41 December 31 but before July 1 of the following year, a motor vehicle
 42 is subject to the tax if it is registered in the county after December 31

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1 of the year in which the ordinance is adopted. If a **county council an**
 2 **adopting entity** adopts an ordinance imposing the surtax after June 30
 3 but before the following January 1, a motor vehicle is subject to the tax
 4 if it is registered in the county after December 31 of the year following
 5 the year in which the ordinance is adopted. However, in the first year
 6 the surtax is effective, the surtax does not apply to the registration of
 7 a motor vehicle for the registration year that commenced in the
 8 calendar year preceding the year the surtax is first effective.

9 SECTION 5. IC 6-3.5-4-4 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE MAY 1, 2012]: Sec. 4. (a) After January 1
 11 but before July 1 of any year, the **county council adopting entity** may,
 12 subject to the limitations imposed by subsection (b), adopt an
 13 ordinance to rescind the surtax. If the **county council adopting entity**
 14 adopts such an ordinance, the surtax does not apply to a motor vehicle
 15 registered after December 31 of the year the ordinance is adopted.

16 (b) The **county council adopting entity** may not adopt an ordinance
 17 to rescind the surtax unless it concurrently adopts an ordinance under
 18 IC 6-3.5-5 to rescind the wheel tax. In addition, the **county council**
 19 **adopting entity** may not adopt an ordinance to rescind the surtax if:

20 (1) any portion of a loan obtained by the county under IC 8-14-8
 21 is unpaid; or if

22 (2) any bonds issued by the county under:

23 (A) IC 8-14-9; or

24 (B) **IC 8-18-22;**

25 are outstanding.

26 SECTION 6. IC 6-3.5-4-5 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE MAY 1, 2012]: Sec. 5. (a) The **county**
 28 **council adopting entity** may, subject to the limitations imposed by
 29 subsection (b), adopt an ordinance to increase or decrease the surtax
 30 rate or amount. The new surtax rate or amount must be within the range
 31 of rates or amounts prescribed by section 2 of this chapter. A new rate
 32 or amount that is established by an ordinance that is adopted after
 33 December 31 but before July 1 of the following year applies to motor
 34 vehicles registered after December 31 of the year in which the
 35 ordinance to change the rate or amount is adopted. A new rate or
 36 amount that is established by an ordinance that is adopted after June 30
 37 but before January 1 of the following year applies to motor vehicles
 38 registered after December 31 of the year following the year in which
 39 the ordinance is adopted.

40 (b) The **county council adopting entity** may not adopt an ordinance
 41 to decrease the surtax rate or amount under this section if:

42 (1) any portion of a loan obtained by the county under IC 8-14-8

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1 is unpaid; or if
 2 **(2)** any bonds issued by the county under:
 3 **(A)** IC 8-14-9; or
 4 **(B) IC 8-18-22;**
 5 are outstanding.

6 SECTION 7. IC 6-3.5-4-6 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE MAY 1, 2012]: Sec. 6. If a ~~county council~~
 8 **an adopting entity** adopts an ordinance to impose, rescind, or change
 9 the rate or amount of the surtax, the ~~county council~~ **adopting entity**
 10 shall send a copy of the ordinance to the commissioner of the bureau
 11 of motor vehicles.

12 SECTION 8. IC 6-3.5-5-1, AS AMENDED BY P.L.211-2007,
 13 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 MAY 1, 2012]: Sec. 1. As used in this chapter:

15 **"Adopting entity" means either the county council or the county**
 16 **income tax council established by IC 6-3.5-6-2 for the county,**
 17 **whichever adopts an ordinance to impose a wheel tax first.**

18 "Branch office" means a branch office of the bureau of motor
 19 vehicles.

20 "Bus" has the meaning set forth in IC 9-13-2-17(a).

21 "Commercial motor vehicle" has the meaning set forth in
 22 IC 6-6-5.5-1(c).

23 "County council" includes the city-county council of a county that
 24 contains a consolidated city of the first class.

25 "In-state miles" has the meaning set forth in IC 6-6-5.5-1(i).

26 "Political subdivision" has the meaning set forth in IC 34-6-2-110.

27 "Recreational vehicle" has the meaning set forth in IC 9-13-2-150.

28 "Semitrailer" has the meaning set forth in IC 9-13-2-164(a).

29 "State agency" has the meaning set forth in IC 34-6-2-141.

30 "Tractor" has the meaning set forth in IC 9-13-2-180.

31 "Trailer" has the meaning set forth in IC 9-13-2-184(a).

32 "Truck" has the meaning set forth in IC 9-13-2-188(a).

33 "Wheel tax" means the tax imposed under this chapter.

34 SECTION 9. IC 6-3.5-5-1.1 IS ADDED TO THE INDIANA CODE
 35 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE MAY
 36 1, 2012]: **Sec. 1.1. For purposes of acting as the adopting entity**
 37 **under this chapter, a county income tax council is comprised of the**
 38 **same members as the county income tax council that is established**
 39 **by IC 6-3.5-6-2 for the county (regardless of the income tax that**
 40 **may be in effect in the county). The county income tax council shall**
 41 **use the same procedures that apply under IC 6-3.5-6 when acting**
 42 **as an adopting entity under this chapter.**



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1 SECTION 10. IC 6-3.5-5-2 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE MAY 1, 2012]: Sec. 2. (a) The ~~county~~
 3 **council adopting entity** of any county may, subject to the limitation
 4 imposed by subsection (b), adopt an ordinance to impose an annual
 5 wheel tax on each vehicle which:

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

8 (2) is not exempt from the wheel tax under section 4 of this
 9 chapter; and

10 (3) is registered in the county.

11 (b) The ~~county council~~ **adopting entity** of a county may not adopt
 12 an ordinance to impose the wheel tax unless it concurrently adopts an
 13 ordinance under IC 6-3.5-4 to impose the annual license excise surtax.

14 (c) The ~~county council~~ **adopting entity** may impose the wheel tax
 15 at a different rate for each of the classes of vehicles listed in section 3
 16 of this chapter. In addition, the ~~county council~~ **adopting entity** may
 17 establish different rates within the classes of buses, semitrailers,
 18 trailers, tractors, and trucks based on weight classifications of those
 19 vehicles that are established by the bureau of motor vehicles for use
 20 throughout Indiana. However, the wheel tax rate for a particular class
 21 or weight classification of vehicles may not be less than five dollars
 22 (\$5) and may not exceed forty dollars (\$40). The ~~county council~~
 23 **adopting entity** shall state the initial wheel tax rates in the ordinance
 24 that imposes the tax.

25 SECTION 11. IC 6-3.5-5-5 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE MAY 1, 2012]: Sec. 5. If a ~~county council~~
 27 **an adopting entity** adopts an ordinance imposing the wheel tax after
 28 December 31 but before July 1 of the following year, a vehicle
 29 described in section 2(a) of this chapter is subject to the tax if it is
 30 registered in the county after December 31 of the year in which the
 31 ordinance is adopted. If a ~~county council~~ **an adopting entity** adopts an
 32 ordinance imposing the wheel tax after June 30 but before the
 33 following January 1, a vehicle described in section 2(a) of this chapter
 34 is subject to the tax if it is registered in the county after December 31
 35 of the year following the year in which the ordinance is adopted.
 36 However, in the first year the tax is effective, the tax does not apply to
 37 the registration of a motor vehicle for the registration year that
 38 commenced in the calendar year preceding the year the tax is first
 39 effective.

40 SECTION 12. IC 6-3.5-5-6 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE MAY 1, 2012]: Sec. 6. (a) After January 1
 42 but before July 1 of any year, the ~~county council~~ **adopting entity** may,

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1 subject to the limitations imposed by subsection (b), adopt an
 2 ordinance to rescind the wheel tax. If the **county council adopting**
 3 **entity** adopts such an ordinance, the wheel tax does not apply to a
 4 vehicle registered after December 31 of the year the ordinance is
 5 adopted.

6 (b) The **county council adopting entity** may not adopt an ordinance
 7 to rescind the wheel tax unless it concurrently adopts an ordinance
 8 under IC 6-3.5-4 to rescind the annual license excise surtax. In
 9 addition, the **county council adopting entity** may not adopt an
 10 ordinance to rescind the wheel tax if:

11 (1) any portion of a loan obtained by the county under IC 8-14-8
 12 is unpaid; or if

13 (2) any bonds issued by the county under:

14 (A) IC 8-14-9; or

15 (B) **IC 8-18-22;**

16 are outstanding.

17 SECTION 13. IC 6-3.5-5-7 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE MAY 1, 2012]: Sec. 7. (a) The **county**
 19 **council adopting entity** may, subject to the limitations imposed by
 20 subsection (b), adopt an ordinance to increase or decrease the wheel tax
 21 rates. The new wheel tax rates must be within the range of rates
 22 prescribed by section 2 of this chapter. New rates that are established
 23 by an ordinance that is adopted after December 31 but before July 1 of
 24 the following year apply to vehicles registered after December 31 of the
 25 year in which the ordinance to change the rates is adopted. New rates
 26 that are established by an ordinance that is adopted after June 30 but
 27 before July 1 of the following year apply to motor vehicles registered
 28 after December 31 of the year following the year in which the
 29 ordinance is adopted.

30 (b) The **county council adopting entity** may not adopt an ordinance
 31 to decrease the wheel tax rate under this section if:

32 (1) any portion of a loan obtained by the county under IC 8-14-8
 33 is unpaid; or if

34 (2) any bonds issued by the county under:

35 (A) IC 8-14-9; or

36 (B) **IC 8-18-22;**

37 are outstanding.

38 SECTION 14. IC 6-3.5-5-8 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE MAY 1, 2012]: Sec. 8. If a **county council**
 40 **an adopting entity** adopts an ordinance to impose, rescind, or change
 41 the rates of the wheel tax, the **county council adopting entity** shall
 42 send a copy of the ordinance to the commissioner of the bureau of

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1 motor vehicles.
2 SECTION 15. **An emergency is declared for this act.**

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