

IC 6-6-9.5

Chapter 9.5. Vanderburgh County Supplemental Auto Rental Excise Tax

IC 6-6-9.5-1**Application of chapter**

Sec. 1. This chapter applies to Vanderburgh County.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-2**"Department"**

Sec. 2. As used in this chapter, "department" refers to the department of state revenue.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-3**"Gross retail income"**

Sec. 3. As used in this chapter, "gross retail income" has the meaning set forth in IC 6-2.5-1-5.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-4**"Passenger motor vehicle"**

Sec. 4. As used in this chapter, "passenger motor vehicle" has the meaning set forth in IC 9-13-2-123.

As added by P.L.214-2005, SEC.22. Amended by P.L.214-2007, SEC.3.

IC 6-6-9.5-5**"Person"**

Sec. 5. As used in this chapter, "person" has the meaning set forth in IC 6-2.5-1-3.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-6**"Retail merchant"**

Sec. 6. As used in this chapter, "retail merchant" has the meaning set forth in IC 6-2.5-1-8.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-7**Imposition of tax; ordinance; rate; notices**

Sec. 7. (a) The legislative body of the most populous city in the county may adopt an ordinance to impose an excise tax, known as the county supplemental auto rental excise tax, upon the rental of passenger motor vehicles in the county for periods of less than thirty (30) days. The ordinance must specify that the tax expires December 31, 2036.

(b) The county supplemental auto rental excise tax that may be imposed upon the rental of a passenger motor vehicle is two percent

(2%) of the gross retail income received by the retail merchant for the rental.

(c) If the city legislative body adopts an ordinance under subsection (a), the city legislative body shall immediately send a certified copy of the ordinance to the commissioner of the department.

(d) If the city legislative body adopts an ordinance under subsection (a) before June 1 of a year, the county supplemental auto rental excise tax applies to auto rentals after June 30 of the year in which the ordinance is adopted. If the city legislative body adopts an ordinance under subsection (a) on or after June 1 of a year, the county supplemental auto rental excise tax applies to auto rentals after the last day of the month in which the ordinance is adopted.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-8

Exemptions

Sec. 8. (a) The rental of a passenger motor vehicle by a funeral director licensed under IC 25-15 is exempt from the county supplemental auto rental excise tax if the rental is part of the services provided by the funeral director for a funeral.

(b) The temporary rental of a passenger motor vehicle is exempt from the county supplemental auto rental excise tax if the rental is:

- (1) made or reimbursed under a contract or agreement:
 - (A) between a provider and a person;
 - (B) given for consideration over and above the lease or purchase price of a motor vehicle; and
 - (C) that undertakes to perform or provide repair or replacement service, or indemnification for that service, for the operational or structural failure of a motor vehicle due to a defect in materials or skill of work or normal wear and tear;
- (2) made or reimbursed under a contract for mechanical breakdown insurance;
- (3) made or reimbursed under a contract for automobile collision insurance or automobile comprehensive insurance that covers the temporary lease of a vehicle to a person after the person's vehicle is damaged or destroyed in a collision; or
- (4) otherwise provided to a person as a replacement vehicle:
 - (A) while the person's vehicle is repaired or serviced due to a defect in materials or skill of work, normal wear and tear, or other damage; or
 - (B) until the person permanently replaces a vehicle that has been destroyed.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-9

Liability for tax; collection

Sec. 9. A person that rents a passenger motor vehicle is liable for the county supplemental auto rental excise tax. The person shall pay

the tax to the retail merchant as a separate amount added to the consideration for the rental. The retail merchant shall collect the tax as an agent for the state.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-10

Imposition; payment; collection; returns

Sec. 10. (a) Except as otherwise provided in this section, the county supplemental auto rental excise tax shall be imposed, paid, and collected in the same manner that the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(b) Each retail merchant filing a return for the county supplemental auto rental excise tax shall indicate in the return:

- (1) all locations in the county where the retail merchant collected county supplemental auto rental excise taxes; and
- (2) the amount of county supplemental auto rental excise taxes collected at each location.

(c) The return to be filed for the payment of the county supplemental auto rental excise tax may be:

- (1) a separate return;
- (2) combined with the return filed for the payment of the auto rental excise tax under IC 6-6-9; or
- (3) combined with the return filed for the payment of the state gross retail tax;

as prescribed by the department.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-11

Distribution

Sec. 11. The amounts received from the tax imposed under this chapter shall be paid monthly by the treasurer of state to the fiscal officer of the most populous city in the county upon warrants issued by the auditor of state.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-12

Supplemental auto rental excise tax fund; uses

Sec. 12. (a) If a tax is imposed under section 7 of this chapter, the fiscal officer of the most populous city in the county shall establish a supplemental auto rental excise tax fund.

(b) The city fiscal officer shall deposit in the supplemental auto rental excise tax fund all amounts received under this chapter.

(c) Any money earned from the investment of money in the supplemental auto rental excise tax fund becomes a part of the fund.

(d) Money in the supplemental auto rental excise tax fund shall be used by the city legislative body for capital improvements in the city that promote conventions, tourism, or recreation.

As added by P.L.214-2005, SEC.22.

IC 6-6-9.5-13

Expiration

Sec. 13. This chapter expires January 1, 2036.
As added by P.L.214-2005, SEC.22.