



## Motor Vehicle License Tax

### Taxpayer

Operators of motor vehicles on the public roads or highways.

### Tax Base

Motor vehicles operated upon the public roads or highways of Ohio. Commercial vehicles based in Ohio and in other states pay a prorated tax based on the ratio of the mileage traveled in Ohio to total mileage.

### Rates

Motor vehicle license tax rates vary according to the type of motor vehicle and, in some cases, according to weight. All rates listed in this section are for a full 12-month period, even though the tax can be prorated by 50 percent if a registration covers a period shorter than six months. Also, the base rates in this section do not include (a) local permissive levies which vary according to location, (b) deputy registrar fees (\$3.50), (c) postage fees (for registration by mail), or (e), if new plates are purchased, fees for reflectorization (50 cents) and a county sticker (25 cents).

A single base rate applies to these classes of motor vehicles:

- Passenger cars: \$31
- House vehicle/moped: \$21
- Motorcycles: \$25
- House trailers, travel trailers: \$21
- Transit buses: \$12
- Non-commercial trucks (no more than  $\frac{3}{4}$  ton) and motor homes: \$46
- Non-commercial trucks (more than  $\frac{3}{4}$  ton and less than one ton): \$81
- Commercial trailers, semi-trailers: \$36

Rates for the following classes of motor vehicle vary according to weight:

**Commercial trucks, and tractors** – Rates vary between several weight classes depending on the gross weight of the vehicle. For example, for vehicles with a gross weight under 2,001 lbs., the base fee is \$56. For vehicles with a gross weight between 78,001 and 80,000 lbs., the base fee is \$1,351.

**Non-commercial trailers** – Rates vary between several weight classes depending on the unladen weight of the vehicle. For example, for vehicles with an unladen weight of no more than 3,000 lbs., the base fee ranges from \$16 to \$42.

**Commercial buses** – Rates vary between several weight classes depending on the gross weight of the vehicle. For example, for vehicles with a gross weight under 2,001 lbs., the base fee is \$21. For vehicles with a gross weight between 78,001 and 80,000 lbs., the base fee is \$1,641.

**Farm trucks** – Rates vary between several weight classes depending on the unladen vehicle weight. For example, for vehicles with an unladen weight between 2,901 and 3,000 lbs., the tax is \$31. For vehicles with an unladen weight between 10,001 and 10,100 lbs., the tax is \$138.25.

## Major Exemptions

- Vehicles owned and operated by the federal or state government or by political subdivisions of the state.
- Publicly-owned school buses used for transporting public school pupils and privately-owned school buses used exclusively for transporting private or public school pupils to and from school or school functions.
- Vehicles registered in another state until the owner becomes an Ohio resident.
- Historical registrations (vehicles 25 years and older).

## Revenue (In Millions)

Fiscal Year	Total
2004	\$675.8
2005	698.8
2006	763.4
2007	757.6
2008	749.2

## Disposition of Revenue

The Highway Bond Retirement Fund and the Highway Operating Fund are allocated 42.6 percent of the revenue from commercial vehicles having gross vehicle weights of more than 26,000 lbs. Revenue collected from commercial vehicles on behalf of other jurisdictions is distributed to those jurisdictions.

The Highway Safety Fund receives \$11 of each registration. Revenue collected from local permissive taxes is distributed to the appropriate counties, municipalities and townships according to the levies enacted at the local level.

After any bond retirement obligations are met and payment is made to an administration fund for the tax, the remaining revenues are distributed as follows:

- 34 percent to the municipal corporation or county of registration;

- 47 percent to county in which vehicle owner resides;
- 9 percent to counties in the ratio of the number of miles of county roads to the state total;
- 5 percent to townships in the ratio of the number of miles of township roads to the state total;
- 5 percent divided equally among counties.

## Payment Dates

Dates vary according to the type of vehicle:

- Passenger cars and noncommercial vehicles are required to be registered annually by the owner's birth date.
- Registration of commercial vehicles is staggered, with vehicles registered based on the last two digits of the social security number or tax ID. All vehicles are to be registered by the last day of their expiration month.

## Special Provisions/Credits

Several sections of the Ohio Revised Code give counties, municipalities and townships the option to enact an additional \$5 per vehicle local permissive tax levy. The permissive rate for any location in Ohio is available at the Bureau of Motor Vehicles Web site, [bmv.ohio.gov](http://bmv.ohio.gov) (specifically: [bmv.ohio.gov/county/Taxing\\_Districts.htm](http://bmv.ohio.gov/county/Taxing_Districts.htm)).

Counties have the authority to enact three different levies. Municipalities may enact four different levies, and townships have the authority to enact one levy. However, the sum of all permissive tax levies may not exceed \$20 in any tax district – meaning, any combination of all county, municipal and townships.

Other special provisions:

- Special license plate numbers or letter combinations are available at an additional cost.
- Dealers of manufactured homes and existing mobile homes must pay the motor vehicle license tax.
- Owners of manufactured and existing mobile homes do not pay the motor vehicle license tax if the home is at a fixed location, but are subject to either the manufactured home tax or the real property tax (for details, see the **Manufactured Home Tax** chapter). However, a temporary tag is required when a manufactured or mobile home is moved.

## Sections of Ohio Revised Code

Chapters 4501, 4503 and 4504.

## Responsibility for Administration

The primary administrator is the Registrar of the Ohio Department of Public Safety's Bureau of Motor Vehicles. The Registrar may appoint private individuals, nonprofit corporations, county auditors and clerks of courts of common pleas in counties having a population of less than 40,000 as deputy registrars.

## History of Major Changes

- 1906** Registration fee of \$5 is enacted for all gasoline or steam motor vehicles.
- 1920** Separate license taxes are enacted for motorcycles, passenger cars, and commercial vehicles.
- 1925** Graduated rate schedule is enacted for commercial vehicles.
- 1932** Rates are increased for motorcycles, passenger cars, and commercial vehicles; method of revenue distribution is amended.
- 1937** Rate schedule is enacted for farm trucks.
- 1948** Passenger car levy is increased to \$10.
- 1949** Separate levy is enacted for house trailers.
- 1951** Separate, graduated rate schedule is enacted for motor buses; levy on commercial vehicles is increased.
- 1953** Department of Highway Safety (containing the Bureau of Motor Vehicles) is created; current method of revenue distribution is enacted.
- 1957** Separate levy is enacted for transit buses.
- 1967** Counties and municipalities are permitted to levy \$5 permissive license tax.
- 1980** Permissive authority is given to Bureau of Motor Vehicles to accept registrations by mail. Also, rates are doubled on passenger cars, motorcycles, house and travel trailers and increased on all other vehicles.
- 1988** Registration schedules are changed to correspond to owners' birthdates. Also, the Bureau of Motor Vehicles is required to begin mail registration.
- 1989** Fee structure for commercial vehicle registrations is converted from unladen weight to gross vehicle weight effective June 1991.
- 2002** Phased-in increases begin for operational fees paid to deputy registrars. Fees increase to \$3.50 in 2004.
- 2003** Registration fees are increased by \$11 to compensate for revenue transferred from the Ohio Highway Patrol and the Department of Public Safety to the Department of Transportation for distribution to counties, municipalities, and townships.
- 2004** Biennial registration is permitted. Also, staggered registration begins for commercial vehicles.

## Comparisons with Other States (As of 11/07)

Note: The following comparisons are based on the home state of registration for a passenger car or a truck of 60,000 lbs. gross weight and traveling interstate. These estimates do not consider additional variable fees that may be in effect at the state or local levels. They also do not consider miscellaneous state and/or local exemptions that might increase the fee charged. The source of these comparisons is the International Registration Plan, Inc. and CCH.

State	Passenger Cars	Commercial Vehicles
<b>California</b>	\$49, plus 0.65 percent of market value. Electric vehicles are an additional \$10.	\$1,489.00
<b>Florida</b>	\$27.60 - \$45.60, depending on weight of vehicle.	\$678.00
<b>Illinois</b>	\$78	\$2,253.00
<b>Indiana</b>	\$20.75	\$810.00
<b>Kentucky</b>	\$11.50	\$1,007.00
<b>Massachusetts</b>	\$41 biennial fee.	\$900.00
<b>Michigan</b>	\$29 to \$148 based on year and weight of vehicles valued up to \$30,000. Minimum fee of \$148 for vehicles valued over \$30,000.	\$1,268.00
<b>New Jersey</b>	\$35.50 - \$84, based on weight and model year.	\$913.00
<b>New York</b>	Varies based on weight from a minimum of \$10.25 to a maximum of \$56. The fee for electricity-propelled cars is \$13.	\$517.25
<b>Ohio</b>	<b>\$31</b>	<b>\$866.00</b>
<b>Pennsylvania</b>	\$36	\$891.00
<b>Texas</b>	\$40.50 - \$58.50 based on model year for vehicles weighing up to 6,000 lbs. \$25 plus \$0.60 per 100 lbs. for vehicles weighing over 6,000 lbs.	\$580.00
<b>West Virginia</b>	\$30	\$816.25