

## MOTOR VEHICLE LICENSE TAX

### 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

Passenger cars	\$20
Motorcycles	14
House trailers, travel trailers	10
Transit buses	12
Non-commercial vehicles and motor homes	35
Non-commercial truck (1 ton)	70
Commercial trailer, semi-trailers	25

#### Commercial trucks, and tractors:

Rates vary depending on the gross weight of the vehicle. For vehicles with a gross weight under 2,000 lbs., the tax is \$45. For vehicles with a gross weight between 78,000 lbs. and 80,000 lbs. the tax is \$1,340.

#### Motor Buses:

Rates vary depending on the gross weight of the vehicle. For vehicles with a gross weight under 2,000 lbs., the tax is \$10. For vehicles with a gross weight between 78,000 and 80,000 lbs., the tax is \$1,630.

#### Farm Trucks:

Rates vary depending on the unladen vehicle weight. For vehicles with an unladen weight under 3,000 lbs., the tax is \$5 plus \$0.50 per 100 lbs. For vehicles over 10,000 lbs. unladen weight the tax is \$125 plus \$2.25 per 100 lbs.

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### MAJOR EXEMPTIONS

Vehicles owned and operated by the federal or state government or by political subdivisions of the State of Ohio.

Publicly-owned school buses used for transporting public school pupils; 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 owner becomes an Ohio resident.

### REVENUE (IN MILLIONS)

Fiscal		
	<u>Year</u>	<u>Total</u>
	1998	\$620.8
	1999	635.5
	2000	661.4
	2001	656.9

### DISPOSITION OF REVENUE

The highway bond retirement fund and the highway operating fund are allocated 42.6% of the revenue from commercial vehicles having gross vehicle weights of 26,000 pounds or more. After any bond retirement obligations and administrative expenses are met, the remaining revenues are distributed as follows:

34% to municipal corporation or county of registration;

47% to county in which vehicle owner resides;

9% to counties in the ratio of the number of miles of county roads to the state total;

5% to townships in the ratio of the number of miles of township roads to the state total;

5% divided equally among counties.

### SECTIONS OF OHIO REVISED CODE

Chapters 4501, 4503, and 4504.

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### RESPONSIBILITY FOR ADMINISTRATION

The Registrar of the Bureau of Motor Vehicles is the primary administrator; the County Auditor and one or more persons in each county are designated by the Registrar to act as deputy registrars.

### REMITTER OF TAX

Operators of motor vehicles on the public roads or highways.

### PAYMENT DATES

Commercial vehicles: March 1 - May 31.

Passenger cars and non-commercial vehicles are required to be registered during month of owner's birthdate.

### SPECIAL PROVISIONS / CREDITS

Counties and municipalities within counties which have not adopted the tax may levy a \$5.00 per vehicle license tax. During 2001, 46 counties and 201 municipalities imposed this license tax.

Counties may levy an additional \$5.00 or \$10.00 license tax. A municipality may levy an additional \$5.00 license tax plus a \$5.00 or \$10.00 license tax if the county in which it is located does not. A township may levy an additional \$5.00 license tax. The maximum additional license tax in a county cannot exceed \$15.00. During 2001, 38 counties, 371 municipalities, and 308 townships imposed this tax.

Dealers of manufactured homes and existing mobile homes must pay the motor vehicle license tax. If owned and situated in Ohio prior to January 1, 2000, owners of property may elect to be taxed under manufactured home tax or surrender title and be taxed "like" real property. If owned and situated in Ohio after January 1, 2000, manufactured homes and existing mobile homes are treated "like" real property.

Special license plate numbers or letter combinations are available at an additional cost.

## MOTOR VEHICLE LICENSE TAX

### HISTORY OF MAJOR CHANGES

- 1906 • Registration fee of \$5 for all gasoline or steam motor vehicles enacted.
- 1920 • Separate license taxes for motorcycles, passenger cars, and commercial vehicles enacted.
- 1925 • Graduated rate schedule for commercial vehicles enacted.
- 1932 • Rates increased for motorcycles, passenger cars, and commercial vehicles; method of revenue distribution amended.
- 1937 • Rate schedule on farm trucks enacted.
- 1948 • Passenger car levy increased to \$10.
- 1949 • Separate levy on house trailers enacted.
- 1951 • Separate graduated rate schedule on motor buses enacted; levy on commercial vehicles increased.
- 1953 • Department of Highway Safety (which contains the Bureau of Motor Vehicles) was created; current method of revenue distribution enacted.
- 1957 • Separate levy on transit buses enacted.
- 1967 • Counties and municipalities permitted to levy a \$5.00 permissive license tax.
- 1980 • Permissive authority given to Bureau of Motor Vehicles to have registration by mail.
  - Rates on passenger cars, motorcycles, house and travel trailers doubled; rates on all other vehicles increased.
- 1987 • Additional authority given to counties, municipalities.
- 1988 • Registration according to owner's birthdate enacted.
  - Bureau of Motor Vehicles required to start mail registration.

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### HISTORY OF MAJOR CHANGES (con't.)

1990 • Legislation enacted which will convert the fee structure of commercial vehicle registrations from unladen weight to gross vehicle weight as of June, 1991.

### COMPARISON WITH OTHER STATES (AS OF 12/01)

<u>State</u>	<u>Passenger Cars</u>	<u>Commercial<sup>(1)</sup> Vehicles</u>
<b>California</b>	\$28 Plus 2.0 % of market value. Applies to all California registrations.	\$1,173
<b>Florida</b>	\$27.60-\$45.60 depending on weight	\$695
<b>Illinois</b>	\$78	\$1,970
<b>Indiana</b>	\$16.75 plus an excise tax of \$12 - \$1,063, based on the selling price when new and age of vehicle.	\$800
<b>Kentucky</b>	\$11.50	\$882
<b>Massachusetts</b>	\$30 one-time fee plus excise tax of \$25 per \$1,000 of value based on age of vehicle	\$900
<b>Michigan</b>	Pre-1984 models, \$29 to \$95 based on weight up to 10,000 lbs., 90 cents per 100 lbs. for vehicles weighing over 10,000 lbs. 1984 and newer models, the tax ranges from \$30 - \$148 (dependent on price) or 0.5% of list price.	\$1,268

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<u>State</u>	<u>Passenger Cars</u>	<u>Commercial<sup>(1)</sup> Vehicles</u>
<b>New Jersey</b>	\$25-\$73.50 based on weight and model year.	\$796
<b>New York</b>	Variable based on weight: Under 1,650 lbs. = \$20.50 1,650 lbs. and above = variable rate depending on weight (max. \$112 tax)	\$931
<b>Ohio</b>	\$20	\$855
<b>Pennsylvania</b>	\$36	\$999
<b>Texas</b>	\$40.50 - \$58.50 based on model year for vehicles 100 lbs. weighing up to 6,000 lbs. \$25 plus 60 cents per 100 lbs. for vehicles weighing over 6,000 lbs.	\$594
<b>West Virginia</b>	\$30	\$816

<sup>(1)</sup> Comparison based on a truck of 60,000 lbs. gross weight. Estimate of fees does not consider additional variable fees legislated by state and local governments, as well as miscellaneous state and/or local exemptions that might reduce the fee.