

## 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**

Rates listed are for a 12-month period. Registrations for partial years are prorated. The rates reflect an \$11 increase enacted in 2003. This increase replaces gas tax revenue transferred from the Ohio Highway Patrol and administration of the Ohio Department of Public Safety to the Ohio Department of Transportation for distribution to counties, municipalities, and townships.

Passenger cars:	\$31
Motorcycles:	\$25
House trailers, travel trailers:	\$21
Transit buses:	\$23
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 1.0 ton):	\$81
Commercial trailers, semi-trailers:	\$36

**Notes:** *The registration fees shown above include the additional \$11 fee increase for registrations that expired on or after October 1, 2003, and do not include permissive (local) taxes which vary based on the taxing district of the customer. Permissive tax cannot exceed \$20 per vehicle and may be prorated, by law, by 50%, if registering for less than six months.*

**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 tax is \$45. For vehicles with a gross weight between 78,001 lbs. and 80,000 lbs., the tax is \$1,340 plus the \$11 fee increase.



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### Non-commercial trailers:

Rates vary between several weight classes depending on the gross weight of the vehicle. For example, for vehicles with a gross weight of no more than 3,000 lbs., the tax ranges from \$5 to \$31 plus the \$11 fee increase.

### Motor 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 tax is \$10. For vehicles with a gross weight between 78,001 and 80,000 lbs., the tax is \$1,630 plus the \$11 fee increase.

### Farm Trucks:

Rates vary between several weight classes depending on the unladen vehicle weight. For example, for vehicles with an unladen weight under 3,001 lbs., the tax is \$5 plus \$0.50 per 100 lbs. For vehicles over 10,001 lbs. unladen weight, the tax is \$125 plus \$2.25 per 100 lbs. plus the \$11 fee increase.

### 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.
- Historical registrations (vehicles more than 25 years old).

### Revenue (In Millions)

#### Fiscal

<u>Year</u>	<u>Total</u>
2000	\$661.4
2001	656.9
2002	670.2
2003	673.3
2004	770.8

### 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 lbs. or more. After any bond

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

- 34% to municipal corporation or county of registration;
- 47% to county in which vehicle owner resides;
- 9.0% to counties in the ratio of the number of miles of county roads to the state total;
- 5.0% to townships in the ratio of the number of miles of township roads to the state total; and
- 5.0% divided equally among counties.

### Payment Dates

- Commercial vehicles: March 1 - May 31.
- Passenger cars and noncommercial vehicles are required to be registered annually on or before the owner's birthdate.

### Special Provisions/Credits

Several sections of the Ohio Revised Code give counties, municipalities and townships the option to enact an additional \$5.00 per vehicle local permissive tax levy. Counties have the authority to enact three different levies. Municipalities can enact four different levies, and townships have the authority to enact one levy. The total permissive tax levy, however, cannot exceed \$20 per district (the combination of all county, municipal and township levies).

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, however, are subject to either the manufactured home tax or real property tax.

### Sections of Ohio Revised Code

Chapters 4501, 4503 and 4504.

### Responsibility for Administration

- The Registrar of the Ohio Department of Public Safety, 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.



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**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 (containing the Bureau of Motor Vehicles) created; current method of revenue distribution enacted.
- 1957 • Separate levy on transit buses enacted.
- 1967 • Counties and municipalities permitted to levy \$5 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 begin mail registration.

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- 1989 • Legislation enacted which converted the fee structure of commercial vehicle registrations from unladen weight to gross vehicle weight as of June, 1991.
- 1996 • Seven-digit plate issued to provide more combinations.
- 2000 • Oplates.com — Ohio's online registration program — began.
- 2001 • Bicentennial plates issued to commemorate 200<sup>th</sup> anniversary of Ohio's statehood.
- 2002 • Phased-in increases of operational fees paid to deputy registrars goes from \$2.25 to \$2.75 in 2001, and to \$3.25 in 2003.
- 2003 • Registration fees 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 • New sunburst Ohio plates issued.
  - Biennial registration permitted.
  - Staggered registration begun for commercial vehicles.
  - Motorcycle plate becomes national standard size.

### Comparisons with Other States (As of 05/05)(1)

<u>State</u>	<u>Passenger Cars</u>	<u>Commercial Vehicles</u>
<b>California</b>	\$37.00, plus 0.65% of market value. Electric vehicles are an additional \$10.	\$1,431

**Note:** (1) Comparisons 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 increase the fee charged.

## State Taxes



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<u>State</u>	<u>Passenger Cars</u>	<u>Commercial Vehicles</u>
<b>Florida</b>	\$27.60 - \$45.60, depending on age and weight of vehicle.	\$678
<b>Illinois</b>	\$78	\$1,970
<b>Indiana</b>	\$20.75 plus an excise tax of \$12 - \$532, based on selling price when new and age of vehicle.	\$810
<b>Kentucky</b>	\$11.50	\$1,007
<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>	\$29 to \$148 based on year and weight, or price plus length of ownership.	\$1,268
<b>New Jersey</b>	\$32.00 - \$81.50, based on weight and model year.	\$650
<b>New York</b>	Variable based on weight: minimum = \$10.35 maximum = \$56.06; electric-propelled = \$12.95	\$931
<b>Pennsylvania</b>	\$36	\$999
<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.	\$619
<b>West Virginia</b>	\$28.50	\$816