

Motor Vehicle License Tax

Taxpayer

The tax is paid by operators of motor vehicles on the public roads or highways.

Tax Base

The tax applies to 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 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 if a registration covers a period less than twelve 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 (d), if new plates are purchased, fees for reflectorization (\$0.25 per plate) and county stickers (\$0.25 per set).

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: \$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 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 \$75. For vehicles with a gross weight between 78,001 and 80,000 lbs., the base fee is \$1,370.

Non-commercial trailers:

Rates vary between several weight classes depending on the unladen weight of the vehicle. The maximum unladen weight eligible to be registered in this category is 10,000 pounds. The base fee ranges from \$16 to \$140.

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

The tax does not apply to:

- 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
2008	\$749.2
2009	733.0
2010	751.5
2011	764.3
2012	772.5

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, and an additional \$19 for registrations of commercial trucks. 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 revenue is distributed as follows:

- 34 percent to the municipal corporation or county of registration;
- 47 percent to the county in which vehicle owner resides;
- 9 percent to all counties based on the ratio of the number of miles of county roads to the state total;
- 5 percent to all townships based on 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).

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 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 to serve 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** A 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	A rate schedule is enacted for farm trucks.
1948	The passenger car levy is increased to \$10.
1949	A separate levy is enacted for house trailers.
1951	A 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	General Assembly grants the Bureau of Motor Vehicles permissive authority 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 schedule is changed to correspond to owner's birthdate. Also, the General Assembly requires the Bureau of Motor Vehicles 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 increase by \$11.
2004	Biennial registration is permitted. Also, staggered registration begins for commercial vehicles.
2009	House Bill 2 increases the cost of registrations for vanity plates and three-initial reserve plates by \$15 each to \$50 per year. A late fee of \$20 is added to all vehicle registration renewals more than seven days beyond expiration date.
2011	House Bill 114 expanded the seasonal exemption from late fees; increased the non-commercial trailer weight to 10,000 lbs. from 3,000 lbs; mandates online IRP registration. Effective January 1, 2011, the owner of a commercial trailer may apply for a 1, 2, 3, 4, or 5 year registration.

Comparisons with Other States

(As of September, 2012)

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.

State	Passenger Cars	Trucks
California	\$46, plus 0.65 percent of market value. Electric vehicles are an additional \$10.	\$1,519
Florida	\$46.15 – \$70.65, depending on weight of vehicle.	\$916
Illinois	\$99	\$2,253
Indiana	\$21.05	\$810
Kentucky	\$21	\$669
Massachusetts	\$50 biennial fee.	\$1,200
Michigan	\$29 – \$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
New Jersey	\$35.50 – \$84, based on weight and model year.	\$913
New York	Varies from \$10.25 – \$56 based on weight. The fee for electric cars is \$13.	\$1,164
Ohio	\$31	\$885
Pennsylvania	\$36	\$891
Texas	For vehicles weighing up to 6,000 lbs., varies from \$52.75 – \$56.00 based on model year. For heavy vehicles, the fee is \$25 plus 60 cents per 100 lbs.	\$740
West Virginia	\$30	\$816.25

Source: International Registration Plan, Inc. and state departments of motor vehicles.