

ORDINANCE NO. G-2025-17 AMENDED

Introducing: Ben Trockman
Missy Mosby
Paul Green
Zac Heronemus

**AN ORDINANCE IMPOSING A MUNICIPAL WHEEL TAX
AND MOTOR VEHICLE LICENSE EXCISE TAX
AND CREATING THE CITY OF EVANSVILLE WHEEL TAX FUND AND THE
CITY OF EVANSVILLE MOTOR VEHICLE LICENSE EXCISE SURTAX FUND**

WHEREAS, the General Assembly of the State of Indiana, through legislation enacted in the 2025 legislative session, has revised Indiana property taxes in a manner that is projected to decrease substantially the tax revenue available to the City of Evansville for its projects;

WHEREAS, the City of Evansville has been advised that with the new legislation, absent the adoption of this Ordinance, the City of Evansville may not be eligible for certain funding under the Community Crossings Matching Grants;

WHEREAS, Ind. Code chapter 6-3.5-11 (the "Wheel Tax Act") authorizes the Common Council of the City of Evansville, Indiana ("Common Council") to impose by ordinance an annual wheel tax ("Wheel Tax") of not more than forty dollars (\$40.00) on certain motor vehicles registered within the City of Evansville (the "City");

WHEREAS, Ind. Code chapter 6-3.5-10 (the "Excise Tax Act") authorizes the Common Council to impose by ordinance an annual municipal vehicle license excise tax surtax (the "Excise Surtax") at a rate of not more than Twenty-Five Dollars (\$25.00) on certain vehicles registered in the City;

WHEREAS, the Excise Tax Act authorizes the Council to impose the Excise Surtax on each motor vehicle that is subject to the tax or impose the Excise Tax on vehicles subject to the Excise Surtax at one or more different amounts based upon the class of vehicles;

WHEREAS, the Wheel Tax Act prohibits the Common Council from adopting an ordinance imposing a Wheel Tax unless the Common Council concurrently adopts an ordinance under Ind. Code §6-3.5-10-1 et seq. to impose the annual Motor Vehicle License Excise Surtax;

WHEREAS, pursuant to Ind. Code §6-3.5-10-1 et seq., the City Council is concurrently adopting a Motor Vehicle License Excise Surtax;

WHEREAS, the Council may not adopt an Ordinance to impose the surtax unless the City uses a traffic asset management plan approved by the Indiana Department of Transportation ("INDOT");

WHEREAS, the City utilizes a traffic asset management plan referred to as its Pavement Asset Management Plan, which must be approved annually by INDOT and was approved for use in 2025 by the Local Technical Assistance Program of Purdue University as agent of INDOT as shown in the attached Exhibit A, incorporated herein by reference;

FILED

AUG 05 2025

Jama Windherst
City Clerk

WHEREAS, the Common Council deems it necessary to impose the Excise Surtax and the Wheel Tax so that it may generate revenue to support the safe operation and continued maintenance of the streets and roads under the jurisdiction of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF EVANSVILLE, INDIANA AS FOLLOWS:

Section 1. The Evansville Municipal Code shall be amended to create a new Chapter designated 3.25: Local Option Highway User Taxes and Funds under Title 3: Revenue & Finance, and to create new Sections under new Chapter 3.25 as follows:

3.25.010 Wheel Tax and Fund.

(A) Definitions. The definitions and provisions set forth in Ind. Code §6-3.5-11-1 are incorporated herein by reference and shall apply throughout this Ordinance.

(B) City of Evansville Wheel Tax Fund. The “City of Evansville Wheel Tax Fund” is hereby created and shall be a non-reverting fund. The City may only use the Wheel Tax revenues for the following purposes:

- (1) to construct, reconstruct, repair, or maintain streets and roads that are under the jurisdiction of the City;
- (2) as a contribution to an authority established under Ind. Code §36-7-23;
- (3) for the City’s contribution to obtain grants from the local road and bridge matching grant fund under Ind. Code 8-23-30; and
- (4) any other allowable uses under Ind. Code §6-3.5-11.

(C) Imposition and Rate of Wheel Tax. Effective January 1, 2026, the following vehicles registered in the City of Evansville and subject to the Wheel Tax shall incur a Wheel Tax in the amount of Thirty-Five Dollars (\$35.00) pursuant to Ind. Code §6-3.5-11-1 et seq.

- (1) Buses;
- (2) Recreational vehicles;
- (3) Semitrailers;
- (4) Trailers with a declared gross weight of more than nine thousand (9,000) pounds; and
- (5) Trucks and tractors with a declared gross weight or more than eleven thousand (11,000) pounds.

(D) Exemptions. Pursuant to Ind. Code §6-3.5-11-4, a vehicle is exempt from the Wheel Tax if the vehicle is:

- (1) owned by the State of Indiana;

- (2) owned by a state agency of the State of Indiana;
- (3) owned by a political subdivision of the State of Indiana;
- (4) subject to the annual municipal vehicle license excise tax imposed pursuant to Ind. Code §6-3.5-10;
- (5) a bus owned and operated by a religious or non-profit youth organization and used to transport persons to religious services or for the benefit of its members;
- (6) a school bus;
- (7) a motor vehicle that is funeral equipment and that is used in the operation of funeral services as defined in Ind. Code §25-15-2-17; or
- (8) any other vehicle exempt pursuant to Ind. Code §6-3.5-11-4.

(E) Payment, Deposit, and Distribution. The Wheel Tax shall be paid to the Indiana Bureau of Motor Vehicles each year at the time the vehicle is registered. The City Controller shall deposit the Wheel Tax revenues in a fund to be known as the “City of Evansville Wheel Tax Fund” and shall distribute the City of Evansville Wheel Tax Fund consistent with Ind. Code §6-3.5-11-1 *et seq.*

(F) Accounting of Wheel Tax Fund. On or before October 1st of each year, the City Controller shall provide the Common Council an estimate of the Wheel Tax revenues to be received by the City during the next calendar year, and the City shall include the estimated Wheel Tax revenues in the City’s budget estimate for that calendar year.

(G) Transmittal of Ordinance. The Common Council authorizes the Mayor or the Mayor’s designee to provide a copy of this Ordinance to the Indiana Department of Revenue and the Indiana Bureau of Motor Vehicles and required by Ind. Code §6-3.5-11-8.

3.25.020 Motor Vehicle License Excise Surtax and Fund

(A) Definitions. The definitions and provisions set forth in Ind. Code §6-3.5-10-1 are incorporated herein by reference and shall apply throughout this Ordinance.

(B) City of Evansville Motor Vehicle License Excise Surtax Fund. The “City of Evansville Motor Vehicle License Excise Surtax Fund” is hereby created and shall be a non-reverting fund. The City may use the Excise Surtax revenues for the following purposes:

- (1) to construct, reconstruct, repair, or maintain streets and roads under the City’s jurisdiction;
- (2) for the City’s contribution to obtain a grant from the local road and bridge matching grant fund under Ind. Code 8-23-30; or
- (3) any other allowable uses under Ind. Code §6-3.5-10.

(C) Imposition and Rate of Excise Surtax – Automobiles, Trucks, and Trailers. Effective January 1, 2026, the following vehicles, registered in the City of Evansville and subject to the Motor Vehicle License Excise Tax, shall be subject to the Excise Surtax in the amount of Twenty-Five Dollars (\$25.00), pursuant to Ind. Code §6-3.5-10-1 *et seq.*:

- (1) Passenger motor vehicles.
- (2) Collector vehicles.
- (3) Trailer vehicles with a declared gross weight of 9,000 pounds or less.
- (4) Trucks with a declared gross weight of 11,000 pounds or less.
- (5) Mini-trucks.
- (6) Military vehicles.

The Excise Surtax shall be paid with the registration of each such vehicle.

(D) Imposition and Rate of Excise Surtax – Motorcycles and Motor-driven Cycles. Effective January 1, 2026, the following vehicles, registered in the City of Evansville and subject to the Motor Vehicle License Excise Tax, shall be subject to the Excise Surtax in the amount of Fifteen Dollars (\$15.00), pursuant to Ind. Code §6-3.5-10-1 *et seq.*:

- (1) Motorcycles.
- (2) Motor driven cycles.

(E) Payment, Deposit, and Distribution. The Excise Surtax shall be paid to the Indiana Bureau of Motor Vehicles at the time the vehicle is registered. The City Controller shall deposit revenue received from the Excise Surtax in a fund to be known as the “City of Evansville Motor Vehicle License Excise Surtax Fund” and shall distribute the Surtax Fund consistent with Ind. Code §6- 3.5-10-10.

(F) Accounting of Wheel Tax Fund. On or before October 1st of each year, the City Controller shall provide the Common Council an estimate of the Excise Surtax revenues to be received by the City during the next calendar year, and the City shall include the estimated Excise Surtax revenues in the City’s budget estimate for that calendar year.

(G) Transmittal of Ordinance. The Common Council authorizes the Mayor or the Mayor’s designee to provide a copy of this Ordinance to the Indiana Department of Revenue and the Indiana Bureau of Motor Vehicles and required by Ind. Code §6-3.5-10-6.

Section 2. The WHEREAS Recitals are incorporated herein by reference.

Section 3. The sections, paragraphs, sentences, clauses, phrases and words of this Ordinance are separable, and if any word, phrase, clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional, invalid or unenforceable by the valid judgment or

decree of a Court of competent jurisdiction, such unconstitutionality, invalidity or unenforceability shall not affect any of the remaining words, phrases, clauses, sentences, paragraphs and sections of this ordinance.

Section 4. This Ordinance shall be in full force and effect from and after its passage by the Common Council and approval by the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Evansville, Indiana, on the _____ day of _____, 2025, and signed by the President of the Common Council and attested by the City Clerk.

Ben Trockman, President
Common Council of Evansville, Indiana

I attest to the passage and adoption of the foregoing by the Common Council of the City of Evansville, Indiana, on the above date and that the same, having been presented to me, was delivered to the Mayor of said City, the _____ day of _____, 2025, at ____ o'clock ____ .m. for the Mayor's consideration and action thereon.

Laura Windhorst, City Clerk
City of Evansville, Indiana

Having examined the foregoing ordinance, I do now, as Mayor of the City of Evansville, Indiana, approve said ordinance and return the same to the City Clerk this _____ day of _____, 2025.

Stephanie Terry, Mayor
City of Evansville, Indiana

APPROVED AS TO FORM BY

Corporation Counsel of the City of Evansville

Counsel for the Common Council
of the City of Evansville

EXHIBIT A



December 1, 2024

Evansville, Indiana

RE: Approval Letter for 2024 Pavement Asset Management Plan

To Whom It May Concern,

Thank you for submitting Evansville's Asset Management Plan. It has been determined that your 2024 Pavement Asset Management Plan has met all the criteria required from the INDOT approved template and is complete.

Use this approval letter for the 2025 (calendar year) Community Crossings Matching Grant Program's application. Please note that you will need to submit your asset management plan each year by December 1st to be eligible for the following year's Community Crossing Matching Grant Program.

Sincerely,

A handwritten signature in black ink, appearing to read 'PAC', is written over a horizontal line.

Patrick A. Conner, PE
LTAP Asset Management Engineer

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