

## **Vehicle Registration Permissive Tax FAQs For County, Municipality and Township Officials**

Revised July 2019

### **What is “vehicle registration permissive tax?”**

“Vehicle registration permissive tax” (hereinafter referred to as “permissive tax”) is an optional tax that can be levied by counties, municipalities, and/or townships on vehicle registrations. It is defined in Ohio Revised Code (ORC) Chapter 4504: Local Motor Vehicle License Tax. There are eleven \$5.00 levies that are available to be enacted, but only six can be in effect at any one time in any single taxing district. Permissive tax revenue is to be used by the counties and taxing districts per ORC Chapter 4504, which includes planning, constructing, improving, maintaining and repairing public roads, highways, streets, and for the maintaining and repair of bridges and viaducts.

### **What is a “taxing district?”**

A taxing district is either a municipality (incorporated village or city) or a township. Municipalities can be assigned multiple taxing district numbers if the boundaries are in multiple counties.

### **How is a levy enacted?**

Counties, municipalities and townships pass a resolution/ordinance per ORC. Once the resolution/ordinance has been passed, a copy is sent to the Ohio Bureau of Motor Vehicles, Tax Distribution Section, by July 1 to be effective the following registration year (ORC section 4504.08).

For a sample resolution/ordinance, or for additional information, please contact the Tax Distribution Section (see below).

### **How do we find out if our taxing district has already enacted all levies allowed?**

The current Taxing District Code Book is published on the BMV website at the following site: <http://www.publicsafety.ohio.gov/links/Taxing-District-Code-Book.pdf>. This publication lists all the taxing districts within each county and the current permissive tax rates. The current maximum permissive tax for registration in any single taxing district is \$30.00 per registration per registration year.

House Bill 62 created two new permissive taxes; one for municipalities (section 4504.173) and one for townships (section 4504.181).

Please contact the Tax Distribution Section for additional information.

**Enacting Permissive Tax**

Counties have the option of enacting levies under ORC sections 4504.02, 4504.15, 4504.16, and 4504.24 at any time. Collection of permissive tax under the first three levies is contingent on the respective municipal levies of 4504.06, 4504.17 and 4504.171. For example, if City X in County Y has already enacted 4504.06, then County Y now levying 4504.02 will not be able to collect permissive tax from vehicle registrations of the residents of City X under 4504.02.

Municipalities have the option of enacting levies under ORC sections 4504.06, 4504.17, 4504.171, and 4504.172. House Bill 62 created a new municipality permissive tax (ORC section 4504.173). Enacting 4504.06, 4504.17, and 4504.171 are contingent on the respective county levies 4504.02, 4504.15 and 4504.16. For example, if County X has enacted 4504.02, then City Y cannot enact 4504.06. ORC sections 4504.172 and 4504.173 are not contingent on any other levy, so a municipality can pass an ordinance at any time to enact these sections.

Townships have the option of enacting a levy under ORC section 4504.18. House Bill 62 created a new township permissive tax (ORC section 4804.181). ORC sections 4504.18 and 4504.181 are not contingent on any other levy, so a township can pass a resolution at any time to enact these sections.

**How much of the permissive tax does the county/taxing district receive for each of the levies?**

The percentage each county/taxing district receives in permissive tax depends on which levies are enacted in that county/taxing district. Please refer to the following charts:

**County Levies**

ORC Section	Amount	Distribution Rules
4504.02	\$ 5.00	<b>100% of the revenue collected is distributed to the county</b> <b>(Municipalities can request from the county a portion of this revenue, per the Ohio Revised Code)</b> (Counties have the authority to enact this tax at any time; however, cannot collect revenue from a municipality already enacting 4504.06)
4504.15	\$ 5.00	<b>If a municipal registration: 50% to the municipality, 50% to the county</b> <b>If a township registration: 30% to the township, 70% to the county.</b> (Counties have the authority to enact this tax at any time; however, cannot collect revenue from a municipality already enacting 4504.17)
4504.16*	\$ 5.00	<b>If a municipal registration: 100% is distributed to the county</b> <b>If a township registration: 30% to the township, 70% to the county.</b>

		(*4504.051 allows an increase or decrease in the allocation to townships by passage of a resolution and county approval.) (Counties have the authority to enact this tax at any time; however, cannot collect revenue from a municipality already enacting 4504.171)
4504.24	\$ 5.00	<b>100% of the revenue collected is distributed to the county</b> (Counties have the authority to enact this tax at any time)

Municipal Levies

ORC Section	Amount	Distribution Rules
4504.06	\$ 5.00	<b>100% to the municipality</b> (Municipalities cannot enact this tax if the County is already enacting 4504.02)
4504.17	\$ 5.00	<b>100% to the municipality</b> (Municipalities cannot enact this tax if the County is already enacting 4504.15)
4504.171	\$ 5.00	<b>100% to the municipality</b> (Municipalities cannot enact this tax if the County is already enacting 4504.16)
4504.172	\$ 5.00	<b>100% to the municipality</b> (Municipalities have the authority to enact this tax at any time)
4504.173	\$ 5.00	<b>100% to the municipality</b> (Municipalities have the authority to enact this tax at any time)

Township Levies

ORC Section	Amount	Distribution Rules
4504.18	\$ 5.00	<b>100% to the Township</b> (Townships have the authority to enact this tax at any time)
4504.181	\$ 5.00	<b>100% to the Township</b> (Townships have the authority to enact this tax at any time)

**How do I contact the Tax Distribution Section?**

The Tax Distribution Section office hours are 7:30 a.m. – 4:30 p.m. Monday through Friday; we are closed on state holidays.

Leora Knight

Chief

Phone: 614.752.7685

Fax: 614.752.7043

Email: [lknight@dps.ohio.gov](mailto:lknight@dps.ohio.gov)

Stephanie Cook

Assistant Chief

Phone: 614.752.7688

Fax: 614.752.7043

email: [scook@dps.ohio.gov](mailto:scook@dps.ohio.gov)

Tax Distribution

Ohio Bureau of Motor Vehicles

1970 W. Broad St.

Columbus, OH 43223

## **4504.18 Supplemental township license tax.**

For the purpose of paying the costs and expenses of enforcing and administering the tax provided for in this section; for the construction, reconstruction, improvement, maintenance, and repair of township roads, bridges, and culverts; for purchasing, erecting, and maintaining traffic signs, markers, lights, and signals; for purchasing road machinery and equipment, and planning, constructing, and maintaining suitable buildings to house such equipment; for paying any costs apportioned to the township under section 4907.47 of the Revised Code; and to supplement revenue already available for such purposes, the board of township trustees may levy an annual license tax, in addition to the tax levied by sections 4503.02, 4503.07, and 4503.18 of the Revised Code, upon the operation of motor vehicles on the public roads and highways in the unincorporated territory of the township. The tax shall be at the rate of five dollars per motor vehicle on all motor vehicles the owners of which reside in the unincorporated area of the township and shall be in addition to the taxes at the rates specified in sections 4503.04 and 4503.16 of the Revised Code, subject to reductions in the manner provided in section 4503.11 of the Revised Code and the exemptions provided in sections 4503.16, 4503.17, 4503.171, 4503.41, and 4503.43 of the Revised Code.

Prior to the adoption of any resolution under this section, the board of township trustees shall conduct two public hearings thereon, the second hearing to be not less than three nor more than ten days after the first. Notice of the date, time, and place of such hearings shall be given by publication in a newspaper of general circulation in the township or as provided in section 7.16 of the Revised Code, once a week on the same day of the week for two consecutive weeks, the second publication being not less than ten nor more than thirty days prior to the first hearing.

No resolution under this section shall become effective sooner than thirty days following its adoption, and such resolution is subject to a referendum in the same manner, except as to the form of the petition, as provided in division (H) of section 519.12 of the Revised Code for a proposed amendment to a township zoning resolution. In addition, a petition under this section shall be governed by the rules specified in section 3501.38 of the Revised Code. No resolution levying a tax under this section for which a referendum vote has been requested shall go into effect unless approved by a majority of those voting upon it.

A township license tax levied under this section shall continue in effect until repealed.

Amended by 129th General Assembly File No.28, HB 153, §101.01, eff. 9/29/2011.

Effective Date: 07-01-1987; 03-29-2005

## **4504.181 Authority to levy tax for operation of motor vehicles.**

(A)

(1) The board of township trustees of a township may, by resolution, levy an annual license tax upon the operation of motor vehicles on the public roads and highways in the unincorporated territory of the township for any authorized purpose. A tax levied under this section is in addition to the tax levied by sections 4503.02 and 4503.07 of the Revised Code and any other tax levied under this chapter. The tax shall be at the rate of five dollars per motor vehicle on all motor vehicles the district of registration of which is located in the unincorporated area of the township levying the tax, as defined in section 4503.10 of the Revised Code. The rate of the tax is in addition to the tax rates prescribed in sections 4503.04 and 4503.042 of the Revised Code and is subject to both of the following:

(a) The reductions in the manner provided in section 4503.11 of the Revised Code;

(b) The exemptions provided in sections 4503.16, 4503.17, 4503.172, 4503.173, 4503.18, 4503.41, 4503.43, 4503.46, and 4503.571 of the Revised Code.

(2) As used in division (A)(1) of this section, "authorized purpose" means any of the following:

(a) Paying the costs and expenses of enforcing and administering the tax provided for in this section;

(b) Paying for construction, reconstruction, improvement, maintenance, and repair of township roads, bridges, and culverts;

(c) Purchasing, erecting, and maintaining traffic signs, markers, lights, and signals;

(d) Purchasing road machinery and equipment, and planning, constructing, and maintaining suitable buildings to house such equipment;

(e) Paying any costs apportioned to the township under section 4907.47 of the Revised Code;

(f) Supplementing revenue already available for the aforementioned purposes.

(B) Prior to the adoption of any resolution under this section, the board of township trustees shall conduct two public hearings on the resolution, the second hearing to be not less than three but not more than ten days after the first hearing. The board shall provide notice of the date, time, and place of both hearings by publication in a newspaper of general circulation in the township, or as provided in section 7.16 of the Revised Code, once a week on the same day of the week for two consecutive weeks. The second publication shall be not less than ten but not more than thirty days prior to the first hearing.

(C) No resolution adopted under this section shall become effective sooner than thirty days following its adoption. A resolution under this section is subject to a referendum in the same manner, except as to the form of the petition, as provided in division (H) of section 519.12 of the Revised Code for a proposed amendment to a township zoning resolution. In addition, a petition under this section shall be governed by the rules specified in section 3501.38 of the Revised Code.

No resolution levying a tax under this section for which a referendum vote has been requested shall go into effect unless approved by a majority of those voting upon it.

(D) A township license tax levied under this section continues in effect until repealed.

Added by 133rd General Assembly File No. TBD, HB 62, §101.01, eff. 7/3/2019.

# OHIO



## TAXING DISTRICT CODE BOOK 2020

*This book  
is 62 pages  
long so I  
have only  
included  
page # 14*

*listing  
FC  $\frac{1}{7}$  township*

## FRANKLIN COUNTY

### Municipalities

2501 Bexley .....	\$25	2514 Marble Cliff .....	\$25
2502 Brice .....	\$20	2515 Minerva Park .....	\$20
2503 Canal Winchester .....	\$25	2516 New Albany .....	\$25
2504 *Columbus .....	\$25	2518 Obetz .....	\$20
2506 Dublin .....	\$20	2519 Reynoldsburg .....	\$25
2507 Gahanna .....	\$25	2520 Riverlea .....	\$25
2508 Grandview Hts .....	\$20	2521 Upper Arlington .....	\$25
2509 Grove City .....	\$25	2522 Urbancrest .....	\$25
2510 Groveport .....	\$25	2523 Valleyview .....	\$20
2511 Harrisburg .....	\$20	2524 Westerville .....	\$25
2512 Hilliard .....	\$25	2525 Whitehall .....	\$25
2513 Lockbourne .....	\$20	2526 Worthington .....	\$25

### Townships

2565 Blendon .....	\$25	2574 Norwich .....	\$20
2566 Brown .....	\$20	2575 Perry .....	\$25
2567 Clinton .....	\$25	2576 Plain .....	\$25
2568 Franklin .....	\$25	2577 Pleasant .....	\$20
2569 Hamilton .....	\$25	2578 Prairie .....	\$25
2570 Jackson .....	\$25	2579 Sharon .....	\$25
2571 Jefferson .....	\$25	2580 Truro .....	\$25
2572 Madison .....	\$25	2581 Washington .....	\$20
2573 Mifflin .....	\$20		

## FULTON COUNTY

### Municipalities

2601 Archbold .....	\$15	2605 Metamora .....	\$20
2602 Delta .....	\$20	2606 Swanton .....	\$20
2603 Fayette .....	\$20	2607 *Wauseon .....	\$15
2604 Lyons .....	\$20		

### Townships

2665 Amboy .....	\$20	2671 German .....	\$15
2666 Chesterfield .....	\$15	2672 Gorham .....	\$20
2667 Clinton .....	\$15	2673 Pike .....	\$15
2668 Dover .....	\$15	2674 Royalton .....	\$15
2669 Franklin .....	\$15	2675 Swan Creek .....	\$15
2670 Fulton .....	\$15	2676 York .....	\$15

Dollar amount represents permissive tax fee to be paid.

\*Denotes County Seat