

ORDINANCE NO. 860

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF YORKTOWN, INDIANA, IMPOSING A MUNICIPAL WHEEL TAX AND VEHICLE EXCISE TAX FOR THE PURPOSE OF PROVIDING FUNDS TO PAY FOR CERTAIN TRANSPORTATION PROJECTS, ROAD, SIDEWALK, AND TRAIL PROJECTS AND INCIDENTAL EXPENSES IN CONNECTION THEREWITH, AND ALL MATTERS RELATED THERETO.**

WHEREAS, the Town Council (the "Council") of the Town of Yorktown, Indiana (the "Town") recognizes the need for sustainable funding to maintain and improve its transportation infrastructure;

WHEREAS, Indiana Code §6-3.5-11 authorizes municipalities to impose a municipal wheel tax and vehicle excise tax for transportation-related purposes;

WHEREAS, the Town of Yorktown has developed a Transportation Asset Management Plan ("TAMP") approved by the Indiana Department of Transportation ("INDOT"), to ensure effective management of transportation infrastructure; and

WHEREAS, the Council seeks to adopt a municipal wheel tax and vehicle excise tax to generate revenue for the maintenance and improvement of local streets and roads.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF YORKTOWN, DELAWARE COUNTY, INDIANA, THAT:

Section 1. Definitions

**Wheel Tax:** A tax imposed on certain classes of vehicles registered in the Town of Yorktown. (e.g. heavy vehicles such as trucks, buses, trailers)

**Vehicle Excise Tax:** An additional excise tax imposed on motor vehicles registered in the Town of Yorktown. (e.g. passenger vehicles, motorcycles, and other light weight vehicles)

Section 2. Imposition of Taxes. Effective January 1, 2026, each passenger motor vehicle, collector vehicle, mini-truck, military vehicle, and truck with a declared gross weight of 11,000 pounds or less which is registered in the Town of Yorktown-Delaware County and subject to the annual Vehicle Excise Tax, shall be subject to the Vehicle Excise Tax in the amount of twenty-five dollars (\$25.00) which shall be paid with the registration of each such motor vehicle.

Effective January 1, 2026, each motorcycle, motor-driven cycle, and/or trailer with a declared gross weight of 9,000 pounds or less which is registered in the Town of Yorktown-Delaware County

and subject to the annual Vehicle Excise Tax, shall be subject to the Vehicle Excise Tax in the amount of twenty-five dollars (\$25.00) which shall be paid with the registration of each motorcycle.

Effective January 1, 2026, the following classes of vehicles registered in the County shall be subject to the Municipal Wheel Tax, as set forth below, in accordance with Indiana Code 6-3.5-11-2. The wheel tax shall be paid with the registrations of each such motor vehicle.

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|---|----------|
| (a) Buses                                 | \$ 25.00 |
| (b) Recreation vehicles                   | \$ 25.00 |
| (c) Semi-trailers                         | \$ 5.00  |
| (d) Trailers (9,000 lbs and greater)      | \$ 5.00  |
| (e) Tractors (11,000 lbs and greater)     | \$ 5.00  |
| (f) Heavy Trucks (11,000 lbs and greater) | \$ 5.00  |

The following vehicles are exempt from the annual Wheel Tax:

- a. Vehicles owned by the State of Indiana, an Indiana State agency or a political subdivision in Indiana
- b. Those subject to the municipal vehicle excise tax imposed under IC 4-3.5-10;
- c. A bus owned and operated by a religious or nonprofit youth organization and used to haul people to religious services for the benefit of their members.
- d. a school bus; or
- e. a motor vehicle that is funeral equipment and that is used in the operation of funeral services (as defined in IC 25-15-2-1).

Section 3. Use of Funds. All revenue generated from the wheel tax shall be deposited in a fund to be known as the "**municipal wheel tax fund**" and shall be used exclusively for construction, reconstruction, repair, or maintenance of streets and roads under its jurisdiction; as a contribution to an authority established under IC 36-7-23; or for the Town's contribution to obtain a grant from the local road and bridge matching grant fund under IC 8-23-30.

All revenue generated from the vehicle excise tax shall be deposited in a new special revenue fund known as the "**municipal surtax fund**" and shall be used to construct, reconstruct, repair, or maintain streets and roads under the Town's jurisdiction; or for the Town's contribution to obtain a grant from the local road and bridge matching grant fund under IC 8-23-30.

Allocation of funds shall be guided by the Town of Yorktown's Transportation Asset Management Plan (TAMP), approved by the Indiana Department of Transportation (INDOT). The TAMP shall serve as the primary framework for identifying priority projects and ensuring that expenditures align with long-term transportation infrastructure goals.

Section 4. Effective Date of Tax Collection. If the fiscal body of an eligible municipality adopts an ordinance imposing the wheel tax after December 31 but on or before September 1 of the following year, a vehicle is subject to the taxes imposed as set forth herein if the vehicle is registered in the adopting municipality after December 31 of the year in which the ordinance is adopted.

Section 5. Administration and Collection. The Indiana Bureau of Motor Vehicles (BMV) shall collect the wheel tax and vehicle excise tax on behalf of the Town of Yorktown as part of the vehicle registration process.

Section 6. Notification. Upon adoption of this ordinance a certified copy of the ordinance shall be sent to the Commissioner of the Bureau of Motor Vehicles, the Indiana Department of State Revenue, and the Town Clerk-Treasurer shall notify residents of the tax implementation via the Town website, local newspapers, and direct mail. The Town shall also implement a public communication strategy to educate residents about the new taxes. This may include dedicated webpage, public meetings, direct mail, and social media outreach.

Section 7. Compliance with State Law. This ordinance shall comply with all provisions of Indiana Code § 6-3.5-11. Any amendments to the law shall automatically apply to this ordinance.

Section 8. Severability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section; paragraph or provision shall not affect any of the remaining provisions of this ordinance.

Section 9. Repeal of Conflicting Provisions. All ordinances, or parts thereof, in conflict with the provisions of this ordinance, are, to the extent of such conflict, hereby repealed or amended.

Section 10. Effective Date. The Town shall send a copy of this ordinance after adoption and a copy of a letter from the department of transportation approving the Town's transportation asset management plan to:

- (a) the Indiana Bureau of Motor Vehicles; and
- (b) the Indiana Department of Revenue;

on or before September 1 to be effective January 1 of the following calendar year. Any and all other provisions herein shall be immediately effective upon adoption or after notice, as applicable.

Adopted by the Town Council of the Town of Yorktown, Indiana, this 18<sup>th</sup> day of August, 2025.



Jason Gasaway, President  
Yorktown Town Council

ATTEST:



Lance Turner, Clerk-Treasurer