



Local Vehicle Registration Fee

Wisconsin League of Municipalities Presentation

MILTON CITY COUNCIL MEETING

NOVEMBER 1, 2016



Wheel Tax History

- Wisconsin has allowed a local vehicle registration fee since 1967
- Any town, village, city or county may adopt an ordinance imposing a flat, annual registration fee on autos and trucks of not more than 8,000 pounds “customarily kept in the municipality or county.”
- Relevant Statute: Sec. 341.35
- Relevant Administrative Rule: Trans 126



Wheel Tax Basics

- There is no limit on the amount of the fee. (Between \$10 to \$25 is typical amount with \$20 being the most common.)
- Municipalities must use wheel tax revenues for transportation related purposes only.
- Vehicles may be subject to both a municipal and a county fee.



Wheel Tax Basics

- WisDOT collects the local fee when the annual state registration fee is paid.
- WisDOT currently retains 17 cents (\$0.17) per registration for administrative costs.
- What vehicles are exempt: Same that are exempt from state registration fees (e.g. buses, motorcycles, mopeds, motor homes, trucks over 8,000 pounds, farm trucks, antique and collector vehicles).



Wheel Tax Basics

- What determines whether a vehicle is customarily kept in a municipality:
 - Information on the vehicle registration forms. The application forms request the county and municipality where a vehicle is “customarily kept” or domiciled.
 - In absence of an indicated municipality of domicile, the owner’s post office address is used to determine the municipality, per administrative rule.

Current Wheel Tax Cities



Municipality	Fee	Implementation
Appleton (City)	\$20	February 2015
Arena (Town)	\$20	April 2015
Beloit (City)	\$20	April 1986
Fort Atkinson (City)	\$20	March 2016
Gillet (City)	\$20	July 2015
Janesville (City)	\$20	April 2012
Kaukauna (City)	\$10	August 2015
Lodi (City)	\$20	May 2016
Milwaukee (City)	\$20	December 2008
Prairie du Sac (Village)	\$20	January 2016
Sheboygan (City)	\$20	February 2016
Tigerton (Village)	\$10	September 2016

Current Wheel Tax County



County	Fee	Implementation
Chippewa County	\$10	January 2015
Iowa County	\$20	February 2015
Marathon County	\$25	December 2016
St. Croix County	\$10	January 2008

Considering Wheel Tax



- 7 of 16 wheel tax ordinances in the state became effective in 2016
- Other local governments considering it:
 - Milwaukee County
 - City of Wausau
 - City of Evansville
 - City of Brodhead
 - Many, many others



Legislation

- Legislation has been introduced in the past requiring a referendum before a community could enact a wheel tax.
- With more communities enacting wheel tax, certain legislators might be inclined to require a community to reduce its allowable levy by the amount of revenue raised by the wheel tax.
- With more communities enacting wheel tax, legislators might be less inclined to increase GTA or shared revenue.

Considerations (Milton)



- WisDOT 5,671 eligible vehicles
- \$30 fee generates approximately \$165,000 total revenue
- According to AAA, the average cost of vehicle registration is \$665 annually
- According to AAA, the average cost of owning a vehicle is \$8,698 annually