



Is the Wheel Tax an answer for
Funding Streets in your Community?
League's 2016 Annual Conference

10/10/2016

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1

State has allowed local vehicle
registration fee (Wheel Tax)
since 1967



Relevant Statute: Sec. 341.35

Relevant Administrative Rule: Trans 126

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."

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2

The Basics of the Wheel Tax



- There is no limit on amount of the fee. (Between \$10 to \$25 is typical amount with \$20 being 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.

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3

The Basics of the Wheel Tax



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

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4

The Basics of the Wheel Tax



What determines whether a vehicle is customarily kept in a municipality:

- Information on the vehicle title and 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 Municipalities with a Wheel Tax



Municipality	Fee	Implementation Month	Termination Month (if given)
Appleton city	\$20	February 2015	December 2020
Arena township	\$20	April 2015	
Beloit city	\$20*	April 1986	
Fort Atkinson city	\$20	March 2016	
Gillett 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	February 2026
Tigerton village	\$10	September 2016	

Counties with a Wheel Tax



Chippewa County \$10 fee Implemented Jan. 2015

Iowa County \$20 fee Implemented Feb. 2015

Marathon County \$25 fee Implemented Dec. 2016

St. Croix County \$10 fee Implemented Jan. 2008

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7

Other Local Governments Considering a Wheel Tax



7 of the 16 wheel tax ordinances in the state became effective in 2016!

Other Local Governments considering it:

- Milwaukee County
- City of Wausau
- many others

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8

Potential for Legislative Interference???



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

Now, let's turn to our Panelists

