

FAQ: Frequently Asked Questions
Dunn County Vehicle Registration Fee
Page 1

This information is intended to provide answers and information to the public regarding the proposed vehicle registration fee in Dunn County (wheel tax).

Why is the county considering a vehicle registration fee?

• The trunk roads (county highways) system is an essential part of the infrastructure of the county, providing the means by which residents travel to work, school, churches, retail and service businesses, parks and recreation, etc. It is essential to keep the county roads in good repair; deferred repairs and temporary fixes to roads only increase costs. Maintenance of county highways is increasingly difficult, however, under the tax levy restrictions imposed by the state, and given the insufficient funds allocated to counties by the state for local road projects. The vehicle registration fee is one means of generating necessary funds to repair and improve county roads. All funds raised by the registration fee must be applied to county roads, and cannot be put to other uses.

What vehicles are subject to a registration fee?

- An automobile or motor truck registered under 8,000 lbs. gross weight and customarily kept in the municipality or county that enacted the fee. This includes:
 - Automobiles, vans and Sport Utility Vehicles (SUVs) that qualify as a passenger vehicle
 - Motor trucks and dual-purpose motor homes (trucks that can be equipped with a slide-in camper unit) registered at a gross weight of 8,000 lbs. or less.
- Vehicles with the following license plate types are subject to a registration fee, except as noted.
 - Standard Plate Types
 - **AUT** Automobile and passenger vehicles: Issued for automobiles and for vans and SUVs that qualify as a passenger vehicle including those operated for hire. Driver Ed vehicles are exempt from the registration fee, and are not included in WisDOT registration reports of vehicles subject to a wheel tax;
 - **LTK** Light truck: Issued for motor trucks operated up to 8,000 lbs. gross weight including vehicles operated for hire. Dual-purpose farm trucks are exempt from the registration fee;
 - Special Plate Types - The special plates are subject to the registration fee.

What vehicles are exempt from this fee?

- Vehicles exempt from registration fee are:
 - Buses, motorcycles, mopeds, motor homes, low-speed vehicles and trailers;
 - Trucks registered at more than 8,000 pounds or registered as Farm or Dual Purpose Farm;
 - Vehicles registered as Antique, Collector, Driver education, Historic military vehicle, Hobbyist, Human service vehicle, Low-speed vehicle, Medal of honor, Municipal, State-owned, Special X and one vehicle with Ex-prisoner of war registration issued to any qualified individual;
 - Any vehicle with registration issued by a Wisconsin Indian tribe or band;
 - Vehicles displaying Dealer, Distributor, Finance company or Manufacturer plates.

Dunn County Vehicle Registration Fee FAQ

Page 2

What determines whether a vehicle is customarily kept in a municipality or county?

- Applications for original title and registration requested in the county, city, village or township where a vehicle is "customarily kept" or domiciled. This information also prints on the registration renewal notice. Renewal notices instruct the customer to change their address, or where the vehicle is customarily kept, if incorrectly shown on the notice;
- In the absence of an indicated municipality or county of domicile, the owner or lessee's post office address is used to determine municipality or county of domicile, per administrative rule Trans 126.01(c);
- Per s. 341.60, Wis. Stats., any person who gives a false address or location where a vehicle is customarily kept in an application for registration may be fined not more than \$200 or imprisoned not more than 6 months or both.

Are estimates of the number of vehicles subject to a vehicle registration fee within a county or municipality available?

- Yes. Current vehicle data is available at the end of each fiscal and calendar year. The vehicles eligible for vehicle registration fee report is available on the WisDOT website at Lists of vehicle information.

What are the administrative costs associated with a vehicle registration fee?

- Currently, WisDOT charges a fee per vehicle application of 17 cents. The administrative fee is the same for all municipalities regardless of the amount of fee imposed by the municipality or the number of vehicles for which the fee is collected.

How long after enactment can this fee be collected by WisDOT?

- WisDOT requires notification at least 90 days prior to the first day of the month in which the amendment is effective. WisDOT also requires notification at least 90 days prior to the first day of the month in which an amended or the repeal of a wheel tax is effective;
- When a vehicle registration fee ordinance is implemented, collection for vehicles subject to the fee will begin on these dates:
 - Renewal of current registrations expiring the first day of the month or later;
 - Issuance of new registrations with a date of operation or dealer delivery date on the second day of the month or later.
- When a vehicle registration fee ordinance is repealed, collection will terminate on these dates:
 - Renewal of current registrations expiring the first day of the month or later;
 - Issuance of new registrations with a date of operation or dealer delivery date on the second day of the month or later.

Can the revenues received from vehicle registration fee payments be used for any purpose?

- Counties and municipalities must use the moneys from vehicle registration fee payments for transportation related purposes only (s. 341.35(6r), Wis. Stats.). "Highway" is defined by state law to mean "all public ways and thoroughfares and bridges on the same." Courts have interpreted "highways" to include trails because they are "public ways and thoroughfares and bridges on the same." "Sidewalk" means that "portion of a highway between the curb lines, or the lateral lines of a roadway, and the adjacent property lines, constructed for use of pedestrians."

Dunn County Vehicle Registration Fee FAQ

Page 3

If a county has a vehicle registration fee in effect, can a municipality within that county also enact a vehicle registration fee ordinance?

• According to s. 341.35(3m), Wis. Stats: “If a municipality and the county in which the municipality is located enact ordinances under this section, a motor vehicle customarily kept in the municipality shall be subject to a municipal registration fee and a county registration fee.” Therefore, both the municipality and county would collect a wheel tax simultaneously for vehicles subject to the fee in the municipality, if each chose to enact an ordinance.

Which other counties or municipalities have enacted a vehicle registration fee and what is/was the amount of the fee?

• These counties and municipalities have a current vehicle registration fee ordinance (as of 2016):

- Municipalities
 - Appleton (city; \$20)
 - Arena (township; \$20)
 - Beloit (city; \$20)
 - Bellevue (village; \$20)
 - Eden (village; \$20)
 - Evansville (city; \$20)
 - Fort Atkinson (city; \$20)
 - Gillett (city; \$20)
 - Iron Ridge (village; \$10)
 - Janesville (city; \$20)
 - Kaukauna (city; \$10)
 - Lodi (city; \$20)
 - Manitowoc (city; \$20)
 - Milton (city; \$30)
 - Milwaukee (city; \$20)
 - New London (city; \$20)
 - Platteville (city; \$20)
 - Portage (city; \$20)
 - Prairie du Sac (village; \$20)
 - Rice Lake (city; \$20)
 - Sheboygan (city; \$20)
 - Tigerton (village; \$10)
 - Waterloo (city; \$15)
- Counties
 - Chippewa County (\$10)
 - Dane County (\$28)
 - Eau Claire County (\$30)
 - Green County (\$20)
 - Iowa County (\$20)
 - Lincoln County (\$20)
 - Marathon County (\$25)
 - Milwaukee County (\$30)

Dunn County Vehicle Registration Fee FAQ

Page 4

- Portage County (\$25)
- Richland County (\$20)
- St. Croix County (\$10)

*City of Beloit wheel tax increased from \$10 to \$20 in February 2015

**City of Janesville wheel tax increased from \$10 to \$20 in January 2016

Asphalt Cost for Dunn County: 95% increase in cost

- Asphalt Prices:
 - 2005 \$23.80/ton
 - 2019 \$46.50/ton

** average year Dunn County paves 42,000 tons = \$953,000.00 Increase

Needs in Dunn County:

- Roads
 - 425 miles of highways with an average condition rating of 5.2 out of 10
 - Average age of highway is 37 years or 1982
 - Currently 76% of our failed highways are local or minor road classifications
 - Current average for reconstruction of roads is 44.73 years. (Target is 25 years)
 - \$5.9 million in funding needed annually to reach a condition rating of 6 in 10 years
 - Ongoing maintenance need of \$2.94 million dollars currently have \$2.12 million

- Bridges
 - 76 bridges on Dunn County Highways
 - Average condition rating of 84.3 out of 100
 - Average age of bridge is 43 years or 1976
 - Currently have 10 bridges in need of replacement
 - Currently have 2 bridges posted below 40-ton capacity
 - Currently have 2 bridges posted below 45-ton capacity
 - Current investment need of \$12.5 million dollars for all bridge repairs.

Federal funding, Fast Act Recently Passed

- The latest federal transportation plan identifies increases in funding but no revenue sources to fund increases. The plan also shows more cost share requirements in order for states to receive the federal funding.

State Funding Support -- Not Good

- State Fiscal Bureau reports 29.29%-64.65% yearly road funding increase needed
- Gas Tax – No increase since 2006
- Weight limits increased for timber & Ag industry
- New program management has more cost share requirement by local units of government for any improvement needed above minimum standards.

Dunn County Vehicle Registration Fee FAQ

Page 5

Monthly cost for Wisconsinites to drive per month compared to our Neighbors, based on Registration Fees and Motor Fuel Taxes (as of 2016).

- Illinois \$39/month
- Iowa \$41/month
- Michigan \$28/month
- Minnesota \$42/month
- Wisconsin \$23/month.

Why don't large trucks have to pay the vehicle registration fee?

- Large trucks such as dump trucks and logging trucks pay a much higher registration and user fees; an average dump truck pays about pays approximately \$1,900 - \$2,000 in fees plus the cost of the fuel tax;
- A logging truck pays about \$2,400 - \$2,500 in registration and user fees plus the cost of the fuel tax;
- A Dunn County example: For a semi-truck and trailer licensed for 80,000 pounds, the owner pays \$645 every quarter plus a heavy road tax of \$550/ year-- for a total of \$3,130/year.

How much money will this vehicle registration fee generate in Dunn County?

- Based on the latest statistic from the Wisconsin Department of Transportation there are 36,382 vehicles in Dunn County that will be affected by the vehicle registration fee. At \$20 per qualifying vehicle, this will generate approximately \$727,000.

Can Dunn County share this revenue with other municipalities?

- Wisconsin follows the principle that the unit of government that imposes a tax must also be the unit of government that spends the proceeds. See, *Authority to Tax in Wisconsin*, 77 *Marq. L. Rev.* 457, 1994.
- Therefore, the legislature has provided no authority for the county to exempt vehicles from particular municipalities and no authority to distribute proceeds from the vehicle registration fees collected to other municipalities.