

INTRODUCED: 6/1/2026

REFERRED TO: Rules and Public Policy Committee (Hearings also to be conducted in Administration and Finance and Public Works Committees)

SPONSOR: Councilors Nielsen, Lewis, Evans, Jones, Barth, Boots, Graves, Allen, Roberts, A. Brown, McCormick and J. Brown

DIGEST: revises certain provisions of Chapter 121 of the Code to amend the county's excise and wheel taxes and to add a new Division 12 entitled State and Local Road Funding

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SOURCE:

Initiated by: Councilor Nielsen

Drafted by: LeAnnette Pierce, General Counsel

LEGAL REQUIREMENTS FOR ADOPTION:

Subject to approval or veto by Mayor

PROPOSED EFFECTIVE DATE:

Adoption and approvals

GENERAL COUNSEL APPROVAL: \_\_\_\_\_

Date: May 28, 2026

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CITY-COUNTY GENERAL ORDINANCE NO. \_\_\_\_\_, 2026

PROPOSAL FOR A GENERAL ORDINANCE to revise certain provisions of Chapter 121 of the Revised Code of the Consolidated City and County to amend the county's excise and wheel taxes and to add a new Division 12 entitled State and Local Road Funding.

WHEREAS, the Council understands that addressing the consolidated city's infrastructure backlog is a top concern for residents of the city and a basic government service and responsibility; and

WHEREAS, Indiana Code (IC) 8-23-30-2(j), as amended by PL 147-2026, provides the consolidated city with the opportunity to receive \$50 million starting calendar year 2027 from the State of Indiana to repair and rehabilitate roads throughout the county; and

WHEREAS, to receive the \$50 million the consolidated city must provide, annually, a local match consisting solely from a new revenue source, and such match must grow annually through 2031; and

WHEREAS, if in any year the consolidated city is unable to provide the required match, the city becomes ineligible to receive the \$50 million in all subsequent years; and

WHEREAS, the consolidated city must notify the state comptroller not later than December 31<sup>st</sup> of the calendar year prior to a transfer if the consolidated city is able to provide the match required; and

WHEREAS, given budget constraints and limits on revenue growth, the consolidated city must evaluate all available options to maximize state funding in order to meet critical infrastructure needs and secure the state's investment; and

WHEREAS, IC 6-3.5-4 (surtax) and IC 6-3.5-5 (wheel tax) authorize the consolidated city to levy fees on vehicles registered in Marion County; and

WHEREAS, those fees that must be used to fund transportation and infrastructure projects and such fees have not been adjusted since 1992; and

WHEREAS, the Council seeks to address the consolidated city's infrastructure backlog and appreciates the State's partnership in this effort; now, therefore

BE IT ORDAINED BY THE CITY-COUNTY COUNCIL OF THE  
CITY OF INDIANAPOLIS AND OF MARION COUNTY, INDIANA:

SECTION 1. The Revised Code of the Consolidated City and County is hereby amended by adding the sections that are underlined and deleting the sections that have been stricken through to read as follows:

**Sec. 121-501. Excise surtax**

All passenger cars, trucks of less than eleven thousand (11,000) pounds gross vehicle weight, and motorcycles, and any other vehicles designated in IC 6-6-5-2 and registered in the county that are now subject to an excise tax (in lieu of a property tax) shall also be subject to an annual excise surtax of ten (10) percent to be paid with the registration of such motor vehicles; however, the annual surtax on a vehicle may not be less than seven dollars and fifty cents (\$7.50) a flat fee of one hundred dollars (\$100.00).

**Sec. 121-502 Wheel tax**

- (a) All of the following six (6) classes of motor vehicles registered in the county, and any others designated in IC 6-3.5-5-3, shall be subject to an annual wheel tax as set out in the following schedule of two hundred and forty dollars (\$240), to be paid with the registration of such motor vehicles

Motor Vehicle Classification	Annual Wheel Tax
(1) Buses	<del>\$40.00</del> \$240
(2) Recreational vehicles	<del>20.00</del> \$240
(3) Semitrailers	<del>40.00</del> \$240
(4) Tractors	<del>30.00</del> \$240
(5) Trailers	<del>40.00</del> \$240
(6) Trucks	<del>40.00</del> \$240

- (b) As provided by IC 6-3.5-5-4, the following motor vehicles are exempt from the annual wheel tax:
- (1) Vehicles owned by the state, a state agency or a political subdivision;
  - (2) Buses owned and operated by a religious or nonprofit youth organization and used to haul persons to religious services or for the benefit of their members;
  - (3) Vehicles subject to the annual excise surtax.

**Sec. 121-503. Distribution of tax revenue**

All of the excise surtax and wheel tax collected on motor vehicles registered in the county shall be distributed as provided in IC 6-3.5-5-14 and IC 6-3.5-4-12 and shall be used only to construct, reconstruct or repair curbs, sidewalks, streets and roads under its jurisdiction.

**Sec. 121-505. Estimates of Revenue and Reporting**

- (a) On or before October 1 of each year, the Marion County Auditor shall provide the council with an estimate of the surtax revenue, as required by IC 6-3.5-4-14(a) and an estimate of the wheel tax revenue, as required by IC 6-3.5-5-16(a), to be received by the county during the next calendar year.
- (b) The Council shall be entitled to receive copies of all notifications, reports, or other information required to be submitted to the state comptroller or to any other state or local entity pursuant to IC 8-23-30-2. Such copies shall be delivered to the Council at the same time they are submitted to the state.

SECTION 2. The expressed or implied repeal or amendment by this ordinance of any other ordinance or part of any other ordinance does not affect any rights or liabilities accrued, penalties incurred, or proceedings begun prior to the effective date of this ordinance. Those rights, liabilities, and proceedings are continued, and penalties shall be imposed and enforced under the repealed or amended ordinance as if this ordinance had not been adopted.

SECTION 3. Should any provision (section, paragraph, sentence, clause, or any other portion) of this ordinance be declared by a court of competent jurisdiction to be invalid for any reason, the remaining provision or provisions shall not be affected, if and only if such remaining provisions can, without the invalid provision or provisions, be given the effect intended by the Council in adopting this ordinance. To this end the provisions of this ordinance are severable.

SECTION 4. This ordinance shall be in effect from and after its passage by the Council and compliance with Ind. Code § 36-3-4-14.

The foregoing was passed by the City-County Council this \_\_\_\_ day of \_\_\_\_\_, 2026, at \_\_\_\_ p.m.

ATTEST:

\_\_\_\_\_  
Maggie A. Lewis  
President, City-County Council

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Yulonda Winfield  
Clerk, City-County Council

Presented by me to the Mayor this \_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Yulonda Winfield  
Clerk, City-County Council

Approved and signed by me this \_\_\_\_ day of \_\_\_\_\_, 2026.

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Joseph H. Hogsett, Mayor