

**ORDINANCE NO.: 10-2016**

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO,  
PORTER COUNTY, INDIANA, IMPOSING A MUNICIPAL MOTOR VEHICLE  
LICENSE EXCISE SURTAX AND MUNICIPAL WHEEL TAX**

WHEREAS, Ind. Code § 6-3.5-10 *et seq.* (the “Excise Tax Act”) authorizes the Common Council of any municipality within the State of Indiana having a population of at least ten thousand (10,000) to impose, by ordinance, an annual license excise surtax (the “Municipal Motor Vehicle Excise Surtax”) at a rate of at least Seven Dollars and Fifty Cents (\$7.50) and not more than Twenty Five Dollars (\$25.00) on certain vehicles registered in the municipality; and

WHEREAS, Indiana Code § 6-3.5-11 *et seq.* (the “Wheel Tax Act”) authorizes the Common Council of any municipality within the State of Indiana having a population of at least ten thousand (10,000) to impose, by ordinance, an annual wheel tax (the “Municipal Wheel Tax”) at a rate of not less than Five Dollars (\$5.00) nor more than Forty Dollars (\$40.00) on certain classifications of vehicles not exempted from the Wheel Tax and registered in the municipality; and

WHEREAS, the Excise Tax Act and the Wheel Tax Act (collectively, the “Act”) each require that the Municipal Motor Vehicle License Excise Surtax and the Municipal Wheel Tax be imposed concurrently; and

WHEREAS, the City of Valparaiso, Porter County, Indiana, has experienced a decline in revenue necessary to support the safe, all weather operation of the road and street system within the City; and

WHEREAS, the Common Council of the City does deem it necessary to now impose the Municipal Motor Vehicle License Excise Surtax and Municipal Wheel Tax in order to generate revenue to support the safe, all weather operation of the road and street system within the City. .

**NOW, THEREFORE, BE IT AND IT IS HEREBY ORDAINED** by the Common Council of the City of Valparaiso, Porter County, Indiana, as follows:

Section 1. Municipal Motor Vehicle License Excise Wheel Surtax.

a. *Creation of Fund.* There is hereby created a Municipal License Excise Surtax Fund which shall be a non-reverting fund. Revenues received from the Department of Motor Vehicles from taxes imposed under this section shall be deposited into the Fund.

b. *Tax Rates.* Effective January 1, 2017, and in accordance with I. C. 6-3.5-10-2(c), the surtax shall be imposed at the following rates:

- i. Passenger Rates: \$25.00 per year;
- ii. Motorcycles: \$12.50 per year;

- iii. Trucks with a Declared Gross Weight that does not Exceed 11,000 Pounds: \$25.00 per year; and
- iv. Motor Driven Cycles: \$12.50 per year.

c. *Vehicle Definitions.* The definitions set forth in the Act shall apply to this Section.

d. *Uses of Fund.* Funds in the Municipal License Excise Surtax Fund may be used for one or more of the following purposes:

- i. To construct, reconstruct, repair, or maintain streets and roads under the City's jurisdiction;
- ii. For the City's contribution to obtain a grant from the local road and bridge matching grant fund pursuant to I.C. 8-23-30.

e. *Transportation Asset Management Plan.* The Mayor shall prepare a Transportation Asset Management Plan, approved by the Indiana Department of Transportation, as required by I.C. 6-3.5-10-2(e) and I.C. 6-3.5-11-2(c) and submit a copy of such plan to the Common Council on or before August 1<sup>st</sup> of each year.

f. *Accounting of Fund.* On or before August 1<sup>st</sup> of each year, the Clerk-Treasurer shall provide the Common Council an estimate of the surtax revenues to be received by the City under this section during the next calendar year. The City shall include the estimated surtax revenues and the City's budget estimate for the calendar year.

## Section 2. Municipal Wheel Tax.

a. *Creation of Fund.* There is hereby created a Municipal Wheel Tax Fund which shall be a non-reverting fund. Revenues received from the Department of Motor Vehicles from taxes imposed under this section shall be deposited into the fund.

b. *Tax Rates.* Effective January 1, 2017, and in accordance with I.C. 6-3.5-11-2(d), the Municipal Wheel Tax shall be imposed on the following non-exempt vehicles at the following rates:

- i. Buses: \$40.00 per year;
- ii. Recreational Vehicles: \$12.50 per year;
- iii. Semi trailers: \$40.00 per year;
- iv. Tractors: \$40.00 per year;
- v. Trailers: \$12.50 per year; and
- vi. Trucks: \$40.00 per year

In accordance with I.C. 6-3.5-11-4, a vehicle is exempt from the Municipal Wheel Tax if the vehicle is: (1) owned by the state; (2) owned by a state agency of the state; (3) owned by a political subdivision of the state; (4) subject to the annual license excise surtax imposed under IC

6-3.5-10; or (5) a bus owned and operate by a religious or nonprofit youth organization and used to transport persons to religious services or for the benefit of its members.

c. *Vehicle Definitions.* The definitions set forth in the Act shall apply to this Section.

d. *Uses of Fund.* Funds in the Municipal Wheel Tax Fund may be used for one or more of the following purposes:

- i. To construct, reconstruct, repair or maintain streets and roads under the City's jurisdiction;
- ii. As a contribution to an authority established under I.C. 36-7-23; and
- iii. For the City's contribution to obtain a grant from the local road and bridge matching grant fund under I.C. 8-23-30.

e. *Transportation Asset Management Plan.* The Mayor shall prepare a Transportation Asset Management Plan as required in Section 1 of this Ordinance.

f. *Accounting of Fund.* On or before August 1st of each year, the Clerk-Treasurer shall provide the Common Council an estimate of the Municipal Wheel Tax revenues to be received by the City under this section during the next calendar year. The City shall include the estimated Municipal Wheel Tax revenues in the City's budget estimate for the calendar year.

Section 3. County Road Funding. As such time as Porter County provides the City of Valparaiso with a three (3) year road funding commitment substantially equivalent to the revenue raised under the Act, then the Common Council shall take action to repeal this Ordinance at their next regular meeting after receiving such commitment.

Section 4. Repeal and Modification. The Common Council shall vote within forty-five (45) days after one or more of the following events to maintain or repeal this Ordinance:

- a. At such time, Porter County adopts a county-wide Wheel Tax and a county-wide Excise Tax; or
- b. At such time the State of Indiana significantly reduces or eliminates funding available from the Local Road and Bridge Matching Grant Fund.

Otherwise, this Ordinance may be repealed and the rate set forth herein may be amended only in accordance with the Act.

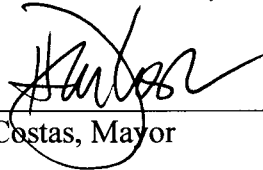
Section 5. Publication. The Clerk-Treasurer is hereby directed to file a copy of this Ordinance with the Commissioner of the Bureau of Motor Vehicles and the Department of State Revenue as required by the Act.

Section 6. Conflicting Ordinances. Any ordinance or provision of any ordinance of the City of Valparaiso in conflict with the provisions of this Ordinance is hereby repealed.

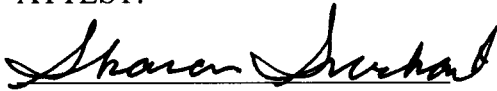
Section 7. Severability. The invalidity of any section, clause, sentence or provision of this Ordinance shall not affect the validity of any other part of this Ordinance which can be given effect without such invalid part or parts.

Section 8. Effective Date. This Ordinance shall be in full force and effect after its passage, approval by the Mayor of the City of Valparaiso and publication as required by law.

PASSED AND ADOPTED by the Common Council of the City of Valparaiso, Porter County, Indiana, on the 13<sup>th</sup> day of June, 2016.

  
\_\_\_\_\_  
Jon Costas, Mayor

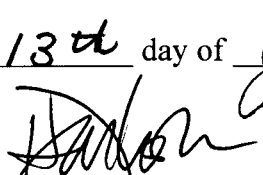
ATTEST:

  
\_\_\_\_\_  
Sharon Swihart, Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso, Indiana, this 13<sup>th</sup> day of June, 2016, at 8:25 o'clock p.m.

  
\_\_\_\_\_  
Sharon Swihart, Clerk-Treasurer

This Ordinance approved and signed by me this 13<sup>th</sup> day of June, 2016, at 8:25 o'clock p.m.

  
\_\_\_\_\_  
Jon Costas, Mayor

**ORDINANCE NO.: 10-2016**

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Section 1. Municipal Motor Vehicle License Excise Wheel Surtax.

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b. *Tax Rates.* Effective January 1, 2017, and in accordance with I. C. 6-3.5-10-2(c), the surtax shall be imposed at the following rates:

- i. Passenger Rates: \$25.00 per year;
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- iii. Trucks with a Declared Gross Weight that does not Exceed 11,000 Pounds: \$25.00 per year; and
  - iv. Motor Driven Cycles: \$12.50 per year.
- c. *Vehicle Definitions.* The definitions set forth in the Act shall apply to this Section.
- d. *Uses of Fund.* Funds in the Municipal License Excise Surtax Fund may be used for one or more of the following purposes:
- i. To construct, reconstruct, repair, or maintain streets and roads under the City's jurisdiction;
  - ii. For the City's contribution to obtain a grant from the local road and bridge matching grant fund pursuant to I.C. 8-23-30.
- e. *Transportation Asset Management Plan.* The Mayor shall prepare a Transportation Asset Management Plan, approved by the Indiana Department of Transportation, as required by I.C. 6-3.5-10-2(e) and I.C. 6-3.5-11-2(c) and submit a copy of such plan to the Common Council on or before August 1<sup>st</sup> of each year.
- f. *Accounting of Fund.* On or before August 1<sup>st</sup> of each year, the Clerk-Treasurer shall provide the Common Council an estimate of the surtax revenues to be received by the City under this section during the next calendar year. The City shall include the estimated surtax revenues and the City's budget estimate for the calendar year.

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e. *Transportation Asset Management Plan.* The Mayor shall prepare a Transportation Asset Management Plan as required in Section 1 of this Ordinance.

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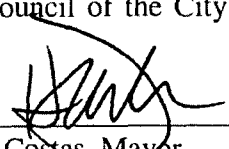
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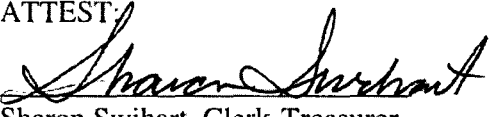
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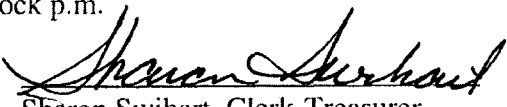
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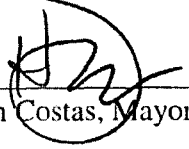
Section 8. Effective Date. This Ordinance shall be in full force and effect after its passage, approval by the Mayor of the City of Valparaiso and publication as required by law.

PASSED AND ADOPTED by the Common Council of the City of Valparaiso, Porter County, Indiana, on the 13<sup>th</sup> day of June, 2016.

  
\_\_\_\_\_  
Jon Costas, Mayor

ATTEST:  
  
Sharon Swihart, Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso, Indiana, this 13<sup>th</sup> day of June, 2016, at 8:25 o'clock p.m.  
  
Sharon Swihart, Clerk-Treasurer

This Ordinance approved and signed by me this 13<sup>th</sup> day of June, 2016, at 8:25 o'clock p.m.  
  
\_\_\_\_\_  
Jon Costas, Mayor





**BLACHLY, TABOR, BOZIK & HARTMAN, LLC**

July 11, 2016

**VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

Randall J. Zromkoski  
Craig R. Van Schouwen  
Jeffrey S. Wraga  
Ethan S. Lowe

Mr. Kent W. Abernathy, Commissioner  
Indiana Bureau of Motor Vehicles  
Indiana Government Center North  
100 North Senate Avenue  
Indianapolis, Indiana 46204

Mr. Andrew Kossack, Commissioner  
Indiana Department of Revenue  
Indiana Government Center North  
100 North Senate Avenue  
Indianapolis, Indiana 46204

Scott R. Bozik  
Angelica C. Schultis  
Nathan D. Vis  
Colby A. Barks

*Re: City of Valparaiso, Porter County, Indiana*

Dear Commissioners Abernathy and Kossack:

Duane W. Hartman  
David L. Hollenbeck  
Kingsley G. Regnier  
Patrick Lyp

I am initiating this correspondence to you in my capacity as the attorney for the City of Valparaiso, Porter County, Indiana ("Valparaiso"). Specifically, I am initiating this correspondence to you in order to provide you with notice that on June 13, 2016, the Common Council of Valparaiso adopted Ordinance No. 10-2016 entitled "An Ordinance of the Common Council of the City of Valparaiso, Porter County, Indiana, Imposing a Municipal Motor Vehicle Excise Surtax and Municipal Wheel Tax." A copy of Ordinance No. 10-2016 is enclosed for your review in accordance with the requirements of Ind. Code §§ 6-3.5-11-8 and 6-3.5-10-6. Both the excise surtax and wheel tax are effective January 1, 2017.

Quentin A. Blachly  
(1934-1997)

James S. Bozik  
(1935-2012)

Glenn J. Tabor  
(Retired)

If you have any questions or would like to discuss this matter further, please feel free to contact me.

Very truly yours,

~~BLACHLY, TABOR, BOZIK & HARTMAN, LLC~~

Ethan S. Lowe  
Email: [esl@btbhlaw.com](mailto:esl@btbhlaw.com)

56 South Washington, Suite 401  
Valparaiso, IN 46383  
219.464.1041 phone  
219.464.0927 fax

Merrillville Office  
219.738.2824

Fort Wayne office  
260.459.3288

ESL/Imb  
cc: Sharon Swihart, Clerk-Treasurer  
Bill Oeding, City Administrator