

Ordinance/Resolution Number 3, 2026

Passed by the Common Council of the City of Beech Grove, IN this 3 day of August, 2026.

1st Reading: July 6, 2026

2nd Reading: July 6, 2026

3rd Reading: August 3, 2026

Common Council for the City of Beech Grove, Indiana

Absent Y or N
Elizabeth Lamping

Absent Y or N
Michael Hemmelgarn

Mkt Y or N
Mike Earnest

[Signature] Y or N
Daniel McMillan

[Signature] Y or N
Ryan Matkins

[Signature] Y or N
Avis Frieson

[Signature] Y or N
Chris Duffer
President Pro-Tem

Presented by me to the Mayor of the City of Beech Grove, IN on this 3 day of August, 2026 at 7 P.M.

[Signature]
Attested:

Samantha S. Stratton, Clerk-Treasurer

Approved by the Mayor of the City of Beech Grove, Indiana this 3 day of August, 2026 at 7 P.M.

[Signature]
James W. Coffman, Mayor
City of Beech Grove

GENERAL ORDINANCE NO. 3, 2026

General Ordinance No. 3, 2026 is an ordinance that amends Chapter 39 of the City of Beech Grove's ("City") Code of Ordinances establishing a municipal Wheel Tax and Motor Vehicle License Excise Tax and creating the City's wheel tax fund and the motor vehicle license excise surtax fund.

WHEREAS, the Indiana General Assembly is enacting legislation that revises the State's real estate property taxes in such a manner that the City is projected to see substantial reduction in tax revenues for road and street projects;

WHEREAS, absent the adoption of this Ordinance, the City will not be eligible for Community Crossings Matching Grants;

WHEREAS, Ind. Code §6-3.5-11 *et seq.* (the "Wheel Tax Act") authorizes the Common Council to impose by ordinance an annual wheel tax ("Wheel Tax") of not more than forty dollars (\$40.00) on certain motor vehicles registered within the City;

WHEREAS, Ind. Code §6-3.5-10 *et seq.* (the "Excise Tax Act") authorizes the Common Council to impose by ordinance an annual license excise tax surtax (the "Excise Surtax") at a rate of not more than Twenty-Five Dollars (\$25.00) on certain vehicles registered in the City;

WHEREAS, the Wheel Tax Act authorizes the Common Council to impose the Wheel Tax at a different rate for each class of vehicle subject to the Wheel Tax Act. In addition, the Wheel Tax Act authorizes the Common Council to establish different rates within different classes of buses, recreational vehicles, semitrailers, tractors, and trucks based on weight classification established by the Indiana Bureau of Motor Vehicles ("BMV");

WHEREAS, the Excise Tax Act authorizes the Council to impose the Excise Surtax on each motor vehicle that is subject to the tax or impose the Excise Tax on vehicles subject to the Excise Surtax at one or more different amounts based upon the class of vehicles;

WHEREAS, the Wheel Tax Act prohibits the Common Council from adopting an ordinance imposing a Wheel Tax unless the Common Council concurrently adopts an ordinance under Ind. Code §6-3.5-10-1 *et seq.* to impose the annual motor vehicle license excise surtax;

WHEREAS, pursuant to **Ind.** Code §6-3.5-10-1 *et seq.*, the Common Council is concurrently adopting a Motor Vehicle License Excise Surtax;

WHEREAS, the City utilizes a traffic asset management plan referred to as its pavement asset management plan, which has been approved by the Indiana Department of Transportation (“INDOT”);

WHEREAS, the money collected by the Bureau of Motor Vehicles under this Ordinance and collected by the City must only be used for the stated purposes as provided by Indiana Law; and

WHEREAS, the Common Council deems it necessary to establish the Excise Surtax and the Wheel Tax so that it may generate revenue to support the safe operation and continued maintenance of the streets and roads under the jurisdiction of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL AS FOLLOWS:

Amend Chapter 38

WHEEL TAX AND MOTOR VEHICLE LICENSE EXCISE TAX

38.15 Establishment of Wheel Tax and Fund.

- (a) Definitions. The definitions and provisions set forth in Ind. Code §63.5-11-1 are incorporated herein by reference and shall apply throughout this Ordinance.
- (b) Wheel Tax Fund. The "City of Beech Grove Wheel Tax Fund" is hereby created and shall be a non-reverting fund. may only be used for the following purposes:
 - (1) to construct, reconstruct, repair, or maintain streets and roads that are under the jurisdiction of the City;
 - (2) as a contribution to an authority established under Ind. Code §367-23;
 - (3) for the City's contribution to obtain a grant from the local road and bridge matching grant fund under Ind. Code 8-23-30; and
 - (4) any other allowable uses under Ind. Code §6-3.5-11.
- (c) Imposition and Rate of Wheel Tax. Effective January 1, 2027, the following vehicles registered in the City and subject to the Wheel Tax shall incur a Wheel Tax in the amount of Forty Dollars (\$40.00) pursuant to Ind. Code §6-3.5-11-1 *et seq.*
 - (1) Buses;
 - (2) Recreational vehicles;
 - (3) Semitrailers;
 - (4) Trailers with a declared gross weight of more than nine thousand (9,000) pounds; and

(5) Trucks and tractors with a declared gross weight of more than eleven thousand (11,000) pounds.

(d) Pursuant to Ind. Code §6-3.5-11-4, a vehicle is exempt from the Wheel Tax if the vehicle is:

- (1) owned by the State of Indiana;
- (2) owned by a state agency of the State of Indiana;
- (3) owned by a political subdivision of the State of Indiana;
- (4) subject to the annual municipal vehicle license excise tax imposed pursuant to Ind. Code §6-3.5-10;
- (5) a bus owned and operated by a religious or non-profit youth organization and used to transport persons to religious services or for the benefit of its members;
- (6) a school bus;
- (7) a motor vehicle that is funeral equipment and that is used in the operation of funeral services as defined in Ind. Code §25-15-217; or
- (8) any other vehicle exempt pursuant to Ind. Code §6-3.5-11-4.

(e) The Wheel Tax shall be paid to the Indiana Bureau of Motor Vehicles each year at the time the vehicle is registered. The Clerk Treasurer shall deposit the Wheel Tax revenues in a fund to be known as the "City of Beech Grove Wheel Tax Fund" and shall distribute these funds consistent with Ind. Code §6-3.5-11-1 *et seq.*

(f) Accounting of Wheel Tax Fund. on or before October 1st of each year, the Clerk Treasurer shall provide the Common Council an estimate of the Wheel Tax revenues to be received by the City during the next calendar year. The City shall include the estimated Wheel Tax revenues in the City's budget estimate for the calendar year.

(g) Transmittal of Ordinance. The Common Council authorizes the Mayor or the Mayor's designee to provide a copy of this Ordinance to the Indiana Department of Revenue and the Indiana Bureau of Motor Vehicles and required by Ind. Code §6-3.5-11-8.

38.16 Establishment of Motor Vehicle License Excise Surtax and Fund.

(a) Definitions. The definitions and provisions set forth in Ind. Code §63.5-10-1 are incorporated herein by reference and shall apply throughout this Ordinance.

(b) Motor Vehicle License Excise Surtax Fund. The "City of Beech Grove Motor Vehicle License Excise Surtax Fund" is hereby created and shall be a non-reverting fund and may only be used for the following purposes:

- (1) to construct, reconstruct, repair, or maintain streets and roads under the City's jurisdiction;
 - (2) for the City's contribution to obtain a grant from the local road and bridge matching grant fund under Ind. Code §8-23-30; or
 - (3) any other allowable uses under Ind. Code §6-3.5-10.
- (c) Imposition and Rate of Excise Surtax. Effective January 1, 2027, the following vehicles, registered in the City and subject to the Motor Vehicle License Excise Tax, shall be subject to the Excise Surtax in the amount of Twenty-Five Dollars (\$25.00), pursuant to Ind. Code §6-3.5-10-1 *et seq.*
- (1) Passenger motor vehicles.
 - (2) Motorcycles.
 - (3) Motor driven cycles.
 - (4) Collector vehicles.
 - (5) Trailer vehicles with a declared gross weight of 9,000 pounds or less.
 - (6) Trucks with a declared gross weight of 11,000 pounds or less.
 - (7) Mini-trucks.
 - (8) Military vehicles.

The Excise Surtax shall be paid with the registration of each such vehicle.

- (d) The Clerk Treasurer shall deposit revenue received from the Excise Surtax in a fund to be known as the "City of Beech Grove Motor Vehicle License Excise Surtax Fund" and shall distribute the Surtax Fund consistent with Ind. Code §6- 3.5-10-10.
- (e) Accounting of Wheel Tax Fund. on or before October 1st of each year, the City Clerk Treasurer shall provide the Common Council an estimate of the Excise Surtax revenues to be received by the City during the next calendar year. The City shall include the estimated Excise Surtax revenues in the City's budget estimate for the calendar year.
- (f) Transmittal of Ordinance. The Common Council authorizes the Mayor or his designee to provide a copy of this Ordinance to the Indiana Department of Revenue and the Indiana Bureau of Motor Vehicles and required by Ind. Code §6-3.5-10-6.

38.17 Effect. This Ordinance shall have no effect upon any other sections of the Code or ordinances not specifically changed by this Ordinance, except as herein provided, and all other sections of the Code not inconsistent herewith remain the same.

38.18 Construction. The sections, paragraphs, sentences, clauses, phrases and words of this Ordinance are separable, and if any word, phrase, clause,

sentence, paragraph or section of this Ordinance shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a Court of competent jurisdiction, such unconstitutionality, invalidity or unenforceability shall not affect any of the remaining words, phrases, clauses, sentences, paragraphs and sections of this ordinance.

NOW THEREFORE BE IT ORDAINED that the Common Council desires to amend Chapter 38 of the Code of Ordinances for the City of Beech Grove.

NOW THEREFORE BE IT FURTHER ORDAINED that this Ordinance only applies to the above mentioned Chapter of the Code of Ordinances.

NOW THEREFORE BE IT FURTHER ORDAINED that the ordinance shall go into effect sixty (60) days after passage by the Common Council, signed by the Council President Pro-Tem, attested by the Clerk Treasurer, and signed by the Mayor.