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MEMORANDUM

To: County Auditors
From: Janie Cope, Local Government Specialist
Date: June 2, 2025
Subject: County Wheel Tax and County Motor Vehicle Excise Surtax Factors

The Office of Indiana State Comptroller has released updated distribution factors for the Wheel Tax and Excise Surtax. These adjustments are based on the latest mileage figures from INDOT and include official population updates recognized by the State as of April 1, 2025. Please apply these new factors upon receipt of this memo and ensure they remain in effect until May 31, 2026.

As outlined in [IC 6-3.5-4-13\(b\)](#) and [IC 6-3.5-5-15\(b\)](#), the County Auditor must allocate funds from the County Wheel Tax and County Surtax funds by the 20th of each month. The County Treasurer must complete distribution by the 25th.

In accordance with [IC 8-14-2-4\(c\)\(1\)](#) and [IC 8-14-2-4\(c\)\(2\)](#), the County Auditor should allocate funds to counties, cities and towns as follows:

For counties with a population greater than 50,000:

- 60% of funds shall be distributed based on the population relative to total county population.
- 40% of funds shall be distributed based on road and street mileage relative to total county road mileage.

For counties with a population of 50,000 or less:

- 20% of funds shall be distributed based on population relative to total county population.
- 80% of funds shall be distributed based on road and street mileage relative to total county road mileage.

Counties, cities and towns must record their distributions in their respective Motor Vehicle Highway Funds. Wheel tax and Surtax dollars can be utilized for construction, reconstruction, repair and maintenance of the roads and streets under the locality's jurisdiction. They can also serve as your contribution toward grants from the Local Road and Bridge Matching Grant Fund, per [IC 8-23-30](#). While Wheel Tax revenues can support contributions to a Multiple County Infrastructure Authority under [IC 36-7-23](#), Surtax funds are not eligible.

We are at your service to answer questions and address any concerns. Please contact our office at 317-233-1712 or LocalGovernment@comptroller.in.gov.