Elise M. Nieshalla State Comptroller

Motor Vehicle Highway (MVH) Distributions

MVH distributions are monthly state allocations of road taxes and fees used by local and state governments for infrastructure.

Distribution Schedule
They are distributed by the 15th of each month to the Indiana Department of Transportation (INDOT), counties, cities and towns from the revenue sources outlined below.

Primary Revenue Sources
While 23 different taxes comprise MVH, most of the funding comes from these specific revenues:

- 14.2860% of Gasoline Use Tax (**IC 6-2.5-10-1(c)(4)**)
- 75% of the Gasoline Excise Tax after the first $70 Million (**IC 6-6-1.1-801.5**, **IC 6-6-1.1-802**)
- 75% of the Special Fuel Tax after monthly transfer to Motor Carrier Regulation Fund (**IC 6-6-2.5-68**, **IC 6-6-1.1-802**)
- International Registration Plan fees after the first $125,000 (**IC 9-18.1-5-10.5**)
- Vehicle registration and title fees (IC 6-6 et. seq.)

Pre-Allocation Transfers

- Monthly transfer of $325,000 to the Motor Carrier Regulation Fund (**IC 8-14-1-3**)
- Annual appropriation of $250,000 to INDOT for asset management database (**IC 8-14-3-3**)
- Amounts to INDOT for administration of local programs (**IC 8-14-1-3(6)**)
- Covered Bridge Distribution (**IC 8-14-1-10**)
- Road tax credits refunded are payable from the Motor Vehicle Highway account (**IC 8-14-1**, **IC 6-6-12-8**)
- Railroad Crossing Improvement (**IC 8-6-7.7-6.1**)

The sum of primary revenue sources minus pre-allocation transfers equals the monthly distribution amounts. According to **IC 8-14-1-3,** the monthly distributions are as follows:

- **62%** of the dollars are transferred to INDOT for use in the State Highway Fund
- **25.87%** is distributed to counties as follows:
  - **5%** equally;
  - **65%** road mileage basis
  - **30%** total vehicle registrations basis
- **12.13%** is distributed to cities and towns – this amount is allocated based on population

Post-Allocation Adjustments
After the local government portions of the distribution are calculated, they may be adjusted as necessary based on the activities described below**:**

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- County Engineer Distribution (county only) (**IC 8-17-5-8 & 10)**
- Local Assistance Expenses (counties, cities and towns) (**IC 8-14-1-3(6)**, **IC 8-23-2-5(a)(6)**)
- Access road construction (counties, cities and towns) (**IC 8-23-5-7**)

Permissible Uses
Counties: See **IC 8-14-1-4**

- Highway construction, reconstruction, preservation, and maintenance
- Equipment and materials
    - Purchase, rental, and repair of highway equipment
    - Purchase of fuel, oil, and necessary supplies
- Property acquisition
    - Acquisition of rights-of-way
    - Acquisition of grounds for storage building construction
- Bridge maintenance
    - Painting of bridges

Cities and Towns: See **IC 8-14-1-5**

- Highway work
    - Construction, reconstruction, preservation, repair and maintenance of highways
    - Oiling, sprinkling, snow removal, weed and tree cutting, and cleaning
    - Curbs include as part of defined highways
- Infrastructure projects
    - City or town share of grade-separation projects at highway–railroad crossings
- Equipment and materials
    - Purchase or lease of construction, preservation and maintenance equipment
    - Purchase, erection, operation and maintenance of traffic signs, signals, safety zones and devices
    - Painting of surfaces in highways for safety and traffic regulation
- Financing
    - Payment of principal and interest on bonds sold primarily to finance road, street or thoroughfare projects