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EXCISE TAX DISTRIBUTIONS

Section 88 of House Enrolled Act 1210 added IC 6-1.1-27-10, effective January 1, 2027. This new code section allows most taxing units (1) to deposit distributions of the following excise taxes into any fund and (2) to use excise distributions for any purpose allowed by law:

- Motor Vehicle Excise Tax (IC 6-6-5)
- Excise Tax on Recreational Vehicles and Truck Campers (IC 6-6-5.1)
- Aircraft License Excise Tax (IC 6-6-6.5)
- Auto Rental Excise Tax (IC 6-6-9)
- Boat Excise Tax (IC 6-6-11)
- Heavy Equipment Rental Excise Tax (IC 6-6-15)
- Vehicle Sharing Excise Tax (IC 6-6-16)

However, the rules are different for school corporations. IC 20-40-18-2 and IC 20-40-19-2 require school corporations' excise tax distributions to be receipted into the Operations Fund and/or the School Corporation Referendum Controlled Project Tax Levy Fund. After receipting excise distributions into one of these two funds, school corporations may only expend their excise distributions for operation fund purposes listed under IC 20-40-18-5 and school corporation referendum controlled project tax levy fund purposes under IC 20-40-19-3.

School corporations must consider this information when developing their 2027 budgets.