

Local Option Highway User Tax (LOHUT)

What is LOHUT?

Established by the Indiana General Assembly in 1980, LOHUT is the only optional tax specifically for road funding. It is comprised of two taxes, the wheel tax and the motor vehicle excise surtax. Both taxes must be levied together and apply to different types of vehicles so no person would ever pay both taxes on the same vehicle. Applicable vehicles include those registered in Steuben County. Ordinance to collect taxes was passed by the Steuben County Council with support from the Steuben County Commissioners.

Who pays Wheel Tax?

This applies to larger vehicles (i.e. RVs, buses, semi-trailers, tractors, trucks, farm vehicles, etc.) and is set at \$80 per vehicle unless it is a trailer under 3,000 pounds which is \$15. See chart on back of page.

Who pays Excise Surtax?

This applies to smaller vehicles (i.e. passenger cars, trucks under 11,000 pounds, motorcycles, and motor-driven cycles) and is set at 20% of the excise tax with a minimum of \$25. See chart on back of page.

How does LOHUT work?

The BMV collects the applicable tax for the vehicle being registered. The collected tax is remitted to the County Auditor and County Treasurer who allocate and distribute the funds to Steuben County, Angola, Fremont, Clear Lake, Hamilton, Orland, Ashley, and Hudson.

What can the funds be used for?

LOHUT funds can only be used "to construct, reconstruct, repair, or maintain streets and roads under its jurisdiction." Examples include capital projects, pavement rehabilitation, pavement preservation, and gravel road maintenance. Activities may include total reconstruction, asphalt overlays, chip seal, sand seal, crack seal, and full depth reclamation.

Is it a "Fair Tax"?

Some people think it is, others do not. It is fair in the respect that the only people that pay it are those that license their vehicles and use the roadways. **All of the money collected in the county stays in the county.** It can also be fair in that a higher fee can be charged to heavy trucks that cause more damage to roads than lighter vehicles. It can be unfair in that the tax may not be proportional to use, like a gasoline tax would be.

Additional Resources

Indiana Code: IC 6-3.5-5 (Wheel Tax) and IC 6-3.5-4 (Excise Surtax)

Steuben County Website: [http://www.co.steuben.in.us/departments/highway/lohut_\(wheel_tax\)/index.php](http://www.co.steuben.in.us/departments/highway/lohut_(wheel_tax)/index.php)

Indiana BMV Website: <http://www.in.gov/bmv/2625.htm>

Transportation Infrastructure Improvement

In 2017 the state legislature passed a \$15.00 registration fee for all Hoosiers beginning January 1, 2018 to be placed in a grant fund for transportation infrastructure projects. Local governments can apply for these grants known as the Local Road and Bridge Matching Grant or Community Crossings Matching Grant. This fee is separate from the Steuben County Wheel Tax or Steuben County Excise Surtax which make up the Local Option Highway User Tax (LOHUT).

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Estimated Wheel Tax Fees

Declared Gross Weight	Truck	Trailer	RV	Tractor Trailer	For-Hire-Bus	Church/School Bus	Bus Not-For-Hire	Permanent Semitrailer	Farm Vehicles	Recovery Vehicle
<3,000 lbs		\$15.00								
>3,000 lbs	\$80.00	\$80.00		\$80.00	\$80.00					
No Weight Restrictions			\$80.00			Exempt	\$80.00	\$80.00	\$80.00	\$80.00

Estimated Excise Surtax Fees

20% of Excise Tax with \$25.00 minimum	Classification Based on Vehicle Price																
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII	XIV	XV	XVI	XVII
Year of Manufacture*	\$0 to \$1,499	\$1,500 to \$2,249	\$2,250 to \$2,999	\$3,000 to \$3,999	\$4,000 to \$5,499	\$5,500 to \$6,999	\$7,000 to \$8,499	\$8,500 to \$9,999	\$10,000 to \$12,499	\$12,500 to \$14,999	\$15,000 to \$17,999	\$18,000 to \$21,999	\$22,000 to \$24,999	\$25,000 to \$29,999	\$30,000 to \$34,999	\$35,000 to \$42,499	\$42,500 and over
1st	\$25.00	\$25.00	\$25.00	\$25.00	\$26.40	\$33.60	\$41.20	\$49.20	\$60.00	\$68.80	\$82.60	\$100.00	\$120.00	\$140.00	\$162.40	\$187.60	\$212.60
2nd	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$29.40	\$36.80	\$44.00	\$53.60	\$59.60	\$71.60	\$86.80	\$104.00	\$121.40	\$141.00	\$162.80	\$184.40
3rd	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.20	\$30.80	\$37.20	\$46.00	\$52.00	\$62.40	\$75.60	\$90.00	\$105.80	\$122.80	\$141.80	\$159.00
4th	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.40	\$31.20	\$39.20	\$44.80	\$53.80	\$65.20	\$73.40	\$91.20	\$102.60	\$122.20	\$138.60
5th	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.60	\$32.80	\$38.20	\$45.80	\$55.60	\$60.00	\$77.80	\$84.00	\$104.20	\$118.20
6th	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$26.00	\$31.40	\$37.60	\$45.60	\$48.40	\$63.80	\$67.60	\$85.60	\$96.60
7th	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.80	\$31.00	\$37.60	\$38.40	\$52.60	\$53.60	\$70.60	\$76.60
8th	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.40	\$25.80	\$25.80	\$36.20	\$36.20	\$51.60	\$51.60
9th	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
10th & thereafter	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00

Excise surtax is calculated as 20% of the excise tax with a \$25.00 minimum. Excise tax is based on vehicle classification which defines a vehicle based on the MSRP. The fee charged depends on the age of the vehicle, which is represented by the year of manufacture in the chart above. **Please note: this chart is for estimation purposes only.**

Fees will be calculated and assigned by the BMV at the time of registration.

To estimate taxes for new purchases, please use the estimator on the BMV website: <https://secure.in.gov/BMV/mybmv/QuickQuote/Default.aspx>