

#### History of the State Motor Vehicle License Tax

- 1906:** \$5.00 registration fees required for all gasoline or steam motor vehicles
- 1920:** Separate licenses required for motorcycles, passenger cars, and commercial vehicles
- 1925:** Graduated rate schedule for commercial vehicles was enacted
- 1932:** Rates increased for motorcycles, passenger cars, and commercial vehicles, and method of revenue redistribution amended.
- 1937:** Rate schedule on farm trucks enacted
- 1948:** Passenger car levy increased to \$10
- 1949:** Separate levy on house trailers enacted.
- 1951:** Separate graduated rate schedule on motorbuses; levy on commercial vehicles increased
- 1953:** Dept. of Public Safety/BMV created and current method of revenue distribution enacted
- 1957:** Separate levy on transit buses enacted.
- 1980:** Rates increased, with those on passenger cars, motorcycles, certain trailers doubling<sup>1</sup>
- 1991:** Commercial motor vehicle rates determined by gross vehicle weight

#### History of the Local Motor Vehicle License Tax

- 1967:** Counties and municipalities permitted to levy a \$5.00 permissive license tax
- 1983:** The restriction precluding counties from enacting the permissive tax if municipalities had enacted it was removed.
- 1987:** Additional local license tax authority was given to local governments. Counties could levy a total of \$10, in \$5 increments. Two additional municipal levies were contingent upon county enactments by certain dates in 1989 and 1991<sup>1</sup>.