



Transportation Committee

\$5 Vehicle Registration Permissive Tax

May 21, 2026

What is the Vehicle Registration Permissive Tax?

- **Optional Local Tax:** It is an optional local motor vehicle tax that counties, municipalities, and townships are authorized by the Ohio Revised Code (ORC) to enact
 - ORC Chapter 4504: Local Motor Vehicle License Tax
- **Variable by Location:** The exact amount varies based on the local taxing district (county, city, and township of residence)
 - The city of Toledo is taxing district 4808
- **Usage Restrictions:** Revenue generated from this fee must be used specifically for the planning, construction, maintenance, and repair of public roads, highways, streets, and bridges
 - **Revenues are deposited into the Street Construction, Maintenance & Repair (SCMR) Fund**
 - **The \$5 permissive tax is expected to generate approximately \$1.1 million in additional revenue**
 - **Used for City Patch and Seal – extends the life of the road by 5-6 years**

What is the Vehicle Registration Permissive Tax?

- **Fee Limit:** By state law, the maximum combined total of all local permissive taxes cannot exceed \$30.00 per vehicle registration

County Levies

ORC Section	Amount	Distribution Rules
4504.02	\$ 5.00	100% of the revenue collected is distributed to the county (Municipalities can request from the county a portion of this revenue, per the Ohio Revised Code) (Counties have the authority to enact this tax at any time; however, cannot collect revenue from a municipality already enacting 4504.06)
4504.15	\$ 5.00	If a municipal registration: 50% to the municipality, 50% to the county If a township registration: 30% to the township, 70% to the county. (Counties have the authority to enact this tax at any time; however, cannot collect revenue from a municipality already enacting 4504.17)
4504.16*	\$ 5.00	If a municipal registration: 100% is distributed to the county If a township registration: 30% to the township, 70% to the county.
		(*4504.051 allows an increase or decrease in the allocation to townships by passage of a resolution and county approval.) (Counties have the authority to enact this tax at any time; however, cannot collect revenue from a municipality already enacting 4504.171)
4504.24	\$ 5.00	100% of the revenue collected is distributed to the county (Counties have the authority to enact this tax at any time)

The county is currently enacting all levies

What is the Vehicle Registration Permissive Tax?

The current permissive tax fee total for Toledo is \$25.00

Municipal Levies

ORC Section	Amount	Distribution Rules
* 4504.06	\$ 5.00	100% to the municipality (Municipalities cannot enact this tax if the County is already enacting 4504.02)
* 4504.17	\$ 5.00	100% to the municipality (Municipalities cannot enact this tax if the County is already enacting 4504.15)
* 4504.171	\$ 5.00	100% to the municipality (Municipalities cannot enact this tax if the County is already enacting 4504.16)
4504.172	\$ 5.00	100% to the municipality (Municipalities have the authority to enact this tax at any time)
4504.173	\$ 5.00	100% to the municipality (Municipalities have the authority to enact this tax at any time)

*Cannot enact because County is already enacting

What are the Permissive Tax totals in other Ohio cities & townships?

- Columbus - \$30
- Dayton - \$30
- Cincinnati - \$30
- Cleveland - \$25

- Springfield - \$30
- Sylvania - \$30
- Ottawa Hills - \$30
- Maumee - \$30 (As of 2027)
- Waterville - \$30 (As of 2027)
- Oregon - \$20

- Bowling Green - \$30
- Rossford - \$25
- Perrysburg - \$25

Ohio Taxing District Code Book 2026

(<https://dam.assets.ohio.gov/image/upload/publicsafety.ohio.gov/Taxing-District-Code-Book.pdf>)

Street Construction, Maintenance & Repair (SCMR) Fund Overview

Revenue Sources totaling \$17.3 million:

- \$12.2 million from gasoline taxes
- \$4.6 million from license taxes
- \$0.5 million from overweight truck enforcement fines and other revenues

Expenditures totaling \$19.2 million:

- \$12.5 million budgeted under the Division of Road & Bridge Maintenance for patch & seal, crack sealing and pothole programs and for bridge maintenance activities (52.5 FTEs)
- \$5.7 million budgeted under the Division of Traffic Management for sign and signal maintenance, pavement marking and traffic calming programs (36 FTEs)
- \$1.0 million for utility costs, debt service and other

The SCMR Fund has a structural budget deficit of \$1.9 million

SCMR Fund Plan & Projection – with \$5 Permissive Auto License Tax

Revenues & Other Sources	2025 Unaudited	2026 Projected	2027 Projected	2028 Projected
Intergovernmental Revenues	\$ 16,922,016	\$ 16,800,000	\$ 17,968,000	\$ 18,147,680
Other Revenues	208,738	244,000	251,320	258,860
Operating Transfer	225,000	225,000	225,000	225,000
Total Revenues	17,355,754	17,269,000	18,444,320	18,631,540

Expenditures & Other Uses	2025 Unaudited	2026 Projected	2027 Projected	2028 Projected
Labor	10,235,790	10,875,849	11,286,769	11,356,112
Supplies & Services	5,251,450	7,967,515	7,967,515	7,967,515
Operating Transfers	332,638	333,263	333,800	334,250
Total Expenditures	15,819,878	19,176,627	19,588,084	19,657,877

Projected Fund Balance*	2025 Unaudited	2026 Projected	2027 Projected	2028 Projected
Projected Starting Fund Balance	3,239,576	4,775,452	2,867,825	1,724,061
Change in Fund Balance	1,535,876	(1,907,627)	(1,143,764)	(1,026,337)
Projected Ending Fund Balance	\$ 4,775,452	\$ 2,867,825	\$ 1,724,061	\$ 697,724

SCMR Fund Plan & Projection – without \$5 Permissive Auto License Tax

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Other Revenues	208,738	244,000	251,320	258,860
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Total Revenues	17,355,754	17,269,000	17,444,320	17,621,540

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Projected Ending Fund Balance	\$ 4,775,452	\$ 2,867,825	\$ 724,061	\$ (1,312,276)