

MUNICIPAL VEHICLE REGISTRATION FEE FREQUENTLY ASKED QUESTIONS

What is a municipal vehicle registration fee?

The municipal vehicle registration fee has been allowed in Wisconsin since 1967 under Wis. Stat. § 314.35, which allows a town, village, city or county to collect an annual vehicle registration fee (or wheel tax) in addition to the regular annual registration fee paid for:

- Autocycles
- Automobiles
- Trucks at 8,000 lbs. or less (except dual purpose farm)

When will the municipal vehicle registration fee go into effect? How much is it?

Vehicles with registration that expires in February 2025 or any vehicles registered on or after February 1, 2025 will pay a \$30 fee.

What is the estimated revenue collection?

With a \$30 fee, the estimated annual revenue collected is \$955,000.

What can the municipal vehicle registration fee be used for?

Revenues collected from the municipal vehicle registration fee may only be used for transportation related purposes, such as maintenance and repair of roads, paths and trails, pedestrian safety improvements, lights/signals/signs, traffic markings, and landscaped medians and roundabouts. Collected fees cannot be used or transferred for other governmental purposes and are not subject to levy limits.

Why did the City decide to implement a vehicle registration fee?

The fee provides a sustainable, local revenue source to support essential road maintenance, infrastructure improvements, and other transportation projects. By implementing this fee, the City can ensure continued high-quality services while reducing reliance on property tax revenue.

Is this fee being enacted to pay for bus service in Sun Prairie?

No. The fee was enacted to address ongoing infrastructure expenses and ensure that there will always be a minimum amount set aside for infrastructure maintenance and repair that cannot be used for any other municipal purpose.

How is the municipal vehicle registration fee collected?

The Wisconsin Department of Transportation (WisDOT) collects the municipal vehicle registration fee at the time of vehicle registration or renewal along with any other registration fees. WisDOT keeps an administrative fee of 17 cents per vehicle application and sends the rest to the respective county or municipality.



MUNICIPAL VEHICLE REGISTRATION FEE FREQUENTLY ASKED QUESTIONS

What vehicles are exempt from a municipal vehicle registration fee?

The following vehicles are exempt from a municipal registration fee:

- Buses, motorcycles, mopeds, motor homes, low-speed vehicles and trailers.
- Trucks registered at more than 8,000 pounds.
- Farm or Dual Purpose Farm trucks
- Antique, Collector, Driver education, Historic military vehicle, Hobbyist, Human service vehicle, Low-speed vehicle, Medal of honor, Municipal, State-owned, Special X and one vehicle with Ex-prisoner of war registration issued to any qualified individual.
- Any vehicle with registration issued by a Wisconsin Indian tribe or band.
- Vehicles displaying Dealer, Distributor, Finance company or Manufacturer plates.

When are fees collected from the payment of wheel tax disbursed to the municipality?

The Council may choose to repeal the wheel tax ordinance at anytime with 90 days notice to the state, but the approved ordinance did not set an expiration date. To increase, decrease, or repeal the fee, Council would need to pass a new ordinance or amend the existing one.

If a county has a municipal vehicle registration fee in effect, can a municipality within that county also enact a municipal vehicle registration fee ordinance?

Yes. Both the municipality and county can collect a municipal vehicle registration fee simultaneously for vehicles subject to the fee. Dane County has a municipal vehicle registration fee of \$28. Vehicles registered in Wisconsin and customarily kept in Sun Prairie will pay both the County's fee of \$28 and the City's fee of \$30.

How many vehicles in Sun Prairie would be subject to the fee?

About 32,000 vehicles would be subject to the registration fee as of September 1, 2024.

Can the City waive or make exceptions to the fee? What is the policy for refunds or proration?

State law does not allow for exemptions or waivers to municipal registration fees beyond what the state has exempted and does not grant the City the authority to waive the fee based on income, vehicle type, or need. The full fee is always required to issue or renew registration and is never prorated. Refunds for fees paid in error are handled by WisDOT.

Which other jurisdictions have enacted a municipal vehicle registration fee?

41 cities and 13 counties have enacted a fee as of September 1, 2024. A full list of jurisdictions assessing a fee is available from [WisDOT](https://www.wisconsin.gov/dot).

For more information, please visit
www.cityofsunprairie.com/VRF