**BMV:** Bureau of Motor Vehicles. The Indiana Bureau of Motor Vehicles collects driver registration, license and vehicle fees. More information about the Indiana BMV is available at: [http://www.in.gov/bmv/](http://www.in.gov/bmv/)

**Cumulative Bridge Funds:** Cumulative bridge funds are collected by the counties to build and maintain bridges. In most counties, the county is responsible for all bridges. The county cumulative bridge fund is a property tax based fund, with a statutory maximum rate of $0.10 per $100.00 assessed valuation. The cumulative bridge fund raises significantly more money in urbanized counties than it does in rural counties, because revenues are generated in proportion to the net assessed value of the property in the county. Bridge funding may vary from less than $1,000 per bridge to over $15,000 per year per bridge, depending on the county.

**Excise Tax:** Excise taxes are paid on passenger vehicles and recreational vehicles and vary depending on the age of the vehicle and the manufacturer’s original retail price. Counties may also collect an excise surtax in addition to the excise tax; the excise surtax varies depending on the county. More information about the excise tax is available at [http://www.in.gov/bmv/2675.htm](http://www.in.gov/bmv/2675.htm); more information about the excise surtax for each county is available at [http://www.in.gov/bmv/2677.htm](http://www.in.gov/bmv/2677.htm)

**Federal Gas Tax:** Tax collected at the gas pump, currently 18.4 cents per gallon. The federal gas tax is sent to the federal government. Most of the revenues collected in Indiana return to Indiana and are used to reimburse INDOT and local agencies for federally funded transportation projects.

**GPS:** Global Positioning System, a navigation system based on satellites that can provide information on the number of miles travelled on the road system. GPS could be used to facilitate the collection of user fees based on miles travelled.

**INDOT:** Indiana Department of Transportation, builds, manages and maintained state owned roads such as interstates, US highways and state highways.

**Local agencies:** Counties, cities and towns that build, manage and maintain local roads.

**Local Option Highway User Tax:** Includes wheel tax and excise surtax. This tax is collected at the Bureau of Motor Vehicles and then goes through the county for distribution. This is sometimes referred to as LOHUT. The wheel tax and excise surtax varies depending on the county. More information about the surtax and wheel tax rates is available at [http://www.in.gov/bmv/2677.htm](http://www.in.gov/bmv/2677.htm)
Local Option Income Tax: Income tax collected by the county. A portion of this tax may be used for transportation expenditures, at the discretion of the county. This is sometimes referred to as LOIT. Local option income taxes include County Option Income Tax (COIT), County Economic Development Income Tax (CEDIT), and County Adjusted Gross Income Tax (CAGIT).

Local Road and Street Funds: This is an important funding source for county highway, city and town street departments. This is sometimes referred to as LRS. LRS funds are typically used to pay for paving materials and other direct expenses; many agencies dedicate LRS funds entirely to the maintenance and reconstruction of their roads and streets. There are several other legal uses, including purchase of equipment, right of way and engineering services.

LTAP: Local Technical Assistance Program, provides technical assistance to local agencies. More information about LTAP is available at: http://rebar.ecn.purdue.edu/LTAP1/Home/

Mileage-based Tax: A tax that road users pay for each mile driven. This tax may be collected using odometer readings or a global positioning system.

Motor Vehicle Highway Funds: One of the primary funding sources for county highway, city and town street departments. This is sometimes referred to as MVH. MVH funds may be used for all legal expenses of the agency, including administrative and operational expenses, road maintenance and construction, equipment maintenance and replacement, snow and ice control, fuel, and other supplies.

Property Tax: Property taxes are a primary source of funding for local government units, including counties, cities and towns. Property taxes are administered and collected by local government officials. These funds are used to pay for a variety of services including local roads. Property taxes are an ad valorem tax, meaning that they are proportional to the value of the property. More information about property taxes in Indiana is available at: http://www.in.gov/dlgf/2516.htm

Sales Tax: Sales tax revenues are paid at the time of purchase, and are collected for gas and vehicles as well as many other items. All sales tax revenues are currently deposited in the general fund.

Sales Tax on Gas: Tax collected at the gas pump, currently 7 cents per gallon, deposited in the general fund.

Sales Tax on Vehicles: Tax collected at the time of purchase, deposited in the general fund.

State Gas Tax: Tax collected at the gas pump, currently 18 cents per gallon. The state gas tax is collected by the State of Indiana, and is used in Indiana, primarily for transportation expenditures.
**Wheel Tax:** Wheel Taxes are paid on trucks, trailers, tractors and tractor trailers, and may vary depending on the weight of the vehicle. The wheel tax varies depending on the county. More information about the wheel tax for each county is available at http://www.in.gov/bmv/2677.htm