

Reply to Common Council File No. 970822

From DOA-Budget and Management Division

October 23, 1997

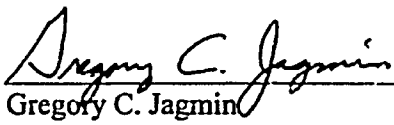
Ref: 97003

Common Council File 970822 contains an ordinance that would impose an annual \$10 municipal vehicle registration fee for vehicles kept in the City of Milwaukee. Revenues generated from this fee are to be used to reduce property tax revenues that help fund the city's paving program or other city transportation infrastructure costs.

Wisconsin State Statute 341.35 permits counties and municipalities to impose a vehicle registration fee on vehicles, trucks and autos, weighing less than 8,000 lbs., registered in the municipality or county. The amount of the fee is determined by the municipality or county and is added to and collected in conjunction with the State Motor Vehicle Registration Fee. The State of Wisconsin collects the fee and retains a portion to cover administrative expenses. Currently this administrative expense is \$0.10 per registration. Net checks are then mailed monthly to the municipality or county imposing the fee.

The Comptroller, in an informational memo, has estimated that imposing the fee on 330,500 vehicles would generate an additional \$3,268,700 in revenue annually. This increase would be slightly reduced by a loss of about \$340,300 in State Expenditure Restraint Aid. However, the proposed ordinance would not go into effect until April 1, 1998, therefore the 1998 revenue increase would be approximately \$2,195,600.

**RECOMMENDATION: ADOPTION OF THE ATTACHED ORDINANCE  
WOULD IMPOSE A \$10 VEHICLE REGISTRATION FEE ON VEHICLES  
KEPT IN THE CITY OF MILWAUKEE.**



Gregory C. Jagmin  
Budget and Management Team Leader

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