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“A dynamic, world-class County delivering excellence every day”

Olmsted County Wheelage Tax – Frequently Asked Questions (FAQs)

- 1. Q: What is a wheelage tax?**
A: A wheelage tax is one levied by Olmsted County Board of Commissioners on vehicles kept in Olmsted County. (Reference: Chapter 143, Article 10, Section 9 of the 2013 Minnesota Session Laws).
- 2. Q: When will the new wheelage tax begin?**
A: Collection will begin on January 1, 2014.
- 3. Q: To what types of vehicles does the tax apply?**
A: The tax applies to vehicles that are required to be registered annually, such as passenger vehicles, trucks and some trailers. Vehicles that do not require annual registration, such as semi-trailers or small utility trailers with lifetime registration do not pay the wheelage tax. Motorcycles, mopeds, motorized bicycles, electric-assisted bicycles, collector vehicles, trailers, and state owned vehicles are exempt from the wheelage tax.
- 4. Q: How much is the wheelage tax?**
A: \$10.00 per vehicle.
- 5. Q: How much money will be annually generated by wheelage tax?**
A: Approximately \$1.2 million of new revenue per year.
- 6. Q: Will the new wheelage tax be added to my property taxes?**
A: No. This is not a property tax. The tax will be added to your vehicle registration tabs bill.
- 7. Q: How will the tax be collected?**
A: The Minnesota Department of Public Safety – Driver and Vehicle Services (DVS) will collect the wheelage tax on behalf of Olmsted County. The tax is due at the time of vehicle registration.
- 8. Q: How does the County use the tax?**
A: Wheelage tax funds are distributed to Olmsted County on a monthly basis and are used for local transit improvements, including highway preservation and expansion projects.
- 9. Q: Will I be charged wheelage tax if I live in Olmsted County and purchase tabs in another county?**
A: If your car is located in Olmsted County, you will pay the wheelage tax regardless of where you buy your tabs.

10. Q: Do I need to pay the tax if I live in Olmsted County but my vehicle is kept at my cabin up north?

A: No, because the vehicle is not kept in Olmsted County. The tax is determined by where the vehicle is ordinarily stored or parked during non-business hours or when not in use. If the vehicle is ordinarily stored or parked outside of the county, for example at a cabin in a different county, indicate that county on the registration renewal and deduct the tax from the amount due.

11. Q: I live in another county that does not have a wheelage tax but work in Olmsted County. Is the tax due?

A: No. The tax is based on where the vehicle is kept, not where it is parked during the course of the day.

12. Q: If wheelage taxes were not charged, what would be the result?

A: Our ability to keep up with needed repairs and maintenance of our county road system would continue to be compromised; over time road system deterioration would present safety and accessibility concerns.

We would limit our ability to raise money needed for the County's required contribution toward public infrastructure costs related to the Destination Medical Center (DMC) initiative.

Implementing this new source of revenue will help limit property tax increases and provide consistency for businesses and homeowners.

13. Q: Can I get a refund if I move to a county that does not have a wheelage tax after I've already paid it?

A: No. The tax is due at the time of registration and is based on where the vehicle is kept at that time.

If the wheelage tax is paid at the time of registration and the vehicle is moved to another county, the tax is not refunded.