

IC 8-14-2

Chapter 2. Special Highway User Tax Accounts

IC 8-14-2-1

Definitions

Sec. 1. As used in this chapter:

- (1) Primary highway system special account means the account of the state known as the "primary highway system special account" to which is credited monthly fifty-five percent (55%) of the money deposited in the highway, road, and street fund.
- (2) Local road and street account means the account of the state known as the "local road and street account" to which is credited monthly forty-five percent (45%) of the money deposited in the highway, road and street fund.
- (3) The term "department" refers to the Indiana department of transportation created under IC 8-23-2.
- (4) The term "primary highways" shall mean that portion of the federal-aid highway system designated by the department and approved by the United States department of transportation as being the state "primary highway system".
- (5) The term "construction" shall mean both construction and reconstruction to a degree that new, supplementary, or substantially improved traffic service is provided, and significant geometric or structural improvements are effected.
- (6) "Arterial road system" shall mean the system of roads including bridges in each county of Indiana, under the jurisdiction of the board of county commissioners, or successor body, including a department of transportation of a consolidated city, designated as such by the board under IC 8-23-4-3, but not including local county roads.
- (7) "Local county roads" shall mean all county roads and bridges which are not designated as being in the arterial road system.
- (8) "Arterial street system" means the system of streets, including bridges in each city or town in Indiana, under the jurisdiction of municipal street authorities or successor bodies, including a department of transportation of a consolidated city, designated as such by the board under IC 8-23-4-4, but not including local streets.
- (9) "Local streets" shall mean all city and town streets and bridges which are not designated as being in the arterial street system in each city or town.
- (10) "Resurfacing" means the placement of additional pavement layers (including protective systems for bridge decks) over the existing (or restored or rehabilitated) roadway or bridge deck surface to provide additional strength or to improve serviceability for a substantial time period.
- (11) "Restoration and rehabilitation" means work required to return the existing structure (roadway pavement or bridge deck) to a suitable condition for an additional stage of construction

(bridge deck protective system or resurfacing) or to a suitable condition to perform satisfactorily for a substantial time period. *(Formerly: Acts 1969, c.392, s.1; Acts 1971, P.L.98, SEC.1; Acts 1973, P.L.71, SEC.1.) As amended by Acts 1978, P.L.58, SEC.1; Acts 1980, P.L.74, SEC.217; Acts 1981, P.L.41, SEC.50; P.L.18-1990, SEC.109.*

IC 8-14-2-2

Legislative intent as to use of monies

Sec. 2. It is hereby declared to be the intent of the general assembly that the monies deposited in the primary highway system special account and the local road and street account shall be used exclusively for engineering, land acquisition, construction, resurfacing, restoration, and rehabilitation of highway facilities. *(Formerly: Acts 1969, c.392, s.2; Acts 1971, P.L.98, SEC.2; Acts 1973, P.L.71, SEC.2; Acts 1975, P.L.90, SEC.1.) As amended by Acts 1978, P.L.58, SEC.2.*

IC 8-14-2-2.1 Version a

Highway, road, and street fund; creation and function

Note: This version of section effective until 1-1-2015. See also following version of this section, effective 1-1-2015.

Sec. 2.1. The auditor shall create a special fund to be known as the "Highway, Road and Street Fund" for the deposit of the revenues from:

- (1) the gasoline and special fuel taxes dedicated to the fund under IC 6-6-1.1-802 and IC 6-6-2.5; and
- (2) the increases in fees levied under IC 9-29-4, IC 9-29-5, IC 9-29-9, and IC 9-29-11, which increases are attributable to Acts 1969, Chapter 321, SECTION 1.

(Formerly: Acts 1971, P.L.98, SEC.3.) As amended by Acts 1978, P.L.58, SEC.3; Acts 1980, P.L.51, SEC.62; P.L.2-1991, SEC.60; P.L.277-1993(ss), SEC.55.

IC 8-14-2-2.1 Version b

Highway, road and street fund

Note: This version of section effective 1-1-2015. See also preceding version of this section, effective until 1-1-2015.

Sec. 2.1. The auditor shall create a special fund to be known as the "Highway, Road and Street Fund" for the deposit of the revenues from:

- (1) the gasoline and special fuel taxes dedicated to the fund under IC 6-6-1.1-802 and IC 6-6-2.5; and
- (2) amounts deposited in or distributed to the fund under IC 9-29.

(Formerly: Acts 1971, P.L.98, SEC.3.) As amended by Acts 1978, P.L.58, SEC.3; Acts 1980, P.L.51, SEC.62; P.L.2-1991, SEC.60; P.L.277-1993(ss), SEC.55; P.L.216-2014, SEC.9.

IC 8-14-2-2.5

Repealed

(Repealed by P.L.59-1985, SEC.38.)

IC 8-14-2-3

Credit to state highway fund; appropriation of funds

Sec. 3. (a) The auditor of state shall credit the state highway fund established under IC 8-23-9-54 monthly with fifty-five percent (55%) of the money deposited in the highway, road and street fund.

(b) Funds allocated to the department under this chapter must be appropriated.

(Formerly: Acts 1969, c.392, s.3; Acts 1971, P.L.98, SEC.4; Acts 1975, P.L.90, SEC.2.) As amended by Acts 1978, P.L.58, SEC.4; Acts 1980, P.L.74, SEC.218; Acts 1981, P.L.111, SEC.4; P.L.18-1990, SEC.110.

IC 8-14-2-4

Local road and street account; allocation of funds

Sec. 4. (a) The auditor of state shall establish a special account to be called the "local road and street account" and credit this account monthly with forty-five percent (45%) of the money deposited in the highway, road and street fund.

(b) The auditor shall distribute to units of local government money from this account each month. Before making any other distributions under this chapter, the auditor shall distribute E85 incentive payments to all political subdivisions entitled to a payment under section 8 of this chapter.

(c) After distributing E85 incentive payments required under section 8 of this chapter, the auditor of state shall allocate to each county the remaining money in this account on the basis of the ratio of each county's passenger car registrations to the total passenger car registrations of the state. The auditor shall further determine the suballocation between the county and the cities within the county as follows:

(1) In counties having a population of more than fifty thousand (50,000), sixty percent (60%) of the money shall be distributed on the basis of the population of the city or town as a percentage of the total population of the county and forty percent (40%) distributed on the basis of the ratio of city and town street mileage to county road mileage.

(2) In counties having a population of fifty thousand (50,000) or less, twenty percent (20%) of the money shall be distributed on the basis of the population of the city or town as a percentage of the total population of the county and eighty percent (80%) distributed on the basis of the ratio of city and town street mileage to county road mileage.

(3) For the purposes of allocating funds as provided in this section, towns which become incorporated as a town between the effective dates of decennial censuses shall be eligible for allocations upon the effectiveness of a corrected population count for the town under IC 1-1-3.5.

(4) Money allocated under the provisions of this section to counties containing a consolidated city shall be credited or allocated to the department of transportation of the consolidated city.

(d) Each month the auditor of state shall inform the department of the amounts allocated to each unit of local government from the local road and street account.

(Formerly: Acts 1969, c.392, s.4; Acts 1971, P.L.98, SEC.5; Acts 1973, P.L.71, SEC.3; Acts 1974, P.L.33, SEC.1.) As amended by Acts 1978, P.L.58, SEC.5; Acts 1980, P.L.74, SEC.219; Acts 1981, P.L.11, SEC.54; Acts 1981, P.L.88, SEC.11; P.L.2-1990, SEC.11; P.L.182-2007, SEC.2.

IC 8-14-2-5

Local road and street account; use of funds

Sec. 5. Money from the local road and street account shall be used exclusively by the cities, towns, and counties for:

- (1) engineering, land acquisition, construction, resurfacing, maintenance, restoration, or rehabilitation of both local and arterial road and street systems;
- (2) the payment of principal and interest on bonds sold primarily to finance road, street, or thoroughfare projects;
- (3) any local costs required to undertake a recreational or reservoir road project under IC 8-23-5; or
- (4) the purchase, rental, or repair of highway equipment.

(Formerly: Acts 1969, c.392, s.5; Acts 1971, P.L.98, SEC.6; Acts 1973, P.L.71, SEC.4; Acts 1974, P.L.33, SEC.2; Acts 1975, P.L.91, SEC.1.) As amended by Acts 1978, P.L.58, SEC.6; Acts 1981, P.L.41, SEC.51; P.L.18-1990, SEC.111; P.L.76-1990, SEC.1.

IC 8-14-2-6

Repealed

(Repealed by Acts 1980, P.L.74, SEC.434.)

IC 8-14-2-7

Local road and street account; transfer of surplus allocated money to town general fund

Sec. 7. An included town under IC 36-3-1-7 may transfer surplus allocated monies to the town general fund from the local road and street account if those monies have not been allocated or expended within the previous twenty-four (24) months.

As added by P.L.67-1984, SEC.3.

IC 8-14-2-8

E85 incentive payments to political subdivisions

Sec. 8. (a) This section applies to a political subdivision's purchase of E85 occurring after December 31, 2007.

(b) As used in this section, "administrator" has the meaning set forth in IC 6-6-1.1-103(a).

(c) As used in this section, "E85" has the meaning set forth in

IC 6-6-1.1-103(s).

(d) As used in this section, "qualified motor vehicle" means a motor vehicle that may be fueled by E85.

(e) A political subdivision is entitled to a monthly E85 incentive payment under this section if at least seventy-five percent (75%) of the motor fuel purchased by the political subdivision in the preceding calendar month for use in the political subdivision's qualified motor vehicles was E85.

(f) Subject to subsection (j), the amount of a monthly E85 incentive payment to which a political subdivision is entitled under this section is equal to:

- (1) the total number of qualified motor vehicles owned by the political subdivision; multiplied by
- (2) thirty-three dollars and thirty-three cents (\$33.33).

(g) To claim an E85 incentive payment under this section, the fiscal officer of a political subdivision must present to the auditor of state a statement that:

- (1) contains a written verification that the incentive payment claim is made under penalties of perjury; and
- (2) sets forth:
 - (A) the total number of qualified motor vehicles owned by the political subdivision;
 - (B) the total amount of E85 purchased by the political subdivision in the preceding calendar month for use in each qualified motor vehicle described in clause (A); and
 - (C) the total amount of motor fuel purchased for use in each qualified motor vehicle described in clause (A).

(h) The auditor of state may request the administrator to make investigations the auditor of state considers necessary before issuing an E85 incentive payment under this section. The administrator shall provide any assistance requested under this section. Upon the request of the administrator, a political subdivision shall furnish to the administrator sufficient documentation to prove the validity of the information presented under subsection (g).

(i) If an E85 incentive payment is not issued within ninety (90) days after filing of the verified statement and all supplemental information required by subsection (h), the auditor of state shall pay interest at the rate established by IC 6-8.1-9 computed from the date of filing of the verified statement and all supplemental information required under this section until a date determined by the auditor of state that does not precede by more than thirty (30) days the date on which the E85 incentive payment is made.

(j) A political subdivision is not entitled to an E85 incentive payment for E85 used in a qualified motor vehicle owned by the political subdivision after December 31 of the fifth calendar year of the political subdivision's ownership of the qualified motor vehicle.

(k) A political subdivision may not claim an E85 incentive payment for any purchase of E85 occurring after December 31, 2014.

(l) This section expires January 1, 2019.

As added by P.L.182-2007, SEC.3. Amended by P.L.220-2011,

SEC.199.