

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 state 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 expire in July 2025 or any vehicles registered on or after August 1, 2025 will pay an annual \$40 fee in addition to the state renewal fee and the Dane County registration fee.

What is the estimated revenue collection?

With a \$40 fee, the estimated revenue collection for the City is approximately \$1,000,000.

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, transit, and landscaped medians and roundabouts. Collected fees cannot be used or transferred for other governmental purposes and are not subject to levy limits.

As part of the 2026 operating budget process later this year, the Common Council will determine the specific transportation-related uses of the vehicle registration fee collected and may decide to reallocate existing property tax levied funds from transportation-related purposes to other needs, including those identified and shared with the community during the referendum outreach efforts in the fall of 2024.

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

The fee provides a sustainable, local revenue sources to support transportation-related services, including essential road maintenance, infrastructure improvements, and other transportation-related purposes.

During the 2024 referendum outreach, the City shared with the community approximately \$3,600,000 in needed investments to provide public safety and other staff capacity, the new police services facility operating costs, transit, and other operating costs. While the referendum was not approved, these needs remain. A \$40 fee was selected by balancing the needs of the community and reviewing fees in surrounding municipalities. The proposed vehicle registration fee will collect approximately \$1,000,000 in transportation-related revenue.

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 City of Fitchburg.

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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.

How many vehicles in Fitchburg would be subject to the fee?

About 25,000 vehicles would be subject to the annual registration fee.

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

Yes. Both the city 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 Fitchburg will pay both the County's fee of \$28 and the City's fee of \$40.

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.

Can the municipal vehicle registration fee amount change?

Yes. Local governments can change the amount but they must pass an ordinance to do so.

Which other jurisdictions have enacted a municipal vehicle registration fee?

48 cities and 13 counties have enacted or will enact a fee as of March 2025. A full list of jurisdictions assessing a fee is available from [WisDOT](#).

For more information, please visit
<https://www.fitchburgwi.gov/2982/Vehicle-Fee>