

OPINION NO. 77-036

Syllabus:

A municipal corporation is eligible to receive motor vehicle registration taxes under the provisions of R.C. 4501.04 only by virtue of the fact that it is the district of registration. A municipal corporation is, therefore, not eligible to receive motor vehicle registration and license tax revenues collected prior to the effective date of its incorporation.

To: Dean L. Dollison, Registrar, Bureau of Motor Vehicles, Columbus, Ohio
By: William J. Brown, Attorney General, July 12, 1977

I have before me your request for my opinion regarding the distribution of motor vehicle tax revenue to the Village of Lordstown. The Village of Lordstown was created on July 15, 1975. Your specific question is whether this political subdivision is eligible to receive registration and license tax revenue from that date onward, or retroactively for the entire 1975 registration year.

There are several provisions concerning motor vehicle registration and license tax revenue set forth in the Ohio Revised Code. R.C. 4503.02 provides for the levy of an annual license tax upon the operation of motor vehicles on the public roads or highways. Such tax is paid to and collected by the registrar of motor vehicles or deputy registrar at the time the vehicle owner makes an application for registration. R.C. 4503.12 provides for the registration of a motor vehicle upon the transfer of ownership of the vehicle. R.C. 4504.09 provides for the collection of a county or municipal tax at the time application for a motor vehicle registration is made.

Under the provisions of R.C. 4501.03 the registrar of motor vehicles shall pay all moneys received by him under the aforementioned statutes directly to the treasurer of state for distribution in the manner provided for by R.C. 4501.04, R.C. 4501.041 and R.C. 4501.042. R.C. 4501.04, which is relevant to the question you raise, provides in part as follows:

"All moneys paid into the state treasury under section 4501.03 of the Revised Code, except moneys received under section 4504.09 of the Revised Code, . . . [after receipt of certifications provided for in R.C. Chapter 5528] . . . shall be distributed as follows:

"(A) Thirty-four per cent of all such moneys are for the use of the municipal corporation or county which constitutes the district of registration. The portion of such money due to the municipal corporation shall be paid into the treasuries of such municipal corporations forthwith upon receipt by the county auditor, and shall be used to

plan, construct, reconstruct, repave, widen, maintain, repair, clear, and clean public highways, roads, and streets; to maintain and repair bridges and viaducts; to purchase, erect, and maintain street and traffic signs and markers; to purchase, erect, and maintain traffic lights and signals; and to supplement revenue already available for such purposes. . . ." (Emphasis added.)

Thus, it is clear that under the foregoing statute a municipal corporation is eligible to receive license tax revenues by virtue of the fact that it is the district of registration.

R.C. 4503.10(C), which provides for the determination of the district of registration, provides in part as follows:

"(C) The district of registration, which shall be determined as follows:

(1) In case the motor vehicle to be registered is used for hire or principally in connection with any established business or branch business, conducted at a particular place, the district of registration is the municipal corporation in which such place is located, or, if not located in any municipal corporation, the county and township in which such place is located;

(2) In case such vehicle is not so used, the district of registration is the municipal corporation or county in which the owner resides at the time of making the application;" (Emphasis added.)

Thus, the district of registration is determined at the time the application for registration is made and the license tax is paid to and collected by the registrar of motor vehicles. The municipal corporation or county in which the vehicle owner resides or, in the case of a vehicle owned for business use, the municipal corporation or county and township in which the business is located comprises the district of registration.

Since the Village of Lordstown was not incorporated until July 15, 1975, it could not constitute the district of registration for the purposes of the collection or distribution of motor vehicle registration taxes prior to that date. For the purposes of R.C. 4501.04, tax revenue collected prior to the date of incorporation is to be distributed to the county, which constituted the district of registration at such time.

It is, therefore, my opinion and you are so advised that a municipal corporation is eligible to receive motor vehicle registration taxes under the provisions of R.C. 4501.04 only by virtue of the fact that it is the district of registration. A municipal corporation is, therefore, not eligible to receive motor vehicle registration and license tax revenues collected prior to the effective date of its incorporation.