

**423B.3 Administration of local vehicle tax.**

1. A local vehicle tax or change in the rate shall be imposed January 1 immediately following a favorable election for registration years beginning on or after that date and the repeal of the tax shall be as of December 31 following a favorable election for registration years beginning after that date.

2. Local officials shall confer with the director of transportation for assistance in drafting the ordinance imposing a local vehicle tax. A certified copy of the ordinance shall be filed with the director as soon as possible after passage. The director shall inform the appropriate county treasurers and provide assistance to them for the collection of all local vehicle taxes and any penalties, crediting local vehicle tax receipts excluding penalties to a “local vehicle tax fund” established in the office of the county treasurer. From the local vehicle tax fund, the treasurer shall remit monthly, by direct deposit in the same manner as provided in [section 384.11](#), to each city in the county the amount collected from residents of the city during the preceding calendar month and to the county the amount collected from the residents of the unincorporated area during the preceding calendar month. Moneys received by a city or county from this fund shall be credited to the general fund of the city or county to be used solely for public transit or shall be credited to the street construction fund of that city or the secondary road fund of that county to be used for the purposes specified in [section 312.6](#). Any penalties collected shall be credited to the county general fund to be used to defray the cost to the county of administering the local vehicle tax.

[85 Acts, ch 32, §91](#)

CS85, §422B.3

[2003 Acts, 1st Ex, ch 2, §203, 205](#)

C2005, §423B.3

[2015 Acts, ch 29, §114; 2019 Acts, ch 24, §104](#)

Code editor directive applied