

ORDINANCE NO. 737
AN ORDINANCE FOR THE IMPOSITION AND COLLECTION OF A WHEEL TAX
IN PENNINGTON COUNTY

WHEREAS, pursuant to SDCL § 32-11-38, counties are required to adopt a wheel tax in order to be eligible to receive funding from the State's Local Bridge Improvement Grant Fund for the construction, reconstruction and repair of bridges; and

WHEREAS, pursuant to SDCL § 32-5A-1, Pennington County has the authority to impose a wheel tax on all motor vehicles, as defined in SDCL § 32-3-1, registered in the County at a rate not to exceed five dollars per vehicle wheel and not to exceed sixty dollars per vehicle; and

WHEREAS, Pennington County presently has 127 bridges located on County highways under its jurisdiction and responsibility. The average lifespan of a typical bridge is 50-70 years. Currently, 68 bridges are over 50 years old and another 21 are between 45-50 years of age; and

WHEREAS, 18 bridges are currently determined to have a poor condition rating and 11 of those bridges have load limits imposed for public safety; and

WHEREAS, an additional 11 bridges have load limits for public safety but are not currently determined to be in poor condition; and

WHEREAS, 27 bridges are located on 13 roads providing the only ingress and egress; and

WHEREAS, inflation, material and fuel costs have caused construction costs to increase significantly, reducing the amount of work that can be done in a year with current funding sources; and

WHEREAS, the current wheel tax revenue has never been sufficient to support the Pennington County bridge preservation, rehabilitation and replacement schedule. With 89 bridges needing replacement over the course of the next 25 years, Pennington County will need to begin budgeting approximately \$3,570,000 annually in 2022 dollars for that purpose; and

WHEREAS, the Pennington County Commission has determined that the public's safety is at risk given the present need for bridge repair and replacement in the County and that an additional source of revenue to address the increasing demand for County road and bridge maintenance necessitates the implementation of a wheel tax to provide immediate and sufficient funding for such purposes; now therefore,

BE IT HEREBY ORDAINED BY THE PENNINGTON COUNTY BOARD OF COMMISSIONERS that a wheel tax is imposed in and for Pennington County, SD as follows:

- Section 1.** Pursuant to SDCL § 32-5A-1 & 32-5A-5, a wheel tax is imposed upon all motor vehicles as defined in SDCL § 32-3-1 and registered in Pennington County as follows:
- (1) At the rate of five dollars (\$5.00) per wheel for vehicles weighing 2,000 pounds or less, inclusive;
 - (2) At the rate of five dollars (\$5.00) per wheel for vehicles weighing 2,001 to 4,000 pounds, inclusive;
 - (3) At the rate of five dollars (\$5.00) per wheel for vehicles weighing 4,001 to 6,000 pounds, inclusive; and
 - (4) At the rate of five dollars (\$5.00) per wheel for vehicles weighing over 6,000 pounds.

The total wheel tax on any motor vehicle as defined in SDCL § 32-3-1 shall not exceed sixty dollars (\$60.00).

Section 2. Pursuant to SDCL § 32-5A-2, the proceeds from such wheel tax shall be retained by the County, deposited in the County Road and Bridge Fund, and the revenue shall be used only for highway and bridge maintenance and construction. The Board of County Commissioners shall, by resolution, establish a means of distributing the revenue generated by the wheel tax among the County and municipalities and townships located within the County.

Section 3. Pursuant to SDCL § 32-5A-7, if a motor vehicle is licensed for a period of time of less than twelve months, any wheel tax imposed on such motor vehicle pursuant to this Ordinance shall be prorated on a monthly basis.

Section 4. Pursuant to SDCL § 32-5A-3, upon purchasing a motor vehicle from a dealer, the purchaser shall pay the appropriate tax at the time of title transfer. Nothing in this Ordinance shall prevent an automobile dealer from licensing vehicles on their lot without paying any taxes created by this Ordinance.

Section 5. The collection of the wheel tax imposed by this Ordinance shall commence on January 1, 2023 for all motor vehicle license registrations and renewals and shall continue for all subsequent months thereafter. The wheel tax shall also be imposed and collected on those motor vehicles that may be renewed in November and December of 2022 for registrations that expire in January and February 2023, respectively.

BE IT FURTHER ORDAINED THAT, when this Ordinance takes effect Ordinance No. 714 will be repealed.

BE IT FURTHER ORDAINED THAT, this Ordinance is necessary for the support of the county government and its existing public institutions, an emergency is hereby declared to exist and the Ordinance shall take effect upon publication.

PENNINGTON COUNTY
BOARD OF COMMISSIONERS

Gary Drewes, Chair

ATTEST:

Pennington County Auditor/Deputy

First Reading: July 19, 2022

Second Reading: August 2, 2022

First Publication: August 10 & 11, 2022

Second Publication: August 17 & 18, 2022

Effective Date: August 18, 2022

Implementation and Collection commencing: January 1, 2023.