

HOUSE BILL No. 1051

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1; IC 12-29; IC 13-21-15-3; IC 20-46-8-1; IC 36-1.5.

Synopsis: Levy controls. Provides that for years after 2021 an assessed value growth quotient is determined individually for each taxing unit. Provides that the assessed value growth quotient for a taxing unit is determined by a formula that is based on: (1) the average growth in the taxing unit's net assessed value; and (2) the average circuit breaker losses experienced by a taxing unit. Eliminates Indiana nonfarm personal income as a factor in computing an assessed value growth quotient.

Effective: July 1, 2021.

Thompson

January 4, 2021, read first time and referred to Committee on Ways and Means.



First Regular Session of the 122nd General Assembly (2021)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2020 Regular Session of the General Assembly.

HOUSE BILL No. 1051

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-2-8, AS AMENDED BY P.L.159-2020,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2021]: Sec. 8. (a) IC 6-1.1-1-3, as amended by P.L.6-1997,
4 and all changes in tax rates, deductions, and limits on indebtedness
5 made by P.L.6-1997 apply only to budget years and property taxes first
6 due and payable after December 31, 2001.

7 (b) For the purpose of computing:

8 (1) ~~the maximum levy~~ **an assessed value** growth quotient under
9 IC 6-1.1-18.5-2; and

10 (2) any other value that requires the use of an assessed value from
11 a date before March 1, 2001;

12 for a budgetary appropriation, state distribution, or property tax levy
13 first due and payable after December 31, 2001, the assessed value from
14 a date before March 1, 2001, must first be increased from thirty-three
15 and thirty-three hundredths percent (33.33%) of true tax value to one
16 hundred percent (100%) of true tax value before the computation is
17 made.



1 (c) For the purpose of computing:

2 (1) a tax rate under IC 6-1.1-19-1.5 (before its repeal); and

3 (2) any other value that requires the use of a tax rate from a date
4 before March 1, 2001;

5 for a budgetary appropriation, state distribution, or property tax levy
6 first due and payable after December 31, 2001, a tax rate from a date
7 before January 1, 2002, must first be reduced by dividing the tax rate
8 by three (3) before the computation is made.

9 (d) The department of local government finance shall adjust the tax
10 rates of all taxing units to eliminate the effects of changing assessed
11 values from thirty-three and thirty-three hundredths percent (33.33%)
12 of true tax value to one hundred percent (100%) of true tax value.

13 (e) If a maximum property tax rate that was enacted before 1997 is
14 not amended by P.L.6-1997, the department of local government
15 finance shall adjust the maximum tax rate to eliminate the effects of
16 changing assessed values from thirty-three and thirty-three hundredths
17 percent (33.33%) of true tax value to one hundred percent (100%) of
18 true tax value.

19 (f) The state board of tax commissioners shall prepare the initial
20 schedule of adjusted assessed values for all political subdivisions under
21 IC 36-1-15, as added by P.L.6-1997, not later than July 1, 2001.

22 (g) It is the intent of the general assembly that all adjustments
23 necessary to implement IC 6-1.1-1-3, as amended by P.L.6-1997, be
24 made without raising the revenues available to governmental units
25 more than would have occurred if P.L.6-1997 were not enacted. The
26 department of local government finance shall provide fiscal officers in
27 the taxing units, assessing officials, and members of the board of tax
28 adjustment with instructions on how to implement this section.

29 (h) If a statute that imposes an assessed value limitation on the
30 aggregate amount of bonds that a political subdivision may issue that
31 was enacted before 1997 is not amended by P.L.6-1997, the department
32 of local government finance shall adjust the assessed value limitation
33 to eliminate the effects of changing assessed values from thirty-three
34 and thirty-three hundredths percent (33.33%) of true tax value to one
35 hundred percent (100%) of true tax value.

36 (i) The department of local government finance shall, if necessary
37 to protect owners of bonds payable in whole or in part from tax
38 increment, adjust the base assessed value to neutralize the effect of
39 changing assessed values under P.L.6-1997 from thirty-three and
40 thirty-three hundredths percent (33.33%) of true tax value to one
41 hundred percent (100%) of true tax value under the following statutes:

42 (1) IC 6-1.1-39.



- (2) IC 8-22-3.5.
- (3) IC 36-7-14.
- (4) IC 36-7-14.5.
- (5) IC 36-7-15.1.
- (6) IC 36-7-30.

SECTION 2. IC 6-1.1-17-20.3, AS AMENDED BY P.L.159-2020, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 20.3. (a) Except as provided in section 20.4 of this chapter, this section applies only to the governing body of a public library that:

- (1) is not comprised of a majority of officials who are elected to serve on the governing body; and
- (2) has a percentage increase in the proposed budget for the taxing unit for the ensuing calendar year that is more than the result of:
 - (A) the ~~maximum levy~~ **public library's assessed value** growth quotient determined under IC 6-1.1-18.5-2 for the ensuing calendar year; minus
 - (B) one (1).

For purposes of this section, an individual who qualifies to be appointed to a governing body or serves on a governing body because of the individual's status as an elected official of another taxing unit shall be treated as an official who was not elected to serve on the governing body.

(b) This section does not apply to an entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.

(c) If:

- (1) the assessed valuation of a public library's territory is entirely contained within a city or town; or
- (2) the assessed valuation of a public library's territory is not entirely contained within a city or town but more than fifty percent (50%) of the assessed valuation of the public library's territory is contained within the city or town;

the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body in the manner prescribed by the department of local government finance before September 2 of a year. However, the governing body shall submit its proposed budget and property tax levy to the county fiscal body in the manner provided in subsection (d), rather than to the city or town fiscal body, if more than fifty percent (50%) of the parcels of real property within the jurisdiction of the public library are located outside the city or town.



(d) If subsection (c) does not apply or the public library's territory covers more than one (1) county, the governing body of the public library shall submit its proposed budget and property tax levy to the county fiscal body in the county where the public library has the most assessed valuation. The proposed budget and levy shall be submitted to the county fiscal body in the manner prescribed by the department of local government finance before September 2 of a year.

(e) The fiscal body of the city, town, or county (whichever applies) shall review each budget and proposed tax levy and adopt a final budget and tax levy for the public library. The fiscal body may reduce or modify but not increase the proposed budget or tax levy.

(f) If a public library fails to file the information required in subsection (c) or (d), whichever applies, with the appropriate fiscal body by the time prescribed by this section, the most recent annual appropriations and annual tax levy of that public library are continued for the ensuing budget year.

(g) If the appropriate fiscal body fails to complete the requirements of subsection (e) before the adoption deadline in section 5 of this chapter for any public library subject to this section, the most recent annual appropriations and annual tax levy of the city, town, or county, whichever applies, are continued for the ensuing budget year.

SECTION 3. IC 6-1.1-18-5, AS AMENDED BY P.L.159-2020, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. (a) If the proper officers of a political subdivision desire to appropriate more money for a particular year than the amount prescribed in the budget for that year as finally determined under this article, they shall give notice of their proposed additional appropriation. The notice shall state the time and place at which a public hearing will be held on the proposal. The notice shall be given once in accordance with IC 5-3-1-2(b).

(b) If the additional appropriation by the political subdivision is made from a fund for which the budget, rate, or levy is certified by the department of local government finance under IC 6-1.1-17-16, the political subdivision must report the additional appropriation to the department of local government finance. If the additional appropriation is made from a fund described under this subsection, subsections (f), (g), (h), and (i) apply to the political subdivision.

(c) However, if the additional appropriation is not made from a fund described under subsection (b), subsections (f), (g), (h), and (i) do not apply to the political subdivision. Subsections (f), (g), (h), and (i) do not apply to an additional appropriation made from the cumulative bridge fund if the appropriation meets the requirements under



1 IC 8-16-3-3(c).

2 (d) A political subdivision may make an additional appropriation
3 without approval of the department of local government finance if the
4 additional appropriation is made from a fund that is not described
5 under subsection (b). However, the fiscal officer of the political
6 subdivision shall report the additional appropriation to the department
7 of local government finance.

8 (e) Subject to subsections (j) and (k), after the public hearing, the
9 proper officers of the political subdivision shall file a certified copy of
10 their final proposal and any other relevant information to the
11 department of local government finance not later than fifteen (15) days
12 after the additional appropriation is adopted by the appropriate fiscal
13 body. If the additional appropriation is not submitted to the department
14 of local government finance within fifteen (15) days after adoption, the
15 department of local government finance may require the political
16 subdivision to conduct a readoption hearing.

17 (f) When the department of local government finance receives a
18 certified copy of a proposal for an additional appropriation under
19 subsection (e), the department shall determine whether sufficient funds
20 are available or will be available for the proposal. The determination
21 shall be made in writing and sent to the political subdivision not more
22 than fifteen (15) days after the department of local government finance
23 receives the proposal.

24 (g) In making the determination under subsection (f), the
25 department of local government finance shall limit the amount of the
26 additional appropriation to revenues available, or to be made available,
27 which have not been previously appropriated.

28 (h) If the department of local government finance disapproves an
29 additional appropriation under subsection (f), the department shall
30 specify the reason for its disapproval on the determination sent to the
31 political subdivision.

32 (i) A political subdivision may request a reconsideration of a
33 determination of the department of local government finance under this
34 section by filing a written request for reconsideration. A request for
35 reconsideration must:

36 (1) be filed with the department of local government finance
37 within fifteen (15) days of the receipt of the determination by the
38 political subdivision; and

39 (2) state with reasonable specificity the reason for the request.

40 The department of local government finance must act on a request for
41 reconsideration within fifteen (15) days of receiving the request.

42 (j) This subsection applies to an additional appropriation by a



political subdivision that must have the political subdivision's annual appropriations and annual tax levy adopted by a city, town, or county fiscal body under IC 6-1.1-17-20 or IC 36-1-23 or by a legislative or fiscal body under IC 36-3-6-9. The fiscal or legislative body of the city, town, or county that adopted the political subdivision's annual appropriation and annual tax levy must adopt the additional appropriation by ordinance before the department of local government finance may approve the additional appropriation.

(k) This subsection applies to a public library that is not required to submit the public library's budgets, tax rates, and tax levies for binding review and approval under IC 6-1.1-17-20 or IC 6-1.1-17-20.4. If a public library subject to this subsection proposes to make an additional appropriation for a year, and the additional appropriation would result in the budget for the library for that year increasing (as compared to the previous year) by a percentage that is greater than the result of the ~~maximum levy~~ **public library's assessed value** growth quotient determined under IC 6-1.1-18.5-2 for the calendar year minus one (1), the additional appropriation must first be approved by the city, town, or county fiscal body described in IC 6-1.1-17-20.3(c) or IC 6-1.1-17-20.3(d), as appropriate.

SECTION 4. IC 6-1.1-18.5-2, AS AMENDED BY P.L.159-2020, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) As used in this section, "Indiana nonfarm personal income" means the estimate of total nonfarm personal income for Indiana in a calendar year as computed by the federal Bureau of Economic Analysis using any actual data for the calendar year and any estimated data determined appropriate by the federal Bureau of Economic Analysis.

(b) **This subsection applies to the determination of an assessed value growth quotient for an ensuing calendar year that begins before January 1, 2022.** Except as provided in subsection (c), for purposes of determining a civil taxing unit's maximum permissible ad valorem property tax levy for an ensuing calendar year, the civil taxing unit shall use the maximum levy growth quotient determined in the last STEP of the following STEPS:

STEP ONE: For each of the six (6) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year, divide the Indiana nonfarm personal income for the calendar year by the Indiana nonfarm personal income for the calendar year immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).



STEP TWO: Determine the sum of the STEP ONE results.

STEP THREE: Divide the STEP TWO result by six (6), rounding to the nearest one-thousandth (0.001).

STEP FOUR: Determine the lesser of the following:

(A) The STEP THREE quotient.

(B) One and six-hundredths (1.06).

(c) **This subsection applies to the determination of an assessed value growth quotient for an ensuing calendar year that begins before January 1, 2022.** A school corporation shall use for its operations fund maximum levy calculation under IC 20-46-8-1 the maximum levy growth quotient determined in the last STEP of the following STEPS:

STEP ONE: Determine for each school corporation, the average annual growth in net assessed value using the three (3) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year.

STEP TWO: Determine the greater of:

(A) zero (0); or

(B) the STEP ONE amount minus the sum of:

- (i) the maximum levy growth quotient determined under subsection (b) minus one (1); plus
- (ii) two-hundredths (0.02).

STEP THREE: Determine the lesser of:

(A) the STEP TWO amount; or

(B) four-hundredths (0.04).

STEP FOUR: Determine the sum of:

(A) the STEP THREE amount; plus

(B) the maximum levy growth quotient determined under subsection (b).

STEP FIVE: Determine the greater of:

(A) the STEP FOUR amount; or

(B) the maximum levy growth quotient determined under subsection (b).

(d) ~~The budget agency shall provide the maximum levy growth quotient for the ensuing year to civil taxing units, school corporations, and the department of local government finance before July 1 of each year. This subsection applies to the determination of an assessed value growth quotient for an ensuing calendar year that begins after December 31, 2021. Except as provided in subsection (e), for purposes of determining a civil taxing unit's maximum permissible ad valorem property tax levy for an ensuing calendar year, the civil taxing unit shall use the assessed value growth quotient determined~~



in the last STEP of the following STEPS:

STEP ONE: For the three (3) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year, determine the average of:

(A) the civil taxing unit's net assessed value for the calendar year; divided by

(B) the civil taxing unit's net assessed value for the immediately preceding calendar year;

rounding to the nearest one-thousandth (0.001).

STEP TWO: For the three (3) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year, determine the average of:

(A) the amount of credits granted under IC 6-1.1-20.6 for the calendar year; divided by

(B) the amount of the civil taxing unit's ad valorem property tax levy for the current calendar year.

STEP THREE: Determine the greater of:

(A) zero (0); or

(B) the amount equal to:

(i) one-tenth (0.1); minus

(ii) the STEP TWO result.

STEP FOUR: Divide:

(A) the STEP THREE result; by

(B) five (5).

STEP FIVE: Determine the greater of:

(A) zero (0); or

(B) the amount equal to:

(i) the STEP TWO result; minus

(ii) two-tenths (0.2).

STEP SIX: Divide:

(A) the STEP FIVE result; by

(B) ten (10).

STEP SEVEN: Determine the lesser of:

(A) the STEP SIX result; or

(B) two-hundredths (0.02).

STEP EIGHT: Determine:

(A) the STEP FOUR result; minus

(B) the STEP SEVEN result.

STEP NINE: Add:

(A) the STEP ONE result; and



(B) the STEP EIGHT result.

(e) This subsection applies to the determination of an assessed value growth quotient for an ensuing calendar year that begins after December 31, 2021. A school corporation shall use for its operations fund maximum levy calculation under IC 20-46-8-1 the assessed value growth quotient determined in the last STEP of the following STEPS:

STEP ONE: For the three (3) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year, determine the average of:

(A) the school corporation's net assessed value for the calendar year; divided by

(B) the school corporation's net assessed value for the immediately preceding calendar year;

rounding to the nearest one-thousandth (0.001).

STEP TWO: For the three (3) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year, determine the average of:

(A) the amount of credits granted under IC 6-1.1-20.6 for the calendar year; divided by

(B) the amount of the school corporation's ad valorem property tax levy for the current calendar year.

STEP THREE: Determine the greater of:

(A) zero (0); or

(B) the amount equal to:

(i) one-tenth (0.1); minus

(ii) the STEP TWO result.

STEP FOUR: Divide:

(A) the STEP THREE result; by

(B) five (5).

STEP FIVE: Determine the greater of:

(A) zero (0); or

(B) the amount equal to:

(i) the STEP TWO result; minus

(ii) two-tenths (0.2).

STEP SIX: Divide:

(A) the STEP FIVE result; by

(B) ten (10).

STEP SEVEN: Determine the lesser of:

(A) the STEP SIX result; or



(B) two-hundredths (0.02).

STEP EIGHT: Determine:

(A) the STEP FOUR result; minus

(B) the STEP SEVEN result.

STEP NINE: Add:

(A) the STEP ONE result; and

(B) the STEP EIGHT result.

(f) The assessed value growth quotient must be at least ninety-five hundredths (0.95) of the previous year's assessed value growth quotient and must not exceed one and ten hundredths (1.10) of the previous year's assessed value growth quotient.

SECTION 5. IC 6-1.1-18.5-10, AS AMENDED BY P.L.159-2020, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 10. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit to be used to fund:

(1) community mental health centers under:

(A) IC 12-29-2-1.2, for only those civil taxing units that authorized financial assistance under IC 12-29-1 before 2002 for a community mental health center as long as the tax levy under this section does not exceed the levy authorized in 2002;

(B) IC 12-29-2-2 through IC 12-29-2-4; and

(C) IC 12-29-2-13; or

(2) community intellectual disability and other developmental disabilities centers under IC 12-29-1-1.

(b) For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy described in subsection (a).

(c) This subsection applies to property taxes first due and payable after December 31, 2008. Notwithstanding subsections (a) and (b) or any other law, any property taxes imposed by a civil taxing unit that are exempted by this section from the ad valorem property tax levy limits imposed by section 3 of this chapter may not increase annually by a percentage greater than the result of:

(1) the ~~maximum~~ **levy civil taxing unit's assessed value** growth quotient determined under section 2 of this chapter; minus

(2) one (1).

(d) Before July 15 of each year, the department of local government finance shall provide to each county an estimate of the maximum amount of property taxes imposed for community mental health centers or community intellectual disability and other developmental



1 disabilities centers that are exempt from the levy limits for the ensuing
2 year.

3 SECTION 6. IC 6-1.1-18.5-10.5, AS AMENDED BY P.L.159-2020,
4 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2021]: Sec. 10.5. (a) The ad valorem property tax levy limits
6 imposed by section 3 of this chapter do not apply to ad valorem
7 property taxes imposed by a civil taxing unit for fire protection services
8 within a fire protection territory under IC 36-8-19, if the civil taxing
9 unit is a participating unit in a fire protection territory established
10 before August 1, 2001. For purposes of computing the ad valorem
11 property tax levy limits imposed on a civil taxing unit by section 3 of
12 this chapter on a civil taxing unit that is a participating unit in a fire
13 protection territory, established before August 1, 2001, the civil taxing
14 unit's ad valorem property tax levy for a particular calendar year does
15 not include that part of the levy imposed under IC 36-8-19. Any
16 property taxes imposed by a civil taxing unit that are exempted by this
17 subsection from the ad valorem property tax levy limits imposed by
18 section 3 of this chapter and first due and payable after December 31,
19 2008, may not increase annually by a percentage greater than the result
20 of:

- 21 (1) the ~~maximum~~ **levy civil taxing unit's assessed value** growth
- 22 quotient determined under section 2 of this chapter; minus
- 23 (2) one (1).

24 (b) The department of local government finance may, under this
25 subsection, increase the maximum permissible ad valorem property tax
26 levy that would otherwise apply to a civil taxing unit under section 3
27 of this chapter to meet the civil taxing unit's obligations to a fire
28 protection territory established under IC 36-8-19. To obtain an increase
29 in the civil taxing unit's maximum permissible ad valorem property tax
30 levy, a civil taxing unit shall submit a petition to the department of
31 local government finance in the year immediately preceding the first
32 year in which the civil taxing unit levies a tax to support the fire
33 protection territory. The petition must be filed before the date specified
34 in section 12(a)(1) of this chapter of that year. The department of local
35 government finance shall make a final determination of the civil taxing
36 unit's budget, ad valorem property tax levy, and property tax rate for the
37 fire protection territory for the ensuing calendar year. In making its
38 determination under this subsection, the department of local
39 government finance shall consider the amount that the civil taxing unit
40 is obligated to provide to meet the expenses of operation and
41 maintenance of the fire protection services within the territory,
42 including the participating unit's reasonable share of an operating



balance for the fire protection territory. The department of local government finance shall determine the entire amount of the allowable adjustment in the final determination. The department shall order the adjustment implemented in the amounts and over the number of years, not exceeding three (3), requested by the petitioning civil taxing unit. However, the department of local government finance may not approve under this subsection a property tax levy greater than zero (0) if the civil taxing unit did not exist as of the assessment date for which the tax levy will be imposed. For purposes of applying this subsection to the civil taxing unit's maximum permissible ad valorem property tax levy in subsequent calendar years, the department of local government finance may determine not to consider part or all of the part of the property tax levy imposed to establish the operating balance of the fire protection territory.

SECTION 7. IC 6-1.1-18.5-13, AS AMENDED BY P.L.159-2020, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 13. (a) With respect to an appeal filed under section 12 of this chapter, the department may find that a civil taxing unit should receive any one (1) or more of the following types of relief:

(1) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 or 25 of this chapter, as applicable, if in the judgment of the department the increase is reasonably necessary due to increased costs of the civil taxing unit resulting from annexation, consolidation, or other extensions of governmental services by the civil taxing unit to additional geographic areas. With respect to annexation, consolidation, or other extensions of governmental services in a calendar year, if those increased costs are incurred by the civil taxing unit in that calendar year and more than one (1) immediately succeeding calendar year, the unit may appeal under section 12 of this chapter for permission to increase its levy under this subdivision based on those increased costs in any of the following:

(A) The first calendar year in which those costs are incurred.

(B) One (1) or more of the immediately succeeding four (4) calendar years.

(2) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 or 25 of this chapter, as applicable, if the department finds that the quotient determined under STEP SIX of the following formula is equal to or greater than one and two-hundredths (1.02):

STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year.



STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the civil taxing unit's total assessed value of all taxable property and:

(i) for a particular calendar year before 2007, the total assessed value of property tax deductions in the unit under IC 6-1.1-12-41 (repealed) or IC 6-1.1-12-42 in the particular calendar year; or

(ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-42 in 2006 plus for a particular calendar year after 2009, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-37.5 in 2008;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).

STEP FOUR: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the total assessed value of all taxable property in all counties and:

(i) for a particular calendar year before 2007, the total assessed value of property tax deductions in all counties under IC 6-1.1-12-41 (repealed) or IC 6-1.1-12-42 in the particular calendar year; or

(ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in all counties under IC 6-1.1-12-42 in 2006 plus for a particular calendar year after 2009, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-37.5 in 2008;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

STEP SIX: Divide the STEP THREE amount by the STEP FIVE amount.

The civil taxing unit may increase its levy by a percentage not greater than the percentage by which the STEP THREE amount



1 exceeds the percentage by which the civil taxing unit may
 2 increase its levy under section 3 ~~or 25~~ of this chapter, ~~as~~
 3 ~~applicable~~, based on the **civil taxing unit's maximum levy**
 4 **assessed value** growth quotient determined under section 2 of this
 5 chapter.

6 (3) A levy increase may be granted under this subdivision only for
 7 property taxes first due and payable after December 31, 2008.
 8 Permission to a civil taxing unit to increase its levy in excess of
 9 the limitations established under section 3 or 25 of this chapter,
 10 as applicable, if the civil taxing unit cannot carry out its
 11 governmental functions for an ensuing calendar year under the
 12 levy limitations imposed by section 3 or 25 of this chapter, as
 13 applicable, due to a natural disaster, an accident, or another
 14 unanticipated emergency.

15 (b) The department of local government finance shall increase the
 16 maximum permissible ad valorem property tax levy under section 3 of
 17 this chapter for the city of Goshen for 2012 and thereafter by an
 18 amount equal to the greater of zero (0) or the result of:

19 (1) the city's total pension costs in 2009 for the 1925 police
 20 pension fund (IC 36-8-6) and the 1937 firefighters' pension fund
 21 (IC 36-8-7); minus

22 (2) the sum of:

23 (A) the total amount of state funds received in 2009 by the city
 24 and used to pay benefits to members of the 1925 police
 25 pension fund (IC 36-8-6) or the 1937 firefighters' pension fund
 26 (IC 36-8-7); plus

27 (B) any previous permanent increases to the city's levy that
 28 were authorized to account for the transfer to the state of the
 29 responsibility to pay benefits to members of the 1925 police
 30 pension fund (IC 36-8-6) and the 1937 firefighters' pension
 31 fund (IC 36-8-7).

32 SECTION 8. IC 6-1.1-20-1.1, AS AMENDED BY P.L.60-2020,
 33 SECTION 1, AND AS AMENDED BY P.L.159-2020, SECTION 40,
 34 AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL
 35 OF THE 2021 GENERAL ASSEMBLY, IS CORRECTED AND
 36 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]:
 37 Sec. 1.1. As used in this chapter, "controlled project" means any project
 38 financed by bonds or a lease, except for the following:

39 (1) A project for which the political subdivision reasonably
 40 expects to pay:

41 (A) debt service; or

42 (B) lease rentals;



from funds other than property taxes that are exempt from the levy limitations of IC 6-1.1-18.5 or (before January 1, 2009) IC 20-45-3. A project is not a controlled project even though the political subdivision has pledged to levy property taxes to pay the debt service or lease rentals if those other funds are insufficient. (2) A project that will not cost the political subdivision more than the lesser of the following:

(A) An amount equal to the following:

(i) In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, two million dollars (\$2,000,000).

(ii) In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, five million dollars (\$5,000,000).

(iii) In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, an amount (as determined by the department of local government finance) equal to the result of the ~~assessed value maximum levy~~ **political subdivision's assessed value** growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the amount determined under this clause for the preceding calendar year.

The department of local government finance shall publish the threshold determined under item (iii) in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the ~~maximum levy~~ **assessed value** growth quotient for the ensuing year under IC 6-1.1-18.5-2.

(B) An amount equal to the following:

(i) One percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that total gross assessed value is more than one hundred million dollars (\$100,000,000).

(ii) One million dollars (\$1,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one hundred million dollars (\$100,000,000).

(3) A project that is being refinanced for the purpose of providing gross or net present value savings to taxpayers.



(4) A project for which bonds were issued or leases were entered into before January 1, 1996, or where the state board of tax commissioners has approved the issuance of bonds or the execution of leases before January 1, 1996.

(5) A project that is required by a court order holding that a federal law mandates the project.

(6) A project that is in response to:

(A) a natural disaster;

(B) an accident; or

(C) an emergency;

in the political subdivision that makes a building or facility unavailable for its intended use.

(7) A project that was not a controlled project under this section as in effect on June 30, 2008, and for which:

(A) the bonds or lease for the project were issued or entered into before July 1, 2008; or

(B) the issuance of the bonds or the execution of the lease for the project was approved by the department of local government finance before July 1, 2008.

(8) A project of the Little Calumet River basin development commission for which bonds are payable from special assessments collected under IC 14-13-2-18.6.

(9) *A project for engineering, land and right-of-way acquisition, construction, resurfacing, maintenance, restoration, and rehabilitation exclusively for or of:*

(A) local road and street systems, including bridges that are designated as being in a local road and street system;

(B) arterial road and street systems, including bridges that are designated as being in an arterial road and street system; or

(C) any combination of local and arterial road and street systems, including designated bridges.

SECTION 9. IC 6-1.1-20-3.1, AS AMENDED BY P.L.159-2020, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3.1. (a) Subject to section 3.5(a)(1)(C) of this chapter, this section applies only to the following:

(1) A controlled project (as defined in section 1.1 of this chapter as in effect June 30, 2008) for which the proper officers of a political subdivision make a preliminary determination in the manner described in subsection (b) before July 1, 2008.

(2) An elementary school building, middle school building, high school building, or other school building for academic instruction that:



- 1 (A) is a controlled project;
 2 (B) will be used for any combination of kindergarten through
 3 grade 12; and
 4 (C) will not cost more than the lesser of the following:
 5 (i) The threshold amount determined under this item. In the
 6 case of an ordinance or resolution adopted before January 1,
 7 2018, making a preliminary determination to issue bonds or
 8 enter into a lease for the project, the threshold amount is ten
 9 million dollars (\$10,000,000). In the case of an ordinance or
 10 resolution adopted after December 31, 2017, and before
 11 January 1, 2019, making a preliminary determination to
 12 issue bonds or enter into a lease for the project, the threshold
 13 amount is fifteen million dollars (\$15,000,000). In the case
 14 of an ordinance or resolution adopted in a calendar year after
 15 December 31, 2018, making a preliminary determination to
 16 issue bonds or enter into a lease for the project, the threshold
 17 amount is an amount (as determined by the department of
 18 local government finance) equal to the result of the
 19 ~~maximum levy growth quotient determined school~~
 20 **corporation's assessed value growth quotient determined**
 21 under IC 6-1.1-18.5-2 for the year multiplied by the
 22 threshold amount determined under this item for the
 23 preceding calendar year. In the case of a threshold amount
 24 determined under this item that applies for a calendar year
 25 after December 31, 2018, the department of local
 26 government finance shall publish the threshold in the
 27 Indiana Register under IC 4-22-7-7 not more than sixty (60)
 28 days after the date the budget agency releases the ~~maximum~~
 29 **levy assessed value** growth quotient for the ensuing year
 30 under IC 6-1.1-18.5-2.
 31 (ii) An amount equal to one percent (1%) of the total gross
 32 assessed value of property within the political subdivision
 33 on the last assessment date, if that total gross assessed value
 34 is more than one billion dollars (\$1,000,000,000), or ten
 35 million dollars (\$10,000,000), if the total gross assessed
 36 value of property within the political subdivision on the last
 37 assessment date is not more than one billion dollars
 38 (\$1,000,000,000).
 39 (3) Any other controlled project that:
 40 (A) is not a controlled project described in subdivision (1) or
 41 (2); and
 42 (B) will not cost the political subdivision more than the lesser



of the following:

(i) The threshold amount determined under this item. In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is twelve million dollars (\$12,000,000). In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is fifteen million dollars (\$15,000,000). In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is an amount (as determined by the department of local government finance) equal to the result of the ~~maximum levy~~ **political subdivision's assessed value** growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the threshold amount determined under this item for the preceding calendar year. In the case of a threshold amount determined under this item that applies for a calendar year after December 31, 2018, the department of local government finance shall publish the threshold in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the ~~maximum levy~~ **assessed value** growth ~~quotient~~ **quotients** for the ensuing year under IC 6-1.1-18.5-2.

(ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that total gross assessed value is more than one hundred million dollars (\$100,000,000), or one million dollars (\$1,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one hundred million dollars (\$100,000,000).

(b) A political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of a political subdivision shall publish notice in accordance with IC 5-3-1 and send notice by first class mail to the circuit court clerk and to any organization that delivers to the officers, before January 1 of that year, an annual written



request for such notices of any meeting to consider adoption of a resolution or an ordinance making a preliminary determination to issue bonds or enter into a lease and shall conduct at least two (2) public hearings on a preliminary determination before adoption of the resolution or ordinance. The political subdivision must at each of the public hearings on the preliminary determination allow the public to testify regarding the preliminary determination and must make the following information available to the public at each of the public hearings on the preliminary determination, in addition to any other information required by law:

(A) The result of the political subdivision's current and projected annual debt service payments divided by the net assessed value of taxable property within the political subdivision.

(B) The result of:

(i) the sum of the political subdivision's outstanding long term debt plus the outstanding long term debt of other taxing units that include any of the territory of the political subdivision; divided by

(ii) the net assessed value of taxable property within the political subdivision.

(C) The information specified in subdivision (3)(A) through (3)(H).

(2) When the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease for a controlled project, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the circuit court clerk and to the organizations described in subdivision (1).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease for a controlled project must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that any owners of property within the political subdivision or registered voters residing within the



political subdivision who want to initiate a petition and remonstrance process against the proposed debt service or lease payments must file a petition that complies with subdivisions (4) and (5) not later than thirty (30) days after publication in accordance with IC 5-3-1.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to incur annually to operate the facility.

(G) A statement of whether the school corporation expects to appeal for a new facility adjustment (as defined in IC 20-45-1-16 (repealed) before January 1, 2009) for an increased maximum permissible tuition support levy to pay the estimated costs described in clause (F).

(H) The following information:

(i) The political subdivision's current debt service levy and rate.

(ii) The estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.

(iii) The estimated amount of the political subdivision's debt service levy and rate that will result during the following ten (10) years if the political subdivision issues the bonds or enters into the lease, after also considering any changes that will occur to the debt service levy and rate during that period on account of any outstanding bonds or lease obligations that will mature or terminate during that period.

(I) The information specified in subdivision (1)(A) through (1)(B).

(4) After notice is given, a petition requesting the application of a petition and remonstrance process may be filed by the lesser of:

(A) five hundred (500) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or

(B) five percent (5%) of the registered voters residing within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter



1 registration office or the county voter registration office's
 2 designated printer the petition forms to be used solely in the
 3 petition process described in this section. The county voter
 4 registration office shall issue to an owner or owners of property
 5 within the political subdivision or a registered voter residing
 6 within the political subdivision the number of petition forms
 7 requested by the owner or owners or the registered voter. Each
 8 form must be accompanied by instructions detailing the
 9 requirements that:

10 (A) the carrier and signers must be owners of property or
 11 registered voters;

12 (B) the carrier must be a signatory on at least one (1) petition;

13 (C) after the signatures have been collected, the carrier must
 14 swear or affirm before a notary public that the carrier
 15 witnessed each signature; and

16 (D) govern the closing date for the petition period.

17 Persons requesting forms may be required to identify themselves
 18 as owners of property or registered voters and may be allowed to
 19 pick up additional copies to distribute to other owners of property
 20 or registered voters. Each person signing a petition must indicate
 21 whether the person is signing the petition as a registered voter
 22 within the political subdivision or is signing the petition as the
 23 owner of property within the political subdivision. A person who
 24 signs a petition as a registered voter must indicate the address at
 25 which the person is registered to vote. A person who signs a
 26 petition as an owner of property must indicate the address of the
 27 property owned by the person in the political subdivision.

28 (6) Each petition must be verified under oath by at least one (1)
 29 qualified petitioner in a manner prescribed by the state board of
 30 accounts before the petition is filed with the county voter
 31 registration office under subdivision (7).

32 (7) Each petition must be filed with the county voter registration
 33 office not more than thirty (30) days after publication under
 34 subdivision (2) of the notice of the preliminary determination.

35 (8) The county voter registration office shall determine whether
 36 each person who signed the petition is a registered voter.
 37 However, after the county voter registration office has determined
 38 that at least five hundred twenty-five (525) persons who signed
 39 the petition are registered voters within the political subdivision,
 40 the county voter registration office is not required to verify
 41 whether the remaining persons who signed the petition are
 42 registered voters. If the county voter registration office does not



determine that at least five hundred twenty-five (525) persons who signed the petition are registered voters, the county voter registration office shall, not more than fifteen (15) business days after receiving a petition, forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of property in the political subdivision; and

(B) whether a person who signed the petition as an owner of property within the political subdivision does in fact own property within the political subdivision.

(9) The county voter registration office, not more than ten (10) business days after determining that at least five hundred twenty-five (525) persons who signed the petition are registered voters or receiving the statement from the county auditor under subdivision (8), as applicable, shall make the final determination of the number of petitioners that are registered voters in the political subdivision and, based on the statement provided by the county auditor, the number of petitioners that own property within the political subdivision. Whenever the name of an individual who signs a petition form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular petition and remonstrance process under this chapter, regardless of whether the person owns more than one (1) parcel of real property, mobile home assessed as personal property, or manufactured home assessed as personal property, or a combination of those types of property within the subdivision and regardless of whether the person is both a



1 registered voter in the political subdivision and the owner of
 2 property within the political subdivision. Notwithstanding any
 3 other provision of this section, if a petition is presented to the
 4 county voter registration office within forty-five (45) days before
 5 an election, the county voter registration office may defer acting
 6 on the petition, and the time requirements under this section for
 7 action by the county voter registration office do not begin to run
 8 until five (5) days after the date of the election.

9 (10) The county voter registration office must file a certificate and
 10 each petition with:

11 (A) the township trustee, if the political subdivision is a
 12 township, who shall present the petition or petitions to the
 13 township board; or

14 (B) the body that has the authority to authorize the issuance of
 15 the bonds or the execution of a lease, if the political
 16 subdivision is not a township;

17 within thirty-five (35) business days of the filing of the petition
 18 requesting a petition and remonstrance process. The certificate
 19 must state the number of petitioners that are owners of property
 20 within the political subdivision and the number of petitioners who
 21 are registered voters residing within the political subdivision.

22 If a sufficient petition requesting a petition and remonstrance process
 23 is not filed by owners of property or registered voters as set forth in this
 24 section, the political subdivision may issue bonds or enter into a lease
 25 by following the provisions of law relating to the bonds to be issued or
 26 lease to be entered into.

27 (c) A political subdivision may not divide a controlled project in
 28 order to avoid the requirements of this section and section 3.2 of this
 29 chapter. A person that owns property within a political subdivision or
 30 a person that is a registered voter residing within a political subdivision
 31 may file a petition with the department of local government finance
 32 objecting that the political subdivision has divided a controlled project
 33 in order to avoid the requirements of this section and section 3.2 of this
 34 chapter. The petition must be filed not more than ten (10) days after the
 35 political subdivision gives notice of the political subdivision's decision
 36 to issue bonds or enter into leases for a capital project that the person
 37 believes is the result of a division of a controlled project that is
 38 prohibited by this subsection. If the department of local government
 39 finance receives a petition under this subsection, the department shall
 40 not later than thirty (30) days after receiving the petition make a final
 41 determination on the issue of whether the political subdivision divided
 42 a controlled project in order to avoid the requirements of this section



and section 3.2 of this chapter. If the department of local government finance determines that a political subdivision divided a controlled project in order to avoid the requirements of this section and section 3.2 of this chapter and the political subdivision continues to desire to proceed with the project, the political subdivision shall fulfill the requirements of this section and section 3.2 of this chapter, if applicable, regardless of the cost of the project in dispute. A political subdivision shall be considered to have divided a capital project in order to avoid the requirements of this section and section 3.2 of this chapter if the result of one (1) or more of the subprojects cannot reasonably be considered an independently desirable end in itself without reference to another capital project. This subsection does not prohibit a political subdivision from undertaking a series of capital projects in which the result of each capital project can reasonably be considered an independently desirable end in itself without reference to another capital project.

SECTION 10. IC 6-1.1-20-3.5, AS AMENDED BY P.L.159-2020, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3.5. (a) This section applies only to a controlled project that meets the following conditions:

(1) The controlled project is described in one (1) of the following categories:

(A) An elementary school building, middle school building, high school building, or other school building for academic instruction that will be used for any combination of kindergarten through grade 12 and will cost more than the lesser of the following:

(i) The threshold amount determined under this item. In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is ten million dollars (\$10,000,000). In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is fifteen million dollars (\$15,000,000). In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is an amount (as determined by the department of local government finance) equal to the result of the ~~maximum levy~~ **school corporation's assessed value** growth



quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the threshold amount determined under this item for the preceding calendar year. In the case of a threshold amount determined under this item that applies for a calendar year after December 31, 2018, the department of local government finance shall publish the threshold in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the ~~maximum~~ **levy assessed value** growth ~~quotient~~ **quotients** for the ensuing year under IC 6-1.1-18.5-2.

(ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that total gross assessed value is more than one billion dollars (\$1,000,000,000), or ten million dollars (\$10,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one billion dollars (\$1,000,000,000).

(B) Any other controlled project that is not a controlled project described in clause (A) and will cost the political subdivision more than the lesser of the following:

(i) The threshold amount determined under this item. In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is twelve million dollars (\$12,000,000). In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is fifteen million dollars (\$15,000,000). In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is an amount (as determined by the department of local government finance) equal to the result of the ~~maximum~~ **levy political subdivision's assessed value** growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the threshold amount determined under this item for the preceding calendar year. In the case of a threshold amount determined under this item that applies for a calendar year after December 31, 2018, the department of local



government finance shall publish the threshold in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the ~~maximum~~ **levy assessed value** growth ~~quotient~~ **quotients** for the ensuing year under IC 6-1.1-18.5-2.

(ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that total gross assessed value is more than one hundred million dollars (\$100,000,000), or one million dollars (\$1,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one hundred million dollars (\$100,000,000).

(C) Any other controlled project for which a political subdivision adopts an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease for the project, if the sum of:

(i) the cost of that controlled project; plus

(ii) the costs of all other controlled projects for which the political subdivision has previously adopted within the preceding three hundred sixty-five (365) days an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease for those other controlled projects;

exceeds twenty-five million dollars (\$25,000,000).

(2) The proper officers of the political subdivision make a preliminary determination after June 30, 2008, in the manner described in subsection (b) to issue bonds or enter into a lease for the controlled project.

(b) Subject to subsection (d), a political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of a political subdivision shall publish notice in accordance with IC 5-3-1 and send notice by first class mail to the circuit court clerk and to any organization that delivers to the officers, before January 1 of that year, an annual written request for notices of any meeting to consider the adoption of an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease and shall conduct at least two (2) public hearings on the preliminary determination before adoption of the ordinance or resolution. The political subdivision must at each of the public hearings on the preliminary determination



allow the public to testify regarding the preliminary determination and must make the following information available to the public at each of the public hearings on the preliminary determination, in addition to any other information required by law:

(A) The result of the political subdivision's current and projected annual debt service payments divided by the net assessed value of taxable property within the political subdivision.

(B) The result of:

(i) the sum of the political subdivision's outstanding long term debt plus the outstanding long term debt of other taxing units that include any of the territory of the political subdivision; divided by

(ii) the net assessed value of taxable property within the political subdivision.

(C) The information specified in subdivision (3)(A) through (3)(G).

(2) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the circuit court clerk and to the organizations described in subdivision (1).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that the proposed debt service or lease payments must be approved in an election on a local public question held under section 3.6 of this chapter.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to annually



incur to operate the facility.

(G) The following information:

(i) The political subdivision's current debt service levy and rate.

(ii) The estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.

(iii) The estimated amount of the political subdivision's debt service levy and rate that will result during the following ten (10) years if the political subdivision issues the bonds or enters into the lease, after also considering any changes that will occur to the debt service levy and rate during that period on account of any outstanding bonds or lease obligations that will mature or terminate during that period.

(H) The information specified in subdivision (1)(A) through (1)(B).

(4) After notice is given, a petition requesting the application of the local public question process under section 3.6 of this chapter may be filed by the lesser of:

(A) five hundred (500) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or

(B) five percent (5%) of the registered voters residing within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.



Persons requesting forms may be required to identify themselves as owners of property or registered voters and may be allowed to pick up additional copies to distribute to other owners of property or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as an owner of property must indicate the address of the property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter registration office under subdivision (7).

(7) Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. However, after the county voter registration office has determined that at least five hundred twenty-five (525) persons who signed the petition are registered voters within the political subdivision, the county voter registration office is not required to verify whether the remaining persons who signed the petition are registered voters. If the county voter registration office does not determine that at least five hundred twenty-five (525) persons who signed the petition are registered voters, the county voter registration office, not more than fifteen (15) business days after receiving a petition, shall forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of property in the political subdivision; and

(B) whether a person who signed the petition as an owner of property within the political subdivision does in fact own property within the political subdivision.

(9) The county voter registration office, not more than ten (10) business days after determining that at least five hundred



1 twenty-five (525) persons who signed the petition are registered
 2 voters or after receiving the statement from the county auditor
 3 under subdivision (8), as applicable, shall make the final
 4 determination of whether a sufficient number of persons have
 5 signed the petition. Whenever the name of an individual who
 6 signs a petition form as a registered voter contains a minor
 7 variation from the name of the registered voter as set forth in the
 8 records of the county voter registration office, the signature is
 9 presumed to be valid, and there is a presumption that the
 10 individual is entitled to sign the petition under this section. Except
 11 as otherwise provided in this chapter, in determining whether an
 12 individual is a registered voter, the county voter registration office
 13 shall apply the requirements and procedures used under IC 3 to
 14 determine whether a person is a registered voter for purposes of
 15 voting in an election governed by IC 3. However, an individual is
 16 not required to comply with the provisions concerning providing
 17 proof of identification to be considered a registered voter for
 18 purposes of this chapter. A person is entitled to sign a petition
 19 only one (1) time in a particular referendum process under this
 20 chapter, regardless of whether the person owns more than one (1)
 21 parcel of real property, mobile home assessed as personal
 22 property, or manufactured home assessed as personal property or
 23 a combination of those types of property within the political
 24 subdivision and regardless of whether the person is both a
 25 registered voter in the political subdivision and the owner of
 26 property within the political subdivision. Notwithstanding any
 27 other provision of this section, if a petition is presented to the
 28 county voter registration office within forty-five (45) days before
 29 an election, the county voter registration office may defer acting
 30 on the petition, and the time requirements under this section for
 31 action by the county voter registration office do not begin to run
 32 until five (5) days after the date of the election.

33 (10) The county voter registration office must file a certificate and
 34 each petition with:

35 (A) the township trustee, if the political subdivision is a
 36 township, who shall present the petition or petitions to the
 37 township board; or

38 (B) the body that has the authority to authorize the issuance of
 39 the bonds or the execution of a lease, if the political
 40 subdivision is not a township;

41 within thirty-five (35) business days of the filing of the petition
 42 requesting the referendum process. The certificate must state the



number of petitioners who are owners of property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

(11) If a sufficient petition requesting the local public question process is not filed by owners of property or registered voters as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

(c) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall provide to the county auditor:

(1) a copy of the notice required by subsection (b)(2); and

(2) any other information the county auditor requires to fulfill the county auditor's duties under section 3.6 of this chapter.

(d) In addition to the procedures in subsection (b), if any capital improvement components addressed in the most recent:

(1) threat assessment of the buildings within the school corporation; or

(2) school safety plan (as described in IC 20-26-18.2-2(b));

concerning a particular school have not been completed or require additional funding to be completed, before the school corporation may impose property taxes to pay debt service on bonds or lease rentals for a lease for a controlled project, and in addition to any other components of the controlled project, the controlled project must include any capital improvements necessary to complete those components described in subdivisions (1) and (2) that have not been completed or that require additional funding to be completed.

SECTION 11. IC 12-29-1-1, AS AMENDED BY P.L.159-2020, SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) The county executive of a county may authorize the furnishing of financial assistance to a community intellectual disability and other developmental disabilities center that is located or will be located in the county.

(b) Assistance authorized under this section shall be used for the following purposes:

(1) Constructing a center.

(2) Operating a center.

(c) Upon request of the county executive, the county fiscal body may appropriate annually from the county's general fund the money to provide financial assistance for the purposes described in subsection (b). For property taxes first due and payable before January 1, 2017, the appropriation may not exceed the amount that could be collected from



an annual tax levy of not more than three and thirty-three hundredths cents (\$0.0333) on each one hundred dollars (\$100) of taxable property within the county.

(d) For property taxes first due and payable after December 31, 2016, the maximum allowable appropriation for the purposes described in subsection (b) is equal to the result of:

(1) the maximum allowable appropriation by the county for the preceding year; multiplied by

(2) the ~~maximum levy~~ **county's assessed value** growth quotient determined under IC 6-1.1-18.5-2 for the year.

(e) For purposes of this subsection, "first calendar year" refers to the first calendar year after 2008 in which the county imposes an ad valorem property tax levy for the county general fund to provide financial assistance under this chapter. If a county did not provide financial assistance under this chapter in 2008, the county for a following calendar year:

(1) may propose a financial assistance budget; and

(2) shall refer its proposed financial assistance budget for the first calendar year to the department of local government finance before the tax levy is advertised.

The ad valorem property tax levy to fund the budget for the first calendar year is subject to review and approval under IC 6-1.1-18.5-10.

SECTION 12. IC 12-29-1-2, AS AMENDED BY P.L.159-2020, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) If a community intellectual disability and other developmental disabilities center is organized to provide services to at least two (2) counties, the county executive of each county may authorize the furnishing of financial assistance for the purposes described in section 1(b) of this chapter.

(b) Upon the request of the county executive of the county, the county fiscal body of each county may appropriate annually from the county's general fund the money to provide financial assistance for the purposes described in section 1(b) of this chapter. For property taxes first due and payable before January 1, 2017, the appropriation of each county may not exceed the amount that could be collected from an annual tax levy of three and thirty-three hundredths cents (\$0.0333) on each one hundred dollars (\$100) of taxable property within the county.

(c) For property taxes first due and payable after December 31, 2016, the maximum allowable appropriation by each county for the purposes described in section 1(b) of this chapter is equal to the result of:

(1) the maximum allowable appropriation by the county for the



preceding year; multiplied by

(2) the ~~maximum levy~~ **county's assessed value** growth quotient determined under IC 6-1.1-18.5-2 for the year.

SECTION 13. IC 12-29-1-3, AS AMENDED BY P.L.159-2020, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) The county executive of each county whose residents may receive services from a community intellectual disability and other developmental disabilities center may authorize the furnishing of a share of financial assistance for the purposes described in section 1(b) of this chapter if the following conditions are met:

(1) The facilities for the center are located in a state adjacent to Indiana.

(2) The center is organized to provide services to Indiana residents.

(b) Upon the request of the county executive of a county, the county fiscal body of the county may appropriate annually from the county's general fund the money to provide financial assistance for the purposes described in section 1(b) of this chapter. For property taxes first due and payable before January 1, 2017, the appropriations of the county may not exceed the amount that could be collected from an annual tax levy of three and thirty-three hundredths cents (\$0.0333) on each one hundred dollars (\$100) of taxable property within the county.

(c) For property taxes first due and payable after December 31, 2016, the maximum allowable appropriation by the county for the purposes described in section 1(b) of this chapter is equal to the result of:

(1) the maximum allowable appropriation by the county for the preceding year; multiplied by

(2) the ~~maximum levy~~ **county's assessed value** growth quotient determined under IC 6-1.1-18.5-2 for the year.

SECTION 14. IC 12-29-2-2, AS AMENDED BY P.L.159-2020, SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) A county shall provide funding for the operation of community mental health centers in the amount determined under subsection (b) or, in the case of Marion County for calendar year 2019, calendar year 2020, and calendar year 2021, the amount determined under subsection (c).

(b) Except as provided in subsection (c), the amount of funding under subsection (a) for a calendar year is equal to the following:

(1) The county's maximum appropriation amount for the operation of community mental health centers determined under this chapter in the previous calendar year, if the STEP THREE result



under the following formula is less than or equal to zero (0):

STEP ONE: Determine the amount of the certified levy for funds subject to the civil maximum levy in the immediately preceding calendar year minus the amount of credits granted under IC 6-1.1-20.6 that were allocated to funds subject to the civil maximum levy in the immediately preceding calendar year, as determined by the department of local government finance under IC 6-1.1-20.6-11.

STEP TWO: Determine the amount of the certified levy for funds subject to the civil maximum levy in the year prior to the immediately preceding calendar year minus the amount of credits granted under IC 6-1.1-20.6 that were allocated to funds subject to the civil maximum levy in the year prior to the immediately preceding calendar year, as determined by the department of local government finance under IC 6-1.1-20.6-11.

STEP THREE: Determine the remainder of the STEP ONE amount minus the STEP TWO amount.

(2) If the STEP THREE result under the formula in subdivision (1) is greater than zero (0), then the county's maximum appropriation amount for the operation of community mental health centers determined under this chapter in the previous calendar year, multiplied by the greater of:

(A) one (1); or

(B) the result of STEP SIX of the following formula:

STEP ONE: Determine the ~~maximum levy growth~~ **county's assessed value growth** quotient for the year under IC 6-1.1-18.5 minus one (1).

STEP TWO: Determine the amount of the certified levy for funds subject to the civil maximum levy in the immediately preceding calendar year minus the amount of credits granted under IC 6-1.1-20.6 that were allocated to funds subject to the civil maximum levy in the immediately preceding calendar year, as determined by the department of local government finance under IC 6-1.1-20.6-11.

STEP THREE: Determine the amount of the certified levy for funds subject to the civil maximum levy in the immediately preceding calendar year.

STEP FOUR: Determine the result of the STEP TWO amount divided by the STEP THREE amount.

STEP FIVE: Determine the product of the STEP ONE amount multiplied by the STEP FOUR result.



1 STEP SIX: Determine the STEP FIVE amount plus one (1).
 2 The department of local government finance shall verify the maximum
 3 appropriation calculation under this subsection as part of the
 4 certification of the county's budget under IC 6-1.1-17. For taxes due
 5 and payable in 2020, the department of local government finance shall
 6 calculate the maximum appropriation under this subsection as if the
 7 taxes were due and payable in 2019.

8 (c) This subsection applies only in calendar year 2019, calendar year
 9 2020, and calendar year 2021. In the case of Marion County, the
 10 amount of funding under subsection (a) for a calendar year is
 11 determined under this subsection and is equal to the following:

12 (1) For calendar year 2019, the sum of:

13 (A) the actual amount of the appropriations by the county for
 14 community mental health centers under this chapter in 2018;
 15 plus

16 (B) the result of thirty-three percent (33%) multiplied by the
 17 result of:

18 (i) the amount that would have, except for the application of
 19 this subsection, applied to the county under subsection (b)
 20 for calendar year 2019; minus

21 (ii) the actual amount of the appropriations by the county for
 22 community mental health centers under this chapter in 2018.

23 (2) For calendar year 2020, the sum of:

24 (A) the actual amount of the appropriations by the county for
 25 community mental health centers under this chapter in 2019;
 26 plus

27 (B) the result of sixty-six percent (66%) multiplied by the
 28 result of:

29 (i) the amount that would have, except for the application of
 30 this subsection, applied to the county under subsection (b)
 31 for calendar year 2020; minus

32 (ii) the actual amount of the appropriations by the county for
 33 community mental health centers under this chapter in 2019.

34 (3) For calendar year 2021, the amount that would have, except
 35 for the application of this subsection, applied to the county under
 36 subsection (b) for calendar year 2021.

37 The department of local government finance shall verify the maximum
 38 appropriation calculation under this subsection as part of the
 39 certification of the county's budget under IC 6-1.1-17. This subsection
 40 expires January 1, 2022.

41 (d) The funding provided by a county under this section shall be
 42 used solely for:



(1) the operations of community mental health centers serving the county; or

(2) contributing to the nonfederal share of medical assistance payments to community mental health centers serving the county.

SECTION 15. IC 13-21-15-3, AS AMENDED BY P.L.159-2020, SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) This section applies to the imposition of property taxes in a county that:

(1) dissolves its county solid waste management district as described in section 1(a) of this chapter; or

(2) withdraws from a joint solid waste management district and determines that it will no longer be a member of a joint solid waste management district or be designated as a county district as described in section 2(a) of this chapter.

(b) The following apply to a county that dissolves its county solid waste management district as described in section 1(a) of this chapter:

(1) Subject to the limitations of this subsection, the authority of the county solid waste management district to impose property taxes for purposes of this article is transferred to the county.

(2) For property taxes first due and payable in the first year in which the county no longer has a county solid waste management district, the department of local government finance shall establish a separate solid waste management maximum permissible ad valorem property tax levy for the county that is equal to:

(A) the county solid waste management district's maximum permissible ad valorem property tax levy for the last year in which the county solid waste management district was in existence; multiplied by

(B) the ~~maximum levy~~ **county's assessed value** growth quotient under IC 6-1.1-18.5-2 that applies to the determination of maximum permissible ad valorem property tax levies for the first year in which the county no longer has a county solid waste management district.

(3) Property taxes collected by the county under the property tax levy authorized under this subsection may be used only for those purposes for which a property tax levy imposed by a solid waste management district under this article may be used.

(c) The following apply to a county that withdraws from a joint district and determines that it will no longer be a member of a joint district or be designated as a county district as described in section 2(a) of this chapter:



(1) Subject to the limitations of this subsection, the county has the authority to impose property taxes for purposes of this article.

(2) For property taxes first due and payable in the first year in which the county is no longer a member of the joint district, the department of local government finance shall establish a separate solid waste management maximum permissible ad valorem property tax levy for the county that is equal to:

(A) the joint solid waste management district's maximum permissible property tax levy for the last year in which the county was a member of the joint district; multiplied by

(B) a fraction equal to:

(i) the certified assessed valuation of the county for taxes payable in the last year in which the county was a member of the joint district; divided by

(ii) the certified assessed valuation of the joint solid waste management district for taxes payable in the last year in which the county was a member of the joint district; multiplied by

(C) the ~~maximum levy~~ **county's assessed value** growth quotient under IC 6-1.1-18.5-2 that applies to the determination of maximum permissible ad valorem property tax levies for the first year in which the county is no longer a member of the joint district.

(3) For property taxes first due and payable in the first year in which the county is no longer a member of the joint district, the department of local government finance shall reduce the joint solid waste management district's maximum permissible property tax levy that would otherwise apply by the amount determined under subdivision (2) for the withdrawing county.

(4) Property taxes collected by the county under the property tax levy authorized under this subsection may be used only for those purposes for which a property tax levy imposed by a solid waste management district under this article may be used.

SECTION 16. IC 20-46-8-1, AS AMENDED BY P.L.159-2020, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) A school corporation may impose an annual property tax levy for its operations fund.

(b) For property taxes first due and payable in 2019, the maximum permissible property tax levy a school corporation may impose for its operations fund (IC 20-40-18) is the following:

STEP ONE: Determine the sum of the following:

(A) The 2018 maximum permissible transportation levy



determined under IC 20-46-4 (repealed January 1, 2019).

(B) The 2018 maximum permissible school bus replacement levy determined under IC 20-46-5 (repealed January 1, 2019).

(C) The 2018 amount that would be raised from a capital projects fund tax rate equal to the sum of:

(i) the maximum capital projects fund rate that the school corporation was authorized to impose for 2018 under IC 20-46-6 (repealed January 1, 2019), after any adjustment under IC 6-1.1-18-12 (but excluding any rate imposed for qualified utility and insurance costs); plus

(ii) the capital projects fund rate imposed for qualified utility and insurance costs in 2018.

(D) For school corporations described in IC 36-10-13-7, the 2018 levy as provided in section 6 of this chapter (repealed January 1, 2019) to provide funding for an art association.

(E) For a school corporation in a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000), the 2018 levy as provided in section 7 of this chapter (repealed January 1, 2019) to provide funding for a historical society.

(F) For a school corporation described in IC 36-10-14-1, the 2018 levy as provided in section 8 of this chapter (repealed January 1, 2019) to provide funding for a public playground.

STEP TWO: Determine the product of:

(A) The amount determined in STEP ONE, after eliminating the effects of temporary excessive levy appeals and any other temporary adjustments made to each of these levies for 2018 (regardless of whether the school corporation imposed the entire amount of that maximum permissible levy for the previous year); multiplied by

(B) the maximum levy growth quotient determined under IC 6-1.1-18.5-2.

STEP THREE: Determine the result of the following:

(A) Determine the sum of:

(i) the amount determined in STEP TWO; plus

(ii) the amount granted due to an appeal to increase the levy for transportation for 2019.

(B) Make the school bus replacement adjustment for 2019.

(c) After 2019, the maximum permissible property tax levy a school corporation may impose for its operations fund for a particular year is the following:

STEP ONE: Determine the product of:



(A) the maximum permissible property tax levy for the school corporation's operations fund for the previous year, after eliminating the effects of temporary excessive levy appeals and any other temporary adjustments made to the levy for the previous year (regardless of whether the school corporation imposed the entire amount of the maximum permissible levy for the previous year); multiplied by

(B) the ~~maximum levy~~ **school corporation's assessed value** growth quotient determined under IC 6-1.1-18.5-2.

STEP TWO: Determine the result of the following:

(A) Determine the sum of:

(i) the amount determined in STEP ONE; plus

(ii) the amount granted due to an appeal to increase the maximum permissible operations fund levy for the year under section 3 of this chapter for transportation.

(B) Make the school bus replacement adjustment permitted by section 3 of this chapter.

SECTION 17. IC 36-1.5-3-5, AS AMENDED BY P.L.159-2020, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. (a) This subsection applies to the plan of reorganization of a political subdivision other than a school corporation. The plan of reorganization must specify the amount (if any) of the decrease that the department of local government finance shall make to the maximum permissible property tax levies, maximum permissible property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of the reorganized political subdivision to:

(1) eliminate double taxation for services or goods provided by the reorganized political subdivision; or

(2) eliminate any excess by which the amount of property taxes imposed by the reorganized political subdivision exceeds the amount necessary to pay for services or goods provided under this article.

(b) This subsection applies to a plan of reorganization for a school corporation. The plan of reorganization must specify the adjustments that the department of local government finance shall make to the maximum permissible property tax levies, maximum permissible property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of the reorganized school corporation. The following apply to a school corporation reorganized under this article:

(1) The new maximum permissible tax levy under IC 20-46-8 (operations fund property tax levy) for the first calendar year in which the reorganization is effective equals the following:



STEP ONE: Determine for each school corporation that is part of the reorganization the sum of the maximum levies under IC 20-46-8 (operations fund property tax levy) for the ensuing calendar year, including ~~the maximum levy each school corporation's assessed value~~ growth quotient (IC 6-1.1-18.5-2) adjustment for the ensuing calendar year.

STEP TWO: Determine the sum of the STEP ONE amounts.

STEP THREE: Multiply the STEP TWO amount by one hundred three percent (103%).

(2) The new debt service levy under IC 20-46-7 for the first calendar year in which the reorganization is effective equals the sum of the debt service fund levies for each school corporation that is part of the reorganization that would have been permitted under IC 20-46-7 in the calendar year.

(c) The fiscal body of the reorganized political subdivision shall determine and certify to the department of local government finance the amount of the adjustment (if any) under subsection (a).

(d) The amount of the adjustment (if any) under subsection (a) or (b) must comply with the reorganization agreement under which the political subdivision or school corporation is reorganized under this article.

SECTION 18. IC 36-1.5-4-40.5, AS AMENDED BY P.L.159-2020, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 40.5. The following apply in the case of a reorganization under this article that includes a township and another political subdivision:

(1) If the township borrowed money from a township fund under IC 36-6-6-14(c) to pay the operating expenses of the township fire department or a volunteer fire department before the reorganization:

(A) the reorganized political subdivision is not required to repay the entire loan during the following year; and

(B) the reorganized political subdivision may repay the loan in installments during the following five (5) years.

(2) Except as provided in subdivision (3):

(A) the reorganized political subdivision continues to be responsible after the reorganization for providing township services in all areas of the township, including within the territory of a municipality in the township that does not participate in the reorganization; and

(B) the reorganized political subdivision retains the powers of a township after the reorganization in order to provide



1 township services as required by clause (A).
 2 (3) Powers and duties of the reorganized political subdivision may
 3 be transferred as authorized in an interlocal cooperation
 4 agreement approved under IC 36-1-7 or as authorized in a
 5 cooperative agreement approved under IC 36-1.5-5.
 6 (4) If all or part of a municipality in the township is not
 7 participating in the reorganization, not less than ten (10) township
 8 taxpayers who reside within territory that is not participating in
 9 the reorganization may file a petition with the county auditor
 10 protesting the reorganized political subdivision's township
 11 assistance levy. The petition must be filed not more than thirty
 12 (30) days after the reorganized political subdivision finally adopts
 13 the reorganized political subdivision's township assistance levy.
 14 The petition must state the taxpayers' objections and the reasons
 15 why the taxpayers believe the reorganized political subdivision's
 16 township assistance levy is excessive or unnecessary. The county
 17 auditor shall immediately certify a copy of the petition, together
 18 with other data necessary to present the questions involved, to the
 19 department of local government finance. Upon receipt of the
 20 certified petition and other data, the department of local
 21 government finance shall fix a time and place for the hearing of
 22 the matter. The hearing shall be held not less than five (5) days
 23 and not more than thirty (30) days after the receipt of the certified
 24 documents. The hearing shall be held in the county where the
 25 petition arose. Notice of the hearing shall be given by the
 26 department of local government finance to the reorganized
 27 political subdivision and to the first ten (10) taxpayer petitioners
 28 listed on the petition by letter. The letter shall be sent to the first
 29 ten (10) taxpayer petitioners at the taxpayers' usual place of
 30 residence at least five (5) days before the date of the hearing.
 31 After the hearing, the department of local government finance
 32 may reduce the reorganized political subdivision's township
 33 assistance levy to the extent that the levy is excessive or
 34 unnecessary. A taxpayer who signed a petition under this
 35 subdivision or a reorganized political subdivision against which
 36 a petition under this subdivision is filed may petition for judicial
 37 review of the final determination of the department of local
 38 government finance under this subdivision. The petition must be
 39 filed in the tax court not more than forty-five (45) days after the
 40 date of the department of local government finance's final
 41 determination.
 42 (5) Section 40 of this chapter applies to the debt service levy of



1 the reorganized political subdivision and to the department of
 2 local government finance's determination of the new maximum
 3 permissible ad valorem property tax levy for the reorganized
 4 political subdivision.

5 (6) The reorganized political subdivision may not borrow money
 6 under IC 36-6-6-14(b) or IC 36-6-6-14(c).

7 (7) The new maximum permissible ad valorem property tax levy
 8 for the reorganized political subdivision's firefighting fund under
 9 IC 36-8-13-4 is equal to:

10 (A) the result of:

11 (i) the maximum permissible ad valorem property tax levy
 12 for the township's firefighting fund under IC 36-8-13-4 in
 13 the year preceding the year in which the reorganization is
 14 effective; multiplied by

15 (ii) the ~~maximum levy~~ **township's assessed value** growth
 16 quotient applicable for property taxes first due and payable
 17 in the year in which the reorganization is effective; plus

18 (B) any amounts borrowed by the township under
 19 IC 36-6-6-14(b) or IC 36-6-6-14(c) in the year preceding the
 20 year in which the reorganization is effective.

