



Reprinted
February 24, 2017

HOUSE BILL No. 1129

DIGEST OF HB 1129 (Updated February 23, 2017 10:45 am - DI 58)

Citations Affected: IC 6-1.1; IC 6-3.6; IC 6-8.1; IC 8-25; IC 12-29; IC 36-8.

Synopsis: Local income tax. Adds law enforcement training to the permitted uses of the local income tax. Removes the requirement that the department of local government finance (DLGF) prescribe the form for notices, ordinances, and resolutions that may be adopted under the local income tax law. Removes DLGF's duty to prescribe the hearing requirements and procedures to be used for submitting a notice and vote results on ordinances and adopting and submitting an ordinance or a resolution and replaces it with the general requirements for hearings and procedures. Requires DLGF to prescribe the procedures to be used by the adopting body or governmental entity for submissions to the DLGF. Requires DLGF to notify the submitting entity within thirty (30) days of submission as to whether the department has received the necessary information. Provides that imposing a new tax or changing an existing tax is not effective until the DLGF notifies the adopting body or governmental entity that it has received the required information. Specifies that, for a county that adopted a levy freeze under the former county adjusted gross income tax (CAGIT) or county option income tax (COIT), the levy freeze must be funded using a minimum levy freeze rate that may not be decreased or rescinded unless the levy freeze dollar amount can be funded by a lower levy freeze rate for a year. Specifies that the maximum levy freeze tax rate is one percent (1%). Requires the adopting body to adopt an ordinance
(Continued next page)

Effective: January 1, 2017 (retroactive); upon passage; July 1, 2017.

Thompson, Klinker

January 5, 2017, read first time and referred to Committee on Ways and Means.
February 21, 2017, amended, reported — Do Pass.
February 23, 2017, read second time, amended, ordered engrossed.

HB 1129—LS 6365/DI 58



Digest Continued

to lower the levy freeze tax rate to a rate approved by the department of local government finance. Requires that the allocation of property tax credits must be on the basis of the percentage of property tax replacement revenue within a property category. Removes real property, a mobile home, and industrialized housing that would qualify as a homestead if the taxpayer had filed for a homestead credit or the standard deduction from the list of real property that may be provided a homestead credit. Specifies that an adopting body must include in its allocation ordinance whether it is allocating additional revenue to funding for a public safety answering point (PSAP). Provides that unit level allocations must be based on total property taxes being imposed by the unit for the year preceding the distribution year. Authorizes the fiscal body of Guilford Township in Hendricks County to pass a resolution to place on the ballot a local public question on a public transportation project in the township. Requires Guilford Township to fund and carry out a public transportation project in the township if the voters approve the local public question. Specifies the conditions under which Guilford Township may impose an additional local income tax rate on county taxpayers who reside in the township. Makes technical changes to the local income tax laws. Corrects conflicts that involve references to the local income tax.

HB 1129—LS 6365/DI 58



Reprinted
February 24, 2017

First Regular Session of the 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

HOUSE BILL No. 1129

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 6-1.1-18.5-3, AS AMENDED BY P.L.197-2016,
2 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 3. (a) A civil taxing unit
4 may not impose an ad valorem property tax levy for an ensuing
5 calendar year that exceeds the amount determined in the last STEP of
6 the following STEPS:
7 STEP ONE: Determine the civil taxing unit's maximum
8 permissible ad valorem property tax levy for the preceding
9 calendar year.
10 STEP TWO: Multiply the amount determined in STEP ONE by
11 the amount determined in the last STEP of section 2(b) of this
12 chapter.
13 STEP THREE: Determine the lesser of one and fifteen hundredths
14 (1.15) or the quotient (rounded to the nearest ten-thousandth
15 (0.0001)), of the assessed value of all taxable property subject to
16 the civil taxing unit's ad valorem property tax levy for the ensuing
17 calendar year, divided by the assessed value of all taxable

HB 1129—LS 6365/DI 58



1 property that is subject to the civil taxing unit's ad valorem
 2 property tax levy for the ensuing calendar year and that is
 3 contained within the geographic area that was subject to the civil
 4 taxing unit's ad valorem property tax levy in the preceding
 5 calendar year.

6 STEP FOUR: Determine the greater of the amount determined in
 7 STEP THREE or one (1).

8 STEP FIVE: Multiply the amount determined in STEP TWO by
 9 the amount determined in STEP FOUR.

10 STEP SIX: Add the amount determined under STEP TWO to the
 11 amount of an excessive levy appeal granted under section 13 of
 12 this chapter for the ensuing calendar year.

13 STEP SEVEN: Determine the greater of STEP FIVE or STEP
 14 SIX.

15 (b) This subsection applies only to a civil taxing unit that is located
 16 in a county that is covered by IC 6-3.6-11-1. **For purposes of**
 17 **subsection (a), revenue under IC 6-3.6-6 that is applied for**
 18 **purposes of a levy freeze shall not be included in the amount**
 19 **determined under STEP ONE of IC 6-1.1-18.5-3 for the civil taxing**
 20 **unit.** Notwithstanding any provision in this section, any other section
 21 of this chapter, or IC 12-20-21-3.2, and except as provided in
 22 subsection (c), **if the adopting body has adopted a resolution**
 23 **specifying that any increase in the maximum levy is to be funded**
 24 **using local income tax revenue,** the maximum permissible ad valorem
 25 property tax levy calculated under this section for the ensuing calendar
 26 year for a the civil taxing unit ~~subject to this section~~ is equal to the civil
 27 taxing unit's maximum permissible ad valorem property tax levy for the
 28 current calendar year. **If the adopting body has adopted a resolution**
 29 **specifying that any increase in the maximum levy is not to be**
 30 **funded using local income tax revenue, the maximum permissible**
 31 **ad valorem property tax levy for the civil taxing unit is equal to the**
 32 **civil taxing unit's maximum permissible ad valorem property tax**
 33 **levy calculated under this section for the ensuing calendar year.**

34 (c) In the case of a civil taxing unit that:

35 (1) is partially located in a county that is covered by
 36 IC 6-3.6-11-1; and

37 (2) is partially located in a county that is not described in
 38 subdivision (1);

39 the department of local government finance shall, notwithstanding
 40 subsection (b), adjust the portion of the civil taxing unit's maximum
 41 permissible ad valorem property tax levy that is attributable (as
 42 determined by the department of local government finance) to the



1 county or counties described in subdivision (2). The department of
 2 local government finance shall adjust this portion of the civil taxing
 3 unit's maximum permissible ad valorem property tax levy so that,
 4 notwithstanding subsection (b), this portion is allowed to increase as
 5 otherwise provided in this section. If the department of local
 6 government finance increases the civil taxing unit's maximum
 7 permissible ad valorem property tax levy under this subsection, any
 8 additional property taxes imposed by the civil taxing unit under the
 9 adjustment shall be paid only by the taxpayers in the county or counties
 10 described in subdivision (2).

11 SECTION 2. IC 6-3.6-2-4, AS ADDED BY P.L.243-2015,
 12 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 4. "Attributed allocation
 14 amount" refers to an amount that qualifies as an attributed allocation
 15 amount under ~~IC 6-3.6-6~~. equals the sum of the following:

16 **(1) The allocation amount of the civil taxing unit for that**
 17 **calendar year.**

18 **(2) In the case of a county taxing unit, the welfare allocation**
 19 **amount.**

20 SECTION 3. IC 6-3.6-2-14, AS AMENDED BY P.L.197-2016,
 21 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2017]: Sec. 14. "Public safety" refers to the following:

23 (1) A police and law enforcement system to preserve public peace
 24 and order.

25 (2) A firefighting and fire prevention system.

26 (3) Emergency ambulance services (as defined in
 27 IC 16-18-2-107).

28 (4) Emergency medical services (as defined in IC 16-18-2-110).

29 (5) Emergency action (as defined in IC 13-11-2-65).

30 (6) A probation department of a court.

31 (7) Confinement, supervision, services under a community
 32 corrections program (as defined in IC 35-38-2.6-2), or other
 33 correctional services for a person who has been:

34 (A) diverted before a final hearing or trial under an agreement
 35 that is between the county prosecuting attorney and the person
 36 or the person's custodian, guardian, or parent and that provides
 37 for confinement, supervision, community corrections services,
 38 or other correctional services instead of a final action
 39 described in clause (B) or (C);

40 (B) convicted of a crime; or

41 (C) adjudicated as a delinquent child or a child in need of
 42 services.



- 1 (8) A juvenile detention facility under IC 31-31-8.
 2 (9) A juvenile detention center under IC 31-31-9.
 3 (10) A county jail.
 4 (11) A communications system (as defined in IC 36-8-15-3), an
 5 enhanced emergency telephone system (as defined in
 6 IC 36-8-16-2, before its repeal on July 1, 2012), a PSAP (as
 7 defined in IC 36-8-16.7-20) that is part of the statewide 911
 8 system (as defined in IC 36-8-16.7-22) and located within the
 9 county, or the statewide 911 system (as defined in
 10 IC 36-8-16.7-22).
 11 (12) Medical and health expenses for jailed inmates and other
 12 confined persons.
 13 (13) Pension payments for any of the following:
 14 (A) A member of a fire department (as defined in IC 36-8-1-8)
 15 or any other employee of the fire department.
 16 (B) A member of a police department (as defined in
 17 IC 36-8-1-9), a police chief hired under a waiver under
 18 IC 36-8-4-6.5, or any other employee hired by the police
 19 department.
 20 (C) A county sheriff or any other member of the office of the
 21 county sheriff.
 22 (D) Other personnel employed to provide a service described
 23 in this section.
 24 **(14) Law enforcement training.**
 25 SECTION 4. IC 6-3.6-3-2, AS ADDED BY P.L.243-2015,
 26 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2017]: Sec. 2. (a) An adopting body or, if authorized by this
 28 article, another governmental entity that is not an adopting body, may
 29 take an action under this article only by ordinance, unless this article
 30 permits the action to be taken by resolution.
 31 (b) The department of local government finance, in consultation
 32 with the department of state revenue, ~~shall prescribe and may~~ make
 33 electronically available uniform notices, ordinances, and resolutions ~~for~~
 34 ~~use by that~~ an adopting body or other governmental entity ~~may use~~ to
 35 take an action under this article. An adopting body or other
 36 governmental entity may submit a proposed notice, ordinance, or
 37 resolution to the department of local government finance for review.
 38 The department of local government finance shall provide to the
 39 submitting entity a determination of the appropriateness of the
 40 proposed notice, ordinance, or resolution, including recommended
 41 modifications, within thirty (30) days of receiving the proposed notice,
 42 ordinance, or resolution.



1 (c) The department of local government finance shall prescribe **An**
 2 **ordinance or resolution adopted under this article must comply**
 3 **with the notice and** hearing requirements and procedures to be used
 4 for submitting a notice and vote results on ordinances and adopting and
 5 submitting an ordinance or a resolution under this article: **set forth in**
 6 **IC 5-3-1.**

7 (d) The department of local government finance shall prescribe
 8 **the procedures to be used by the adopting body or governmental**
 9 **entity for submitting to the department the notice, the adopting**
 10 **ordinance or resolution, and the vote results on an ordinance or**
 11 **resolution. The department of local government finance shall notify**
 12 **the submitting entity within thirty (30) days after submission**
 13 **whether the department has received the necessary information**
 14 **required by the department. ~~An~~ A final** action taken by an adopting
 15 body or governmental entity under this article to **impose a new tax**
 16 **or amend an existing tax** is not effective and is void unless the
 17 adopting body satisfies all the requirements prescribed by **until** the
 18 department of local government finance **notifies the adopting body or**
 19 **governmental entity that it has received the required information**
 20 **from the submitting entity.**

21 SECTION 5. IC 6-3.6-3-3, AS ADDED BY P.L.243-2015,
 22 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 3. (a) An ordinance
 24 adopted under this article takes effect as provided in this section.

25 (b) An ordinance that adopts, increases, decreases, or rescinds a tax
 26 or a tax rate takes effect as follows:

27 (1) An ordinance adopted after December 31 of the immediately
 28 preceding year and before September 1 of the current year takes
 29 effect on October 1 of the current year.

30 (2) An ordinance adopted after August 31 and before November
 31 1 of the current year takes effect on January 1 of the following
 32 year.

33 (3) An ordinance adopted after October 31 of the current year and
 34 before January 1 of the following year takes effect on October 1
 35 of the following year.

36 (c) An ordinance that grants, increases, decreases, rescinds, or
 37 changes a credit against the property tax liability of a taxpayer takes
 38 effect as follows:

39 (1) An ordinance adopted after December 31 of the immediately
 40 preceding year and before November 2 of the current year takes
 41 effect on January 1 of, and applies to property taxes first due and
 42 payable in, the year immediately following the year in which the



- 1 ordinance is adopted.
- 2 (2) An ordinance adopted after November 1 of the current year
- 3 and before January 1 of the immediately succeeding year takes
- 4 effect on January 1 of, and applies to property taxes first due and
- 5 payable in, the year that follows the current year by two (2) years.
- 6 (d) An ordinance that grants, increases, decreases, rescinds, or
- 7 changes a distribution or allocation of taxes to a governmental entity
- 8 other than the county takes effect as follows:
- 9 (1) An ordinance adopted after December 31 of the immediately
- 10 preceding year and before November 2 of the current year takes
- 11 effect January 1 of the year immediately following the year in
- 12 which the ordinance is adopted.
- 13 (2) An ordinance adopted after November 1 of the current year
- 14 and before January 1 of the immediately succeeding year takes
- 15 effect January 1 of the year that follows the current year by two
- 16 (2) years.
- 17 (e) An ordinance not described in subsections (b) through (d) takes
- 18 effect as provided under IC 36 for other ordinances of the
- 19 governmental entity adopting the ordinance.
- 20 SECTION 6. IC 6-3.6-3-7, AS ADDED BY P.L.243-2015,
- 21 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 22 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 7. (a) This section
- 23 applies to a county in which the county adopting body is a local income
- 24 tax council.
- 25 (b) Before a member of the local income tax council may propose
- 26 an ordinance or vote on a proposed ordinance, the member must hold
- 27 a public hearing on the proposed ordinance and provide the public with
- 28 notice of the time and place where the public hearing will be held.
- 29 (c) The notice required by subsection (b) must be given in
- 30 accordance with IC 5-3-1 and include the proposed ordinance or
- 31 resolution to propose an ordinance.
- 32 **(d) In addition to the notice required by subsection (b), the**
- 33 **adopting body shall also provide a copy of the notice to all taxing**
- 34 **units in the county at least ten (10) days before the public hearing.**
- 35 SECTION 7. IC 6-3.6-3-7.5, AS ADDED BY P.L.197-2016,
- 36 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 37 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 7.5. (a) This section
- 38 applies to a county in which the county adopting body is the county
- 39 council.
- 40 (b) Before the county council may vote on a proposed ordinance
- 41 under this article, the county council must hold a public hearing on the
- 42 proposed ordinance and provide the public with notice of the date,



1 time, and place ~~where of~~ the public hearing. ~~will be held.~~

2 (c) The notice required by subsection (b) must be given in
3 accordance with IC 5-3-1 and include the proposed ordinance.

4 **(d) In addition to the notice required by subsection (b), the**
5 **adopting body shall also provide a copy of the notice to all taxing**
6 **units in the county at least ten (10) days before the public hearing.**

7 SECTION 8. IC 6-3.6-5-4, AS ADDED BY P.L.243-2015,
8 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 4. ~~(a)~~ A credit granted
10 under this chapter shall be applied to reduce the property tax liability
11 of a taxpayer before the application of a credit granted under
12 IC 6-1.1-20.4 or IC 6-1.1-20.6.

13 ~~(b) A reduction in property taxes granted under section 6 of this~~
14 ~~chapter shall be applied to reduce the property tax liability of a~~
15 ~~taxpayer in the order set forth in section 6 of this chapter:~~

16 SECTION 9. IC 6-3.6-5-6, AS ADDED BY P.L.243-2015,
17 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 6. (a) This section
19 applies to all counties.

20 (b) The adopting body may impose a tax rate under this chapter that
21 does not exceed one and twenty-five hundredths percent (1.25%) on the
22 adjusted gross income of local taxpayers in the county served by the
23 adopting body.

24 (c) Revenues from a tax under this section may be used only for the
25 purpose of funding a property tax credit applied on a percentage basis
26 to reduce the property tax liability of taxpayers with tangible property
27 located in the county as authorized under this section. Property taxes
28 imposed due to a referendum in which a majority of the voters in the
29 taxing unit imposing the property taxes approved the property taxes are
30 not eligible for a credit under this section.

31 (d) The adopting body shall specify by ordinance how the revenue
32 from the tax shall be applied **under subdivisions (1) through (4)** to
33 provide property tax credits in subsequent years. **The allocation must**
34 **be specified as a percentage of property tax relief revenue for**
35 **taxpayers within each property category.** The ordinance must be
36 adopted ~~before July 1~~ and first applies in the following year and then
37 as provided in IC 6-3.6-3 and takes effect and applies to property
38 taxes as specified in IC 6-3.6-3. **The ordinance continues to apply**
39 thereafter until it is rescinded or modified. The property tax credits may
40 be allocated **to all property categories or** among any combination of
41 the following categories:

42 (1) For homesteads eligible for a credit under IC 6-1.1-20.6-7.5



1 that limits the taxpayer's property tax liability for the property to
2 one percent (1%).

3 (2) For residential property, long term care property, agricultural
4 land, and other tangible property (if any) eligible for a credit
5 under IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax
6 liability for the property to two percent (2%).

7 (3) For the following types of property as a single category:

8 (A) Residential property, as defined in IC 6-1.1-20.6-4.

9 ~~(B) Real property, a mobile home, and industrialized housing~~
10 ~~that would qualify as a homestead if the taxpayer had filed for~~
11 ~~a homestead credit under IC 6-1.1-20.9 (repealed) or the~~
12 ~~standard deduction under IC 6-1.1-12-37.~~

13 ~~(C) (B) Real property consisting of units that are regularly~~
14 ~~used to rent or otherwise furnish residential accommodations~~
15 ~~for periods of at least thirty (30) days, regardless of whether~~
16 ~~the tangible property is subject to assessment under rules of~~
17 ~~the department of local government finance that apply to:~~

18 (i) residential property; or

19 (ii) commercial property.

20 (4) For nonresidential real property, personal property, and other
21 tangible property (if any) eligible for a credit under
22 IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability
23 for the property to three percent (3%). However, IC 6-3.6-11-2
24 applies in Jasper County.

25 (e) Within a category described in subsection (d) for which an
26 ordinance grants property tax credits, the property tax credit rate must
27 be a uniform percentage for all qualifying taxpayers with property in
28 that category in the county. The credit percentage may be, but does not
29 have to be, uniform for all categories of property listed in subsection
30 (d). ~~The total of all tax credits granted under this section for a year may~~
31 ~~not exceed the amount of revenue raised by the tax imposed under this~~
32 ~~section. If the amount available in a year for property tax credits under~~
33 ~~this section is less than the amount necessary to provide all the property~~
34 ~~tax credits authorized by the adopting body, the county auditor shall~~
35 ~~reduce the property tax credits granted to eliminate the excess. The~~
36 ~~county auditor shall reduce credits within the categories described in~~
37 ~~subsection (d)(1) through (d)(4) as follows:~~

38 (1) First, against property taxes imposed on property described in
39 subsection (d)(4):

40 (2) Second, if an excess remains after applying the reduction as
41 described in subdivision (1), against property taxes imposed on
42 property described in subsection (d)(3):



1 (3) Third, if an excess remains after applying the reduction as
 2 described in subdivisions (1) and (2), against property taxes
 3 imposed on property described in subsection (d)(2).

4 (4) Fourth, if an excess remains after applying the reduction as
 5 described in subdivisions (1) through (3), against property taxes
 6 imposed on property described in subsection (d)(1).

7 (f) The total of all tax credits granted under this section for a year
 8 may not exceed the amount authorized by the adopting body. If the
 9 amount available in a year for property tax credits under this section is
 10 greater than the amount necessary to provide all the property tax credits
 11 authorized by the adopting body, the county auditor shall retain and
 12 apply the excess as necessary to provide the property tax credits
 13 authorized by the adopting body for the following year. The adopting
 14 body may adopt an ordinance that directs to which categories described
 15 in subsection (d) the excess is to be uniformly applied.

16 (g) (f) The county auditor shall allocate the amount of revenue
 17 applied as tax credits under this section to the taxing units that imposed
 18 the eligible property taxes against which the credits are applied.

19 SECTION 10. IC 6-3.6-6-3, AS AMENDED BY THE TECHNICAL
 20 CORRECTIONS BILL OF THE 2017 GENERAL ASSEMBLY, IS
 21 AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1,
 22 2017 (RETROACTIVE)]: Sec. 3. (a) Revenue raised from a tax
 23 imposed under this chapter shall be treated as follows:

24 (1) *If an ordinance described in section 2.5 of this chapter is in*
 25 *effect in a county, to make a distribution to the county equal to*
 26 *the amount of revenue generated by the rate imposed under*
 27 *section 2.5 of this chapter.*

28 (†) (2) *After making the distribution described in subdivision (1),*
 29 *if any, to make distributions to school corporations and civil*
 30 *taxing units in counties that formerly imposed a tax under*
 31 *IC 6-3.5-1.1 (repealed). The revenue categorized from the first*
 32 *next twenty-five hundredths percent (0.25%) of the rate for a*
 33 *former tax adopted under IC 6-3.5-1.1 (repealed) shall be*
 34 *allocated to school corporations and civil taxing units. The*
 35 *amount of the allocation to a school corporation or civil taxing*
 36 *unit shall be determined using the allocation amounts for civil*
 37 *taxing units and school corporations in the ~~determination~~ county.*

38 (‡) (3) *After making the distributions described in subdivisions*
 39 *(1) and (2), the remaining revenue shall be treated as additional*
 40 *revenue (referred to as "additional revenue" in this chapter).*
 41 *Additional revenue may not be considered by the department of*
 42 *local government finance in determining:*



1 (A) any taxing unit's maximum permissible property tax levy
 2 limit under IC 6-1.1-18.5; or
 3 (B) the approved property tax rate for any fund.
 4 **(b) In the case of a civil taxing unit that has pledged the tax from**
 5 **additional revenue for the payment of bonds, leases, or other**
 6 **obligations as reported by the civil taxing unit under IC 5-1-18, the**
 7 **adopting body may not, under section 4 of this chapter, reduce the**
 8 **proportional allocation of the additional revenue that was allocated in**
 9 **the preceding year if the reduction for that year would result in an**
 10 **amount less than the amount necessary for the payment of bonds,**
 11 **leases, or other obligations payable or required to be deposited in a**
 12 **sinking fund or other reserve in that year for the bonds, leases, or**
 13 **other obligations for which the tax from additional revenue has been**
 14 **pledged. To inform an adopting body with regard to allocations**
 15 **that affect the payment of bonds, leases, or other obligations, a**
 16 **taxing unit may provide the adopting body with information**
 17 **regarding any outstanding bonds, leases, or other obligations that**
 18 **are secured by additional revenue. The information must be**
 19 **provided before the date of the public hearing at which the**
 20 **adopting body may change the allocation of additional revenue**
 21 **under section 4 of this chapter.**
 22 SECTION 11. IC 6-3.6-6-4, AS AMENDED BY P.L.197-2016,
 23 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 4. The adopting body
 25 shall, by ordinance, determine how the additional revenue from a tax
 26 under this chapter must be allocated in subsequent years. The
 27 allocations are subject to IC 6-3.6-11. The ordinance must be adopted
 28 before July † and first applies in the following year and then as
 29 provided in IC 6-3.6-3 and takes effect and applies as specified in
 30 IC 6-3.6-3-3. The ordinance continues to apply thereafter until it is
 31 rescinded or modified. The revenue must be allocated among one (1)
 32 or more of the following uses as provided in this chapter:
 33 (1) Public safety.
 34 (2) Economic development projects.
 35 (3) Certified shares.
 36 The ordinance must describe the allocation of additional revenue by
 37 use of percentages.
 38 SECTION 12. IC 6-3.6-6-8, AS AMENDED BY P.L.197-2016,
 39 SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 8. (a) This section
 41 applies to the allocation of additional revenue from a tax under this
 42 chapter to public safety purposes. **Funding dedicated for a PSAP**



1 under a former tax continues to apply under this chapter until it is
 2 rescinded or modified. If funding was not dedicated for a PSAP
 3 under a former tax, the adopting body may adopt a resolution
 4 providing that all or part of the additional revenue allocated to
 5 public safety is to be dedicated for a PSAP. The resolution first
 6 applies in the following year and then thereafter until it is
 7 rescinded or modified. Funding dedicated for a PSAP shall be
 8 allocated and distributed as provided in IC 6-3.6-11-4.

9 (b) Except as provided in subsection (c), the amount of the certified
 10 distribution that is allocated to public safety purposes, and after making
 11 allocations under IC 6-3.6-11, shall be allocated to the county and to
 12 each municipality in the county that is carrying out or providing at least
 13 one (1) public safety purpose. For purposes of this subsection, in the
 14 case of a consolidated city, the total property taxes imposed by the
 15 consolidated city include the property taxes imposed by the
 16 consolidated city and all special taxing districts (except for a public
 17 library district, a public transportation corporation, and a health and
 18 hospital corporation), and all special service districts. The amount
 19 allocated under this subsection to a county or municipality is equal to
 20 the result of:

21 (1) the amount of the remaining certified distribution that is
 22 allocated to public safety purposes; multiplied by

23 (2) a fraction equal to:

24 (A) in the case of a county that initially imposed a rate for
 25 public safety under IC 6-3.5-6 (repealed), the result of the total
 26 property taxes imposed in the county by the county or
 27 municipality for the calendar year **preceding the distribution**
 28 **year**, divided by the sum of the total property taxes imposed
 29 in the county by the county and each municipality in the
 30 county that is entitled to a distribution under this section for
 31 **the that** calendar year; or

32 (B) in the case of a county that initially imposed a rate for
 33 public safety under IC 6-3.5-1.1 (repealed) or a county that did
 34 not impose a rate for public safety under either IC 6-3.5-1.1
 35 (repealed) or IC 6-3.5-6 (repealed), the result of the attributed
 36 allocation amount of the county or municipality for the
 37 calendar year **preceding the distribution year**, divided by the
 38 sum of the attributed allocation amounts of the county and
 39 each municipality in the county that is entitled to a distribution
 40 under this section for **the that** calendar year.

41 (c) A fire department, volunteer fire department, or emergency
 42 medical services provider that:



1 (1) provides fire protection or emergency medical services within
 2 the county; and
 3 (2) is operated by or serves a political subdivision that is not
 4 otherwise entitled to receive a distribution of tax revenue under
 5 this section;
 6 may, before July 1 of a year, apply to the adopting body for a
 7 distribution of tax revenue under this section during the following
 8 calendar year. The adopting body shall review an application submitted
 9 under this subsection and may, before September 1 of a year, adopt a
 10 resolution requiring that one (1) or more of the applicants shall receive
 11 a specified amount of the tax revenue to be distributed under this
 12 section during the following calendar year. **The adopting body shall**
 13 **provide a copy of the resolution to the county auditor and the**
 14 **department of local government finance not more than fifteen (15)**
 15 **days after the resolution is adopted.** A resolution ~~approved~~ **adopted**
 16 under this subsection ~~providing for a distribution to one (1) or more fire~~
 17 ~~departments, volunteer fire departments, or emergency medical~~
 18 ~~services providers and provided in a timely manner to the county~~
 19 **auditor and the department** applies only to distributions in the
 20 following calendar year. Any amount of tax revenue distributed under
 21 this subsection to a fire department, volunteer fire department, or
 22 emergency medical services provider shall be distributed before the
 23 remainder of the tax revenue is allocated under subsection (b).
 24 SECTION 13. IC 6-3.6-6-8.5, AS ADDED BY P.L.243-2015,
 25 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 8.5. (a) This section
 27 applies only to Marion County.
 28 (b) The adopting body may allocate additional revenue to fund the
 29 operation of a public library in a county containing a consolidated city
 30 as provided in an election, if any, made by the county fiscal body under
 31 IC 36-3-7-6. An allocation under this section shall be made from the
 32 part of the additional revenue that would otherwise be allocated as
 33 certified shares.
 34 (c) The adopting body may allocate additional revenue to fund the
 35 operation of a public transportation corporation as provided in an
 36 election, if any, made by the county fiscal body under IC 36-9-4-42. An
 37 allocation under this section shall be made from the part of the
 38 additional revenue that would otherwise be allocated as certified
 39 shares.
 40 (d) **The adopting body may allocate additional revenue to fund**
 41 **the operation of a public communications systems and computer**
 42 **facilities district as provided in an election, if any, made by the**



1 **county fiscal body under IC 36-8-15-19(b). The additional revenue**
 2 **shall be allocated and distributed before the allocation and**
 3 **distribution of the remaining tax revenue under this chapter.**

4 SECTION 14. IC 6-3.6-6-9, AS AMENDED BY P.L.197-2016,
 5 SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 9. (a) This section
 7 applies to the allocation of additional revenue from a tax under this
 8 chapter for economic development purposes.

9 (b) Money designated for economic development purposes shall be
 10 allocated to the county, cities, and towns for use by the taxing unit's
 11 fiscal body for any of the purposes described in IC 6-3.6-10. Except as
 12 provided in subsections (c) and (d) and IC 6-3.6-11, and subject to
 13 adjustment as provided in IC 36-8-19-7.5, the amount of the certified
 14 distribution allocated to economic development purposes that the
 15 county and each city or town in a county is entitled to receive each
 16 month of each year equals the amount determined using the following
 17 formula:

18 STEP ONE: Determine the sum of:

- 19 (A) the total property taxes being imposed by the county, city,
 20 or town during the calendar year ~~of~~ **preceding** the distribution
 21 **year; plus**
 22 (B) for a county, the welfare allocation amount.

23 STEP TWO: Determine the quotient of:

- 24 (A) The STEP ONE amount; divided by
 25 (B) the sum of the total property taxes that are first due and
 26 payable to the county and all cities and towns of the county
 27 during the calendar year ~~in which the month falls;~~ **preceding**
 28 **the distribution year** plus the welfare allocation amount.

29 STEP THREE: Determine the product of:

- 30 (A) the amount of the certified distribution allocated to
 31 economic development purposes for that month; multiplied by
 32 (B) the STEP TWO amount.

33 (c) The body imposing the tax may adopt an ordinance before
 34 August 2 of a year to provide for a distribution of the amount allocated
 35 to economic development purposes based on population instead of a
 36 distribution under subsection (b). The following apply if an ordinance
 37 is adopted under this subsection:

- 38 (1) The ordinance is effective January 1 of the following year.
 39 (2) The amount of the certified distribution allocated to economic
 40 development purposes that the county and each city and town in
 41 the county are entitled to receive during each month of each year
 42 equals the product of:



- 1 (A) the amount of the certified distribution that is allocated to
- 2 economic development purposes for the month; multiplied by
- 3 (B) the quotient of:
- 4 (i) for a city or town, the population of the city or the town
- 5 that is located in the county and for a county, the population
- 6 of the part of the county that is not located in a city or town;
- 7 divided by
- 8 (ii) the population of the entire county.
- 9 (3) The ordinance may be made irrevocable for the duration of
- 10 specified lease rental or debt service payments.
- 11 (d) In a county having a consolidated city, only the consolidated city
- 12 is entitled to the amount of the certified distribution that is allocated to
- 13 economic development purposes.
- 14 SECTION 15. IC 6-3.6-6-11, AS AMENDED BY THE
- 15 TECHNICAL CORRECTIONS BILL OF THE 2017 GENERAL
- 16 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 17 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 11. (a) Except as
- 18 provided in this chapter and IC 6-3.6-11, this section applies to an
- 19 allocation of certified shares in all counties.
- 20 (b) ~~Subject to this chapter,~~ Any civil taxing unit that ~~imposes~~
- 21 **imposed** an ad valorem property tax **levy** in the county ~~that has a tax~~
- 22 ~~rate in effect under this chapter for the calendar year preceding the~~
- 23 **distribution year** is eligible for an allocation **for the distribution year**
- 24 under this chapter.
- 25 (c) A school corporation is not a civil taxing unit for the purpose of
- 26 receiving an allocation of certified shares under this chapter. The
- 27 distributions to school corporations and civil taxing units in counties
- 28 that formerly imposed a tax under IC 6-3.5-1.1 (*repealed*) as provided
- 29 in section ~~3(1)~~ ~~3(2)~~ **3(a)(2)** of this chapter is not considered an
- 30 allocation of certified shares. A school corporation's allocation amount
- 31 for purposes of section ~~3(1)~~ ~~3(2)~~ **3(a)(2)** of this chapter shall be
- 32 determined under section 12 of this chapter.
- 33 (d) A county solid waste management district (as defined in
- 34 IC 13-11-2-47) or a joint solid waste management district (as defined
- 35 in IC 13-11-2-113) is not a civil taxing unit for the purpose of receiving
- 36 an allocation of certified shares under this chapter unless a majority of
- 37 the members of each of the county fiscal bodies of the counties within
- 38 the district passes a resolution approving the distribution.
- 39 (e) A resolution passed by a county fiscal body under subsection (d)
- 40 may:
- 41 (1) expire on a date specified in the resolution; or
- 42 (2) remain in effect until the county fiscal body revokes or



- 1 rescinds the resolution.
- 2 SECTION 16. IC 6-3.6-6-12, AS AMENDED BY P.L.180-2016,
 3 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 12. (a) Except as
 5 provided in this chapter and IC 6-3.6-11, this section applies to an
 6 allocation of certified shares in all counties.
- 7 (b) The allocation amount of a civil taxing unit during a calendar
 8 year **must be based on the amounts for the calendar year preceding**
 9 **the distribution year and** is equal to the amount determined using the
 10 following formula:
- 11 STEP ONE: Determine the sum of the total property taxes being
 12 imposed by the civil taxing unit. ~~during the calendar year of the~~
 13 ~~distribution.~~
- 14 STEP TWO: Determine the sum of the following:
- 15 (A) Amounts appropriated from property taxes to pay the
 16 principal of or interest on any debenture or other debt
 17 obligation issued after June 30, 2005, other than an obligation
 18 described in subsection (c).
- 19 (B) Amounts appropriated from property taxes to make
 20 payments on any lease entered into after June 30, 2005, other
 21 than a lease described in subsection (d).
- 22 STEP THREE: Subtract the STEP TWO amount from the STEP
 23 ONE amount.
- 24 STEP FOUR: Determine the sum of:
- 25 (A) the STEP THREE amount; plus
 26 (B) the civil taxing unit's certified shares plus the amount
 27 distributed under section ~~3(2)~~ **3(a)(2)** of this chapter for the
 28 previous calendar year.
- 29 The allocation amount is subject to adjustment as provided in
 30 IC 36-8-19-7.5.
- 31 (c) Except as provided in this subsection, an appropriation **for the**
 32 **calendar year preceding the distribution year** from property taxes
 33 to repay interest and principal of a debt obligation is not deducted from
 34 the allocation amount for a civil taxing unit if:
- 35 (1) the debt obligation was issued; and
 36 (2) the proceeds were appropriated from property taxes;
 37 to refund or otherwise refinance a debt obligation or a lease issued
 38 before July 1, 2005. However, an appropriation from property taxes
 39 related to a debt obligation issued after June 30, 2005, is deducted if
 40 the debt extends payments on a debt or lease beyond the time in which
 41 the debt or lease would have been payable if the debt or lease had not
 42 been refinanced or increases the total amount that must be paid on a



1 debt or lease in excess of the amount that would have been paid if the
 2 debt or lease had not been refinanced. The amount of the deduction is
 3 the annual amount for each year of the extension period or the annual
 4 amount of the increase over the amount that would have been paid.

5 (d) Except as provided in this subsection, an appropriation **for the**
 6 **calendar year preceding the distribution year** from property taxes
 7 to make payments on a lease is not deducted from the allocation
 8 amount for a civil taxing unit if:

9 (1) the lease was issued; and

10 (2) the proceeds were appropriated from property taxes;
 11 to refinance a debt obligation or lease issued before July 1, 2005.
 12 However, an appropriation from property taxes related to a lease
 13 entered into after June 30, 2005, is deducted if the lease extends
 14 payments on a debt or lease beyond the time in which the debt or lease
 15 would have been payable if the debt or lease had not been refinanced
 16 or increases the total amount that must be paid on a debt or lease in
 17 excess of the amount that would have been paid if the debt or lease had
 18 not been refinanced. The amount of the deduction is the annual amount
 19 for each year of the extension period or the annual amount of the
 20 increase over the amount that would have been paid.

21 SECTION 17. IC 6-3.6-6-13 IS REPEALED [EFFECTIVE
 22 JANUARY 1, 2017 (RETROACTIVE)]. ~~Sec. 13. (a) This section~~
 23 ~~applies to an allocation of certified shares in all counties other than~~
 24 ~~Marion County.~~

25 (b) The attributed allocation amount of a civil taxing unit during a
 26 calendar year is equal to the sum of:

27 (1) the allocation amount of the civil taxing unit for that calendar
 28 year; plus

29 (2) in the case of a county, the welfare allocation amount.

30 SECTION 18. IC 6-3.6-6-20, AS AMENDED BY THE
 31 TECHNICAL CORRECTIONS BILL OF THE 2017 GENERAL
 32 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JANUARY 1, 2017 (RETROACTIVE)]; Sec. 20. (a) *This section does*
 34 *not apply to distributions of revenue under section 9 of this chapter.*

35 ~~(a)~~ (b) *This section applies only to the following:*

36 (1) *Any allocation or distribution of revenue under section ~~3(1)~~*
 37 **3(a)(2)** *of this chapter that is made on the basis of property tax*
 38 *levies in counties that formerly imposed a tax under IC 6-3.5-1.1*
 39 *(before its repeal January 1, 2017).*

40 (2) *Any allocation or distribution of revenue under section ~~3(2)~~ or*
 41 ~~3(3)~~ **3(a)(3)** *of this chapter that is made on the basis of property*
 42 *tax levies in counties that formerly imposed a tax under*



1 *IC 6-3.5-6 (before its repeal January 1, 2017).*

2 *(c) Subject to subsection (b), if a school corporation or civil taxing*
 3 *unit of an adopting county does not impose a property tax levy that is*
 4 *first due and payable in a the calendar year **preceding the year** in*
 5 *which revenue under section ~~3(2)~~ **3(a)(2)** or ~~3(3)~~ **3(a)(3)** of this*
 6 *chapter is being allocated or distributed, that school corporation or civil*
 7 *taxing unit is entitled to receive a part of the revenue under section ~~3(a)~~*
 8 *or ~~3(2)~~ **3(a)(2)** or ~~3(3)~~ **3(a)(3)** of this chapter (as appropriate) to be*
 9 *distributed within the county. The fractional amount that such a school*
 10 *corporation or civil taxing unit is entitled to receive each month during*
 11 *that calendar year equals the product of the following:*

12 (1) The amount of revenue under section ~~3(2)~~ **3(a)(2)** or ~~3(3)~~
 13 **3(a)(3)** of this chapter to be distributed on the basis of property
 14 tax levies during that month; multiplied by

15 (2) A fraction. The numerator of the fraction equals the budget of
 16 that school corporation or civil taxing unit for ~~that calendar the~~
 17 **distribution** year. The denominator of the fraction equals the
 18 aggregate budgets of all school corporations or civil taxing units
 19 of that county for ~~that calendar the distribution~~ year.

20 ~~(b)~~ *(d) Subject to subsection (b), if for a calendar year a school*
 21 *corporation or civil taxing unit is allocated a part of a county's revenue*
 22 *under section ~~3(2)~~ **3(a)(2)** or ~~3(3)~~ **3(a)(3)** of this chapter by*
 23 *subsection ~~(a)~~; (c), the calculations used to determine the shares of*
 24 *revenue of all other school corporations and civil taxing units under*
 25 *section ~~3(2)~~ **3(a)(2)** or ~~3(3)~~ **3(a)(3)** of this chapter (as appropriate)*
 26 *shall be changed each month for that same year by reducing the amount*
 27 *of revenue to be distributed by the amount of revenue under section*
 28 *~~3(2)~~ **3(a)(2)** or ~~3(3)~~ **3(a)(3)** of this chapter allocated under subsection*
 29 *~~(a)~~ (c) for that same month. The department of local government*
 30 *finance shall make any adjustments required by this subsection and*
 31 *provide them to the appropriate county auditors.*

32 SECTION 19. IC 6-3.6-10-2, AS ADDED BY P.L.243-2015,
 33 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 2. A county, **city, or**
 35 **town** may use revenue allocated for economic development purposes
 36 under IC 6-3.6-6-9 for any combination of the following purposes:

37 (1) To pay all or a part of the interest owed by a private developer
 38 or user on a loan extended by a financial institution or other
 39 lender to the developer or user if the proceeds of the loan are or
 40 are to be used to finance an economic development project.

41 (2) For the retirement of bonds for economic development
 42 projects.



- 1 (3) For leases or for leases or bonds entered into or issued before
- 2 the date the county economic development income tax (IC 6-3.5-7
- 3 repealed) was imposed if the purpose of the lease or bonds would
- 4 have qualified as a purpose under this article at the time the lease
- 5 was entered into or the bonds were issued.
- 6 (4) The construction or acquisition of, or remedial action with
- 7 respect to, a capital project for which the unit is empowered to
- 8 issue general obligation bonds or establish a fund under any
- 9 statute listed in IC 6-1.1-18.5-9.8.
- 10 (5) The retirement of bonds issued under any provision of Indiana
- 11 law for a capital project.
- 12 (6) The payment of lease rentals under any statute for a capital
- 13 project.
- 14 (7) Contract payments to a nonprofit corporation whose primary
- 15 corporate purpose is to assist government in planning and
- 16 implementing economic development projects.
- 17 (8) Operating expenses of a governmental entity that plans or
- 18 implements economic development projects.
- 19 (9) Funding of a revolving fund established under IC 5-1-14-14.
- 20 (10) For a regional venture capital fund or a local venture capital
- 21 fund.
- 22 (11) ~~By a county, city, or town~~ For any lawful purpose for which
- 23 money in any of its other funds may be used.
- 24 SECTION 20. IC 6-3.6-11-1, AS AMENDED BY P.L.197-2016,
- 25 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 26 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 1. (a) This section
- 27 applies to any county that imposed a former tax to provide for a levy
- 28 freeze.
- 29 (b) ~~The revenue tax rate used to offset the~~ **provide for a** levy freeze
- 30 **shall be part of the tax rate under IC 6-3.6-6. The maximum tax rate**
- 31 **that may be applied for a levy freeze is one percent (1%). The levy**
- 32 **freeze tax rate may be increased but not decreased or rescinded**
- 33 **unless an adopting body adopts a resolution to request approval**
- 34 **from the department of local government finance to lower the levy**
- 35 **freeze tax rate. The department shall approve a lower levy freeze**
- 36 **tax rate if it finds that the lower rate would fund the levy freeze**
- 37 **dollar amount (the total amount of foregone maximum levy**
- 38 **increases for all taxing units for all years). If the department**
- 39 **approves a lower levy freeze tax rate, the adopting body must**
- 40 **adopt an ordinance to lower the levy freeze tax rate before the**
- 41 **lower rate may take effect.**
- 42 (c) The levy freeze amount prescribed by the adopting body



1 **revenue from the tax rate** shall continue to be applied under this
 2 article as it was applied under the former tax, ~~until an adopting body~~
 3 ~~adopts an ordinance that fixes the levy freeze amount as of a certain~~
 4 ~~date as permitted under the former tax. A levy freeze amount may be~~
 5 ~~fixed as of a certain date, but may not be rescinded. including the use~~
 6 **of a stabilization fund.**

7 (d) ~~The levy freeze, levy amounts, and income tax distributions shall~~
 8 ~~be administered in the same manner as under the former tax. The~~
 9 ~~distributions of income tax revenue attributable to a levy freeze tax~~
 10 ~~rate shall be made before allocating or distributing the remaining~~
 11 ~~revenue under IC 6-3.6-6 or applying the property tax credits funded by~~
 12 ~~a tax rate under IC 6-3.6-5.~~

13 (e) ~~Notwithstanding IC 6-1.1-18.5-3, for purposes of calculating the~~
 14 ~~maximum permissible ad valorem property tax levy under~~
 15 ~~IC 6-1.1-18.5 for an ensuing calendar year beginning after December~~
 16 ~~31, 2016, revenue under IC 6-3.6-6 that is applied under this section for~~
 17 ~~purposes of a levy freeze shall not be included in the amount~~
 18 ~~determined under STEP ONE of IC 6-1.1-18.5-3 for the civil taxing~~
 19 ~~unit.~~

20 (f) This subsection applies for ensuing calendar years beginning
 21 after December 31, 2016. This subsection applies in a county that:

22 (1) imposed a tax rate for a levy freeze under IC 6-3.5-1.1-24
 23 (before its repeal January 1, 2017) or IC 6-3.5-6-30 (before its
 24 repeal January 1, 2017); and

25 (2) has not adopted an ordinance specifying that the levy freeze
 26 will not apply to future increases in maximum permissible ad
 27 valorem property tax levies.

28 The maximum permissible ad valorem property tax levy calculated
 29 under IC 6-1.1-18.5 for the ensuing calendar year for a civil taxing unit
 30 in a county subject to this section is equal to the civil taxing unit's
 31 maximum permissible ad valorem property tax levy for the current
 32 calendar year.

33 SECTION 21. IC 6-3.6-11-4, AS AMENDED BY P.L.197-2016,
 34 SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 4. (a) This section
 36 applies to the allocation of the tax revenue under IC 6-3.6-6 that is
 37 dedicated to public safety and funding for

38 (1) a PSAP (as defined in IC 36-8-16.7-20) that is part of the
 39 statewide 911 system (as defined in IC 36-8-16.7-22) and located
 40 within the county or

41 (2) the operation of a public communications system and
 42 computer facilities district as provided in subsection (b): as



1 **provided in IC 6-3.6-6-8.**

2 This tax revenue shall be allocated and distributed to the PSAP ~~or~~
3 ~~Marion County~~ before the allocation and distribution to **any taxing**
4 **units** of the remaining tax revenue **allocated to public safety** as
5 provided in IC 6-3.6-6.

6 (b) ~~In Marion County, the adopting body may allocate part or all of~~
7 ~~the certified distribution that is allocated to public safety purposes to~~
8 ~~fund the operation of a public communications system and computer~~
9 ~~facilities district as provided in an election, if any, made by the county~~
10 ~~fiscal body under IC 36-8-15-19(b).~~

11 SECTION 22. IC 6-8.1-5-2, AS AMENDED BY P.L.198-2016,
12 SECTION 58, AND AS AMENDED BY P.L.197-2016, SECTION 76,
13 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
14 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as otherwise
15 provided in this section, the department may not issue a proposed
16 assessment under section 1 of this chapter more than three (3) years
17 after the latest of the date the return is filed, or either of the following:

18 (1) The due date of the return.

19 (2) In the case of a return filed for the state gross retail or use tax,
20 the gasoline tax, the special fuel tax, the motor carrier fuel tax, the
21 oil inspection fee, or the petroleum severance tax, the end of the
22 calendar year which contains the taxable period for which the
23 return is filed.

24 (b) If a person files a *return for the utility receipts tax return*
25 (IC 6-2.3), ~~an~~ adjusted gross income tax (IC 6-3), supplemental net
26 income tax (IC 6-3-8) (repealed), county adjusted gross income tax
27 (IC 6-3.5-1.1) (repealed), county option income tax (IC 6-3.5-6)
28 (repealed), *local income tax (IC 6-3.6)*, or financial institutions tax
29 (IC 6-5.5) *return* that understates the person's income, as that term is
30 defined in the particular income tax law, by at least twenty-five percent
31 (25%), the proposed assessment limitation is six (6) years instead of the
32 three (3) years provided in subsection (a).

33 (c) In the case of the motor vehicle excise tax (IC 6-6-5), the tax
34 shall be assessed as provided in IC 6-6-5-5 and IC 6-6-5-6 and shall
35 include the penalties and interest due on all listed taxes not paid by the
36 due date. A person that fails to properly register a vehicle as required
37 by IC 9-18 (*before its expiration*) or IC 9-18.1 and pay the tax due
38 under IC 6-6-5 is considered to have failed to file a return for purposes
39 of this article.

40 (d) In the case of the commercial vehicle excise tax imposed under
41 IC 6-6-5.5, the tax shall be assessed as provided in IC 6-6-5.5 and shall
42 include the penalties and interest due on all listed taxes not paid by the



1 due date. A person that fails to properly register a commercial vehicle
 2 as required by IC 9-18 (*before its expiration*) or IC 9-18.1 and pay the
 3 tax due under IC 6-6-5.5 is considered to have failed to file a return for
 4 purposes of this article.

5 (e) In the case of the excise tax imposed on recreational vehicles
 6 and truck campers under IC 6-6-5.1, the tax shall be assessed as
 7 provided in IC 6-6-5.1 and must include the penalties and interest due
 8 on all listed taxes not paid by the due date. A person ~~who~~ that fails to
 9 properly register a recreational vehicle as required by IC 9-18 (*before*
 10 *its expiration*) or IC 9-18.1 and pay the tax due under IC 6-6-5.1 is
 11 considered to have failed to file a return for purposes of this article. A
 12 person ~~who~~ that fails to pay the tax due under IC 6-6-5.1 on a truck
 13 camper is considered to have failed to file a return for purposes of this
 14 article.

15 (f) If a person files a fraudulent, unsigned, or substantially blank
 16 return, or if a person does not file a return, there is no time limit within
 17 which the department must issue its proposed assessment.

18 (g) If any part of a listed tax has been erroneously refunded by the
 19 department, the erroneous refund may be recovered through the
 20 assessment procedures established in this chapter. An assessment
 21 issued for an erroneous refund must be issued:

- 22 (1) within two (2) years after making the refund; or
- 23 (2) within five (5) years after making the refund if the refund was
 24 induced by fraud or misrepresentation.

25 (h) If, before the end of the time within which the department may
 26 make an assessment, the department and the person agree to extend
 27 that assessment ~~time~~ period, the period may be extended according to
 28 the terms of a written agreement signed by both the department and the
 29 person. The agreement must contain:

- 30 (1) the date to which the extension is made; and
- 31 (2) a statement that the person agrees to preserve the person's
 32 records until the extension terminates.

33 The department and a person may agree to more than one (1) extension
 34 under this subsection.

35 (i) If a taxpayer's federal taxable income, federal adjusted gross
 36 income, or federal income tax liability for a taxable year is modified
 37 due to a modification as provided under IC 6-3-4-6(c) and
 38 IC 6-3-4-6(d) (for the adjusted gross income tax), or a modification or
 39 alteration as provided under IC 6-5.5-6-6(c) and IC 6-5.5-6-6(e) (for
 40 the financial institutions tax), then the date by which the department
 41 must issue a proposed assessment under section 1 of this chapter for
 42 tax imposed under IC 6-3 is extended to six (6) months after the date



1 on which the notice of modification is filed with the department by the
2 taxpayer.

3 SECTION 23. IC 8-25-1-4, AS ADDED BY P.L.153-2014,
4 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2017]: Sec. 4. "Eligible county" means one (1) or more of the
6 following counties:

7 (1) Delaware County.

8 (2) Hamilton County.

9 (3) Hancock County.

10 **(4) Hendricks County.**

11 ~~(4)~~ **(5) Johnson County.**

12 ~~(5)~~ **(6) Madison County.**

13 ~~(6)~~ **(7) Marion County.**

14 SECTION 24. IC 8-25-2-1, AS ADDED BY P.L.153-2014,
15 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2017]: Sec. 1. **This section does not apply to Hendricks**
17 **County.** Except as provided in IC 8-25-4-6, the fiscal body of an
18 eligible county may adopt an ordinance to place on the ballot a local
19 public question granting the fiscal body of the eligible county the
20 authority to fund and carry out a public transportation project. The
21 fiscal body shall include in the ordinance:

22 (1) a description of the public transportation services that will be
23 provided through the proposed public transportation project; and

24 (2) an estimate of each tax necessary to annually fund the public
25 transportation project.

26 SECTION 25. IC 8-25-5-6, AS AMENDED BY P.L.197-2016,
27 SECTION 95, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 2017]: Sec. 6. (a) Except as provided in subsection (b), the
29 county fiscal body may pledge revenues for the payment of principal
30 and interest on the bonds and for other purposes under the ordinance
31 as provided by IC 5-1-14-4, including revenues from the local income
32 tax in Delaware County, Hamilton County, Hancock County,
33 **Hendricks County**, Johnson County, Madison County, or Marion
34 County.

35 (b) The county fiscal body may not pledge to levy ad valorem
36 property taxes for these purposes.

37 (c) If the county fiscal body has pledged revenues from the local
38 income tax as set forth in subsection (a), the county fiscal body may
39 covenant that the county fiscal body will not repeal or modify the tax
40 in a manner that would adversely affect owners of outstanding bonds
41 issued under this chapter. The county fiscal body may make the
42 covenant by adopting an ordinance.



1 SECTION 26. IC 8-25-6-2, AS AMENDED BY P.L.203-2016,
 2 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2017]: Sec. 2. (a) **This subsection does not apply to**
 4 **townships located in Hendricks County.** If:

5 (1) the fiscal body of the county in which a township is located
 6 does not adopt an ordinance under IC 8-25-2-1; and

7 (2) the township is adjacent to:

8 (A) an eligible county in which:

9 (i) a public transportation project has been approved under
 10 IC 8-25-2; or

11 (ii) an ordinance described in IC 8-25-2 has been adopted;
 12 or

13 (B) another township in which:

14 (i) a public transportation project has been approved under
 15 this chapter; or

16 (ii) a resolution described in this section has already been
 17 passed;

18 the fiscal body of the township may pass a resolution to place on the
 19 ballot a local public question on whether the fiscal body of the eligible
 20 county should be required to fund and carry out a public transportation
 21 project in the township.

22 **(b) This subsection applies to Guilford Township in Hendricks**
 23 **County. The fiscal body of the township may pass a resolution to**
 24 **place on the ballot a local public question on whether the fiscal**
 25 **body of Hendricks County should be required to fund and carry**
 26 **out a public transportation project in the township.**

27 ~~(b)~~ (c) The fiscal body of the township shall include in the
 28 resolution passed under subsection (a) **or (b):**

29 (1) a description of the public transportation services that will be
 30 provided in the township through the proposed public
 31 transportation project; and

32 (2) an estimate of each tax necessary to annually fund the public
 33 transportation project in the township.

34 SECTION 27. IC 8-25-6-10, AS AMENDED BY P.L.203-2016,
 35 SECTION 23, AND AS AMENDED BY P.L.197-2016, SECTION 98,
 36 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE JANUARY 1, 2017 (RETROACTIVE)]: Sec. 10. (a) If
 38 the voters of a township *located described in an eligible county* section
 39 *2(a)(2)(A)(i) or 2(a)(2)(B)(i) of this chapter* approve a local public
 40 question under this chapter, the fiscal body of the eligible county *in*
 41 *which the township is located* shall adopt an ordinance under
 42 *IC 6-3.5-1.1-24(s); IC 6-3.5-6-30(t); or IC 6-3.5-7-26(m); whichever is*



1 *applicable to the eligible county, IC 6-3.6-6 to impose an additional*
 2 *county adjusted gross local income tax rate, county option income tax*
 3 *rate, or county economic development income tax rate as permitted by*
 4 *IC 6-3.6-7-27, upon the county local taxpayers (as defined in*
 5 *IC 8-24-1-10) residing in the township for the public transportation*
 6 *project in the township.*

7 *(b) This subsection applies if the voters of a township described in*
 8 *section 2(a)(2)(A)(ii) or 2(a)(2)(B)(ii) of this chapter approve a local*
 9 *public question under this chapter and the voters in:*

10 *(1) the eligible county described in section 2(a)(2)(A) of this*
 11 *chapter approve a local public question under IC 8-25-2; or*

12 *(2) the township described in section 2(a)(2)(B) of this chapter*
 13 *approve a local public question under this chapter.*

14 *The fiscal body of the eligible county in which the township is located*
 15 *shall adopt an ordinance under IC 6-3.5-1.1-24(s) (before its repeal on*
 16 *January 1, 2017); IC 6-3.5-6-30(t) (before its repeal on January 1,*
 17 *2017); IC 6-3.5-7-26(m) (before its repeal on January 1, 2017); or*
 18 *IC 6-3.6-4 IC 6-3.6-6 (after December 31, 2016), whichever is*
 19 *applicable to the eligible county; to impose an additional county*
 20 *adjusted gross income tax rate; county option income tax rate; county*
 21 *economic development income tax rate; or local income tax rate, as*
 22 *permitted by IC 6-3.6-7-27, upon the county local taxpayers residing*
 23 *in the township for the public transportation project in the township.*

24 **(c) This subsection applies to Guilford Township in Hendricks**
 25 **County. If the voters of the township approve a local public**
 26 **question under this chapter, the township fiscal body shall adopt**
 27 **a resolution to impose an additional local income tax rate upon the**
 28 **local taxpayers residing in the township for the public**
 29 **transportation project in the township. A resolution adopted under**
 30 **this subsection must comply with the requirements of the**
 31 **department of local government finance and specify an additional**
 32 **tax rate to be imposed in the township of at least one-tenth percent**
 33 **(0.1%), but not more than twenty-five hundredths percent**
 34 **(0.25%). If a resolution is adopted under this subsection, the**
 35 **amount of the certified distribution attributable to the additional**
 36 **tax rate imposed under this subsection must be:**

37 **(1) retained by the county auditor;**

38 **(2) deposited in the county public transportation project fund**
 39 **established under IC 8-25-3-7; and**

40 **(3) used for the purpose provided in this subsection instead of**
 41 **as a property tax replacement distribution.**

42 **The tax rate under this subsection plus the tax rate under**



1 **IC 6-3.6-6 may not exceed the tax rate specified in IC 6-3.6-6-2.**
 2 **Notwithstanding IC 6-3.6-7-27, the Hendricks County fiscal body**
 3 **is not required under this section to adopt an ordinance under**
 4 **IC 6-3.6-7-27.**

5 SECTION 28. IC 12-29-2-2, AS AMENDED BY P.L.184-2016,
 6 SECTION 27, AND AS AMENDED BY P.L.197-2016, SECTION
 7 114, IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 8 [EFFECTIVE JANUARY 1, 2017 (RETROACTIVE)]: Sec. 2. (a) A
 9 county shall fund the operation of community mental health centers in
 10 the amount determined under subsection (b), unless a lower tax levy
 11 amount will be adequate to fulfill the county's financial obligations
 12 under this chapter in any of the following situations:

13 (1) If the total population of the county is served by one (1)
 14 center.

15 (2) If the total population of the county is served by more than one
 16 (1) center.

17 (3) If the partial population of the county is served by one (1)
 18 center.

19 (4) If the partial population of the county is served by more than
 20 one (1) center.

21 (b) The amount of funding under subsection (a) for taxes first due
 22 and payable in a calendar year is *the result* equal to:

23 (1) the *maximum* amount that *could have been* ~~was~~ levied in the
 24 county to comply with this section from property taxes first due
 25 and payable in the calendar year immediately preceding the
 26 ensuing calendar year, *as previously determined under this*
 27 *section by using the amount calculated under this section in 2004*
 28 *as the base amount*; multiplied by

29 (2) the *county's* assessed value growth quotient for the ensuing
 30 calendar year, as determined under IC 6-1.1-18.5-2.

31 (c) This subsection applies only to *a county that provides a levy*
 32 *freeze in the county as provided in IC 6-3.6-11-1. ~~property taxes first~~*
 33 *due and payable after December 31, 2007. This subsection applies*
 34 *only to a county for which:*

35 *(1) a county adjusted gross income tax rate is first imposed or is*
 36 *increased in a particular year under IC 6-3.5-1.1-24; or*

37 *(2) a county option income tax rate is first imposed or is*
 38 *increased in a particular year under IC 6-3.5-6-30;*

39 *to provide property tax relief in the county.* Notwithstanding any
 40 provision in this section or any other section of this chapter, for a
 41 county subject to this subsection, the county's maximum property tax
 42 levy under this section to fund the operation of community mental



1 health centers for the ensuing calendar year is equal to the county's
 2 maximum property tax levy to fund the operation of community mental
 3 health centers for the current calendar year.

4 (d) Except as provided in subsection (h), the county shall pay to the
 5 division of mental health and addiction the part of the funding
 6 determined under subsection (b) that is appropriated solely for funding
 7 the operations of a community health center. The funding required
 8 under this section for operations of a community health center shall be
 9 paid by the county to the division of mental health and addiction. These
 10 funds shall be used solely for satisfying the ~~non-federal~~ *nonfederal*
 11 share of medical assistance payments to community mental health
 12 centers serving the county for:

- 13 (1) allowable administrative services; and
- 14 (2) community mental health rehabilitation services.

15 All other funding appropriated for the purposes allowed under section
 16 1.2(b)(1) of this chapter shall be paid by the county directly to the
 17 community mental health center semiannually at the times that the
 18 payments are made under subsection (e).

19 (e) The county shall appropriate and disburse the funds for
 20 operations semiannually not later than December 1 and June 1 in an
 21 amount equal to the amount determined under subsection (b) and
 22 requested in writing by the division of mental health and addiction. The
 23 total funding amount paid to the division of mental health and
 24 addiction for a county for each calendar year may not exceed the
 25 amount that is calculated in subsection (b) and set forth in writing by
 26 the division of mental health and addiction for the county. Funds paid
 27 to the division of mental health and addiction by the county shall be
 28 submitted by the county in a timely manner after receiving the written
 29 request from the division of mental health and addiction, to ensure
 30 current year compliance with the community mental health
 31 rehabilitation program and any administrative requirements of the
 32 program.

33 (f) The division of mental health and addiction shall ensure that the
 34 ~~non-federal~~ *nonfederal* share of funding received from a county under
 35 this program is applied only for matching federal funds for the
 36 designated community mental health centers to the extent a center is
 37 eligible to receive county funding under IC 12-21-2-3(5)(D).

38 (g) The division of mental health and addiction:

- 39 (1) shall first apply state funding to a community mental health
 40 center's ~~non-federal~~ *nonfederal* share of funding under this
 41 program; and
- 42 (2) may next apply county funding received under this section to



1 any remaining ~~non-federal~~ *nonfederal* share of funding for the
2 community mental health center.

3 The division shall distribute any excess state funds that exceed the
4 community mental health rehabilitation services ~~non-federal~~
5 *nonfederal* share applied to a community mental health center that is
6 entitled to the excess state funds.

7 (h) The health and hospital corporation of Marion County created
8 by IC 16-22-8-6 may make payments to the division for the operation
9 of a community mental health center as described in this chapter.

10 SECTION 29. IC 36-8-19-7.5, AS AMENDED BY P.L.197-2016,
11 SECTION 147, IS AMENDED TO READ AS FOLLOWS
12 [EFFECTIVE JANUARY 1, 2017 (RETROACTIVE)]: Sec. 7.5. (a)

13 This section applies to:

14 (1) local income tax distributions; and

15 (2) excise tax distributions;

16 made after December 31, 2009.

17 (b) For purposes of allocating ~~any~~ local income tax distributions
18 **that are based on a taxing unit's allocation amount or that an**
19 **adopting body allocates under IC 6-3.6-6 to economic development**
20 or excise tax distributions that are distributed based on the amount of
21 a taxing unit's property tax levies, each participating unit in a territory
22 is considered to have imposed a part of the property tax levy imposed
23 for the territory. The part of the property tax levy imposed for the
24 territory for a particular year that shall be attributed to a participating
25 unit is equal to the amount determined in the following STEPS:

26 STEP ONE: Determine the total amount of all property taxes
27 imposed by the participating unit in the year before the year in
28 which a property tax levy was first imposed for the territory.

29 STEP TWO: Determine the sum of the STEP ONE amounts for
30 all participating units.

31 STEP THREE: Divide the STEP ONE result by the STEP TWO
32 result.

33 STEP FOUR: Multiply the STEP THREE result by the property
34 tax levy imposed for the territory for the particular year.

35 SECTION 30. **An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1129, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 3. IC 6-3.6-2-14, AS AMENDED BY P.L.197-2016, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 14. "Public safety" refers to the following:

- (1) A police and law enforcement system to preserve public peace and order.
- (2) A firefighting and fire prevention system.
- (3) Emergency ambulance services (as defined in IC 16-18-2-107).
- (4) Emergency medical services (as defined in IC 16-18-2-110).
- (5) Emergency action (as defined in IC 13-11-2-65).
- (6) A probation department of a court.
- (7) Confinement, supervision, services under a community corrections program (as defined in IC 35-38-2.6-2), or other correctional services for a person who has been:
 - (A) diverted before a final hearing or trial under an agreement that is between the county prosecuting attorney and the person or the person's custodian, guardian, or parent and that provides for confinement, supervision, community corrections services, or other correctional services instead of a final action described in clause (B) or (C);
 - (B) convicted of a crime; or
 - (C) adjudicated as a delinquent child or a child in need of services.
- (8) A juvenile detention facility under IC 31-31-8.
- (9) A juvenile detention center under IC 31-31-9.
- (10) A county jail.
- (11) A communications system (as defined in IC 36-8-15-3), an enhanced emergency telephone system (as defined in IC 36-8-16-2, before its repeal on July 1, 2012), a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and located within the county, or the statewide 911 system (as defined in IC 36-8-16.7-22).
- (12) Medical and health expenses for jailed inmates and other confined persons.



(13) Pension payments for any of the following:

(A) A member of a fire department (as defined in IC 36-8-1-8) or any other employee of the fire department.

(B) A member of a police department (as defined in IC 36-8-1-9), a police chief hired under a waiver under IC 36-8-4-6.5, or any other employee hired by the police department.

(C) A county sheriff or any other member of the office of the county sheriff.

(D) Other personnel employed to provide a service described in this section.

(14) Law enforcement training.

SECTION 4. IC 6-3.6-3-2, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) An adopting body or, if authorized by this article, another governmental entity that is not an adopting body, may take an action under this article only by ordinance, unless this article permits the action to be taken by resolution.

(b) The department of local government finance, in consultation with the department of state revenue, ~~shall prescribe and may~~ make electronically available uniform notices, ordinances, and resolutions ~~for use by that~~ an adopting body or other governmental entity ~~may use~~ to take an action under this article. An adopting body or other governmental entity may submit a proposed notice, ordinance, or resolution to the department of local government finance for review. The department of local government finance shall provide to the submitting entity a determination of the appropriateness of the proposed notice, ordinance, or resolution, including recommended modifications, within thirty (30) days of receiving the proposed notice, ordinance, or resolution.

(c) ~~The department of local government finance shall prescribe An ordinance or resolution adopted under this article must comply with the notice and hearing requirements and procedures to be used for submitting a notice and vote results on ordinances and adopting and submitting an ordinance or a resolution under this article: set forth in IC 5-3-1.~~

(d) ~~The department of local government finance shall prescribe the procedures to be used by the adopting body or governmental entity for submitting to the department the notice, the adopting ordinance or resolution, and the vote results on an ordinance or resolution. The department of local government finance shall notify the submitting entity within thirty (30) days after submission~~



whether the department has received the necessary information required by the department. A final action taken by an adopting body or governmental entity under this article to impose a new tax or amend an existing tax is not effective and is void unless the adopting body satisfies all the requirements prescribed by until the department of local government finance notifies the adopting body or governmental entity that it has received the required information from the submitting entity."

Page 20, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 23. IC 8-25-1-4, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. "Eligible county" means one (1) or more of the following counties:

- (1) Delaware County.
- (2) Hamilton County.
- (3) Hancock County.
- (4) Hendricks County.**
- ~~(4)~~ **(5) Johnson County.**
- ~~(5)~~ **(6) Madison County.**
- ~~(6)~~ **(7) Marion County.**

SECTION 22. IC 8-25-2-1, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. **This section does not apply to Hendricks County.** Except as provided in IC 8-25-4-6, the fiscal body of an eligible county may adopt an ordinance to place on the ballot a local public question granting the fiscal body of the eligible county the authority to fund and carry out a public transportation project. The fiscal body shall include in the ordinance:

- (1) a description of the public transportation services that will be provided through the proposed public transportation project; and
- (2) an estimate of each tax necessary to annually fund the public transportation project.

SECTION 23. IC 8-25-5-6, AS AMENDED BY P.L.197-2016, SECTION 95, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. (a) Except as provided in subsection (b), the county fiscal body may pledge revenues for the payment of principal and interest on the bonds and for other purposes under the ordinance as provided by IC 5-1-14-4, including revenues from the local income tax in Delaware County, Hamilton County, Hancock County, **Hendricks County**, Johnson County, Madison County, or Marion County.

- (b) The county fiscal body may not pledge to levy ad valorem



property taxes for these purposes.

(c) If the county fiscal body has pledged revenues from the local income tax as set forth in subsection (a), the county fiscal body may covenant that the county fiscal body will not repeal or modify the tax in a manner that would adversely affect owners of outstanding bonds issued under this chapter. The county fiscal body may make the covenant by adopting an ordinance.

SECTION 24. IC 8-25-6-2, AS AMENDED BY P.L.203-2016, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) **This subsection does not apply to townships located in Hendricks County. If:**

- (1) the fiscal body of the county in which a township is located does not adopt an ordinance under IC 8-25-2-1; and
- (2) the township is adjacent to:
 - (A) an eligible county in which:
 - (i) a public transportation project has been approved under IC 8-25-2; or
 - (ii) an ordinance described in IC 8-25-2 has been adopted; or
 - (B) another township in which:
 - (i) a public transportation project has been approved under this chapter; or
 - (ii) a resolution described in this section has already been passed;

the fiscal body of the township may pass a resolution to place on the ballot a local public question on whether the fiscal body of the eligible county should be required to fund and carry out a public transportation project in the township.

(b) This subsection applies to Guilford Township in Hendricks County. The fiscal body of the township may pass a resolution to place on the ballot a local public question on whether the fiscal body of Hendricks County should be required to fund and carry out a public transportation project in the township.

~~(b)~~ (c) The fiscal body of the township shall include in the resolution passed under subsection (a) **or (b):**

- (1) a description of the public transportation services that will be provided in the township through the proposed public transportation project; and
- (2) an estimate of each tax necessary to annually fund the public transportation project in the township."

Page 20, line 14, strike "county" and insert "**local**".

Page 20, line 28, strike "IC 6-3.6-4" and insert "**IC 6-3.6-6**".



Page 20, line 31, before "upon" delete "rate" and insert "*rate, as permitted by IC 6-3.6-7-27*".

Page 20, line 31, strike "county" and insert "**local**".

Page 20, between lines 33 and 34, begin a new paragraph and insert:

"(c) This subsection applies to Guilford Township in Hendricks County. If the voters of the township approve a local public question under this chapter, the fiscal body of Hendricks County shall adopt an ordinance under IC 6-3.6-4 to impose an additional local income tax rate, as permitted by IC 6-3.6-7-27, upon the local taxpayers residing in the township for the public transportation project in the township."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1129 as introduced.)

BROWN T

Committee Vote: yeas 23, nays 0.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1129 be amended to read as follows:

Page 24, line 26, delete "fiscal body of Hendricks County" and insert "**township fiscal body shall adopt a resolution to impose an additional local income tax rate upon the local taxpayers residing in the township for the public transportation project in the township. A resolution adopted under this subsection must comply with the requirements of the department of local government finance and specify an additional tax rate to be imposed in the township of at least one-tenth percent (0.1%), but not more than twenty-five hundredths percent (0.25%). If a resolution is adopted under this subsection, the amount of the certified distribution attributable to the additional tax rate imposed under this subsection must be:**

- (1) retained by the county auditor;**
- (2) deposited in the county public transportation project fund established under IC 8-25-3-7; and**
- (3) used for the purpose provided in this subsection instead of as a property tax replacement distribution.**

HB 1129—LS 6365/DI 58



The tax rate under this subsection plus the tax rate under IC 6-3.6-6 may not exceed the tax rate specified in IC 6-3.6-6-2. Notwithstanding IC 6-3.6-7-27, the Hendricks County fiscal body is not required under this section to adopt an ordinance under IC 6-3.6-7-27."

Page 24, delete lines 27 through 30.

(Reference is to HB 1129 as printed February 21, 2017.)

THOMPSON

