



January 12, 2022

SENATE BILL No. 120

DIGEST OF SB 120 (Updated January 11, 2022 10:46 am - DI 140)

Citations Affected: IC 6-3.6.

Synopsis: Distribution of revenue for public safety purposes. Provides that, subject to the approval of a county adopting body, a fire protection district or a qualified fire protection territory may apply for distributions of tax revenue. Provides that a township that provides fire protection or emergency medical services (other than a township in Marion County) may apply to a county adopting body for a distribution of tax revenue for public safety purposes. Requires the adopting body to conduct a public hearing to review and approve the application. Specifies the method for determining the amount of the distribution to the qualified township.

Effective: July 1, 2023.

Niemeyer

January 4, 2022, read first time and referred to Committee on Tax and Fiscal Policy.
January 11, 2022, reported favorably — Do Pass.

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January 12, 2022

Second Regular Session of the 122nd General Assembly (2022)

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 2021 Regular Session of the General Assembly.

SENATE BILL No. 120

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 6-3.6-6-8, AS AMENDED BY P.L.247-2017,
2 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2023]: Sec. 8. (a) This section applies to the allocation of
4 additional revenue from a tax under this chapter to public safety
5 purposes. Funding dedicated for a PSAP under a former tax continues
6 to apply under this chapter until it is rescinded or modified. If funding
7 was not dedicated for a PSAP under a former tax, the adopting body
8 may adopt a resolution providing that all or part of the additional
9 revenue allocated to public safety is to be dedicated for a PSAP. The
10 resolution first applies in the following year and then thereafter until it
11 is rescinded or modified. Funding dedicated for a PSAP shall be
12 allocated and distributed as provided in IC 6-3.6-11-4.

13 **(b) As used in this section, "fire protection district" means a fire**

14 protection district established under IC 36-8-11.

15 **(c) As used in this section, "qualified fire protection territory"**
16 **means a fire protection territory established under IC 36-8-19-5**
17 **that is:**

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(1) entirely contained within a single county other than Marion County; or

(2) contained within two (2) counties, and neither county is Marion County.

(d) As used in this section, "qualified township" of a county means a township that:

(1) is located in a county other than Marion County; and

(2) operates or contracts with a fire department, a volunteer fire department, or an emergency medical services provider.

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

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

(2) a fraction equal to:

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

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

(e) (f) A fire department, volunteer fire department, **qualified fire**



1 **protection territory, fire protection district, or emergency medical**
2 **services provider that:**

3 (1) provides fire protection or emergency medical services within
4 the county; and

5 (2) is operated by or serves a political subdivision that is not
6 otherwise entitled to receive a distribution of tax revenue under
7 this section;

8 may, before July 1 of a year, apply to the adopting body for a
9 distribution of tax revenue under this section during the following
10 calendar year. The adopting body shall review an application submitted
11 under this subsection and may, before September 1 of a year, adopt a
12 resolution requiring that one (1) or more of the applicants shall receive
13 a specified amount of the tax revenue to be distributed under this
14 section during the following calendar year. The adopting body shall
15 provide a copy of the resolution to the county auditor and the
16 department of local government finance not ~~more later~~ than ~~fifteen~~
17 ~~(15)~~ **five (5) business** days after the resolution is adopted. A resolution
18 adopted under this subsection and provided in a timely manner to the
19 county 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)~~ (e).

24 **(g) This subsection applies to counties in which an ordinance**
25 **under subsection (a) allocating additional revenue for public safety**
26 **purposes is in effect on June 30, 2023. This subsection does not**
27 **apply to counties in which an ordinance providing for the funding**
28 **of a PSAP is in effect, unless other additional revenue is allocated**
29 **under subsection (a). A qualified township may, before July 1,**
30 **apply to the county adopting body for a distribution of tax revenue**
31 **from the amount allocated to the county under subsection (e). The**
32 **county adopting body shall hold a public hearing in reviewing an**
33 **application submitted by a qualified township under this**
34 **subsection. Notice of the public hearing must be published in**
35 **accordance with IC 5-3-1, and the public hearing must be**
36 **conducted in accordance with IC 5-14-1.5. If the county adopting**
37 **body approves the application, the county adopting body shall,**
38 **before September 1, adopt a resolution requiring tax revenue to be**
39 **distributed to the qualified township under this subsection. The**
40 **resolution shall specify the amount or percentage of tax revenue to**
41 **be distributed to the qualifying township. Notwithstanding**
42 **IC 6-3.6-3-2(d), the county adopting body shall provide a copy of**



1 **the resolution to the county auditor and the department of local**
2 **government finance not later than five (5) business days after the**
3 **resolution is adopted. A resolution adopted under this subsection**
4 **and provided in a timely manner to the county auditor and the**
5 **department of local government finance applies to distributions of**
6 **tax revenue to the qualified township in the following calendar**
7 **year and each calendar year thereafter until the qualified township**
8 **rescinds its application under subsection (i). If a qualified township**
9 **joins a qualified fire protection territory, the qualified township's**
10 **application under this subsection is rescinded.**

11 (b) This subsection applies to counties in which an ordinance
12 under subsection (a) allocating additional revenue for public safety
13 purposes is not in effect on June 30, 2023 (regardless of whether an
14 ordinance providing for the funding of a PSAP is in effect). For
15 counties subject to this subsection, the county auditor shall allocate
16 part of the certified distribution allocated to a county (other than
17 Marion County) under subsection (e) among the qualified
18 townships in the county. An amount allocated under this subsection
19 to each qualified township is equal to the result of:

20 (1) the amount of the certified distribution that is allocated to
21 the county under subsection (e); multiplied by

22 (2) a fraction equal to:

23 (A) in the case of a county that initially imposed a tax rate
24 under IC 6-3.5-6 (repealed), the result of the total property
25 taxes imposed in the county by the qualified township for
26 the calendar year, divided by the sum of the total property
27 taxes imposed in the county by the county and each
28 municipality and qualified township in the county; or

29 (B) in the case of a county that initially imposed a tax rate
30 under IC 6-3.5-1.1 (repealed) or a county that did not
31 impose a tax rate for under either IC 6-3.5-1.1 (repealed)
32 or IC 6-3.5-6 (repealed), the result of the attributed
33 allocation amount of the qualified township for the
34 calendar year, divided by the sum of the attributed
35 allocation amounts of the county and each municipality
36 and qualified township in the county.

37 (i) A qualified township that wishes to rescind its application
38 under subsection (g) must notify the county adopting body in
39 writing before July 1. If the county adopting body receives a
40 qualified township's written notice to rescind its application for a
41 distribution of tax revenue, the county adopting body shall adopt
42 a resolution rescinding the qualified township's distribution before



1 **September 1. Notwithstanding IC 6-3.6-3-2(d), the county adopting**
2 **body shall provide a copy of the resolution rescinding the**
3 **distribution to the county auditor and the department of local**
4 **government finance not later than five (5) business days after the**
5 **resolution is adopted.**



COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 120, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 120 as introduced.)

HOLDMAN, Chairperson

Committee Vote: Yeas 13, Nays 0

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