
HOUSE BILL No. 1300

DIGEST OF INTRODUCED BILL

Citations Affected: IC 3-11-6-9; IC 4-4-8-9; IC 4-33; IC 5-10.3-11-4; IC 6-1.1; IC 6-3.5; IC 8-1-11.1-16; IC 8-10-5-17; IC 8-16; IC 8-22-3; IC 10-4-1-29; IC 12-19-7; IC 12-20-25; IC 12-29; IC 13-21-3; IC 14-9-9-8; IC 14-27-6; IC 14-33; IC 15-1-6-2; IC 16-22; IC 16-23; IC 16-41; IC 20-1-1.3-8; IC 20-5; IC 20-8.1; IC 20-14; IC 21-2; IC 23-13-17-1; IC 23-14; IC 36-2-6-18; IC 36-3-4-22; IC 36-4-6-20; IC 36-5-2-11; IC 36-7; IC 36-8; IC 36-9; IC 36-10.

Synopsis: Elimination of property tax controls. Eliminates property tax rate and levy controls except for school general fund controls related to the school tuition support formula.

Effective: January 1, 2004.

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January 13, 2003, read first time and referred to Committee on Ways and Means.

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First Regular Session 113th General Assembly (2003)

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 2002 Regular or Special Session of the General Assembly.

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HOUSE BILL No. 1300



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 3-11-6-9 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JANUARY 1, 2004]: Sec. 9. To provide for a cumulative
3 fund, a county may levy a tax in compliance with IC 6-1.1-41 on all
4 taxable property within the county. ~~The tax may not exceed one and~~
5 ~~sixty-seven hundredths cents (\$0.0167) on each one hundred dollars~~
6 ~~(\$100) of assessed valuation.~~

7 SECTION 2. IC 4-4-8-9 IS AMENDED TO READ AS FOLLOWS
8 [EFFECTIVE JANUARY 1, 2004]: Sec. 9. Any qualified entity
9 receiving a loan under this chapter may levy an annual tax on personal
10 and real property located within its geographical limits for industrial
11 development purposes, in addition to any other tax authorized by
12 statute to be levied for such purposes, at such rate as will produce
13 sufficient revenue to pay the annual installment and interest on any
14 loan made under this chapter. ~~Such a tax may be in addition to the~~
15 ~~maximum annual rates prescribed by IC 6-1.1-18, IC 6-1.1-18.5,~~
16 ~~IC 6-1.1-19, and other statutes.~~

17 SECTION 3. IC 4-33-12-6, AS AMENDED BY P.L.192-2002(ss),



1 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JANUARY 1, 2004]: Sec. 6. (a) The department shall place in the state
3 general fund the tax revenue collected under this chapter.

4 (b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7,
5 the treasurer of state shall quarterly pay the following amounts:

6 (1) Except as provided in subsection (k), one dollar (\$1) of the
7 admissions tax collected by the licensed owner for each person
8 embarking on a gambling excursion during the quarter or
9 admitted to a riverboat that has implemented flexible scheduling
10 under IC 4-33-6-21 during the quarter shall be paid to:

11 (A) the city in which the riverboat is docked, if the city:

12 (i) is located in a county having a population of more than
13 one hundred ten thousand (110,000) but less than one
14 hundred fifteen thousand (115,000); or

15 (ii) is contiguous to the Ohio River and is the largest city in
16 the county; and

17 (B) the county in which the riverboat is docked, if the
18 riverboat is not docked in a city described in clause (A).

19 (2) Except as provided in subsection (k), one dollar (\$1) of the
20 admissions tax collected by the licensed owner for each person:

21 (A) embarking on a gambling excursion during the quarter; or

22 (B) admitted to a riverboat during the quarter that has
23 implemented flexible scheduling under IC 4-33-6-21;

24 shall be paid to the county in which the riverboat is docked. In the
25 case of a county described in subdivision (1)(B), this one dollar
26 (\$1) is in addition to the one dollar (\$1) received under
27 subdivision (1)(B).

28 (3) Except as provided in subsection (k), ten cents (\$0.10) of the
29 admissions tax collected by the licensed owner for each person:

30 (A) embarking on a gambling excursion during the quarter; or

31 (B) admitted to a riverboat during the quarter that has
32 implemented flexible scheduling under IC 4-33-6-21;

33 shall be paid to the county convention and visitors bureau or
34 promotion fund for the county in which the riverboat is docked.

35 (4) Except as provided in subsection (k), fifteen cents (\$0.15) of
36 the admissions tax collected by the licensed owner for each
37 person:

38 (A) embarking on a gambling excursion during the quarter; or

39 (B) admitted to a riverboat during a quarter that has
40 implemented flexible scheduling under IC 4-33-6-21;

41 shall be paid to the state fair commission, for use in any activity
42 that the commission is authorized to carry out under IC 15-1.5-3.

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1 (5) Except as provided in subsection (k), ten cents (\$0.10) of the
2 admissions tax collected by the licensed owner for each person:

3 (A) embarking on a gambling excursion during the quarter; or

4 (B) admitted to a riverboat during the quarter that has
5 implemented flexible scheduling under IC 4-33-6-21;

6 shall be paid to the division of mental health and addiction. The
7 division shall allocate at least twenty-five percent (25%) of the
8 funds derived from the admissions tax to the prevention and
9 treatment of compulsive gambling.

10 (6) Except as provided in subsection (k), sixty-five cents (\$0.65)
11 of the admissions tax collected by the licensed owner for each
12 person embarking on a gambling excursion during the quarter or
13 admitted to a riverboat during the quarter that has implemented
14 flexible scheduling under IC 4-33-6-21 shall be paid to the
15 Indiana horse racing commission to be distributed as follows, in
16 amounts determined by the Indiana horse racing commission, for
17 the promotion and operation of horse racing in Indiana:

18 (A) To one (1) or more breed development funds established
19 by the Indiana horse racing commission under IC 4-31-11-10.

20 (B) To a racetrack that was approved by the Indiana horse
21 racing commission under IC 4-31. The commission may make
22 a grant under this clause only for purses, promotions, and
23 routine operations of the racetrack. No grants shall be made
24 for long term capital investment or construction and no grants
25 shall be made before the racetrack becomes operational and is
26 offering a racing schedule.

27 (c) With respect to tax revenue collected from a riverboat that
28 operates on Patoka Lake, the treasurer of state shall quarterly pay the
29 following amounts:

30 (1) The counties described in IC 4-33-1-1(3) shall receive one
31 dollar (\$1) of the admissions tax collected for each person:

32 (A) embarking on a gambling excursion during the quarter; or

33 (B) admitted to the riverboat during the quarter (if the
34 riverboat has implemented flexible scheduling).

35 This amount shall be divided equally among the counties
36 described in IC 4-33-1-1(3).

37 (2) The Patoka Lake development account established under
38 IC 4-33-15 shall receive one dollar (\$1) of the admissions tax
39 collected for each person:

40 (A) embarking on a gambling excursion during the quarter; or

41 (B) admitted to the riverboat during the quarter (if the
42 riverboat has implemented flexible scheduling).

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- 1 (3) The resource conservation and development program that:
 2 (A) is established under 16 U.S.C. 3451 et seq.; and
 3 (B) serves the Patoka Lake area;
 4 shall receive forty cents (\$0.40) of the admissions tax collected
 5 for each person embarking on a gambling excursion during the
 6 quarter or admitted to the riverboat during the quarter (if the
 7 riverboat has implemented flexible scheduling).
 8 (4) The state general fund shall receive fifty cents (\$0.50) of the
 9 admissions tax collected for each person:
 10 (A) embarking on a gambling excursion during the quarter; or
 11 (B) admitted to the riverboat during the quarter (if the
 12 riverboat has implemented flexible scheduling).
 13 (5) The division of mental health and addiction shall receive ten
 14 cents (\$0.10) of the admissions tax collected for each person:
 15 (A) embarking on a gambling excursion during the quarter; or
 16 (B) admitted to the riverboat during the quarter (if the
 17 riverboat has implemented flexible scheduling).
 18 The division shall allocate at least twenty-five percent (25%) of
 19 the funds derived from the admissions tax to the prevention and
 20 treatment of compulsive gambling.
 21 (d) With respect to tax revenue collected from a riverboat that
 22 operates from a county having a population of more than four hundred
 23 thousand (400,000) but less than seven hundred thousand (700,000),
 24 the treasurer of state shall quarterly pay the following amounts:
 25 (1) Except as provided in subsection (k), one dollar (\$1) of the
 26 admissions tax collected by the licensed owner for each person:
 27 (A) embarking on a gambling excursion during the quarter; or
 28 (B) admitted to a riverboat during the quarter that has
 29 implemented flexible scheduling under IC 4-33-6-21;
 30 shall be paid to the city in which the riverboat is docked.
 31 (2) Except as provided in subsection (k), one dollar (\$1) of the
 32 admissions tax collected by the licensed owner for each person:
 33 (A) embarking on a gambling excursion during the quarter; or
 34 (B) admitted to a riverboat during the quarter that has
 35 implemented flexible scheduling under IC 4-33-6-21;
 36 shall be paid to the county in which the riverboat is docked.
 37 (3) Except as provided in subsection (k), nine cents (\$0.09) of the
 38 admissions tax collected by the licensed owner for each person:
 39 (A) embarking on a gambling excursion during the quarter; or
 40 (B) admitted to a riverboat during the quarter that has
 41 implemented flexible scheduling under IC 4-33-6-21;
 42 shall be paid to the county convention and visitors bureau or

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1 promotion fund for the county in which the riverboat is docked.

2 (4) Except as provided in subsection (k), one cent (\$0.01) of the
3 admissions tax collected by the licensed owner for each person:

4 (A) embarking on a gambling excursion during the quarter; or

5 (B) admitted to a riverboat during the quarter that has
6 implemented flexible scheduling under IC 4-33-6-21;

7 shall be paid to the northwest Indiana law enforcement training
8 center.

9 (5) Except as provided in subsection (k), fifteen cents (\$0.15) of
10 the admissions tax collected by the licensed owner for each
11 person:

12 (A) embarking on a gambling excursion during the quarter; or

13 (B) admitted to a riverboat during a quarter that has
14 implemented flexible scheduling under IC 4-33-6-21;

15 shall be paid to the state fair commission for use in any activity
16 that the commission is authorized to carry out under IC 15-1.5-3.

17 (6) Except as provided in subsection (k), ten cents (\$0.10) of the
18 admissions tax collected by the licensed owner for each person:

19 (A) embarking on gambling excursion during the quarter; or

20 (B) admitted to a a riverboat during the quarter that has
21 implemented flexible scheduling under IC 4-33-6-21;

22 shall be paid to the division of mental health and addiction. The
23 division shall allocate at least twenty-five percent (25%) of the
24 funds derived from the admissions tax to the prevention and
25 treatment of compulsive gambling.

26 (7) Except as provided in subsection (k), sixty-five cents (\$0.65)
27 of the admissions tax collected by the licensed owner for each
28 person embarking on a gambling excursion during the quarter or
29 admitted to a riverboat during the quarter that has implemented
30 flexible scheduling under IC 4-33-6-21 shall be paid to the
31 Indiana horse racing commission to be distributed as follows, in
32 amounts determined by the Indiana horse racing commission, for
33 the promotion and operation of horse racing in Indiana:

34 (A) To one (1) or more breed development funds established
35 by the Indiana horse racing commission under IC 4-31-11-10.

36 (B) To a racetrack that was approved by the Indiana horse
37 racing commission under IC 4-31. The commission may make
38 a grant under this clause only for purses, promotions, and
39 routine operations of the racetrack. No grants shall be made
40 for long term capital investment or construction, and no grants
41 shall be made before the racetrack becomes operational and is
42 offering a racing schedule.

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1 (e) Money paid to a unit of local government under subsection
2 (b)(1) through (b)(2), (c)(1), or (d)(1) through (d)(2):

3 (1) must be paid to the fiscal officer of the unit and may be
4 deposited in the unit's general fund or riverboat fund established
5 under IC 36-1-8-9, or both;

6 (2) ~~may not be used to reduce the unit's maximum levy under~~
7 ~~IC 6-1-1-18.5, but~~ may be used at the discretion of the unit to
8 reduce the property tax levy of the unit for a particular year;

9 (3) may be used for any legal or corporate purpose of the unit,
10 including the pledge of money to bonds, leases, or other
11 obligations under IC 5-1-14-4; and

12 (4) is considered miscellaneous revenue.

13 (f) Money paid by the treasurer of state under subsection (b)(3) or
14 (d)(3) shall be:

15 (1) deposited in:

16 (A) the county convention and visitor promotion fund; or

17 (B) the county's general fund if the county does not have a
18 convention and visitor promotion fund; and

19 (2) used only for the tourism promotion, advertising, and
20 economic development activities of the county and community.

21 (g) Money received by the division of mental health and addiction
22 under subsections (b)(5), (c)(5), and (d)(6):

23 (1) is annually appropriated to the division of mental health and
24 addiction;

25 (2) shall be distributed to the division of mental health and
26 addiction at times during each state fiscal year determined by the
27 budget agency; and

28 (3) shall be used by the division of mental health and addiction
29 for programs and facilities for the prevention and treatment of
30 addictions to drugs, alcohol, and compulsive gambling, including
31 the creation and maintenance of a toll free telephone line to
32 provide the public with information about these addictions. The
33 division shall allocate at least twenty-five percent (25%) of the
34 money received to the prevention and treatment of compulsive
35 gambling.

36 (h) This subsection applies to the following:

37 (1) Each entity receiving money under subsection (b).

38 (2) Each entity receiving money under subsection (d)(1) through
39 (d)(2).

40 (3) Each entity receiving money under subsection (d)(5) through
41 (d)(7).

42 The treasurer of state shall determine the total amount of money paid

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1 by the treasurer of state to an entity subject to this subsection during
 2 the state fiscal year 2002. The amount determined under this subsection
 3 is the base year revenue for each entity subject to this subsection. The
 4 treasurer of state shall certify the base year revenue determined under
 5 this subsection to each entity subject to this subsection.

6 (i) This subsection applies to an entity receiving money under
 7 subsection (d)(3) or (d)(4). The treasurer of state shall determine the
 8 total amount of money paid by the treasurer of state to the entity
 9 described in subsection (d)(3) during state fiscal year 2002. The
 10 amount determined under this subsection multiplied by nine-tenths
 11 (0.9) is the base year revenue for the entity described in subsection
 12 (d)(3). The amount determined under this subsection multiplied by
 13 one-tenth (0.1) is the base year revenue for the entity described in
 14 subsection (d)(4). The treasurer of state shall certify the base year
 15 revenue determined under this subsection to each entity subject to this
 16 subsection.

17 (j) For state fiscal years beginning after June 30, 2002, the total
 18 amount of money distributed to an entity under this section during a
 19 state fiscal year may not exceed the entity's base year revenue as
 20 determined under subsection (h) or (i). If the treasurer of state
 21 determines that the total amount of money distributed to an entity under
 22 this section during a state fiscal year is less than the entity's base year
 23 revenue, the treasurer of state shall make a supplemental distribution
 24 to the entity under IC 4-33-13-5(f).

25 (k) For state fiscal years beginning after June 30, 2002, the treasurer
 26 of state shall pay that part of the riverboat admissions taxes that:

- 27 (1) exceed a particular entity's base year revenue; and
 - 28 (2) would otherwise be due to the entity under this section;
- 29 to the property tax replacement fund instead of to the entity.

30 SECTION 4. IC 4-33-13-5, AS AMENDED BY P.L.192-2002(ss),
 31 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JANUARY 1, 2004]: Sec. 5. (a) After funds are appropriated under
 33 section 4 of this chapter, each month the treasurer of state shall
 34 distribute the tax revenue deposited in the state gaming fund under this
 35 chapter to the following:

- 36 (1) The first thirty-three million dollars (\$33,000,000) of tax
 37 revenues collected under this chapter shall be set aside for
 38 revenue sharing under subsection (d).
- 39 (2) Subject to subsection (b), twenty-five percent (25%) of the
 40 remaining tax revenue remitted by each licensed owner shall be
 41 paid:
 42 (A) to the city that is designated as the home dock of the



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1 riverboat from which the tax revenue was collected, in the case
2 of:

- 3 (i) a city described in IC 4-33-12-6(b)(1)(A); or
4 (ii) a city located in a county having a population of more
5 than four hundred thousand (400,000) but less than seven
6 hundred thousand (700,000);

7 (B) in equal shares to the counties described in IC 4-33-1-1(3),
8 in the case of a riverboat whose home dock is on Patoka Lake;
9 or

10 (C) to the county that is designated as the home dock of the
11 riverboat from which the tax revenue was collected, in the case
12 of a riverboat whose home dock is not in a city described in
13 clause (A) or a county described in clause (B).

14 (3) Subject to subsection (c), the remainder of the tax revenue
15 remitted by each licensed owner shall be paid to the property tax
16 replacement fund.

17 (b) For each city and county receiving money under subsection
18 (a)(2)(A) or (a)(2)(C), the treasurer of state shall determine the total
19 amount of money paid by the treasurer of state to the city or county
20 during the state fiscal year 2002. The amount determined is the base
21 year revenue for the city or county. The treasurer of state shall certify
22 the base year revenue determined under this subsection to the city or
23 county. The total amount of money distributed to a city or county under
24 this section during a state fiscal year may not exceed the entity's base
25 year revenue. For each state fiscal year beginning after June 30, 2002,
26 the treasurer of state shall pay that part of the riverboat wagering taxes
27 that:

- 28 (1) exceeds a particular city or county's base year revenue; and
29 (2) would otherwise be due to the city or county under this
30 section;

31 to the property tax replacement fund instead of to the city or county.

32 (c) Each state fiscal year the treasurer of state shall transfer from the
33 tax revenue remitted to the property tax replacement fund under
34 subsection (a)(3) to the build Indiana fund an amount that when added
35 to the following may not exceed two hundred fifty million dollars
36 (\$250,000,000):

- 37 (1) Surplus lottery revenues under IC 4-30-17-3.
38 (2) Surplus revenue from the charity gaming enforcement fund
39 under IC 4-32-10-6.
40 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

41 The treasurer of state shall make transfers on a monthly basis as needed
42 to meet the obligations of the build Indiana fund. If in any state fiscal

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1 year insufficient money is transferred to the property tax replacement
 2 fund under subsection (a)(3) to comply with this subsection, the
 3 treasurer of state shall reduce the amount transferred to the build
 4 Indiana fund to the amount available in the property tax replacement
 5 fund from the transfers under subsection (a)(3) for the state fiscal year.

6 (d) Before August 15 of 2003 and each year thereafter, the treasurer
 7 of state shall distribute the wagering taxes set aside for revenue sharing
 8 under subsection (a)(1) to the county treasurer of each county that does
 9 not have a riverboat according to the ratio that the county's population
 10 bears to the total population of the counties that do not have a
 11 riverboat. The county treasurer shall distribute the money received by
 12 the county under this subsection as follows:

13 (1) To each city located in the county according to the ratio the
 14 city's population bears to the total population of the county.

15 (2) To each town located in the county according to the ratio the
 16 town's population bears to the total population of the county.

17 (3) After the distributions required in subdivisions (1) and (2) are
 18 made, the remainder shall be retained by the county.

19 (e) Money received by a city, town, or county under subsection (d)
 20 may be used only:

21 (1) to reduce the property tax levy of the city, town, or county for
 22 a particular year; ~~(a property tax reduction under this subdivision~~
 23 ~~does not reduce the maximum levy of the city, town, or county~~
 24 ~~under IC 6-1.1-18.5);~~

25 (2) for deposit in a special fund or allocation fund created under
 26 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and
 27 IC 36-7-30 to provide funding for additional credits for property
 28 tax replacement in property tax increment allocation areas;

29 (3) to fund sewer and water projects, including storm water
 30 management projects; or

31 (4) for police and fire pensions.

32 However, not more than twenty percent (20%) of the money received
 33 under subsection (d) may be used for the purpose described in
 34 subdivision (4).

35 (f) Before September 15 of 2003 and each year thereafter, the
 36 treasurer of state shall determine the total amount of money distributed
 37 to an entity under IC 4-33-12-6 during the preceding state fiscal year.
 38 If the treasurer of state determines that the total amount of money
 39 distributed to an entity under IC 4-33-12-6 during the preceding state
 40 fiscal year was less than the entity's base year revenue (as determined
 41 under IC 4-33-12-6), the treasurer of state shall make a supplemental
 42 distribution to the entity from taxes collected under this chapter and

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1 deposited into the property tax replacement fund. The amount of the
 2 supplemental distribution is equal to the difference between the entity's
 3 base year revenue (as determined under IC 4-33-12-6) and the total
 4 amount of money distributed to the entity during the preceding state
 5 fiscal year under IC 4-33-12-6.

6 SECTION 5. IC 4-33-13-6 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 6. (a) Money paid
 8 to a unit of local government under this chapter:

9 (1) must be paid to the fiscal officer of the unit and may be
 10 deposited in the unit's general fund or riverboat fund established
 11 under IC 36-1-8-9, or both;

12 ~~(2) may not be used to reduce the unit's maximum or actual levy~~
 13 ~~under IC 6-1-1-18.5; and~~

14 ~~(3)~~ (2) may be used for any legal or corporate purpose of the unit,
 15 including the pledge of money to bonds, leases, or other
 16 obligations under IC 5-1-14-4.

17 (b) This chapter does not prohibit the city or county designated as
 18 the home dock of the riverboat from entering into agreements with
 19 other units of local government in Indiana or in other states to share the
 20 city's or county's part of the tax revenue received under this chapter.

21 SECTION 6. IC 5-10.3-11-4, AS AMENDED BY P.L.38-2001,
 22 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JANUARY 1, 2004]: Sec. 4. (a) Monies from the pension relief fund
 24 shall be paid annually by the state board under the procedures specified
 25 in this section.

26 (b) Before April 1 of each year, each unit of local government must
 27 certify to the state board:

28 (1) the amount of payments made during the preceding year for
 29 benefits under its pension funds covered by this chapter, referred
 30 to in this section as "pension payments";

31 (2) the data determined necessary by the state board to perform an
 32 actuarial valuation of the unit's pension funds covered by this
 33 chapter; and

34 (3) the names required to prepare the list specified in subsection
 35 (c).

36 A unit is ineligible to receive a distribution under this section if it does
 37 not supply before April 1 of each year (i) the complete information
 38 required by this subsection; or (ii) a substantial amount of the
 39 information required if it is accompanied by an affidavit of the chief
 40 executive officer of the unit detailing the steps which have been taken
 41 to obtain the information and the reasons the complete information has
 42 not been obtained. This subsection supersedes the reporting

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1 requirement of IC 5-10-1.5 as it applies to pension funds covered by
2 this chapter.

3 (c) Before July 1 of each year, the state board shall prepare a list of
4 all police officers and firefighters, active, retired, and deceased if their
5 beneficiaries are eligible for benefits, who are members of a police or
6 fire pension fund that was established before May 1, 1977. The list may
7 not include police officers, firefighters, or their beneficiaries for whom
8 no future benefits will be paid. The state board shall then compute the
9 present value of the accrued liability to provide the pension and other
10 benefits to each person on the list.

11 (d) Before July 1 of each year, the state board shall determine the
12 total pension payments made by all units of local government for the
13 preceding year and shall estimate the total pension payments to be
14 made to all units in the calendar year in which the July 1 occurs and in
15 the following calendar year.

16 (e) Each calendar year, the state board shall, with respect to the
17 following calendar year, determine for each unit of local government
18 an amount (D_y). The state board shall, in two (2) equal installments
19 before July 1 and before October 2, distribute to each eligible unit of
20 local government the amount (D_y) determined for the unit with respect
21 to the following calendar year. The amount (D_y) shall be determined by
22 the following STEPS:

23 STEP ONE. Subtract the total distribution made to units (D_{y-1}) in the
24 preceding calendar year from the total pension payments made by units
25 (P_{y-1}) in the preceding calendar year.

26 STEP TWO. Multiply the STEP ONE difference by $(1+k)$ as (k) is
27 determined in STEP THREE.

28 STEP THREE. Determine the annual percentage increase (k) in the
29 STEP ONE difference which will allow the present value of all future
30 estimated distributions, as computed under STEP FOUR, from the
31 pension relief fund to equal the "k portion" of the pension relief fund
32 balance plus the present value of all future receipts to the "k portion"
33 of the fund, but which will not allow the "k portion" of the pension
34 relief fund balance to be negative. These present values shall be
35 determined based on the current long term actuarial assumptions. The
36 "k portion" of the pension relief fund balance is the total pension relief
37 fund balance less the "m portion" of the fund. The percentage increase
38 (k) shall be computed to the nearest one thousandth of one percent
39 (.001%). All years, after the year 2000, in which the receipts to the
40 fund plus the net pension payments by all the units equal or exceed the
41 total pension payments shall be ignored for the purposes of these
42 calculations.



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1 STEP FOUR. Subtract the STEP TWO product from the estimated
2 total pension payments to be made by all units (P_y) in the calendar year
3 for which the distribution is to be made.

4 STEP FIVE. Multiply the STEP FOUR difference by one-half ($\frac{1}{2}$)
5 of the sum of two quotients, (1) the quotient of the unit's number of
6 police officers and firefighters on December 31 of the year before the
7 year of the distribution who are members of a pension fund established
8 before May 1, 1977, who are retired, and who are deceased if their
9 beneficiaries are eligible for benefits (unit) divided by the total number
10 of these police officers and firefighters (total units) on December 31 of
11 the year before the year of the distribution in all units plus (2) the
12 quotient of the unit's pension payments (payments) divided by the total
13 pension payments (total payments) by all units.

14 Expressed mathematically:

15
$$D_y = (P_y - ((P_{y-1} - D_{y-1}) \times (1 + k))) \times \frac{1}{2}$$

16 (unit/(total unit) + payment/(total payment)).

17 (f) If in any year the distribution made to a unit of local government
18 is larger than the unit's pension payments to its retirees and their
19 beneficiaries for that year, the excess may not be distributed to the unit
20 but must be transferred to the 1977 police officers' and firefighters'
21 pension and disability fund and the unit's contributions to that fund
22 shall be reduced for that year by the amount of the transfer.

23 (g) If in any year after 2000, the STEP FOUR difference under
24 subsection (e) is smaller than the revenue to the pension relief fund in
25 that year, then the revenue plus interest plus the fund balance in that
26 year shall be used in STEP FIVE of subsection (e) instead of the STEP
27 FOUR difference.

28 (h) The state board shall have its actuary report annually on the
29 appropriateness of the actuarial assumptions used in determining the
30 distribution amount under subsection (e). At least every five (5) years,
31 the state board shall have its actuary recompute the value of (k) under
32 STEP TWO of subsection (e).

33 (i) Each calendar year the state board shall determine the amounts
34 to be allocated to the "m portion" of the pension relief fund under the
35 following STEPS, which shall be completed before July 1 of each year:

36 STEP ONE. The state board shall determine the following:

37 (1) "Excess earnings", which are the state board's projection of
38 earnings for the calendar year from investments of the "k portion" of
39 the fund that exceed the amount of earnings that would have been
40 earned if the rate of earnings was the rate assumed by the actuary of the
41 state board in his calculation of (k) under STEP THREE of subsection
42 (e).

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1 (2) "Prior deficit amount", which is:
 2 (A) the amount of earnings that would have been earned under
 3 the rate assumed by the actuary of the state board in his
 4 calculation of (k) under STEP THREE of subsection (e);
 5 minus
 6 (B) the amount of earnings received;
 7 for a calendar year after 1981 in which (B) is less than (A).
 8 STEP TWO. The state board shall distribute to the "m portion" the
 9 excess earnings less any prior deficit amounts.
 10 (j) The "m portion" of the fund shall be any direct allocations plus:
 11 (1) amounts allocated under subsection (i); and
 12 (2) any earnings on the "m portion" less amounts previously
 13 distributed under subsection (l).
 14 (k) The state board shall determine, based on actual experience and
 15 reasonable projections, the units eligible for distribution from the "m
 16 portion" of the pension relief fund according to the following STEPS:
 17 STEP ONE. Determine the amount of pension payments to be paid
 18 by the unit in the calendar year, net of the amount of the distribution to
 19 be received by the unit under subsection (e) in that year, plus
 20 contributions to be made under IC 36-8-8 in that year.
 21 STEP TWO. Divide the amount determined under STEP ONE by
 22 the amount of the ~~maximum permissible~~ ad valorem property tax levy
 23 for the unit ~~as determined under IC 6-1.1-18.5~~ for the calendar year.
 24 STEP THREE. If the quotient determined under STEP TWO is
 25 equal to or greater than one-tenth (0.1), the unit shall receive a
 26 distribution under subsection (l).
 27 (l) For a calendar year, the state board shall, before July 1 of the
 28 year, distribute from the "m portion" of the pension relief fund to the
 29 extent there are assets in the "m portion" to each eligible unit an
 30 amount, not less than zero (0), determined according to the following
 31 STEPS:
 32 STEP ONE. For the first of consecutive years that a unit is eligible
 33 to receive a distribution under this subsection, determine the amount
 34 of pension payments paid by the unit in the calendar year two (2) years
 35 preceding the calendar year net of the amount of distributions received
 36 by the unit under subsection (e) in the calendar year two (2) years
 37 preceding the calendar year.
 38 STEP TWO. For the first of consecutive years that a unit is eligible
 39 to receive a distribution under this subsection, divide the amount
 40 determined under STEP ONE by the amount of the ~~maximum~~
 41 ~~permissible~~ ad valorem property tax levy for the unit ~~as determined~~
 42 ~~under IC 6-1.1-18.5~~ for the calendar year two (2) years preceding the

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1 calendar year.

2 STEP THREE. For the first and all subsequent consecutive years
3 that a unit is eligible to receive a distribution under this subsection,
4 multiply the amount of the ~~maximum permissible~~ ad valorem property
5 tax levy for the unit ~~as determined under IC 6-1.1-18.5~~ for the calendar
6 year by the quotient determined under STEP TWO.

7 STEP FOUR. Subtract the amount determined under STEP THREE
8 from the amount of pension payments to be paid by the unit in the
9 calendar year, net of distributions to be received under subsection (e)
10 for the calendar year.

11 SECTION 7. IC 6-1.1-1-3, AS AMENDED BY P.L.291-2001,
12 SECTION 204, IS AMENDED TO READ AS FOLLOWS
13 [EFFECTIVE JANUARY 1, 2004]: Sec. 3. (a) Except as provided in
14 subsection (b), "assessed value" or "assessed valuation" means an
15 amount equal to:

- 16 (1) for assessment dates before March 1, 2001, thirty-three and
17 one-third percent (33 1/3%) of the true tax value of property; and
18 (2) for assessment dates after February 28, 2001, the true tax
19 value of property.

20 (b) For purposes of calculating a budget, rate, or levy under
21 IC 6-1.1-17, ~~IC 6-1.1-18~~, ~~IC 6-1.1-18.5~~, ~~IC 6-1.1-19~~, IC 6-1.1-20,
22 IC 21-2-11.5, and IC 21-2-15, "assessed value" or "assessed valuation"
23 does not include the assessed value of tangible property excluded and
24 kept separately on a tax duplicate by a county auditor under
25 IC 6-1.1-17-0.5.

26 SECTION 8. IC 6-1.1-17-6, AS AMENDED BY P.L.178-2001,
27 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JANUARY 1, 2004]: Sec. 6. (a) The county board of tax adjustment
29 shall review the budget, tax rate, and tax levy of each political
30 subdivision filed with the county auditor under section 5 or 5.6 of this
31 chapter. The board shall revise or reduce, but not increase, any budget,
32 tax rate, or tax levy in order

33 ~~(1) to limit the tax rate to the maximum amount permitted under~~
34 ~~IC 6-1.1-18; and~~

35 ~~(2) to limit the budget to the amount of revenue to be available in~~
36 ~~the ensuing budget year for the political subdivision.~~

37 (b) The county board of tax adjustment shall make a revision or
38 reduction in a political subdivision's budget only with respect to the
39 total amounts budgeted for each office or department within each of the
40 major budget classifications prescribed by the state board of accounts.

41 (c) When the county board of tax adjustment makes a revision or
42 reduction in a budget, tax rate, or tax levy, it shall file with the county

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1 auditor a written order which indicates the action taken. If the board
2 reduces the budget, it shall also indicate the reason for the reduction in
3 the order. The chairman of the county board shall sign the order.

4 SECTION 9. IC 6-1.1-17-8, AS AMENDED BY P.L.90-2002,
5 SECTION 150, IS AMENDED TO READ AS FOLLOWS
6 [EFFECTIVE JANUARY 1, 2004]: Sec. 8. (a) If the county board of
7 tax adjustment determines that the ~~maximum~~ aggregate tax rate
8 ~~permitted~~ within a political subdivision ~~under IC 6-1.1-18~~ is
9 inadequate, the county board shall ~~subject to the limitations prescribed~~
10 ~~in IC 6-1.1-19-2~~, file its written recommendations in duplicate with the
11 county auditor. The board shall include with its recommendations:

- 12 (1) an analysis of the aggregate tax rate within the political
13 subdivision;
14 (2) a recommended breakdown of the aggregate tax rate among
15 the political subdivisions whose tax rates compose the aggregate
16 tax rate within the political subdivision; and
17 (3) any other information which the county board considers
18 relevant to the matter.

19 (b) The county auditor shall forward one (1) copy of the county
20 board's recommendations to the department of local government
21 finance and shall retain the other copy in the county auditor's office.
22 The department of local government finance shall, in the manner
23 prescribed in section 16 of this chapter, review the budgets, tax rates,
24 and tax levies of the political subdivisions described in subsection
25 (a)(2).

26 SECTION 10. IC 6-1.1-17-9 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 9. (a) The county
28 board of tax adjustment shall complete the duties assigned to it under
29 this chapter on or before October 1st of each year, except that in a
30 consolidated city and county and in a county containing a second class
31 city, the duties of this board need not be completed until November 1
32 of each year.

33 (b) If the county board of tax adjustment fails to complete the duties
34 assigned to it within the time prescribed in this section, ~~or to reduce~~
35 ~~aggregate tax rates so that they do not exceed the maximum rates~~
36 ~~permitted under IC 6-1.1-18~~, the county auditor shall calculate and fix
37 the tax rate within each political subdivision of the county. ~~so that the~~
38 ~~maximum rate permitted under IC 6-1.1-18 is not exceeded.~~

39 (c) When the county auditor calculates and fixes tax rates, he shall
40 send a certificate notice of the rate he has fixed to each political
41 subdivision of the county. He shall send these notices within five (5)
42 days after publication of the notice required by section 12 of this

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(d) When the county auditor calculates and fixes tax rates, his action shall be treated as if it were the action of the county board of tax adjustment.

SECTION 11. IC 6-1.1-17-16, AS AMENDED BY P.L.90-2002, SECTION 156, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 16. (a) Subject to the limitations and requirements prescribed in this section, the department of local government finance may revise, reduce, or increase a political subdivision's budget, tax rate, or tax levy which the department reviews under section 8 or 10 of this chapter.

(b) Subject to the limitations and requirements prescribed in this section, the department of local government finance may review, revise, reduce, or increase the budget, tax rate, or tax levy of any of the political subdivisions whose tax rates compose the aggregate tax rate within a political subdivision whose budget, tax rate, or tax levy is the subject of an appeal initiated under this chapter.

(c) Except as provided in subsection (i), before the department of local government finance reviews, revises, reduces, or increases a political subdivision's budget, tax rate, or tax levy under this section, the department must hold a public hearing on the budget, tax rate, and tax levy. The department of local government finance shall hold the hearing in the county in which the political subdivision is located. The department of local government finance may consider the budgets, tax rates, and tax levies of several political subdivisions at the same public hearing. At least five (5) days before the date fixed for a public hearing, the department of local government finance shall give notice of the time and place of the hearing and of the budgets, levies, and tax rates to be considered at the hearing. The department of local government finance shall publish the notice in two (2) newspapers of general circulation published in the county. However, if only one (1) newspaper of general circulation is published in the county, the department of local government finance shall publish the notice in that newspaper.

(d) Except as provided in subsection (h), ~~IC 6-1.1-19, or IC 6-1.1-18.5~~, the department of local government finance may not increase a political subdivision's budget, tax rate, or tax levy to an amount which exceeds the amount originally fixed by the political subdivision. The department of local government finance shall give the political subdivision written notification specifying any revision, reduction, or increase the department proposes in a political subdivision's tax levy or tax rate. The political subdivision has one (1)

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1 week from the date the political subdivision receives the notice to
 2 provide a written response to the department of local government
 3 finance's Indianapolis office specifying how to make the required
 4 reductions in the amount budgeted for each office or department. The
 5 department of local government finance shall make reductions as
 6 specified in the political subdivision's response if the response is
 7 provided as required by this subsection and sufficiently specifies all
 8 necessary reductions. The department of local government finance may
 9 make a revision, a reduction, or an increase in a political subdivision's
 10 budget only in the total amounts budgeted for each office or department
 11 within each of the major budget classifications prescribed by the state
 12 board of accounts.

13 (e) The department of local government finance may not approve a
 14 levy for lease payments by a city, town, county, library, or school
 15 corporation if the lease payments are payable to a building corporation
 16 for use by the building corporation for debt service on bonds and if:

- 17 (1) no bonds of the building corporation are outstanding; or
- 18 (2) the building corporation has enough legally available funds on
 19 hand to redeem all outstanding bonds payable from the particular
 20 lease rental levy requested.

21 (f) The action of the department of local government finance on a
 22 budget, tax rate, or tax levy is final. The department of local
 23 government finance shall certify its action to:

- 24 (1) the county auditor; and
- 25 (2) the political subdivision if the department acts pursuant to an
 26 appeal initiated by the political subdivision.

27 (g) The department of local government finance is expressly
 28 directed to complete the duties assigned to it under this section not later
 29 than February 15th of each year for taxes to be collected during that
 30 year.

31 (h) Subject to the provisions of all applicable statutes, the
 32 department of local government finance may increase a political
 33 subdivision's tax levy to an amount that exceeds the amount originally
 34 fixed by the political subdivision if the increase is:

- 35 (1) requested in writing by the officers of the political
 36 subdivision;
- 37 (2) either:
 38 (A) based on information first obtained by the political
 39 subdivision after the public hearing under section 3 of this
 40 chapter; or
 41 (B) results from an inadvertent mathematical error made in
 42 determining the levy; and

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1 (3) published by the political subdivision according to a notice
 2 provided by the department.
 3 (i) The department of local government finance shall annually
 4 review the budget of each school corporation not later than April 1. The
 5 department of local government finance shall give the school
 6 corporation written notification specifying any revision, reduction, or
 7 increase the department proposes in the school corporation's budget. A
 8 public hearing is not required in connection with this review of the
 9 budget.
 10 SECTION 12. IC 6-1.1-17-17, AS AMENDED BY P.L.90-2002,
 11 SECTION 159, IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JANUARY 1, 2004]: Sec. 17. ~~Subject to the limitations~~
 13 ~~contained in IC 6-1.1-19 and IC 6-1.1-18.5;~~ The department of local
 14 government finance may at any time increase the tax rate and tax levy
 15 of a political subdivision for the following reasons:
 16 (1) To pay the principal or interest upon a funding, refunding, or
 17 judgment funding obligation of a political subdivision.
 18 (2) To pay the interest or principal upon an outstanding obligation
 19 of the political subdivision.
 20 (3) To pay a judgment rendered against the political subdivision.
 21 (4) To pay lease rentals that have become an obligation of the
 22 political subdivision under IC 21-5-11 or IC 21-5-12.
 23 SECTION 13. IC 6-1.1-19-1 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 1. As used in this
 25 chapter, the following terms have the following meanings, unless the
 26 context clearly requires otherwise:
 27 (a) "School year" means the period of time from July 1 of each year
 28 until June 30 of the following year.
 29 (b) "ADA" means, as to any school corporation, the average number
 30 of pupils in daily attendance in the school corporation, determined in
 31 accordance with the rules and regulations established by the Indiana
 32 state board of education.
 33 (c) "Current ADA" means the most recently determined ADA for
 34 the school corporation in question.
 35 (d) With the exception provided for in section 6(b) of this chapter,
 36 "ADA ratio" means, as to any school corporation, the quotient resulting
 37 from a division of that school corporation's current ADA by that school
 38 corporation's ADA for the school year ending in 1973. However, in any
 39 case in which the quotient is less than one (1), the ADA ratio for the
 40 school corporation is one (1).
 41 (e) "General fund" means the fund that the governing body of each
 42 school corporation is required to establish by IC 21-2-11-2.

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1 (f) With the exceptions provided for in sections 4.4(a)(4), 4.5(e),
 2 6(b); and 6(c) of this chapter, "base tax levy" means the total dollar
 3 amount of the ad valorem tax levy for its general fund that was levied
 4 by a school corporation for taxes collectible in 1973, assuming one
 5 hundred percent (100%) tax collection.

6 (g) "Excessive tax levy" means a school corporation's general fund
 7 ad valorem property tax levy for a calendar year which exceeds the
 8 maximum general fund ad valorem property tax levy permitted under
 9 section 4.5 of this chapter.

10 (h) "Normal tax levy" means the total dollar amount of any general
 11 fund ad valorem property tax levy that is made by a school corporation
 12 for a calendar year, and that is not an excessive tax levy.

13 (i) "Tax control board" means the school property tax control board
 14 established by section 4.1 of this chapter.

15 SECTION 14. IC 6-1.1-20-1.1, AS AMENDED BY P.L.178-2002,
 16 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JANUARY 1, 2004]: Sec. 1.1. As used in this chapter, "controlled
 18 project" means any project financed by bonds or a lease, except for the
 19 following:

20 (1) A project for which the political subdivision reasonably
 21 expects to pay:

22 (A) debt service; or

23 (B) lease rentals;

24 from funds other than property taxes that ~~are~~ **were** exempt from
 25 the levy limitations of IC 6-1.1-18.5 or IC 6-1.1-19 (**before their**
 26 **repeal**). A project is not a controlled project even though the
 27 political subdivision has pledged to levy property taxes to pay the
 28 debt service or lease rentals if those other funds are insufficient.

29 (2) A project that will not cost the political subdivision more than
 30 two million dollars (\$2,000,000).

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

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

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

39 SECTION 15. IC 6-1.1-20-1.3 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 1.3. As used in
 41 this chapter, "lease" means a lease by a political subdivision of any
 42 controlled project with lease rentals payable from property taxes that

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1 **are were** exempt from the levy limitations of IC 6-1.1-18.5 or
2 IC 6-1.1-19 **(before their repeal)**.

3 SECTION 16. IC 6-1.1-21-2, AS AMENDED BY P.L.192-2002(ss),
4 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 2004]: Sec. 2. As used in this chapter:

6 (a) "Taxpayer" means a person who is liable for taxes on property
7 assessed under this article.

8 (b) "Taxes" means property taxes payable in respect to property
9 assessed under this article. The term does not include special
10 assessments, penalties, or interest, but does include any special charges
11 which a county treasurer combines with all other taxes in the
12 preparation and delivery of the tax statements required under
13 IC 6-1.1-22-8(a).

14 (c) "Department" means the department of state revenue.

15 (d) "Auditor's abstract" means the annual report prepared by each
16 county auditor which under IC 6-1.1-22-5, is to be filed on or before
17 March 1 of each year with the auditor of state.

18 (e) "Mobile home assessments" means the assessments of mobile
19 homes made under IC 6-1.1-7.

20 (f) "Postabstract adjustments" means adjustments in taxes made
21 subsequent to the filing of an auditor's abstract which change
22 assessments therein or add assessments of omitted property affecting
23 taxes for such assessment year.

24 (g) "Total county tax levy" means the sum of:

25 (1) the remainder of:

26 (A) the aggregate levy of all taxes for all taxing units in a
27 county which are to be paid in the county for a stated
28 assessment year as reflected by the auditor's abstract for the
29 assessment year, adjusted, however, for any postabstract
30 adjustments which change the amount of the aggregate levy;
31 minus

32 (B) the sum of any increases in property tax levies of taxing
33 units of the county that result from appeals described in:

34 (i) IC 6-1.1-18.5-13(5) and IC 6-1.1-18.5-13(6) **(before**
35 **their repeal)** filed after December 31, 1982; plus

36 (ii) the sum of any increases in property tax levies of taxing
37 units of the county that result from any other appeals
38 described in IC 6-1.1-18.5-13 **(before its repeal)** filed after
39 December 31, 1983; plus

40 (iii) IC 6-1.1-18.6-3 ~~(children in need of services and~~
41 ~~delinquent children who are wards of the county)~~ **(before its**
42 **repeal)**; minus

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- 1 (C) the total amount of property taxes imposed for the stated
 2 assessment year by the taxing units of the county under the
 3 authority of IC 12-1-11.5 (repealed), IC 12-2-4.5 (repealed),
 4 IC 12-19-5, or IC 12-20-24; minus
 5 (D) the total amount of property taxes to be paid during the
 6 stated assessment year that will be used to pay for interest or
 7 principal due on debt that:
 8 (i) is entered into after December 31, 1983;
 9 (ii) is not debt that is issued under IC 5-1-5 to refund debt
 10 incurred before January 1, 1984; and
 11 (iii) does not constitute debt entered into for the purpose of
 12 building, repairing, or altering school buildings for which
 13 the requirements of IC 20-5-52 were satisfied prior to
 14 January 1, 1984; minus
 15 (E) the amount of property taxes imposed in the county for the
 16 stated assessment year under the authority of IC 21-2-6
 17 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 (**before**
 18 **its repeal**) for a cumulative building fund whose property tax
 19 rate was initially established or reestablished for a stated
 20 assessment year that succeeds the 1983 stated assessment year;
 21 minus
 22 (F) the remainder of:
 23 (i) the total property taxes imposed in the county for the
 24 stated assessment year under authority of IC 21-2-6
 25 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 (**before**
 26 **its repeal**) for a cumulative building fund whose property
 27 tax rate was not initially established or reestablished for a
 28 stated assessment year that succeeds the 1983 stated
 29 assessment year; minus
 30 (ii) the total property taxes imposed in the county for the
 31 1984 stated assessment year under the authority of IC 21-2-6
 32 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 (**before**
 33 **its repeal**) for a cumulative building fund whose property
 34 tax rate was not initially established or reestablished for a
 35 stated assessment year that succeeds the 1983 stated
 36 assessment year; minus
 37 (G) the amount of property taxes imposed in the county for the
 38 stated assessment year under:
 39 (i) IC 21-2-15 for a capital projects fund; plus
 40 (ii) IC 6-1.1-19-10 (**before its repeal**) for a racial balance
 41 fund; plus
 42 (iii) IC 20-14-13 for a library capital projects fund; plus

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- 1 (iv) IC 20-5-17.5-3 for an art association fund; plus
- 2 (v) IC 21-2-17 for a special education preschool fund; plus
- 3 (vi) IC 21-2-11.6 for a referendum tax levy fund; plus
- 4 (vii) an appeal filed under IC 6-1.1-19-5.1 **(before its**
- 5 **repeal)** for an increase in a school corporation's maximum
- 6 permissible general fund levy for certain transfer tuition
- 7 costs; plus
- 8 (viii) an appeal filed under IC 6-1.1-19-5.4 **(before its**
- 9 **repeal)** for an increase in a school corporation's maximum
- 10 permissible general fund levy for transportation operating
- 11 costs; minus
- 12 (H) the amount of property taxes imposed by a school
- 13 corporation that is attributable to the passage, after 1983, of a
- 14 referendum for an excessive tax levy under IC 6-1.1-19
- 15 **(before its repeal)**, including any increases in these property
- 16 taxes that are attributable to the adjustment set forth in
- 17 IC 6-1.1-19-1.5(a) STEP ONE **(before its repeal)** or any other
- 18 law; minus
- 19 (I) for each township in the county, the lesser of:
- 20 (i) the sum of the amount determined in IC 6-1.1-18.5-19(a)
- 21 STEP THREE or IC 6-1.1-18.5-19(b) STEP THREE **(before**
- 22 **their repeal)**, whichever is applicable, plus the part, if any,
- 23 of the township's ad valorem property tax levy for calendar
- 24 year 1989 that represents increases in that levy that resulted
- 25 from an appeal described in IC 6-1.1-18.5-13(5) **(before its**
- 26 **repeal)** filed after December 31, 1982; or
- 27 (ii) the amount of property taxes imposed in the township for
- 28 the stated assessment year under the authority of
- 29 IC 36-8-13-4; minus
- 30 (J) for each participating unit in a fire protection territory
- 31 established under IC 36-8-19-1, the amount of property taxes
- 32 levied by each participating unit under IC 36-8-19-8 and
- 33 IC 36-8-19-8.5 less the maximum levy limit for each of the
- 34 participating units that would have otherwise been available
- 35 for fire protection services under IC 6-1.1-18.5-3 and
- 36 IC 6-1.1-18.5-19 **(before their repeal)** for that same year;
- 37 minus
- 38 (K) for each county, the sum of:
- 39 (i) the amount of property taxes imposed in the county for
- 40 the repayment of loans under IC 12-19-5-6 (repealed) that is
- 41 included in the amount determined under IC 12-19-7-4(a)
- 42 STEP SEVEN for property taxes payable in 1995, or for

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- 1 property taxes payable in each year after 1995, the amount
 2 determined under IC 12-19-7-4(b); and
 3 (ii) the amount of property taxes imposed in the county
 4 attributable to appeals granted under IC 6-1.1-18.6-3
 5 **(before its repeal)** that is included in the amount
 6 determined under IC 12-19-7-4(a) STEP SEVEN for
 7 property taxes payable in 1995, or the amount determined
 8 under IC 12-19-7-4(b) for property taxes payable in each
 9 year after 1995; plus
 10 (2) all taxes to be paid in the county in respect to mobile home
 11 assessments currently assessed for the year in which the taxes
 12 stated in the abstract are to be paid; plus
 13 (3) the amounts, if any, of county adjusted gross income taxes that
 14 were applied by the taxing units in the county as property tax
 15 replacement credits to reduce the individual levies of the taxing
 16 units for the assessment year, as provided in IC 6-3.5-1.1; plus
 17 (4) the amounts, if any, by which the maximum permissible ad
 18 valorem property tax levies of the taxing units of the county were
 19 reduced under IC 6-1.1-18.5-3(b) STEP EIGHT **(before its**
 20 **repeal)** for the stated assessment year; plus
 21 (5) the difference between:
 22 (A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR
 23 **(before its repeal)**; minus
 24 (B) the amount the civil taxing units' levies were increased
 25 because of the reduction in the civil taxing units' base year
 26 certified shares under IC 6-1.1-18.5-3(e) **(before its repeal)**.
 27 (h) "December settlement sheet" means the certificate of settlement
 28 filed by the county auditor with the auditor of state, as required under
 29 IC 6-1.1-27-3.
 30 (i) "Tax duplicate" means the roll of property taxes which each
 31 county auditor is required to prepare on or before March 1 of each year
 32 under IC 6-1.1-22-3.
 33 (j) "Eligible property tax replacement amount" is equal to the sum
 34 of the following:
 35 (1) Sixty percent (60%) of the total county tax levy imposed by
 36 each school corporation in a county for its general fund for a
 37 stated assessment year.
 38 (2) Twenty percent (20%) of the total county tax levy (less sixty
 39 percent (60%) of the levy for the general fund of a school
 40 corporation that is part of the total county tax levy) imposed in a
 41 county on real property for a stated assessment year.
 42 (3) Twenty percent (20%) of the total county tax levy (less sixty

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1 percent (60%) of the levy for the general fund of a school
2 corporation that is part of the total county tax levy) imposed in a
3 county on tangible personal property, excluding business personal
4 property, for an assessment year.

5 (k) "Business personal property" means tangible personal property
6 (other than real property) that is being:

- 7 (1) held for sale in the ordinary course of a trade or business; or
- 8 (2) held, used, or consumed in connection with the production of
9 income.

10 (l) "Taxpayer's property tax replacement credit amount" means the
11 sum of the following:

12 (1) Sixty percent (60%) of a taxpayer's tax liability in a calendar
13 year for taxes imposed by a school corporation for its general fund
14 for a stated assessment year.

15 (2) Twenty percent (20%) of a taxpayer's tax liability for a stated
16 assessment year for a total county tax levy (less sixty percent
17 (60%) of the levy for the general fund of a school corporation that
18 is part of the total county tax levy) on real property.

19 (3) Twenty percent (20%) of a taxpayer's tax liability for a stated
20 assessment year for a total county tax levy (less sixty percent
21 (60%) of the levy for the general fund of a school corporation that
22 is part of the total county tax levy) on tangible personal property
23 other than business personal property.

24 (m) "Tax liability" means tax liability as described in section 5 of
25 this chapter.

26 (n) "General school operating levy" means the ad valorem property
27 tax levy of a school corporation in a county for the school corporation's
28 general fund.

29 SECTION 17. IC 6-1.1-21.2-15, AS ADDED BY P.L.192-2002(ss),
30 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JANUARY 1, 2004]: Sec. 15. (a) A tax levied under this chapter shall
32 be certified by the department of local government finance to the
33 auditor of the county in which the district is located and shall be:

34 (1) estimated and entered upon the tax duplicates by the county
35 auditor; and

36 (2) collected and enforced by the county treasurer;
37 in the same manner as state and county taxes are estimated, entered,
38 collected, and enforced.

39 (b) As the tax is collected by the county treasurer, it shall be
40 transferred to the governing body and accumulated and kept in the
41 special fund for the allocation area.

42 (c) A tax levied under this chapter

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1 (1) is exempt from the levy limitations imposed under
2 IC 6-1.1-18.5; and

3 (2) is not subject to IC 6-1.1-20.

4 (d) A tax levied under this chapter and the use of revenues from a
5 tax levied under this chapter by a governing body do not create a
6 constitutional or statutory debt, pledge, or obligation of the governing
7 body, the district, or any unit.

8 SECTION 18. IC 6-1.1-21.5-5, AS AMENDED BY P.L.291-2001,
9 SECTION 209, IS AMENDED TO READ AS FOLLOWS
10 [EFFECTIVE JANUARY 1, 2004]: Sec. 5. (a) The board shall
11 determine the terms of a loan made under this chapter. However,
12 interest may not be charged on the loan, and the loan must be repaid
13 not later than ten (10) years after the date on which the loan was made.

14 (b) The loan shall be repaid only from property tax revenues of the
15 qualified taxing unit. ~~that are subject to the levy limitations imposed by~~
16 ~~IC 6-1.1-18.5 or IC 6-1.1-19.~~ The payment of any installment of
17 principal constitutes a first charge against such property tax revenues
18 as collected by the qualified taxing unit during the calendar year the
19 installment is due and payable.

20 (c) ~~The obligation to repay the loan is not a basis for the qualified~~
21 ~~taxing unit to obtain an excessive tax levy under IC 6-1.1-18.5 or~~
22 ~~IC 6-1.1-19.~~

23 (d) (c) Whenever the board receives a payment on a loan made
24 under this chapter, the board shall deposit the amount paid in the
25 counter-cyclical revenue and economic stabilization fund.

26 (e) (d) This section may not be construed to prevent the qualified
27 taxing unit from repaying a loan made under this chapter before the
28 date specified in subsection (a) if a taxpayer described in section 3 of
29 this chapter resumes paying property taxes to the qualified taxing unit.

30 SECTION 19. IC 6-1.1-21.8-4, AS ADDED BY P.L.157-2002,
31 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
32 JANUARY 1, 2004]: Sec. 4. (a) The board shall determine the terms
33 of a loan made under this chapter. However, the interest charged on the
34 loan may not exceed the percent of increase in the United States
35 Department of Labor Consumer Price Index for Urban Wage Earners
36 and Clerical Workers during the most recent twelve (12) month period
37 for which data is available as of the date that the unit applies for a loan
38 under this chapter. A loan must be repaid not later than ten (10) years
39 after the date on which the loan was made. The total amount of all the
40 loans made under this chapter may not exceed twenty-eight million
41 dollars (\$28,000,000). The board may disburse the proceeds of a loan
42 in installments. However, not more than one-third (1/3) of the total

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1 amount to be loaned under this chapter may be disbursed at any
2 particular time without the review of the budget committee and the
3 approval of the budget agency.

4 (b) A loan made under this chapter shall be repaid ~~only~~ from:

5 (1) property tax revenues of the qualified taxing unit; ~~that are~~
6 ~~subject to the levy limitations imposed by IC 6-1.1-18.5 or~~
7 ~~IC 6-1.1-19;~~ or

8 (2) any other source of revenues (other than property taxes) that
9 is legally available to the qualified taxing unit.

10 The payment of any installment of principal constitutes a first charge
11 against the property tax revenues described in subdivision (1) that are
12 collected by the qualified taxing unit during the calendar year the
13 installment is due and payable.

14 ~~(c) The obligation to repay a loan made under this chapter is not a~~
15 ~~basis for the qualified taxing unit to obtain an excessive tax levy under~~
16 ~~IC 6-1.1-18.5 or IC 6-1.1-19.~~

17 ~~(d)~~ (c) Whenever the board receives a payment on a loan made
18 under this chapter, the board shall deposit the amount paid in the
19 counter-cyclical revenue and economic stabilization fund.

20 ~~(e)~~ (d) This section does not prohibit a qualified taxing unit from
21 repaying a loan made under this chapter before the date specified in
22 subsection (a) if a taxpayer described in section 3 of this chapter
23 resumes paying property taxes to the qualified taxing unit.

24 ~~(f)~~ (e) Interest accrues on a loan made under this chapter until the
25 date the board receives notice from the county auditor that the county
26 has adopted at least one (1) of the following:

- 27 (1) The county adjusted gross income tax under IC 6-3.5-1.1.
- 28 (2) The county option income tax under IC 6-3.5-6.
- 29 (3) The county economic development income tax under
30 IC 6-3.5-7.

31 Notwithstanding subsection (a), interest may not be charged on a loan
32 made under this chapter if a tax described in this subsection is adopted
33 before a qualified taxing unit applies for the loan.

34 SECTION 20. IC 6-1.1-29-9, AS AMENDED BY P.L.273-1999,
35 SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36 JANUARY 1, 2004]: Sec. 9. (a) A county council may adopt an
37 ordinance to abolish the county board of tax adjustment. This ordinance
38 must be adopted by July 1 and may not be rescinded in the year it is
39 adopted. Notwithstanding IC 6-1.1-17, ~~IC 6-1.1-18,~~ ~~IC 6-1.1-19,~~
40 IC 12-19-7, IC 21-2-14, IC 36-8-6, IC 36-8-7, IC 36-8-7.5, IC 36-8-11,
41 IC 36-9-3, IC 36-9-4, and IC 36-9-13, if such an ordinance is adopted,
42 this section governs the treatment of tax rates, tax levies, and budgets

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1 that would otherwise be reviewed by a county board of tax adjustment
2 under IC 6-1.1-17.

3 (b) The time requirements set forth in IC 6-1.1-17 govern all filings
4 and notices.

5 (c) A tax rate, tax levy, or budget that otherwise would be reviewed
6 by the county board of tax adjustment is considered and must be treated
7 for all purposes as if the county board of tax adjustment approved the
8 tax rate, tax levy, or budget. This includes the notice of tax rates that is
9 required under IC 6-1.1-17-12.

10 SECTION 21. IC 6-1.1-41-10 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 10. To provide for
12 a fund, a political subdivision may levy a tax on all taxable property
13 within the jurisdiction authorized to establish the fund. ~~The tax may not
14 exceed the tax rate specified in the statute authorizing the fund.~~

15 SECTION 22. IC 6-3.5-1.1-2.5, AS AMENDED BY P.L.90-2002,
16 SECTION 289, IS AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE JANUARY 1, 2004]: Sec. 2.5. (a) This section applies
18 only to a county having a population of more than forty-one thousand
19 (41,000) but less than forty-three thousand (43,000).

20 (b) The county council of a county described in subsection (a) may,
21 by ordinance, determine that additional county adjusted gross income
22 tax revenue is needed in the county to fund the operation and
23 maintenance of a jail and juvenile detention center opened after July 1,
24 1998.

25 (c) Notwithstanding section 2 of this chapter, if the county council
26 adopts an ordinance under subsection (b), the county council may
27 impose the county adjusted gross income tax at a rate of one and
28 one-tenth percent (1.1%) on adjusted gross income. However, a county
29 may impose the county adjusted gross income tax at a rate of one and
30 one-tenth percent (1.1%) for only eight (8) years. After the county has
31 imposed the county adjusted gross income tax at a rate of one and
32 one-tenth percent (1.1%) for eight (8) years, the rate is reduced to one
33 percent (1%). If the county council imposes the county adjusted gross
34 income tax at a rate of one and one-tenth percent (1.1%), the county
35 council may decrease the rate or rescind the tax in the manner provided
36 under this chapter.

37 (d) If a county imposes the county adjusted gross income tax at a
38 rate of one and one-tenth percent (1.1%) under this section, the revenue
39 derived from a tax rate of one-tenth percent (0.1%) on adjusted gross
40 income:

- 41 (1) shall be paid to the county treasurer; **and**
42 (2) may be used only to pay the costs of operating a jail and

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1 juvenile detention center opened after July 1, 1998. ~~and~~
 2 ~~(3) may not be considered by the department of local government~~
 3 ~~finance in determining the county's maximum permissible~~
 4 ~~property tax levy limit under IC 6-1.1-18.5.~~

5 SECTION 23. IC 6-3.5-1.1-2.7, AS AMENDED BY P.L.1-2002,
 6 SECTION 3 AND P.L.90-2002, SECTION 290, IS AMENDED TO
 7 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 2.7. (a)
 8 This section applies to a county having a population of more than
 9 seventy-one thousand (71,000) but less than seventy-one thousand four
 10 hundred (71,400).

11 (b) The county council may, by ordinance, determine that additional
 12 county adjusted gross income tax revenue is needed in the county to:

13 (1) finance, construct, acquire, improve, renovate, or equip the
 14 county jail and related buildings and parking facilities, including
 15 costs related to the demolition of existing buildings and the
 16 acquisition of land; and

17 (2) repay bonds issued, or leases entered into, for constructing,
 18 acquiring, improving, renovating, and equipping the county jail
 19 and related buildings and parking facilities, including costs
 20 related to the demolition of existing buildings and the acquisition
 21 of land.

22 (c) In addition to the rates permitted by section 2 of this chapter, the
 23 county council may impose the county adjusted gross income tax at a
 24 rate of:

25 (1) fifteen-hundredths percent (0.15%);

26 (2) two-tenths percent (0.2%); or

27 (3) twenty-five hundredths percent (0.25%);

28 on the adjusted gross income of county taxpayers if the county council
 29 makes the finding and determination set forth in subsection (b). The tax
 30 imposed under this section may be imposed only until the later of the
 31 date on which the financing on, acquisition, improvement, renovation,
 32 and equipping described in subsection (b) is completed or the date on
 33 which the last of any bonds issued or leases entered into to finance the
 34 construction, acquisition, improvement, renovation, and equipping
 35 described in subsection (b) are fully paid. The term of the bonds issued
 36 (including any refunding bonds) or a lease entered into under
 37 subsection (b)(2) may not exceed twenty (20) years.

38 (d) If the county council makes a determination under subsection
 39 (b), the county council may adopt a tax rate under subsection (c). The
 40 tax rate may not be imposed at a rate greater than is necessary to pay
 41 the costs of financing, acquiring, improving, renovating, and equipping
 42 the county jail and related buildings and parking facilities, including

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1 costs related to the demolition of existing buildings and the acquisition
2 of land.

3 (e) The county treasurer shall establish a county jail revenue fund
4 to be used only for purposes described in this section. County adjusted
5 gross income tax revenues derived from the tax rate imposed under this
6 section shall be deposited in the county jail revenue fund before
7 making a certified distribution under section 11 of this chapter.

8 (f) County adjusted gross income tax revenues derived from the tax
9 rate imposed under this section:

- 10 (1) may only be used for the purposes described in this section;
11 ~~(2) may not be considered by the department of local government~~
12 ~~finance in determining the county's maximum permissible~~
13 ~~property tax levy limit under IC 6-1.1-18.5; and~~
14 ~~(3) (2) may be pledged to the repayment of bonds issued, or leases~~
15 entered into, for purposes described in subsection (b).

16 (g) A county described in subsection (a) possesses unique economic
17 development challenges due to underemployment in relation to
18 similarly situated counties. Maintaining low property tax rates is
19 essential to economic development and the use of county adjusted
20 gross income tax revenues as provided in this chapter to pay any bonds
21 issued or leases entered into to finance the construction, acquisition,
22 improvement, renovation, and equipping described under subsection
23 (b), rather than use of property taxes, promotes that purpose.

24 (h) Notwithstanding any other law, funds accumulated from the
25 county adjusted gross income tax imposed under this section after:

- 26 (1) the redemption of bonds issued; or
27 (2) the final payment of lease rentals due under a lease entered
28 into under this section;

29 shall be transferred to the county highway fund to be used for
30 construction, resurfacing, restoration, and rehabilitation of county
31 highways, roads, and bridges.

32 SECTION 24. IC 6-3.5-1.1-2.8, AS ADDED BY P.L.178-2002,
33 SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JANUARY 1, 2004]: Sec. 2.8. (a) This section applies to:

- 35 (1) a county having a population of more than one hundred
36 eighty-two thousand seven hundred ninety (182,790) but less than
37 two hundred thousand (200,000); and
38 (2) a county having a population of more than forty-five thousand
39 (45,000) but less than forty-five thousand nine hundred (45,900).

40 (b) The county council may, by ordinance, determine that additional
41 county adjusted gross income tax revenue is needed in the county to:

- 42 (1) finance, construct, acquire, improve, renovate, or equip:

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1 (A) jail facilities;
 2 (B) juvenile court, detention, and probation facilities;
 3 (C) other criminal justice facilities; and
 4 (D) related buildings and parking facilities;
 5 located in the county, including costs related to the demolition of
 6 existing buildings and the acquisition of land; and
 7 (2) repay bonds issued or leases entered into for the purposes
 8 described in subdivision (1).
 9 (c) In addition to the rates permitted by section 2 of this chapter, the
 10 county council may impose the county adjusted gross income tax at a
 11 rate of:
 12 (1) fifteen-hundredths percent (0.15%);
 13 (2) two-tenths percent (0.2%); or
 14 (3) twenty-five hundredths percent (0.25%);
 15 on the adjusted gross income of county taxpayers if the county council
 16 makes the finding and determination set forth in subsection (b). The tax
 17 imposed under this section may be imposed only until the later of the
 18 date on which the financing, construction, acquisition, improvement,
 19 renovation, and equipping described in subsection (b) are completed
 20 or the date on which the last of any bonds issued or leases entered into
 21 to finance the construction, acquisition, improvement, renovation, and
 22 equipping described in subsection (b) are fully paid. The term of the
 23 bonds issued (including any refunding bonds) or a lease entered into
 24 under subsection (b)(2) may not exceed twenty (20) years.
 25 (d) If the county council makes a determination under subsection
 26 (b), the county council may adopt a tax rate under subsection (c). The
 27 tax rate may not be imposed at a rate greater than is necessary to pay
 28 the costs of carrying out the purposes described in subsection (b)(1).
 29 (e) The county treasurer shall establish a criminal justice facilities
 30 revenue fund to be used only for purposes described in this section.
 31 County adjusted gross income tax revenues derived from the tax rate
 32 imposed under this section shall be deposited in the criminal justice
 33 facilities revenue fund before making a certified distribution under
 34 section 11 of this chapter.
 35 (f) County adjusted gross income tax revenues derived from the tax
 36 rate imposed under this section:
 37 (1) may be used only for the purposes described in this section;
 38 ~~(2) may not be considered by the department of local government~~
 39 ~~finance in determining the county's maximum permissible~~
 40 ~~property tax levy limit under IC 6-1.1-18.5; and~~
 41 ~~(3) (2) may be pledged to the repayment of bonds issued or leases~~
 42 ~~entered into for any or all the purposes described in subsection~~

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- 1 (b).
- 2 (g) Notwithstanding any other law, funds accumulated from the
- 3 county adjusted gross income tax imposed under this section after:
- 4 (1) the completion of the financing, construction, acquisition,
- 5 improvement, renovation, and equipping described in subsection
- 6 (b);
- 7 (2) the payment or provision for payment of all the costs for
- 8 activities described in subdivision (1);
- 9 (3) the redemption of bonds issued; and
- 10 (4) the final payment of lease rentals due under a lease entered
- 11 into under this section;

12 shall be transferred to the county highway fund to be used for
 13 construction, resurfacing, restoration, and rehabilitation of county
 14 highways, roads, and bridges.

15 SECTION 25. IC 6-3.5-1.1-2.9, AS ADDED BY P.L.178-2002,
 16 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JANUARY 1, 2004]: Sec. 2.9. (a) This section applies to a county
 18 having a population of more than twenty-nine thousand (29,000) but
 19 less than thirty thousand (30,000).

20 (b) The county council may, by ordinance, determine that additional
 21 county adjusted gross income tax revenue is needed in the county to:

- 22 (1) finance, construct, acquire, improve, renovate, remodel, or
- 23 equip the county jail and related buildings and parking facilities,
- 24 including costs related to the demolition of existing buildings, the
- 25 acquisition of land, and any other reasonably related costs; and
- 26 (2) repay bonds issued or leases entered into for constructing,
- 27 acquiring, improving, renovating, remodeling, and equipping the
- 28 county jail and related buildings and parking facilities, including
- 29 costs related to the demolition of existing buildings, the
- 30 acquisition of land, and any other reasonably related costs.

31 (c) In addition to the rates permitted by section 2 of this chapter, the
 32 county council may impose the county adjusted gross income tax at a
 33 rate of:

- 34 (1) fifteen-hundredths percent (0.15%);
- 35 (2) two-tenths percent (0.2%); or
- 36 (3) twenty-five hundredths percent (0.25%);

37 on the adjusted gross income of county taxpayers if the county council
 38 makes the finding and determination set forth in subsection (b). The tax
 39 imposed under this section may be imposed only until the later of the
 40 date on which the financing on, acquisition, improvement, renovation,
 41 remodeling, and equipping described in subsection (b) are completed
 42 or the date on which the last of any bonds issued or leases entered into

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1 to finance the construction, acquisition, improvement, renovation,
 2 remodeling, and equipping described in subsection (b) are fully paid.
 3 The term of the bonds issued (including any refunding bonds) or a
 4 lease entered into under subsection (b)(2) may not exceed twenty-five
 5 (25) years.

6 (d) If the county council makes a determination under subsection
 7 (b), the county council may adopt a tax rate under subsection (b). The
 8 tax rate may not be imposed at a rate greater than is necessary to pay
 9 the costs of financing, acquiring, improving, renovating, remodeling,
 10 and equipping the county jail and related buildings and parking
 11 facilities, including costs related to the demolition of existing
 12 buildings, the acquisition of land, and any other reasonably related
 13 costs.

14 (e) The county treasurer shall establish a county jail revenue fund
 15 to be used only for purposes described in this section. County adjusted
 16 gross income tax revenues derived from the tax rate imposed under this
 17 section shall be deposited in the county jail revenue fund before
 18 making a certified distribution under section 11 of this chapter.

19 (f) County adjusted gross income tax revenues derived from the tax
 20 rate imposed under this section:

- 21 (1) may be used only for the purposes described in this section;
- 22 ~~(2) may not be considered by the department of local government~~
 23 ~~finance in determining the county's maximum permissible~~
 24 ~~property tax levy limit under IC 6-1.1-18.5; and~~
- 25 ~~(3) (2)~~ may be pledged to the repayment of bonds issued or leases
 26 entered into for purposes described in subsection (b).

27 (g) A county described in subsection (a) possesses unique
 28 governmental and economic development challenges due to:

- 29 (1) underemployment in relation to similarly situated counties and
 30 the loss of a major manufacturing business;
- 31 (2) an increase in property taxes for taxable years after December
 32 31, 2000, for the construction of a new elementary school; and
- 33 (3) overcrowding of the county jail, the costs associated with
 34 housing the county's inmates outside the county, and the potential
 35 unavailability of additional housing for inmates outside the
 36 county.

37 The use of county adjusted gross income tax revenues as provided in
 38 this chapter is necessary for the county to provide adequate jail
 39 capacity in the county and to maintain low property tax rates essential
 40 to economic development. The use of county adjusted gross income tax
 41 revenues as provided in this chapter to pay any bonds issued or leases
 42 entered into to finance the construction, acquisition, improvement,

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1 renovation, remodeling, and equipping described in subsection (b),
2 rather than the use of property taxes, promotes those purposes.

3 (h) Notwithstanding any other law, funds accumulated from the
4 county adjusted gross income tax imposed under this section after:

5 (1) the redemption of bonds issued; or

6 (2) the final payment of lease rentals due under a lease entered
7 into under this section;

8 shall be transferred to the county highway fund to be used for
9 construction, resurfacing, restoration, and rehabilitation of county
10 highways, roads, and bridges.

11 SECTION 26. IC 6-3.5-1.1-3.5, AS AMENDED BY P.L.90-2002,
12 SECTION 291, IS AMENDED TO READ AS FOLLOWS
13 [EFFECTIVE JANUARY 1, 2004]: Sec. 3.5. (a) This section applies
14 only to a county having a population of more than thirteen thousand
15 five hundred (13,500) but less than fourteen thousand (14,000).

16 (b) The county council of a county described in subsection (a) may,
17 by ordinance, determine that additional county adjusted gross income
18 tax revenue is needed in the county to fund the operation and
19 maintenance of a jail and justice center.

20 (c) Notwithstanding section 2 of this chapter, if the county council
21 adopts an ordinance under subsection (b), the county council may
22 impose the county adjusted gross income tax at a rate of one and
23 three-tenths percent (1.3%) on adjusted gross income. However, a
24 county may impose the county adjusted gross income tax at a rate of
25 one and three-tenths percent (1.3%) for only eight (8) years. After the
26 county has imposed the county adjusted gross income tax at a rate of
27 one and three-tenths percent (1.3%) for eight (8) years, the rate is
28 reduced to one percent (1%). If the county council imposes the county
29 adjusted gross income tax at a rate of one and three-tenths percent
30 (1.3%), the county council may decrease the rate or rescind the tax in
31 the manner provided under this chapter.

32 (d) If a county imposes the county adjusted gross income tax at a
33 rate of one and three-tenths percent (1.3%) under this section, the
34 revenue derived from a tax rate of three-tenths percent (0.3%) on
35 adjusted gross income:

36 (1) shall be paid to the county treasurer; **and**

37 (2) may be used only to pay the costs of operating and
38 maintaining a jail and justice center. **and**

39 (3) ~~may not be considered by the department of local government~~
40 ~~finance under any provision of IC 6-1.1-18.5; including the~~
41 ~~determination of the county's maximum permissible property tax~~
42 ~~levy.~~

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1 (e) Notwithstanding section 3 of this chapter, the county fiscal body
2 may adopt an ordinance under this section before June 1.

3 SECTION 27. IC 6-3.5-1.1-3.6, AS ADDED BY P.L.178-2002,
4 SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 2004]: Sec. 3.6. (a) This section applies only to a county
6 having a population of more than six thousand (6,000) but less than
7 eight thousand (8,000).

8 (b) The county council may, by ordinance, determine that additional
9 county adjusted gross income tax revenue is needed in the county to:

10 (1) finance, construct, acquire, improve, renovate, or equip the
11 county courthouse; and

12 (2) repay bonds issued, or leases entered into, for constructing,
13 acquiring, improving, renovating, and equipping the county
14 courthouse.

15 (c) In addition to the rates permitted under section 2 of this chapter,
16 the county council may impose the county adjusted gross income tax
17 at a rate of twenty-five hundredths percent (0.25%) on the adjusted
18 gross income of county taxpayers if the county council makes the
19 finding and determination set forth in subsection (b). The tax imposed
20 under this section may be imposed only until the later of the date on
21 which the financing on, acquisition, improvement, renovation, and
22 equipping described in subsection (b) is completed or the date on
23 which the last of any bonds issued or leases entered into to finance the
24 construction, acquisition, improvement, renovation, and equipping
25 described in subsection (b) are fully paid. The term of the bonds issued
26 (including any refunding bonds) or a lease entered into under
27 subsection (b)(2) may not exceed twenty-two (22) years.

28 (d) If the county council makes a determination under subsection
29 (b), the county council may adopt a tax rate under subsection (b). The
30 tax rate may not be imposed for a time greater than is necessary to pay
31 the costs of financing, constructing, acquiring, renovating, and
32 equipping the county courthouse.

33 (e) The county treasurer shall establish a county jail revenue fund
34 to be used only for purposes described in this section. County adjusted
35 gross income tax revenues derived from the tax rate imposed under this
36 section shall be deposited in the county jail revenue fund before a
37 certified distribution is made under section 11 of this chapter.

38 (f) County adjusted gross income tax revenues derived from the tax
39 rate imposed under this section:

40 (1) may only be used for the purposes described in this section;

41 (2) ~~may not be considered by the department of local government~~
42 ~~finance in determining the county's maximum permissible~~

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1 ~~property tax levy under IC 6-1.1-18.5;~~ and
2 (3) (2) may be pledged to the repayment of bonds issued or leases
3 entered into for purposes described in subsection (b).
4 (g) A county described in subsection (a) possesses unique economic
5 development challenges due to:
6 (1) the county's heavy agricultural base;
7 (2) the presence of a large amount of state owned property in the
8 county that is exempt from property taxation; and
9 (3) recent obligations of the school corporation in the county that
10 have already increased property taxes in the county and imposed
11 additional property tax burdens on the county's agricultural base.
12 Maintaining low property tax rates is essential to economic
13 development. The use of county adjusted gross income tax revenues as
14 provided in this chapter to pay any bonds issued or leases entered into
15 to finance the construction, acquisition, improvement, renovation, and
16 equipping described in subsection (b), rather than the use of property
17 taxes, promotes that purpose.
18 (h) Notwithstanding any other law, funds accumulated from the
19 county adjusted gross income tax imposed under this section after:
20 (1) the redemption of the bonds issued; or
21 (2) the final payment of lease rentals due under a lease entered
22 into under this section;
23 shall be transferred to the county highway fund to be used for
24 construction, resurfacing, restoration, and rehabilitation of county
25 highways, roads, and bridges.
26 SECTION 28. IC 6-3.5-1.1-12, AS AMENDED BY P.L.90-2002,
27 SECTION 293, IS AMENDED TO READ AS FOLLOWS
28 [EFFECTIVE JANUARY 1, 2004]: Sec. 12. (a) The part of a county's
29 certified distribution for a calendar year that is to be used as property
30 tax replacement credits shall be allocated by the county auditor among
31 the civil taxing units and school corporations of the county.
32 (b) Except as provided in section 13 of this chapter, the amount of
33 property tax replacement credits that each civil taxing unit and school
34 corporation in a county is entitled to receive during a calendar year
35 equals the product of:
36 (1) that part of the county's certified distribution that is dedicated
37 to providing property tax replacement credits for that same
38 calendar year; multiplied by
39 (2) a fraction:
40 (A) The numerator of the fraction equals the sum of the total
41 property taxes being collected by the civil taxing unit or school
42 corporation during that calendar year, plus with respect to a

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civil taxing unit, the amount of federal revenue sharing funds and certified shares received by it during that calendar year to the extent that they are used to reduce its property tax levy below the limit imposed by IC 6-1.1-18.5 **(before its repeal)** for that same calendar year.

(B) The denominator of the fraction equals the sum of the total property taxes being collected by all civil taxing units and school corporations, plus the amount of federal revenue sharing funds and certified shares received by all civil taxing units in the county to the extent that they are used to reduce the civil taxing units' property tax levies below the limits imposed by IC 6-1.1-18.5 **(before its repeal)** for that same calendar year.

(c) The department of local government finance shall provide each county auditor with the amount of property tax replacement credits that each civil taxing unit and school corporation in the auditor's county is entitled to receive. The county auditor shall then certify to each civil taxing unit and school corporation the amount of property tax replacement credits it is entitled to receive (after adjustment made under section 13 of this chapter) during that calendar year. The county auditor shall also certify these distributions to the county treasurer.

SECTION 29. IC 6-3.5-1.1-14, AS AMENDED BY P.L.90-2002, SECTION 295, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 14. (a) In determining the amount of property tax replacement credits civil taxing units and school corporations of a county are entitled to receive during a calendar year, the department of local government finance shall consider only property taxes imposed on tangible property that was assessed in that county.

(b) If a civil taxing unit or a school corporation is located in more than one (1) county and receives property tax replacement credits from one (1) or more of the counties, then the property tax replacement credits received from each county shall be used only to reduce the property tax rates that are imposed within the county that distributed the property tax replacement credits.

(c) A civil taxing unit shall treat any property tax replacement credits that it receives or is to receive during a particular calendar year as a part of its property tax levy for that same calendar year for purposes of fixing its budget. ~~and for purposes of the property tax levy limits imposed by IC 6-1.1-18.5.~~

(d) A school corporation shall treat any property tax replacement credits that the school corporation receives or is to receive during a

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1 particular calendar year as a part of its property tax levy for its general
 2 fund, debt service fund, capital projects fund, transportation fund, and
 3 special education preschool fund in proportion to the levy for each of
 4 these funds for that same calendar year for purposes of fixing its
 5 budget. ~~and for purposes of the property tax levy limits imposed by~~
 6 ~~IC 6-1.1-19.~~ A school corporation shall allocate the property tax
 7 replacement credits described in this subsection to all five (5) funds in
 8 proportion to the levy for each fund.

9 SECTION 30. IC 6-3.5-1.1-15, AS AMENDED BY P.L.120-2002,
 10 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JANUARY 1, 2004]: Sec. 15. (a) As used in this section, "attributed
 12 levy" of a civil taxing unit means the sum of:

- 13 (1) the ad valorem property tax levy of the civil taxing unit that is
 14 currently being collected at the time the allocation is made; plus
- 15 (2) the current ad valorem property tax levy of any special taxing
 16 district, authority, board, or other entity formed to discharge
 17 governmental services or functions on behalf of or ordinarily
 18 attributable to the civil taxing unit; plus
- 19 (3) the amount of federal revenue sharing funds and certified
 20 shares that were used by the civil taxing unit (or any special
 21 taxing district, authority, board, or other entity formed to
 22 discharge governmental services or functions on behalf of or
 23 ordinarily attributable to the civil taxing unit) to reduce its ad
 24 valorem property tax levies below the limits imposed by
 25 IC 6-1.1-18.5 **(before its repeal)**; plus
- 26 (4) in the case of a county, an amount equal to:
 27 (A) the property taxes imposed by the county in 1999 for the
 28 county's welfare fund and welfare administration fund; plus
 29 (B) after December 31, 2004, the greater of zero (0) or the
 30 difference between:
 31 (i) the county hospital care for the indigent property tax levy
 32 imposed by the county in 2004, adjusted each year after
 33 2004 by the statewide average assessed value growth
 34 quotient described in IC 12-16-14-3; minus
 35 (ii) the current uninsured parents program property tax levy
 36 imposed by the county.

37 (b) The part of a county's certified distribution that is to be used as
 38 certified shares shall be allocated only among the county's civil taxing
 39 units. Each civil taxing unit of a county is entitled to receive a
 40 percentage of the certified shares to be distributed in the county equal
 41 to the ratio of its attributed levy to the total attributed levies of all civil
 42 taxing units of the county.

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1 (c) The ~~local government tax control board established by~~
 2 ~~IC 6-1.1-18.5-11~~ **department of local government finance** shall
 3 determine the attributed levies of civil taxing units that are entitled to
 4 receive certified shares during a calendar year. If the ad valorem
 5 property tax levy of any special taxing district, authority, board, or
 6 other entity is attributed to another civil taxing unit under subsection
 7 ~~(b)(2)~~, **(a)(2)**, then the special taxing district, authority, board, or other
 8 entity shall not be treated as having an attributed levy of its own. The
 9 ~~local government tax control board~~ **department of local government**
 10 **finance** shall certify the attributed levy amounts to the appropriate
 11 county auditor. The county auditor shall then allocate the certified
 12 shares among the civil taxing units of the auditor's county.

13 (d) Certified shares received by a civil taxing unit shall be treated
 14 as additional revenue for the purpose of fixing its budget for the
 15 calendar year during which the certified shares will be received. The
 16 certified shares may be allocated to or appropriated for any purpose,
 17 including property tax relief or a transfer of funds to another civil
 18 taxing unit whose levy was attributed to the civil taxing unit in the
 19 determination of its attributed levy.

20 SECTION 31. IC 6-3.5-6-17.6, AS AMENDED BY P.L.120-2002,
 21 SECTION 3, AND AS AMENDED BY P.L.178-2002, SECTION 66,
 22 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 23 [EFFECTIVE JANUARY 1, 2004]: Sec. 17.6. (a) This section applies
 24 to a county containing a consolidated city.

25 (b) On or before July ~~15~~ 2 of each year, the budget agency shall
 26 make the following calculation:

27 STEP ONE: Determine the cumulative balance in a county's
 28 account established under section 16 of this chapter as of the end
 29 of the current calendar year.

30 STEP TWO: Divide the amount estimated under section 17(b) of
 31 this chapter before any adjustments are made under section 17(c)
 32 or 17(d) of this chapter by twelve (12).

33 STEP THREE: Multiply the STEP TWO amount by three (3).

34 STEP FOUR: Subtract the amount determined in STEP THREE
 35 from the amount determined in STEP ONE.

36 (c) For 1995, the budget agency shall certify the STEP FOUR
 37 amount to the county auditor on or before July 15, 1994. Not later than
 38 January 31, 1995, the auditor of state shall distribute the STEP FOUR
 39 amount to the county auditor to be used to retire outstanding
 40 obligations for a qualified economic development tax project (as
 41 defined in IC 36-7-27-9).

42 (d) After 1995, the STEP FOUR amount shall be distributed to the

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1 county auditor in January of the ensuing calendar year. The STEP
2 FOUR amount shall be distributed by the county auditor to the civil
3 taxing units within thirty (30) days after the county auditor receives the
4 distribution. Each civil taxing unit's share equals the STEP FOUR
5 amount multiplied by the quotient of:

6 (1) the ~~maximum permissible~~ property tax levy under
7 ~~IC 6-1-1-18.5~~ for the civil taxing unit, plus, for a county, an
8 amount equal to:

9 (A) the property taxes imposed by the county in 1999 for the
10 county's welfare administration fund; plus

11 (B) after December 31, ~~2002~~, 2004, the greater of zero (0) or
12 the difference between:

13 (i) the county hospital care for the indigent property tax levy
14 imposed by the county in ~~2002~~, 2004 adjusted each year
15 after ~~2002~~ 2004 by the statewide average assessed value
16 growth quotient described in IC 12-16-14-3; minus

17 (ii) the current uninsured parents program property tax levy
18 imposed by the county; divided by

19 (2) the sum of the ~~maximum permissible~~ property tax levies under
20 ~~IC 6-1-1-18.5~~ for all civil taxing units of the county, plus an
21 amount equal to:

22 (A) the property taxes imposed by the county in 1999 for the
23 county's welfare administration fund; plus

24 (B) after December 31, ~~2002~~, 2004, the greater of zero (0) or
25 the difference between:

26 (i) the county hospital care for the indigent property tax levy
27 imposed by the county in ~~2002~~, 2004 adjusted each year
28 after ~~2002~~ 2004 by the statewide average assessed value
29 growth quotient described in IC 12-16-14-3; minus

30 (ii) the current uninsured parents program property tax levy
31 imposed by the county.

32 SECTION 32. IC 6-3.5-6-18.5, AS AMENDED BY P.L.120-2002,
33 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JANUARY 1, 2004]: Sec. 18.5. (a) This section applies to a county
35 containing a consolidated city.

36 (b) Notwithstanding section 18(e) of this chapter, the distributive
37 shares that each civil taxing unit in a county containing a consolidated
38 city is entitled to receive during a month equals the following:

39 (1) For the calendar year beginning January 1, 1995, calculate the
40 total amount of revenues that are to be distributed as distributive
41 shares during that month multiplied by the following factor:

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1	Decatur Township	.00217
2	Franklin Township	.0023
3	Lawrence Township	.01177
4	Perry Township	.01130
5	Pike Township	.01865
6	Warren Township	.01359
7	Washington Township	.01346
8	Wayne Township	.01307
9	Lawrence-City	.00858
10	Beech Grove	.00845
11	Southport	.00025
12	Speedway	.00722
13	Indianapolis/Marion County	.86409
14	(2) Notwithstanding subdivision (1), for the calendar year	
15	beginning January 1, 1995, the distributive shares for each civil	
16	taxing unit in a county containing a consolidated city shall be not	
17	less than the following:	
18	Center Township	\$1,898,145
19	Decatur Township	\$164,103
20	Franklin Township	\$173,934
21	Lawrence Township	\$890,086
22	Perry Township	\$854,544
23	Pike Township	\$1,410,375
24	Warren Township	\$1,027,721
25	Washington Township	\$1,017,890
26	Wayne Township	\$988,397
27	Lawrence-City	\$648,848
28	Beech Grove	\$639,017
29	Southport	\$18,906
30	Speedway	\$546,000
31	(3) For each year after 1995, calculate the total amount of	
32	revenues that are to be distributed as distributive shares during	
33	that month as follows:	
34	STEP ONE: Determine the total amount of revenues that were	
35	distributed as distributive shares during that month in calendar	
36	year 1995.	
37	STEP TWO: Determine the total amount of revenue that the	
38	department has certified as distributive shares for that month	
39	under section 17 of this chapter for the calendar year.	
40	STEP THREE: Subtract the STEP ONE result from the STEP	
41	TWO result.	
42	STEP FOUR: If the STEP THREE result is less than or equal	

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to zero (0), multiply the STEP TWO result by the ratio established under subdivision (1).

STEP FIVE: Determine the ratio of:

(A) the ~~maximum permissible~~ property tax levy under ~~IC 6-1.1-18.5 and IC 6-1.1-18.6~~ for each civil taxing unit for the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund, and after December 31, 2004, the greater of zero (0) or the difference between the county hospital care for the indigent property tax levy imposed by the county in 2004, adjusted each year after 2004 by the statewide average assessed value growth quotient described in IC 12-16-14-3, minus the current uninsured parents program property tax levy imposed by the county; divided by

(B) the sum of the ~~maximum permissible~~ property tax levies under ~~IC 6-1.1-18.5 and IC 6-1.1-18.6~~ for all civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund, and after December 31, 2004, the greater of zero (0) or the difference between the county hospital care for the indigent property tax levy imposed by the county in 2004, adjusted each year after 2004 by the statewide average assessed value growth quotient described in IC 12-16-14-3, minus the current uninsured parents program property tax levy imposed by the county.

STEP SIX: If the STEP THREE result is greater than zero (0), the STEP ONE amount shall be distributed by multiplying the STEP ONE amount by the ratio established under subdivision (1).

STEP SEVEN: For each taxing unit determine the STEP FIVE ratio multiplied by the STEP TWO amount.

STEP EIGHT: For each civil taxing unit determine the difference between the STEP SEVEN amount minus the product of the STEP ONE amount multiplied by the ratio established under subdivision (1). The STEP THREE excess shall be distributed as provided in STEP NINE only to the civil taxing units that have a STEP EIGHT difference greater than or equal to zero (0).

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STEP NINE: For the civil taxing units qualifying for a distribution under STEP EIGHT, each civil taxing unit's share equals the STEP THREE excess multiplied by the ratio of:

(A) the ~~maximum permissible~~ property tax levy under ~~IC 6-1.1-18.5 and IC 6-1.1-18.6~~ for the qualifying civil taxing unit during the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund, and after December 31, 2004, the greater of zero (0) or the difference between the county hospital care for the indigent property tax levy imposed by the county in 2004, adjusted each year after 2004 by the statewide average assessed value growth quotient described in IC 12-16-14-3, minus the current uninsured parents program property tax levy imposed by the county; divided by

(B) the sum of the ~~maximum permissible~~ property tax levies under ~~IC 6-1.1-18.5 and IC 6-1.1-18.6~~ for all qualifying civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund, and after December 31, 2004, the greater of zero (0) or the difference between the county hospital care for the indigent property tax levy imposed by the county in 2004, adjusted each year after 2004 by the statewide average assessed value growth quotient described in IC 12-16-14-3, minus the current uninsured parents program property tax levy imposed by the county.

SECTION 33. IC 6-3.5-7-22.5, AS AMENDED BY P.L.90-2002, SECTION 299, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 22.5. (a) This section applies to a county having a population of more than twenty-seven thousand four hundred (27,400) but less than twenty-seven thousand five hundred (27,500).

(b) In addition to the rates permitted by section 5 of this chapter, the county council may impose the county economic development income tax at a rate of twenty-five hundredths percent (0.25%) on the adjusted gross income of county taxpayers if the county council makes the finding and determination set forth in subsection (c).

(c) In order to impose the county economic development income tax as provided in this section, the county council must adopt an ordinance

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1 finding and determining that revenues from the county economic
 2 development income tax are needed to pay the costs of financing,
 3 constructing, acquiring, renovating, and equipping the county
 4 courthouse and renovating the former county hospital for additional
 5 office space, educational facilities, nonsecure juvenile facilities, and
 6 other county functions, including the repayment of bonds issued, or
 7 leases entered into, for constructing, acquiring, renovating, and
 8 equipping the county courthouse and renovating the former county
 9 hospital for additional office space, educational facilities, nonsecure
 10 juvenile facilities, and other county functions.

11 (d) If the county council makes a determination under subsection
 12 (c), the county council may adopt a tax rate under subsection (b). The
 13 tax rate may not be imposed at a rate or for a time greater than is
 14 necessary to pay the costs of financing, constructing, acquiring,
 15 renovating, and equipping the county courthouse and renovating the
 16 former county hospital for additional office space, educational
 17 facilities, nonsecure juvenile facilities, and other county functions.

18 (e) The county treasurer shall establish a county courthouse revenue
 19 fund to be used only for the purposes described in this section. County
 20 economic development income tax revenues derived from the tax rate
 21 imposed under this section shall be deposited in the county courthouse
 22 revenue fund before making a certified distribution under section 11 of
 23 this chapter.

24 (f) County economic development income tax revenues derived
 25 from the tax rate imposed under this section:

- 26 (1) may only be used for the purposes described in this section;
 27 ~~(2) may not be considered by the department of local government~~
 28 ~~finance in determining the county's maximum permissible~~
 29 ~~property tax levy limit under IC 6-1-1-18.5; and~~
 30 ~~(3) (2)~~ may be pledged to the repayment of bonds issued, or leases
 31 entered into, for the purposes described in subsection (c).

32 (g) A county described in subsection (a) possesses:

- 33 (1) unique fiscal challenges to finance the operations of county
 34 government due to the county's ongoing obligation to repay
 35 amounts received by the county due to an overpayment of the
 36 county's certified distribution under IC 6-3.5-1.1-9 for a prior
 37 year; and
 38 (2) unique capital financing needs due to the imminent transfer
 39 from the governing board of the county hospital of facilities no
 40 longer needed for hospital purposes and the need to undertake
 41 immediate improvements in order to make those facilities suitable
 42 for use by the county for additional office space, educational

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1 facilities, nonsecure juvenile facilities, and other county
2 functions.

3 SECTION 34. IC 6-3.5-7-23, AS AMENDED BY P.L.192-2002(ss),
4 SECTION 126, IS AMENDED TO READ AS FOLLOWS
5 [EFFECTIVE JANUARY 1, 2004]: Sec. 23. (a) This section applies
6 only to a county having a population of more than fifty-five thousand
7 (55,000) but less than sixty-five thousand (65,000).

8 (b) The county council may by ordinance determine that, in order to
9 promote the development of libraries in the county and thereby
10 encourage economic development, it is necessary to use economic
11 development income tax revenue to replace library property taxes in
12 the county. However, a county council may adopt an ordinance under
13 this subsection only if all territory in the county is included in a library
14 district.

15 (c) If the county council makes a determination under subsection
16 (b), the county council may designate the county economic
17 development income tax revenue generated by the tax rate adopted
18 under section 5 of this chapter, or revenue generated by a portion of the
19 tax rate, as revenue that will be used to replace public library property
20 taxes imposed by public libraries in the county. The county council
21 may not designate for library property tax replacement purposes any
22 county economic development income tax revenue that is generated by
23 a tax rate of more than fifteen-hundredths percent (0.15%).

24 (d) The county treasurer shall establish a library property tax
25 replacement fund to be used only for the purposes described in this
26 section. County economic development income tax revenues derived
27 from the portion of the tax rate designated for property tax replacement
28 credits under subsection (c) shall be deposited in the library property
29 tax replacement fund before certified distributions are made under
30 section 12 of this chapter. Any interest earned on money in the library
31 property tax replacement fund shall be credited to the library property
32 tax replacement fund.

33 (e) The amount of county economic development income tax
34 revenue dedicated to providing library property tax replacement credits
35 shall, in the manner prescribed in this section, be allocated to public
36 libraries operating in the county and shall be used by those public
37 libraries as property tax replacement credits. The amount of property
38 tax replacement credits that each public library in the county is entitled
39 to receive during a calendar year under this section equals the lesser of:

- 40 (1) the product of:
41 (A) the amount of revenue deposited by the county auditor in
42 the library property tax replacement fund; multiplied by

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- (B) a fraction described as follows:
 - (i) The numerator of the fraction equals the sum of the total property taxes that would have been collected by the public library during the previous calendar year from taxpayers located within the library district if the property tax replacement under this section had not been in effect.
 - (ii) The denominator of the fraction equals the sum of the total property taxes that would have been collected during the previous year from taxpayers located within the county by all public libraries that are eligible to receive property tax replacement credits under this section if the property tax replacement under this section had not been in effect; or
- (2) the total property taxes that would otherwise be collected by the public library for the calendar year if the property tax replacement credit under this section were not in effect.

The department of local government finance shall make any adjustments necessary to account for the expansion of a library district. However, a public library is eligible to receive property tax replacement credits under this section only if it has entered into reciprocal borrowing agreements with all other public libraries in the county. If the total amount of county economic development income tax revenue deposited by the county auditor in the library property tax replacement fund for a calendar year exceeds the total property tax liability that would otherwise be imposed for public libraries in the county for the year, the excess shall remain in the library property tax replacement fund and shall be used for library property tax replacement purposes in the following calendar year.

(f) Notwithstanding subsection (e), if a public library did not impose a property tax levy during the previous calendar year, that public library is entitled to receive a part of the property tax replacement credits to be distributed for the calendar year. The amount of property tax replacement credits the public library is entitled to receive during the calendar year equals the product of:

- (1) the amount of revenue deposited in the library property tax replacement fund; multiplied by
- (2) a fraction. The numerator of the fraction equals the budget of the public library for that calendar year. The denominator of the fraction equals the aggregate budgets of public libraries in the county for that calendar year.

If for a calendar year a public library is allocated a part of the property tax replacement credits under this subsection, then the amount of property tax credits distributed to other public libraries in the county

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1 for the calendar year shall be reduced by the amount to be distributed
2 as property tax replacement credits under this subsection. The
3 department of local government finance shall make any adjustments
4 required by this subsection and provide the adjustments to the county
5 auditor.

6 (g) The department of local government finance shall inform the
7 county auditor of the amount of property tax replacement credits that
8 each public library in the county is entitled to receive under this
9 section. The county auditor shall certify to each public library the
10 amount of property tax replacement credits that the public library is
11 entitled to receive during that calendar year. The county auditor shall
12 also certify these amounts to the county treasurer.

13 (h) A public library receiving property tax replacement credits under
14 this section shall allocate the credits among each fund for which a
15 distinct property tax levy is imposed. The amount that must be
16 allocated to each fund equals:

17 (1) the amount of property tax replacement credits provided to the
18 public library under this section; multiplied by

19 (2) the amount determined in STEP THREE of the following
20 formula:

21 STEP ONE: Determine the property taxes that would have
22 been collected for each fund by the public library during the
23 previous calendar year if the property tax replacement under
24 this section had not been in effect.

25 STEP TWO: Determine the sum of the total property taxes that
26 would have been collected for all funds by the public library
27 during the previous calendar year if the property tax
28 replacement under this section had not been in effect.

29 STEP THREE: Divide the STEP ONE amount by the STEP
30 TWO amount.

31 However, if a public library did not impose a property tax levy during
32 the previous calendar year or did not impose a property tax levy for a
33 particular fund during the previous calendar year, but the public library
34 is imposing a property tax levy in the current calendar year or is
35 imposing a property tax levy for the particular fund in the current
36 calendar year, the department of local government finance shall adjust
37 the amount of property tax replacement credits allocated among the
38 various funds of the public library and shall provide the adjustment to
39 the county auditor. If a public library receiving property tax
40 replacement credits under this section does not impose a property tax
41 levy for a particular fund that is first due and payable in a calendar year
42 in which the property tax replacement credits are being distributed, the

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1 public library is not required to allocate to that fund a part of the
 2 property tax replacement credits to be distributed to the public library.
 3 Notwithstanding IC 6-1.1-20-1.1(1), a public library that receives
 4 property tax replacement credits under this section is subject to the
 5 procedures for the issuance of bonds set forth in IC 6-1.1-20.

6 (i) For each public library that receives property tax credits under
 7 this section, the department of local government finance shall certify
 8 to the county auditor the property tax rate applicable to each fund after
 9 the property tax replacement credits are allocated.

10 (j) A public library shall treat property tax replacement credits
 11 received during a particular calendar year under this section as a part
 12 of the public library's property tax levy for each fund for that same
 13 calendar year for purposes of fixing the public library's budget. ~~and for~~
 14 ~~purposes of the property tax levy limits imposed by IC 6-1.1-18.5.~~

15 (k) The property tax replacement credits that are received under this
 16 section do not reduce the total county tax levy that is used to compute
 17 the state property tax replacement credit under IC 6-1.1-21. For the
 18 purpose of computing and distributing certified distributions under
 19 IC 6-3.5-1.1 and tax revenue under IC 6-5.5 or IC 6-6-5, the property
 20 tax replacement credits that are received under this section shall be
 21 treated as though they were property taxes that were due and payable
 22 during that same calendar year.

23 SECTION 35. IC 6-3.5-7-24, AS ADDED BY P.L.178-2002,
 24 SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JANUARY 1, 2004]: Sec. 24. (a) This section applies to a county
 26 having a population of more than thirty-nine thousand (39,000) but less
 27 than thirty-nine thousand six hundred (39,600).

28 (b) In addition to the rates permitted by section 5 of this chapter, the
 29 county council may impose the county economic development income
 30 tax at a rate of twenty-five hundredths percent (0.25%) on the adjusted
 31 gross income of county taxpayers if the county council makes the
 32 finding and determination set forth in subsection (c).

33 (c) In order to impose the county economic development income tax
 34 as provided in this section, the county council must adopt an ordinance
 35 finding and determining that revenues from the county economic
 36 development income tax are needed to pay the costs of financing,
 37 constructing, acquiring, renovating, and equipping a county jail
 38 including the repayment of bonds issued, or leases entered into, for
 39 constructing, acquiring, renovating, and equipping a county jail.

40 (d) If the county council makes a determination under subsection
 41 (c), the county council may adopt a tax rate under subsection (b). The
 42 tax rate may not be imposed at a rate or for a time greater than is

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necessary to pay the costs of financing, constructing, acquiring, renovating, and equipping a county jail.

(e) The county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. County economic development income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under section 11 of this chapter.

(f) County economic development income tax revenues derived from the tax rate imposed under this section:

- (1) may only be used for the purposes described in this section;
- ~~(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and~~
- ~~(3)~~ (2) may be pledged to the repayment of bonds issued, or leases entered into, for the purposes described in subsection (c).

SECTION 36. IC 6-3.5-8-12, AS AMENDED BY P.L.90-2002, SECTION 301, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 12. (a) If the fiscal body of a municipality in a qualifying county adopts an ordinance under section 11(a) of this chapter, the department of local government finance may not certify a budget for the municipality under IC 6-1.1-17-16(f) for the 2002 calendar year that is greater than ninety-seven percent (97%) of the budget of the municipality certified by the department for the 2001 calendar year. The department of local government finance may not certify a budget for the municipality under IC 6-1.1-17-16(f) for any later calendar year that is greater than ninety-seven percent (97%) of the budget of the municipality certified by the department for the calendar year that immediately precedes the later calendar year.

(b) If the fiscal body of a municipality in a qualifying county adopts an ordinance in a calendar year under section 11(c) of this chapter, the department of local government finance may not certify a budget for the municipality under IC 6-1.1-17-16(f) for the calendar year that immediately succeeds the calendar year in which the ordinance is adopted that is greater than ninety-seven percent (97%) of the budget of the municipality certified by the department for the calendar year in which the ordinance was adopted. The department of local government finance may not certify a budget for the municipality under IC 6-1.1-17-16(f) for any later calendar year that is greater than ninety-seven percent (97%) of the budget of the municipality certified by the department for the calendar year that immediately precedes the later calendar year.

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1 (c) Before July 1 of 2002 and of each year thereafter, the department
2 of local government finance shall review the budget approved for each
3 municipality in a qualifying county in which a municipal option income
4 tax is in effect to determine whether the restriction under subsection (a)
5 or (b) has been applied. If the restriction has not been applied:

6 (1) the municipal option income tax is rescinded as of July 1 of
7 the year in which the review was made;

8 (2) the municipality may not impose the municipal option income
9 tax for any later year; and

10 (3) the municipality is:

11 (A) subject to subsection (d), if the municipality adopted the
12 municipal option income tax in 2002; or

13 (B) subject to subsection (e), if the municipality adopted the
14 municipal option income tax in a year that succeeds 2002.

15 (d) In May 2003, the department of state revenue shall determine for
16 each municipality subject to this subsection the amount of tax revenue
17 collected for the municipality after August 31, 2001, and before July 1,
18 2002. The department of state revenue shall immediately notify the
19 municipality of the amount determined under this subsection. Not later
20 than thirty (30) days after receiving notification from the department
21 of state revenue, the municipality shall transfer the amount determined
22 by the department under this subsection from the municipality's general
23 fund to the county family and children's fund of the qualifying county
24 in which the municipality is located.

25 (e) In May 2004, and in May of each year thereafter, the department
26 of state revenue shall determine for each municipality subject to this
27 subsection the amount of tax revenue collected for the municipality
28 after June 30 of the calendar year that precedes by two (2) years the
29 calendar year in which the determination is made and before July 1 of
30 the year that immediately precedes the calendar year in which the
31 determination is made. The department of state revenue shall
32 immediately notify the municipality of the amount determined under
33 this subsection. Not later than thirty (30) days after receiving
34 notification from the department of state revenue, the municipality
35 shall transfer the amount determined by the department under this
36 section from the municipality's general fund to the county family and
37 children's fund of the qualifying county in which the municipality is
38 located.

39 (f) If a municipality makes a transfer from its general fund to the
40 county's family and children's fund as described in subsection (d) or
41 (e), the department of local government finance shall reduce by the
42 amount transferred the county's ~~maximum~~ family and children's fund

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1 levy under IC 6-1.1-18-6 for the calendar year that immediately
2 succeeds the year in which the transfer is made.

3 (g) This subsection applies if the fiscal body of a municipality in a
4 qualifying county adopts an ordinance under section 11 of this chapter
5 to impose a municipal option income tax. The maximum permissible
6 ad valorem property tax levy of the municipality is not subject to any
7 increase under IC 6-1.1-18.5-3(a) or IC 6-1.1-18.5-3(b) for taxes
8 payable in:

9 (1) the calendar year that immediately succeeds the calendar year
10 in which the ordinance is adopted; and

11 (2) each succeeding calendar year in which the municipal option
12 income tax remains in effect.

13 (h) This subsection applies if the fiscal body of a municipality in a
14 qualifying county adopts an ordinance under section 14 of this chapter
15 to rescind the municipal option income tax, or if the municipal option
16 income tax in a municipality is rescinded by operation of law. For
17 purposes of IC 6-1.1-18.5-3(a) STEP ONE or IC 6-1.1-18.5-3(b) STEP
18 ONE, the preceding calendar year is considered to be the calendar year
19 in which an ordinance was adopted under section 11 of this chapter to
20 impose the municipal option income tax.

21 SECTION 37. IC 6-3.5-8-20, AS AMENDED BY P.L.90-2002,
22 SECTION 302, IS AMENDED TO READ AS FOLLOWS
23 [EFFECTIVE JANUARY 1, 2004]: Sec. 20. (a) The department of
24 local government finance shall each year reduce the general fund
25 property tax levy of a municipality receiving a distribution under this
26 chapter in that year. The municipality's general fund property tax levy
27 shall be reduced by the amount of the distribution received or to be
28 received by the municipality during the year. The department of local
29 government finance shall certify to the auditor of the qualifying county
30 the property tax rate applicable to the municipality's general fund after
31 the property tax reduction under this section.

32 (b) A municipality shall treat a distribution that the municipality
33 receives or is to receive during a particular calendar year as a part of
34 the municipality's property tax levy for the general fund for that same
35 calendar year for purposes of fixing the municipality's budget. ~~and for~~
36 ~~purposes of the property tax levy limits imposed by IC 6-1.1-18.5.~~
37 However, the distributions shall not reduce the total county tax levy
38 that is used to compute the state property tax replacement credit under
39 IC 6-1.1-21. In addition, for purposes of computing and distributing
40 any excise taxes or income taxes in which the distribution is based on
41 property taxes, the distributions shall be treated as though they were
42 property taxes that were due and payable during that same calendar

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year.
(c) A municipality may use distributions received under this chapter for any purpose for which the municipality may use property tax revenues.

SECTION 38. IC 8-1-11.1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 16. The provisions of IC 6-1.1-17 and IC 6-1.1-18 shall not apply to the board of directors created by this chapter, but such board of directors shall annually, on or before the thirty-first day of December, furnish to the city controller an estimate of the moneys to be expended by them for the succeeding calendar year.

SECTION 39. IC 8-10-5-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 17. (a) The board of directors of any port authority may, by resolution, recommend to any municipal corporation or county that a cumulative channel maintenance fund be established under IC 6-1.1-41 to provide funds for dredging channels, cleaning channels and shores of debris and any other pollutants, and providing or repairing of bulkheads, pilings, docks, and wharves, and the purchase and development of land adjoining channels within the jurisdiction of the port authority and which land is necessary to the fulfillment of the plan adopted by the port authority for the future development, construction, and improvement of its facilities. The purchased and developed land shall be available to the residents of the taxing district without further charge.

(b) To provide for the cumulative channel maintenance fund, a county, city, or town fiscal body may levy a tax in compliance with IC 6-1.1-41 not to exceed three and thirty-three hundredths cents (\$0.0333) on each one hundred dollars (\$100) on all taxable property within the county, town, or city.

(c) The tax, when collected, shall be held in a special fund to be known as the cumulative channel maintenance fund.

SECTION 40. IC 8-16-3-3, AS AMENDED BY P.L.90-2002, SECTION 322, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 3. (a) To provide for the cumulative bridge fund, county executives and municipal legislative bodies may levy a tax in compliance with IC 6-1.1-41 not to exceed ten cents (\$0.10) on each one hundred dollars (\$100) assessed valuation of on all taxable personal and real property within the county or municipality.

(b) The tax, when collected, shall be held in a special fund to be known as the bridge fund.

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1 (c) An appropriation from the bridge fund may be made without the
2 approval of the department of local government finance if:

3 (1) the county executive requests the appropriation; and

4 (2) the appropriation is for the purpose of constructing,
5 maintaining, or repairing bridges, approaches, or grade
6 separations.

7 SECTION 41. IC 8-16-3.1-4, AS AMENDED BY P.L.178-2002,
8 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JANUARY 1, 2004]: Sec. 4. (a) The executive of any eligible county
10 may provide a major bridge fund in compliance with IC 6-1.1-41 to
11 make available funding for the construction of major bridges.

12 (b) The executive of any eligible county may levy a tax in
13 compliance with IC 6-1.1-41 ~~not to exceed three and thirty-three~~
14 ~~hundredths cents (\$0.0333) on each one hundred dollars (\$100)~~
15 ~~assessed valuation of~~ on all taxable personal and real property within
16 the county to provide for the major bridge fund.

17 SECTION 42. IC 8-16-3.5-1 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 1. (a) A county
19 may lease a bridge and pay the lease rental from the cumulative bridge
20 fund and levy under IC 8-16-3.

21 (b) A contract of lease may not be entered into unless there is first
22 filed with the county executive a petition for a longer lease, signed by
23 fifty (50) or more taxpaying citizens of the county, and the county
24 executive has, after investigation, determined that a need exists for the
25 bridge. ~~The total annual dollar obligation under all contracts of lease~~
26 ~~for bridges made by a county may not exceed the county's estimated~~
27 ~~annual revenue from a cumulative bridge fund levy of twenty cents~~
28 ~~(\$0.20) on each one hundred dollars (\$100) on all taxable personal and~~
29 ~~real property within the county.~~

30 SECTION 43. IC 8-22-3-11, AS AMENDED BY P.L.98-2001,
31 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
32 JANUARY 1, 2004]: Sec. 11. The board may do all acts necessary or
33 reasonably incident to carrying out the purposes of this chapter,
34 including the following:

35 (1) As a municipal corporation, to sue and be sued in its own
36 name.

37 (2) To have all the powers and duties conferred by statute upon
38 boards of aviation commissioners. The board supersedes all
39 boards of aviation commissioners within the district. The board
40 has exclusive jurisdiction within the district.

41 (3) To protect all property owned or managed by the board.

42 (4) To adopt an annual budget and levy taxes in accordance with

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- 1 this chapter.
- 2 (A) The board may not levy taxes on property in excess of the
- 3 following rate schedule, except as provided in sections 17 and
- 4 25 of this chapter:
- | 5 Total Assessed | Rate Per \$100 Of |
|------------------------------------|--------------------|
| 6 Property Valuation | Assessed Valuation |
| 7 \$300 million or less | \$0.10 |
| 8 More than \$300 million | |
| 9 but not more than \$450 million | \$0.0833 |
| 10 More than \$450 million | |
| 11 but not more than \$600 million | \$0.0667 |
| 12 More than \$600 million | |
| 13 but not more than \$900 million | \$0.05 |
| 14 More than \$900 million | \$0.0333 |
- 15 (B) Clause (A) does not apply to an authority that was
- 16 established under IC 19-6-2 or IC 19-6-3 (before their repeal
- 17 on April 1, 1980).
- 18 (C) The board of an authority that was established under
- 19 IC 19-6-3 (before its repeal on April 1, 1980) may levy taxes
- 20 on property not in excess of six and sixty-seven hundredths
- 21 cents (\$0.0667) on each one hundred dollars (\$100) of
- 22 assessed valuation.
- 23 (5) To incur indebtedness in the name of the authority in
- 24 accordance with this chapter.
- 25 (6) To adopt administrative procedures, rules, and regulations.
- 26 (7) To acquire property, real, personal, or mixed, by deed,
- 27 purchase, lease, condemnation, or otherwise and dispose of it for
- 28 use or in connection with or for administrative purposes of the
- 29 airport; to receive gifts, donations, bequests, and public trusts and
- 30 to agree to conditions and terms accompanying them and to bind
- 31 the authority to carry them out; to receive and administer federal
- 32 or state aid; and to erect buildings or structures that may be
- 33 needed to administer and carry out this chapter.
- 34 (8) To determine matters of policy regarding internal organization
- 35 and operating procedures not specifically provided for otherwise.
- 36 (9) To adopt a schedule of reasonable charges and to collect them
- 37 from all users of facilities and services within the district.
- 38 (10) To purchase supplies, materials, and equipment to carry out
- 39 the duties and functions of the board in accordance with
- 40 procedures adopted by the board.
- 41 (11) To employ personnel that are necessary to carry out the
- 42 duties, functions, and powers of the board.

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- 1 (12) To establish an employee pension plan. The board may, upon
2 due investigation, authorize and begin a fair and reasonable
3 pension or retirement plan and program for personnel, the cost to
4 be borne by either the authority or by the employee or by both, as
5 the board determines. If the authority was established under
6 IC 19-6-2 (before its repeal on April 1, 1980), the entire cost must
7 be borne by the authority, and ordinances creating the plan or
8 making changes in it must be approved by the mayor of the city.
9 The plan may be administered and funded by a trust fund or by
10 insurance purchased from an insurance company licensed to do
11 business in Indiana or by a combination of them. The board may
12 also include in the plan provisions for life insurance, disability
13 insurance, or both.
- 14 (13) To sell surplus real or personal property in accordance with
15 law. If the board negotiates an agreement to sell trees situated in
16 woods or forest areas owned by the board, the trees are considered
17 to be personal property of the board for severance or sale.
- 18 (14) To adopt and use a seal.
- 19 (15) To acquire, establish, construct, improve, equip, maintain,
20 control, lease, and regulate municipal airports, landing fields, and
21 other air navigation facilities, either inside or outside the district;
22 to acquire by lease (with or without the option to purchase)
23 airports, landing fields, or navigation facilities, and any structures,
24 equipment, or related improvements; and to erect, install,
25 construct, and maintain at the airport or airports facilities for the
26 servicing of aircraft and for the comfort and accommodation of air
27 travelers and the public. The Indiana department of transportation
28 must grant its approval before land may be purchased for the
29 establishment of an airport or landing field and before an airport
30 or landing field may be established.
- 31 (16) To fix and determine exclusively the uses to which the
32 airport lands may be put. All uses must be necessary or desirable
33 to the airport or the aviation industry and must be compatible with
34 the uses of the surrounding lands as far as practicable.
- 35 (17) To elect a secretary from its membership, or to employ a
36 secretary, an airport director, superintendents, managers, a
37 treasurer, engineers, surveyors, attorneys, clerks, guards,
38 mechanics, laborers, and all employees the board considers
39 expedient, and to prescribe and assign their respective duties and
40 authorities and to fix and regulate the compensation to be paid to
41 the persons employed by it in accordance with the authority's
42 appropriations. All employees shall be selected irrespective of

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their political affiliations.
(18) To make all rules and regulations, consistent with laws regarding air commerce, for the management and control of its airports, landing fields, air navigation facilities, and other property under its control.
(19) To acquire by lease the use of an airport or landing field for aircraft pending the acquisition and improvement of an airport or landing field.
(20) To manage and operate airports, landing fields, and other air navigation facilities acquired or maintained by an authority; to lease all or part of an airport, landing field, or any buildings or other structures, and to fix, charge, and collect rentals, tolls, fees, and charges to be paid for the use of the whole or a part of the airports, landing fields, or other air navigation facilities by aircraft landing there and for the servicing of the aircraft; to construct public recreational facilities that will not interfere with air operational facilities; to fix, charge, and collect fees for public admissions and privileges; and to make contracts for the operation and management of the airports, landing fields, and other air navigation facilities; and to provide for the use, management, and operation of the air navigation facilities through lessees, its own employees, or otherwise. Contracts or leases for the maintenance, operation, or use of the airport or any part of it may be made for a term not exceeding fifteen (15) years and may be extended for similar terms of years, except that any parcels of the land of the airport may be leased for any use connected with the operation and convenience of the airport for an initial term not exceeding forty (40) years and may be extended for a period not to exceed ten (10) years. If a person whose character, experience, and financial responsibility has been determined satisfactory by the board offers to erect a permanent structure that facilitates and is consistent with the operation, use, and purpose of the airport on land belonging to the airport, a lease may be entered into for a period not to exceed ninety-nine (99) years. However, the board must pass an ordinance to enter into such a lease. The board may not grant an exclusive right for the use of a landing area under its jurisdiction. However, this does not prevent the making of leases in accordance with other provisions of this chapter. All contracts and leases are subject to restrictions and conditions that the board prescribes. The authority may lease its property and facilities for any commercial or industrial use it considers necessary and proper, including the use of providing airport motel facilities.

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(21) To sell machinery, equipment, or material that is not required for aviation purposes. The proceeds shall be deposited with the treasurer of the authority.

(22) To negotiate and execute contracts for sale or purchase, lease, personal services, materials, supplies, equipment, or any other transaction or business relative to an airport under the board's control and operation. However, whenever the board determines to sell part or all of aviation lands, buildings, or improvements owned by the authority, the sale must be in accordance with law.

(23) To vacate all or parts of roads, highways, streets, or alleys, whether inside or outside the district, in the manner provided by statute.

(24) To annex lands to itself if the lands are owned by the authority or are streets, roads, or other public ways.

(25) To approve any state, county, city, or other highway, road, street or other public way, railroad, power line, or other right-of-way to be laid out or opened across an airport or in such proximity as to affect the safe operation of the airport.

(26) To construct drainage and sanitary sewers with connections and outlets as are necessary for the proper drainage and maintenance of an airport or landing field acquired or maintained under this chapter, including the necessary buildings and improvements and for the public use of them in the same manner that the authority may construct sewers and drains. However, with respect to the construction of drains and sanitary sewers beyond the boundaries of the airport or landing field, the board shall proceed in the same manner as private owners of property and may institute proceedings and negotiate with the departments, bodies, and officers of an eligible entity to secure the proper orders and approvals; and to order a public utility or public service corporation or other person to remove or to install in underground conduits wires, cables, and power lines passing through or over the airport or landing field or along the borders or within a reasonable distance that may be determined to be necessary for the safety of operations, upon payment to the utility or other person of due compensation for the expense of the removal or reinstallation. The board must consent before any franchise may be granted by state or local authorities for the construction of or maintenance of railway, telephone, telegraph, electric power, pipe, or conduit line upon, over, or through land under the control of the board or within a reasonable distance of

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1 land that is necessary for the safety of operation. The board must
2 also consent before overhead electric power lines carrying a
3 voltage of more than four thousand four hundred (4,400) volts and
4 having poles, standards, or supports over thirty (30) feet in height
5 within one-half (1/2) mile of a landing area acquired or maintained
6 under this chapter may be installed.

7 (27) To contract with any other state agency or instrumentality or
8 any political subdivision for the rendition of services, the rental
9 or use of equipment or facilities, or the joint purchase and use of
10 equipment or facilities that are necessary for the operation,
11 maintenance, or construction of an airport operated under this
12 chapter.

13 (28) To provide air transportation in furtherance of the duties and
14 responsibilities of the board.

15 (29) To promote or encourage aviation-related trade or commerce
16 at the airports that it operates.

17 SECTION 44. IC 8-22-3-25, AS AMENDED BY P.L.1-1999,
18 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JANUARY 1, 2004]: Sec. 25. (a) The board may provide a cumulative
20 building fund in compliance with IC 6-1.1-41 to provide for the
21 acquisition of real property, and the construction, enlarging, improving,
22 remodeling, repairing, or equipping of buildings, structures, runways,
23 or other facilities for use in connection with the airport, and needed to
24 carry out this chapter.

25 (b) The board may levy a tax in compliance with IC 6-1.1-41. a tax
26 not to exceed:

27 (1) thirty-three hundredths of one cent (\$0.0033) on each one
28 hundred dollars (\$100) of assessed value of taxable property
29 within the district; if an eligible entity other than a city established
30 the district or if the district was established jointly with an eligible
31 entity that is not a city;

32 (2) one and thirty-three hundredths cents (\$0.0133) on each one
33 hundred dollars (\$100) of assessed value of taxable property
34 within the district; if the authority was established under
35 IC 19-6-3 (before its repeal on April 1, 1980); and

36 (3) for any other district not described in subdivision (1) or (2);
37 the following:

38 Total Assessed	Rate Per \$100 Of
39 Property Valuation	Assessed Valuation
40 \$300 million or less	\$0.0167
41 More than \$300 million	
42 but not more than \$450 million	\$0.0133

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1	More than \$450 million	
2	but not more than \$600 million	\$0.01
3	More than \$600 million	
4	but not more than \$900 million	\$0.0067
5	More than \$900 million	\$0.0033

6 As the tax is collected it may be invested in negotiable United States
7 bonds or other securities that the federal government has the direct
8 obligation to pay. Any of the funds collected that are not invested in
9 government obligations shall be deposited in accordance with
10 IC 5-13-6 and shall be withdrawn in the same manner as money is
11 regularly withdrawn from the general fund but without further or
12 additional appropriation. The levy authorized by this section is in
13 addition to the levies authorized by section 11 and section 23 of this
14 chapter.

15 SECTION 45. IC 10-4-1-29, AS AMENDED BY P.L.90-2002,
16 SECTION 337, IS AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE JANUARY 1, 2004]: Sec. 29. (a) As used in this section,
18 "eligible entity" means a county, city, or town.

19 (b) As used in this section, "fund" refers to the state disaster relief
20 fund established by this section.

21 (c) As used in this section, "public facility" means any:

- 22 (1) building or structure;
- 23 (2) bridge, road, highway, or public way;
- 24 (3) park or recreational facility;
- 25 (4) sanitary sewer system or wastewater treatment facility;
- 26 (5) drainage or flood control facility;
- 27 (6) water treatment, water storage, or water distribution facility;
- 28 or
- 29 (7) other improvement or infrastructure;

30 owned by, maintained by, or operated by or on behalf of an eligible
31 entity.

32 (d) The state disaster relief fund is established to provide money to
33 assist eligible entities in paying for the costs of damage to public
34 facilities resulting from disasters.

35 (e) The fund consists of money appropriated by the general
36 assembly. The fund shall be administered by the department. Expenses
37 of administering the fund shall be paid from money in the fund. The
38 treasurer of state shall invest the money in the fund not currently
39 needed to meet the obligations of the fund in the same manner as other
40 public funds may be invested. Interest that accrues from these
41 investments shall be deposited in the fund.

42 (f) Money in the fund is appropriated to carry out the purposes of

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1 the fund as provided in this section. Money in the fund at the end of a
2 state fiscal year does not revert to the state general fund.

3 (g) Subject to the restrictions under this section, the department may
4 use money in the fund to make grants to an eligible entity that:

- 5 (1) contains territory for which a disaster emergency has been
6 declared by the governor;
- 7 (2) has suffered damage to the entity's public facilities because of
8 the disaster for which the disaster emergency was declared;
- 9 (3) has applied to the department for a grant; and
- 10 (4) complies with all other requirements established by the
11 department.

12 (h) Except as provided in subsection (i), the department may not
13 make a grant to an eligible entity under this section unless the damage
14 to the entity's public facilities caused by the disaster exceeds an amount
15 equal to one dollar (\$1) multiplied by the population of the entity. A
16 grant to an eligible entity under this subsection may not exceed an
17 amount equal to:

- 18 (1) fifty percent (50%); multiplied by
- 19 (2) the result of:
 - 20 (A) the total cost of the damage to the entity's public facilities
21 caused by the disaster; minus
 - 22 (B) an amount equal to one dollar (\$1) multiplied by the
23 population of the entity.

24 (i) If the governor declares more than one (1) disaster emergency in
25 the same year for territory in an eligible entity, the department may, in
26 addition to a grant under subsection (h), make a grant to the entity
27 under this subsection if the total cumulative cost of the damage to the
28 entity's public facilities caused by the disasters exceeds an amount
29 equal to two dollars (\$2) multiplied by the population of the entity. A
30 grant to an eligible entity under this subsection may not exceed:

- 31 (1) the product of:
 - 32 (A) fifty percent (50%); multiplied by
 - 33 (B) the total cumulative cost of the damage to the entity's
34 public facilities caused by all disasters in the year; minus
- 35 (2) any grants previously made under subsection (h) to the entity
36 during the year.

37 (j) To qualify for a grant under this section, the executive of an
38 eligible entity must apply to the department on forms provided by the
39 department. The application must include the following:

- 40 (1) A description and estimated cost of the damage caused by the
41 disaster to the entity's public facilities.
- 42 (2) The manner in which the entity intends to use the grant

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- 1 money.
- 2 (3) Any other information required by the department.
- 3 (k) The fiscal officer of an entity receiving a grant under this section
- 4 shall:
- 5 (1) establish a separate account within the entity's general fund;
- 6 and
- 7 (2) deposit any grant proceeds received under this section in the
- 8 account.

9 ~~The department of local government finance may not reduce an entity's~~
 10 ~~maximum or actual property tax levy under IC 6-1.1-18.5 on account~~
 11 ~~of grant money deposited in the account.~~

12 (l) The department shall adopt rules under IC 4-22-2 to carry out
 13 this section.

14 SECTION 46. IC 12-19-7-6 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 6. (a) The county
 16 director, upon the advice of the judges of the courts with juvenile
 17 jurisdiction in the county, shall annually compile and adopt a child
 18 services budget, which must be in a form prescribed by the state board
 19 of accounts. ~~The budget may not exceed the levy limitation set forth in~~
 20 ~~IC 6-1.1-18.6.~~

21 (b) The budget must contain an estimate of the amount of money
 22 that will be needed by the county office during the fiscal year to defray
 23 the expenses and obligations incurred by the county office in the
 24 payment of services for children adjudicated to be children in need of
 25 services or delinquent children and other related services, but not
 26 including the payment of AFDC.

27 SECTION 47. IC 12-19-7-7 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 7. (a) The county
 29 director shall, with the assistance of the judges of courts with juvenile
 30 jurisdiction in the county and at the same time the budget is compiled
 31 and adopted, recommend to the division the tax levy that the director
 32 and judges determine will be required to raise the amount of revenue
 33 necessary to pay the expenses and obligations of the county office set
 34 forth in the budget under section 6 of this chapter. ~~However, the tax~~
 35 ~~levy may not exceed the maximum permissible levy set forth in~~
 36 ~~IC 6-1.1-18.6 and the budget may not exceed the levy limitation set~~
 37 ~~forth in IC 6-1.1-18.~~

38 (b) After the county budget has been compiled, the county director
 39 shall submit a copy of the budget and the tax levy recommended by the
 40 county director and the judges of courts with juvenile jurisdiction in the
 41 county to the division. The division shall examine the budget and the
 42 tax levy for the purpose of determining whether, in the judgment of the

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division:

- (1) the appropriations requested in the budget will be adequate to defray the expenses and obligations incurred by the county office in the payment of child services for the next fiscal year; and
- (2) the tax levy recommended will yield the amount of the appropriation set forth in the budget.

SECTION 48. IC 12-19-7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 8. The division may do the following after examining a budget submitted by the county office:

- (1) Increase or decrease the amount of the budget or an item of the budget. ~~subject to the maximum levy set forth in IC 6-1.1-18.6.~~
- (2) Approve the budget as compiled by the county director and judges of courts with juvenile jurisdiction in the county.
- (3) Recommend the increase or decrease of the tax levy. ~~subject to the maximum levy set forth in IC 6-1.1-18.6.~~
- (4) Approve the tax levy as recommended by the county director and judges of courts with juvenile jurisdiction in the county.

SECTION 49. IC 12-19-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 11. In September of each year, at the time provided by law, the county fiscal body shall do the following:

- (1) Make the appropriations out of the family and children's fund that are:
 - (A) based on the budget as submitted; and
 - (B) necessary to maintain the child services of the county for the next fiscal year. ~~subject to the maximum levy set forth in IC 6-1.1-18.6.~~
- (2) Levy a tax in an amount necessary to produce the appropriated money.

SECTION 50. IC 12-20-25-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 4. As used in this chapter, "distressed township" means:

- (1) a township that:
 - (A) has a valid poor relief claim that the county auditor cannot pay within thirty (30) days after the claim is approved for payment under IC 12-2-1-31 (before its repeal) or IC 12-20-20;
 - (B) has poor relief expenditures during a year that exceed the year's poor relief revenues, excluding any advances from the state and revenues from short term loans from the county or a

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1 financial institution or advances from the county from the
 2 proceeds of bonds, made or issued under:
 3 (i) this article; or
 4 (ii) IC 12-2-1, IC 12-2-4.5, or IC 12-2-5 (before the repeal
 5 of those statutes);
 6 (C) has imposed and dedicated to poor relief at least ninety
 7 percent (90%) of the maximum permissible ad valorem
 8 property tax levy permitted for all of the township's money
 9 under IC 6-1.1-18.5 **(before its repeal)**; and
 10 (D) has outstanding indebtedness that exceeds one and
 11 eight-tenths percent (1.8%) of the township's adjusted value of
 12 taxable property in the district as determined under
 13 IC 36-1-15; or
 14 (2) a township that:
 15 (A) has been a controlled township during any part of the
 16 preceding five (5) years;
 17 (B) has a valid poor relief claim that the county auditor cannot
 18 pay within thirty (30) days after the claim is approved for
 19 payment under IC 12-2-1-31 (before its repeal) or
 20 IC 12-20-20; and
 21 (C) uses advances from the county from proceeds of bonds
 22 issued under IC 12-2-1 (before its repeal) or this article.
 23 SECTION 51. IC 12-20-25-32 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 32. (a) As soon
 25 as the management committee has completed the financial,
 26 compliance, economy, and efficiency audits required by section 15 of
 27 this chapter, the management committee shall make a report to the
 28 control board. The report must include the following:
 29 (1) The findings of the financial, compliance, economy, and
 30 efficiency audits.
 31 (2) An itemization of each creditor's claims against the distressed
 32 township that were found to be valid and reasonable.
 33 (3) An itemization of each claim that was found to be invalid.
 34 (4) An itemization of each claim that was found to be
 35 unreasonable and on which no settlement was negotiated.
 36 (5) A proposed operating budget for the township trustee's office.
 37 (6) An estimate of future operating and debt service costs for poor
 38 relief.
 39 (7) The amount of outstanding poor relief bonds issued and loans
 40 incurred by the county and advancements made by the county.
 41 ~~(8) The maximum permissible poor relief levy of the township~~
 42 ~~under IC 6-1.1-18.5.~~

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1 (b) The county fiscal body may recommend a financial plan to the
2 management committee that ensures that future revenue increases, if
3 necessary, come from sources other than ad valorem property taxes
4 imposed on property within the distressed township and will
5 accomplish the purposes set forth in section 33(a)(2) of this chapter.
6 The financial plan may include any of the options set forth in section
7 34 of this chapter. The management committee shall include any
8 submitted plan in the committee's report to the control board.

9 SECTION 52. IC 12-20-25-36, AS AMENDED BY P.L.90-2002,
10 SECTION 359, IS AMENDED TO READ AS FOLLOWS
11 [EFFECTIVE JANUARY 1, 2004]: Sec. 36. (a) Notwithstanding
12 IC 6-1.1-17, if the county fiscal body:

- 13 (1) adopts an ordinance under section 35(b)(2) of this chapter; or
 - 14 (2) fails to adopt an ordinance under section 35(b) of this chapter;
- 15 the department shall reduce the county's general fund budget and
16 increase the distressed township's poor relief account budget in an
17 amount sufficient to satisfy the requirements of section 33(a)(2) of this
18 chapter. The department shall notify the county auditor and county
19 treasurer of the county general fund reduction and the county treasurer
20 shall transfer from the county general fund to the distressed township's
21 poor relief account the amount specified by the department.

22 (b) ~~Notwithstanding IC 6-1.1-18.5, if a county is required to transfer~~
23 ~~money to a distressed township's poor relief account under subsection~~
24 ~~(a), the county may not appeal for an excessive levy under~~
25 ~~IC 6-1.1-18.5 to replace money that is transferred from the county~~
26 ~~general fund.~~

27 SECTION 53. IC 12-20-25-40 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 40. The county
29 treasurer shall deposit the disbursements from the treasurer of state in
30 a county fund to be known as the county income tax poor relief control
31 fund. Notwithstanding IC 6-3.5-1.1 ~~and~~ IC 6-3.5-6, ~~and IC 6-1.1-18.5,~~
32 the county treasurer shall disburse the money in the fund in the
33 following priority:

- 34 (1) To ensure the payment within thirty (30) days of all valid poor
35 relief claims in the distressed township that are not covered by
36 subdivision (3).
- 37 (2) At the end of each calendar year, to redeem any outstanding
38 bonds issued or repay loans incurred by the county for poor relief
39 purposes under IC 12-2-4.5 (before its repeal), IC 12-2-5 (before
40 its repeal), IC 12-20-23, or IC 12-20-24 to the extent the proceeds
41 of the bonds or loans were advanced to the distressed township.
- 42 (3) To pay claims approved under section 27 or 28 of this chapter

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1 (or IC 12-2-14-22 or IC 12-2-14-23 before their repeal).
 2 (4) As provided in IC 6-3.5-6 if the county option income tax is
 3 imposed under this chapter. If the county adjusted gross income
 4 tax is imposed under this chapter, to provide property tax
 5 replacement credits for each civil taxing unit and school
 6 corporation in the county as provided in IC 6-3.5-1.1. No part of
 7 the county adjusted gross income tax revenue is considered a
 8 certified share of a governmental unit as provided in
 9 IC 6-3.5-1.1-15. ~~In addition, the county adjusted gross income tax~~
 10 ~~revenue (except for the county adjusted gross income tax~~
 11 ~~revenues that are to be treated as property tax replacements under~~
 12 ~~this subdivision) is in addition to and not a part of the revenue of~~
 13 ~~the township for purposes of determining the township's~~
 14 ~~maximum permissible property tax levy under IC 6-1.1-18.5.~~

15 SECTION 54. IC 12-20-25-41, AS AMENDED BY P.L.90-2002,
 16 SECTION 360, IS AMENDED TO READ AS FOLLOWS
 17 [EFFECTIVE JANUARY 1, 2004]: Sec. 41. (a) As used in subsection
 18 (c), "advance" refers to money provided to a distressed township from
 19 the state general fund under section 38 of this chapter.

20 (b) As used in subsection (c), "support" refers to money provided
 21 from the distressed township supplemental poor relief fund established
 22 by section 51 of this chapter to pay poor relief claims and the operating
 23 costs of the management committee during the period the management
 24 committee is in control of the township trustee's office.

25 (c) The controlled status of a township under this chapter terminates
 26 at the end of a year if at that time the county, with respect to each
 27 controlled township:

- 28 (1) has repaid:
 - 29 (A) all state advances provided to the county under this
 - 30 chapter; and
 - 31 (B) state support provided to the county under this chapter if
 - 32 the department has reduced the county's general fund budget
 - 33 under section 36 of this chapter;
- 34 (2) has paid all valid poor relief claims in the distressed township,
 35 including the claims approved under section 27 or 28 of this
 36 chapter;
- 37 (3) will have sufficient money to pay, not more than thirty (30)
 38 days after a claim is submitted for payment, all valid poor relief
 39 claims in the distressed township that are expected to be
 40 submitted in the following year as determined by the control
 41 board, excluding any advances from the state, revenues from short
 42 term loans from the county or a financial institution under

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1 IC 12-2-4.5 (before its repeal) or IC 12-20-24, and proceeds from
 2 bonds issued under IC 12-2-1 (before its repeal), IC 12-2-5
 3 (before its repeal), or this article; and
 4 (4) has no bonds outstanding that were issued to pay for poor
 5 relief in the distressed township.

6 (d) Notwithstanding IC ~~6-3.5-1.1~~ and IC 6-3.5-6, if the control board
 7 finds that:

8 (1) the requirements of subsection (c)(1), (c)(2), and (c)(4) are
 9 satisfied; and

10 (2) the requirements of subsection (c)(3) cannot be satisfied
 11 because the township's maximum permissible ad valorem
 12 property tax levy provides insufficient revenue to ensure the
 13 payment of all valid poor relief claims in the distressed township
 14 that will be incurred during the year following the termination of
 15 the controlled status of the township;

16 the county fiscal body may dedicate to the provision of poor relief;
 17 from the county adjusted gross income tax or the county option income
 18 tax imposed as a result of adopting a financial plan under section 35 of
 19 this chapter, an amount necessary to satisfy the requirements of
 20 subsection (c)(3):

21 (e) If the control board finds that the income tax dedicated under
 22 subsection (d) will satisfy the requirements of subsection (c)(3), the
 23 controlled status of the township under this chapter terminates at the
 24 end of the year in which the control board makes the board's finding.

25 SECTION 55. IC 12-29-1-1 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 1. (a) The county
 27 executive of a county may authorize the furnishing of financial
 28 assistance to the following:

29 (1) A community mental health center that is located or will be
 30 located in the county.

31 (2) A community mental retardation and other developmental
 32 disabilities center that is located or will be located in the county.

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

35 (1) Constructing a center.

36 (2) Operating a center.

37 (c) Upon request of the county executive, the county fiscal body
 38 may appropriate annually from the county's general fund the money to
 39 provide financial assistance for the purposes described in subsection

40 (b). The appropriation may not exceed the amount that could be
 41 collected from an annual tax levy of not more than three and
 42 thirty-three hundredths cents (~~\$0.0333~~) on each one hundred dollars

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1 ~~(\$100) of taxable property within the county.~~

2 SECTION 56. IC 12-29-1-2 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 2. (a) If a
4 community mental health center or a community mental retardation and
5 other developmental disabilities center is organized to provide services
6 to at least two (2) counties, the county executive of each county may
7 authorize the furnishing of financial assistance for the purposes
8 described in section 1(b) of this chapter.

9 (b) Upon the request of the county executive of the county, the
10 county fiscal body of each county may appropriate annually from the
11 county's general fund the money to provide financial assistance for the
12 purposes described in section 1(b) of this chapter. ~~The appropriation of~~
13 ~~each county may not exceed the amount that could be collected from~~
14 ~~an annual tax levy of three and thirty-three hundredths cents (\$0.0333)~~
15 ~~on each one hundred dollars (\$100) of taxable property within the~~
16 ~~county.~~

17 SECTION 57. IC 12-29-1-3 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 3. (a) The county
19 executive of each county whose residents may receive services from a
20 community mental health center or a community mental retardation and
21 other developmental disabilities center may authorize the furnishing of
22 a share of financial assistance for the purposes described in section
23 1(b) of this chapter if the following conditions are met:

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

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

28 (b) Upon the request of the county executive of a county, the county
29 fiscal body of the county may appropriate annually from the county's
30 general fund the money to provide financial assistance for the purposes
31 described in section 1(b) of this chapter. ~~The appropriations of the~~
32 ~~county may not exceed the amount that could be collected from an~~
33 ~~annual tax levy of three and thirty-three hundredths cents (\$0.0333) on~~
34 ~~each one hundred dollars (\$100) of taxable property within the county.~~

35 SECTION 58. IC 12-29-2-13, AS AMENDED BY P.L.215-2001,
36 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JANUARY 1, 2004]: Sec. 13. (a) This section applies to a county
38 having a population of not less than four hundred thousand (400,000)
39 but not more than seven hundred thousand (700,000).

40 (b) In addition to any other appropriation under this article, a county
41 annually may fund each center serving the county from the county's
42 general fund in an amount not exceeding the amount that would be

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1 raised by a tax rate of one cent (\$0.01) on each one hundred dollars
2 (\$100) of taxable property within the county.

3 (c) The receipts from the tax levied under this section shall be used
4 for the leasing, purchasing, constructing, or operating of community
5 residential facilities for the chronically mentally ill (as defined in
6 IC 12-7-2-167).

7 (d) Money appropriated under this section must be:

8 (1) budgeted under IC 6-1.1-17; and

9 (2) included in the center's budget submitted to the division of
10 mental health and addiction.

11 (e) ~~Permission for a levy increase in excess of the levy limitations~~
12 ~~may be ordered under IC 6-1.1-18.5-15 only if the levy increase is~~
13 ~~approved by the division of mental health and addiction for a~~
14 ~~community mental health center.~~

15 SECTION 59. IC 13-21-3-12, AS AMENDED BY P.L.178-2002,
16 SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JANUARY 1, 2004]: Sec. 12. Except as provided in section 14.5 of this
18 chapter, the powers of a district include the following:

19 (1) The power to develop and implement a district solid waste
20 management plan under IC 13-21-5.

21 (2) The power to impose district fees on the final disposal of solid
22 waste within the district under IC 13-21-13.

23 (3) The power to receive and disburse money, if the primary
24 purpose of activities undertaken under this subdivision is to carry
25 out the provisions of this article.

26 (4) The power to sue and be sued.

27 (5) The power to plan, design, construct, finance, manage, own,
28 lease, operate, and maintain facilities for solid waste
29 management.

30 (6) The power to enter with any person into a contract or an
31 agreement that is necessary or incidental to the management of
32 solid waste. Contracts or agreements that may be entered into
33 under this subdivision include those for the following:

34 (A) The design, construction, operation, financing, ownership,
35 or maintenance of facilities by the district or any other person.

36 (B) The managing or disposal of solid waste.

37 (C) The sale or other disposition of materials or products
38 generated by a facility.

39 Notwithstanding any other statute, the maximum term of a
40 contract or an agreement described in this subdivision may not
41 exceed forty (40) years.

42 (7) The power to enter into agreements for the leasing of facilities

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- 1 in accordance with IC 36-1-10 or IC 36-9-30.
- 2 (8) The power to purchase, lease, or otherwise acquire real or
- 3 personal property for the management or disposal of solid waste.
- 4 (9) The power to sell or lease any facility or part of a facility to
- 5 any person.
- 6 (10) The power to make and contract for plans, surveys, studies,
- 7 and investigations necessary for the management or disposal of
- 8 solid waste.
- 9 (11) The power to enter upon property to make surveys,
- 10 soundings, borings, and examinations.
- 11 (12) The power to:
- 12 (A) accept gifts, grants, loans of money, other property, or
- 13 services from any source, public or private; and
- 14 (B) comply with the terms of the gift, grant, or loan.
- 15 (13) The power to levy a tax within the district to pay costs of
- 16 operation in connection with solid waste management, subject to
- 17 the following:
- 18 (A) Regular budget and tax levy procedures.
- 19 (B) Section 16 of this chapter.
- 20 ~~However, except as provided in sections 15 and 15.5 of this~~
- 21 ~~chapter, a property tax rate imposed under this article may not~~
- 22 ~~exceed eight and thirty-three hundredths cents (\$0.0833) on each~~
- 23 ~~one hundred dollars (\$100) of assessed valuation of property in~~
- 24 ~~the district.~~
- 25 (14) The power to borrow in anticipation of taxes.
- 26 (15) The power to hire the personnel necessary for the
- 27 management or disposal of solid waste in accordance with an
- 28 approved budget and to contract for professional services.
- 29 (16) The power to otherwise do all things necessary for the:
- 30 (A) reduction, management, and disposal of solid waste; and
- 31 (B) recovery of waste products from the solid waste stream;
- 32 if the primary purpose of activities undertaken under this
- 33 subdivision is to carry out the provisions of this article.
- 34 (17) The power to adopt resolutions that have the force of law.
- 35 However, a resolution is not effective in a municipality unless the
- 36 municipality adopts the language of the resolution by ordinance
- 37 or resolution.
- 38 (18) The power to do the following:
- 39 (A) Implement a household hazardous waste and conditionally
- 40 exempt small quantity generator (as described in 40 CFR
- 41 261.5(a)) collection and disposal project.
- 42 (B) Apply for a household hazardous waste collection and

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- 1 disposal project grant under IC 13-20-20 and carry out all
 2 commitments contained in a grant application.
- 3 (C) Establish and maintain a program of self-insurance for a
 4 household hazardous waste and conditionally exempt small
 5 quantity generator (as described in 40 CFR 261.5(a))
 6 collection and disposal project, so that at the end of the
 7 district's fiscal year the unused and unencumbered balance of
 8 appropriated money reverts to the district's general fund only
 9 if the district's board specifically provides by resolution to
 10 discontinue the self-insurance fund.
- 11 (D) Apply for a household hazardous waste project grant as
 12 described in IC 13-20-22-2 and carry out all commitments
 13 contained in a grant application.
- 14 (19) The power to enter into an interlocal cooperation agreement
 15 under IC 36-1-7 to obtain:
- 16 (A) fiscal;
 17 (B) administrative;
 18 (C) managerial; or
 19 (D) operational;
- 20 services from a county or municipality.
- 21 (20) The power to compensate advisory committee members for
 22 attending meetings at a rate determined by the board.
- 23 (21) The power to reimburse board and advisory committee
 24 members for travel and related expenses at a rate determined by
 25 the board.
- 26 (22) In a joint district, the power to pay a fee from district money
 27 to the counties in the district in which a final disposal facility is
 28 located.
- 29 (23) The power to make grants or loans of:
- 30 (A) money;
 31 (B) property; or
 32 (C) services;
- 33 to public or private recycling programs, composting programs, or
 34 any other programs that reuse any component of the waste stream
 35 as a material component of another product, if the primary
 36 purpose of activities undertaken under this subdivision is to carry
 37 out the provisions of this article.
- 38 (24) The power to establish by resolution a nonreverting capital
 39 fund. A district's board may appropriate money in the fund for:
- 40 (A) equipping;
 41 (B) expanding;
 42 (C) modifying; or

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1 (D) remodeling;
 2 an existing facility. Expenditures from a capital fund established
 3 under this subdivision must further the goals and objectives
 4 contained in a district's solid waste management plan. Not more
 5 than five percent (5%) of the district's total annual budget for the
 6 year may be transferred to the capital fund that year. The balance
 7 in the capital fund may not exceed twenty-five percent (25%) of
 8 the district's total annual budget. If a district's board determines
 9 by resolution that a part of a capital fund will not be needed to
 10 further the goals and objectives contained in the district's solid
 11 waste management plan, that part of the capital fund may be
 12 transferred to the district's general fund, to be used to offset
 13 tipping fees, property tax revenues, or both tipping fees and
 14 property tax revenues.

15 (25) The power to conduct promotional or educational programs
 16 that include giving awards and incentives that further the district's
 17 solid waste management plan.

18 (26) The power to conduct educational programs under
 19 IC 13-20-17.5 to provide information to the public concerning:

- 20 (A) the reuse and recycling of mercury in:
 - 21 (i) mercury commodities; and
 - 22 (ii) mercury-added products; and
- 23 (B) collection programs available to the public for:
 - 24 (i) mercury commodities; and
 - 25 (ii) mercury-added products.

26 (27) The power to implement mercury collection programs under
 27 IC 13-20-17.5 for the public and small businesses.

28 SECTION 60. IC 14-9-9-8 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 8. (a) If a county
 30 is awarded a grant under this chapter, the county must establish a
 31 special account within the county's general fund. The grant must be
 32 deposited in the special account for the county sheriff's exclusive use
 33 in providing law enforcement services on lakes located within the
 34 county.

35 (b) The county sheriff may use grant money as authorized under this
 36 chapter without appropriation. However, the county sheriff must
 37 provide itemized receipts for expenditures of money granted from the
 38 fund for inspection and review upon request of the county fiscal body.

39 (c) ~~The receipt of a grant under this chapter may not be used as a~~
 40 ~~basis for lowering the county's maximum permissible ad valorem~~
 41 ~~property tax levy.~~

42 SECTION 61. IC 14-27-6-30 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 30. The board
 2 may perform all acts necessary or reasonably incident to carrying out
 3 the purposes of this chapter, including the following powers:

4 (1) To sue and be sued collectively by the board's name
 5 "_____ Levee Authority", with service of process being had
 6 on the president of the board. However, costs may not be taxed
 7 against the board or any of the board's members in an action.

8 (2) To have exclusive jurisdiction within the district.

9 (3) To adopt ordinances to protect all property owned or managed
 10 by the board.

11 (4) To adopt an annual budget and levy taxes ~~not to exceed two~~
 12 ~~and sixty-seven hundredths cents (\$0.0267) on each one hundred~~
 13 ~~dollars (\$100) of assessed property~~ in accordance with this
 14 chapter.

15 (5) To incur indebtedness in the name of the authority in
 16 accordance with this chapter.

17 (6) To:

18 (A) acquire real, personal, or mixed property by deed,
 19 purchase, lease, condemnation, or otherwise; and

20 (B) dispose of the property;

21 for flood control purposes.

22 (7) To do the following:

23 (A) Receive gifts, donations, bequests, and public trusts.

24 (B) Agree to accompanying conditions and terms and bind the
 25 authority to carry out the terms and conditions.

26 (8) To determine matters of policy regarding internal organization
 27 and operating procedures not specifically provided for otherwise.

28 (9) In addition to all other powers conferred by this chapter and
 29 IC 14-27-3, to do the following:

30 (A) Cooperate with an officer or agency of the federal
 31 government in the performance of any of the work authorized
 32 by this chapter.

33 (B) Accept labor, material, or financial assistance.

34 (C) Do all things not inconsistent with this chapter necessary
 35 to satisfy the requirements of the federal authorities for the
 36 purpose of obtaining aid from the federal government.

37 (10) To purchase supplies, materials, and equipment to carry out
 38 the duties and functions of the board in accordance with
 39 procedures adopted by the board and in accordance with general
 40 law.

41 (11) To employ personnel as necessary to carry out the duties,
 42 functions, and powers of the board.

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- 1 (12) To sell surplus or unneeded property in accordance with
 2 procedures prescribed by the board.
 3 (13) To adopt administrative rules to do the following:
 4 (A) Carry out the board's powers and duties.
 5 (B) Govern the duties of the board's officers, employees, and
 6 personnel.
 7 (C) Govern the internal management of the affairs of the
 8 board.
 9 The board shall publish all rules adopted by the board for at least
 10 ten (10) days in a newspaper of general circulation printed in the
 11 district.
 12 (14) To fix the salaries or compensation of the officers and
 13 employees of the authority, except as otherwise provided by this
 14 chapter.
 15 (15) To carry out the purposes and objects of the authority.
 16 (16) To adopt and use a seal.
 17 (17) To:
 18 (A) acquire land, easements, and rights-of-way; and
 19 (B) establish, construct, improve, equip, maintain, control,
 20 lease, and regulate levees and the land owned adjacent to the
 21 levees, either within or outside the district;
 22 for flood prevention purposes. However, if at the time of the
 23 creation of the levee authority a political subdivision owns or
 24 controls a levee, upon the qualification of the members of the
 25 board the exclusive control, management, and authority over each
 26 levee owned or controlled by a political subdivision shall be
 27 transferred to the board without the passage of an ordinance. The
 28 board of public works of the political subdivision or other persons
 29 having possession or control of a levee shall immediately deliver
 30 to the board all personal property and records, books, maps, and
 31 other papers and documents relating to the levee.
 32 (18) To:
 33 (A) elect a secretary from the board's membership; or
 34 (B) employ a secretary;
 35 and fix the compensation of the secretary.
 36 (19) To do the following:
 37 (A) Employ superintendents, managers, engineers, surveyors,
 38 attorneys, clerks, guards, mechanics, laborers, and all other
 39 employees the board considers expedient. All employees shall
 40 be selected and appointed irrespective of political affiliations.
 41 (B) Prescribe and assign the duties and authority of the
 42 employees.

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- 1 (C) Fix the compensation to be paid to the persons employed
 2 by the board in accordance with appropriations made by the
 3 city fiscal body.
- 4 (D) Require a bond on any officer or employee of the authority
 5 in the amount, upon the terms and conditions, and with surety
 6 to the approval of the board.
- 7 (20) To adopt rules not in conflict with:
 8 (A) Indiana law;
 9 (B) the ordinances of the city; or
 10 (C) the laws or regulations of the United States and the United
 11 States Corps of Army Engineers;
 12 regulating the construction, maintenance, and control of the
 13 board's levees and other property under the board's control.
- 14 (21) To establish the board's own detail or department of police
 15 or to hire guards to execute the orders and enforce the rules of the
 16 board.
- 17 (22) To permit the federal government to do the following:
 18 (A) Construct or repair, on land or rights-of-way owned by the
 19 authority, levees, dikes, breakwaters, pumping stations,
 20 syphons, and flood gates.
 21 (B) Construct or repair sewers, ditches, drains, diversion
 22 channels, and watercourses if necessary in the actual
 23 construction, repair, and maintenance of a levee and along
 24 land or rights-of-way owned by the authority.
- 25 (23) To do the following:
 26 (A) Construct, maintain, and repair levees, dikes, breakwaters,
 27 pumping stations, and flood gates.
 28 (B) Construct or repair sewers, ditches, drains, diversion
 29 channels, and watercourses if necessary in the actual
 30 construction, repair, and maintenance of a levee.
- 31 (24) To sell machinery, equipment, or material under the control
 32 of the board that the board determines is not required for levee
 33 purposes. The proceeds derived from the sale shall be deposited
 34 with the treasurer of the authority.
- 35 (25) To negotiate and execute:
 36 (A) contracts of sale or purchase;
 37 (B) leases;
 38 (C) contracts for personal services, materials, supplies, or
 39 equipment; or
 40 (D) any other transaction, business or otherwise;
 41 relating to a levee under the board's control and operation.
 42 However, if the board determines to sell part or all of levee land,

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1 buildings, or improvements owned by the authority, the sale must
 2 be in accordance with statute. If personal property under the
 3 control of the board valued in excess of five hundred dollars
 4 (\$500) is to be sold, the board shall sell to the highest and best
 5 bidder after due publication of notice of the sale.

6 (26) To contract with other political subdivisions and state
 7 agencies under IC 36-1-7 for:

8 (A) the provision of services;

9 (B) the rental or use of equipment or facilities; or

10 (C) the joint purchase and use of equipment or facilities;

11 considered proper by the contracting parties for use in the
 12 operation, maintenance, or construction of a levee operated under
 13 this chapter.

14 SECTION 62. IC 14-27-6-48 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 48. (a) The board
 16 may provide a cumulative building fund in compliance with
 17 IC 6-1.1-41 to provide for the erection of:

18 (1) levees, gates, and pumping stations; or

19 (2) other facilities or the addition to or improvement of the
 20 facilities on the levees;

21 needed to carry out this chapter.

22 (b) In compliance with IC 6-1.1-41, the board may levy a property
 23 tax ~~not to exceed sixty-seven hundredths of one cent (\$0.0067) on each~~
 24 ~~one hundred dollars (\$100) of on~~ taxable property within the district.
 25 As the tax is collected, the tax may be invested in negotiable United
 26 States bonds or other securities that the federal government has the
 27 direct obligation to pay.

28 (c) Any money of the cumulative building fund not invested in
 29 government obligations shall be withdrawn from the cumulative
 30 building fund in the same manner as money is regularly withdrawn
 31 from a general fund but without further or additional appropriation.

32 SECTION 63. IC 14-33-21-5, AS AMENDED BY P.L.90-2002,
 33 SECTION 377, IS AMENDED TO READ AS FOLLOWS
 34 [EFFECTIVE JANUARY 1, 2004]: Sec. 5. The board may levy a
 35 special benefits tax in compliance with IC 6-1.1-41 ~~in an amount not~~
 36 ~~to exceed three and thirty-three hundredths cents (\$0.0333) on each~~
 37 ~~one hundred dollars (\$100) of on~~ real property in the district, except
 38 the property that is exempt under IC 14-33-7-4. The board shall file
 39 with the district plan or part of or amendment to the plan:

40 (1) the approval of the department of local government finance;

41 and

42 (2) any action taken to reduce or rescind the tax levy.

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1 SECTION 64. IC 15-1-6-2 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 2. (a) Whenever
 3 the president or secretary of any such society or organization shall file
 4 with the county auditor of any county, a petition signed by thirty (30)
 5 or more resident freeholders of such county, requesting the board of
 6 commissioners to make any allowance provided for in section 1 of this
 7 chapter, the county auditor shall cause such petition, without the
 8 signatures attached thereto, to be published in a newspaper of general
 9 circulation printed and published in the county, and said auditor shall
 10 in said notice give the time when such petition will be considered by
 11 the board of county commissioners, which time shall be fixed by the
 12 auditor for not less than thirty (30) days after the publication of such
 13 notice. If on or before the time fixed in said notice for the consideration
 14 of said petition by the board of county commissioners, a remonstrance
 15 signed by more resident freeholders of the county than the number
 16 signing the petition shall be filed with the county auditor protesting the
 17 making of the allowance as petitioned for, the said board shall consider
 18 such remonstrance and if it finds that it is signed by a greater number
 19 of resident freeholders than the petition asking for an allowance, the
 20 board of county commissioners shall have no authority to make an
 21 allowance for such purpose and shall dismiss said petition and take no
 22 further action thereon.

23 (b) Any such petition, after final acceptance by the board of county
 24 commissioners, shall be effective for one (1) or more years, such time
 25 to be determined by the board, but in no event for a longer period of
 26 time than five (5) years.

27 (c) The county council shall have the power and authority to levy an
 28 annual tax ~~of not to exceed three and thirty-three hundredths cents~~
 29 ~~(\$0.0333)~~ on each one hundred dollars (\$100) of assessed valuation for
 30 the purpose of constructing, operating, or maintaining any building
 31 owned and operated by such agricultural association. Provided,
 32 however, that such tax may be levied only until the building has been
 33 constructed and in no event for a longer period of time than five (5)
 34 years. After the building has been constructed the county council may
 35 levy an annual tax ~~of not to exceed sixty-seven hundredths of one cent~~
 36 ~~(\$0.0067)~~ on each one hundred dollars (\$100) of assessed valuation for
 37 the purpose of operating and maintaining such building.

38 (d) Any agricultural association shall have the power and authority
 39 to solicit and accept contributions of any kind or nature for the
 40 development and maintenance of any of their projects.

41 SECTION 65. IC 16-22-5-4 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 4. To provide for

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1 the cumulative building fund, a tax on all taxable property within the
 2 county may be levied annually for not more than twelve (12) years. ~~and~~
 3 ~~may not exceed eleven and sixty-seven hundredths cents (\$0.1167) on~~
 4 ~~each one hundred dollars (\$100) of assessed valuation of property in~~
 5 ~~the county.~~

6 SECTION 66. IC 16-22-8-41 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 41. (a) The board
 8 may provide a cumulative building fund under IC 6-1.1-41 to erect
 9 hospital buildings, additions, or other buildings, remodel buildings, or
 10 acquire equipment needed to carry out this chapter. The cumulative
 11 building fund may be funded by a property tax levy under subsection
 12 (b), a transfer into the fund of other revenues of the hospital, or a
 13 combination of these two (2) methods.

14 (b) The board may levy a tax in compliance with IC 6-1.1-41 on all
 15 taxable property within the county where the corporation is established.
 16 ~~However, the levy may not exceed six and sixty-seven hundredths cents~~
 17 ~~(\$0.0667) on each one hundred dollars (\$100) of taxable property.~~

18 (c) All money in the cumulative building fund may be invested or
 19 reinvested in the following:

20 (1) Securities backed by the full faith and credit of the United
 21 States Treasury, including direct obligations of the United States
 22 government and obligations of a federal agency or a federal
 23 instrumentality that are fully guaranteed by the United States
 24 government.

25 (2) Participation in loans under the conditions and in the manner
 26 set forth in IC 5-13-10.5-12.

27 (d) The treasurer of the corporation may lend any securities in the
 28 cumulative building fund under the conditions and in the manner set
 29 forth in IC 5-13-10.5-12. Money collected and not invested in
 30 government obligations shall be deposited and withdrawn in the
 31 manner authorized by law for the deposit, withdrawal, and safekeeping
 32 of the general funds of municipalities.

33 SECTION 67. IC 16-23-1-28 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 28. (a) If the
 35 budget and estimate filed in the auditor's office of the county in any
 36 year shows an anticipated deficiency, the amount of the deficiency
 37 shall be set out in the copy of the budget and estimate filed, and the
 38 board shall request that the fiscal body of the county appropriate
 39 sufficient funds and levy a sufficient tax rate on the taxable property of
 40 the county to meet the deficiency. The county auditor shall, upon the
 41 basis of the request, compute the amount of money necessary to be
 42 appropriated and the amount of tax levy necessary to be made on the

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1 taxable property of the county to meet the estimated deficiency in the
2 anticipated hospital funds for the ensuing calendar year. The auditor
3 shall place the tax levy before the county fiscal body at the fiscal body's
4 annual budget meeting in September of the same year the request is
5 filed.

6 (b) The county fiscal body shall place the amount of the anticipated
7 deficiency in the county budget for the next calendar year and shall
8 levy a sufficient tax on all taxable property in the county to meet the
9 anticipated deficiency. ~~However, the tax rate fixed by the county fiscal~~
10 ~~body in any one (1) year may not exceed three and thirty-three~~
11 ~~hundredths cents (\$0.0333) on each one hundred dollars (\$100) of~~
12 ~~taxable property in the county.~~ The levy is known as the hospital aid
13 tax.

14 SECTION 68. IC 16-23-1-29 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 29. (a) If the
16 county fiscal body is not authorized to appropriate sufficient funds
17 under this chapter to meet an anticipated deficiency in any one (1) year
18 reported and filed in the offices of the county auditor and city
19 clerk-treasurer, the city fiscal body may appropriate a sufficient amount
20 of funds for the next calendar year to meet the balance of the
21 anticipated deficiency and levy a special hospital aid tax on all taxable
22 property in the city for this purpose.

23 (b) ~~The rate fixed by the city fiscal body for a hospital aid tax in any~~
24 ~~one (1) year may not exceed two and thirty-three hundredths cents~~
25 ~~(\$0.0233) on each one hundred dollars (\$100) of taxable property.~~ The
26 **hospital aid** tax is in addition to any tax levied by the city for the
27 retirement of bonds or other evidences of indebtedness and payment of
28 interest charges for the alteration, repair, or improvement of the
29 hospital, including the construction of additions and extensions to the
30 hospital.

31 SECTION 69. IC 16-23-3-6 IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 6. The city fiscal
33 body may annually levy and collect a tax ~~of not more than two and~~
34 ~~sixty-seven hundredths cents (\$0.0267) on each one hundred dollars~~
35 ~~(\$100) of the taxable property in the city to provide money to aid in the~~
36 maintenance of the hospital as provided in this chapter.

37 SECTION 70. IC 16-23-4-2 IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 2. The city fiscal
39 body may levy a special tax for the maintenance of the hospital. ~~of not~~
40 ~~less than sixty-seven hundredths of one cent (\$0.0067) and not more~~
41 ~~than one and sixty-seven hundredths cents (\$0.0167) on each one~~
42 ~~hundred dollars (\$100) of taxable property;~~ **The tax must** be levied

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1 and collected the same as other city taxes are levied and collected.

2 SECTION 71. IC 16-23-5-6 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 6. A city may
4 provide for the support and maintenance of a hospital subject to this
5 chapter as follows:

- 6 (1) Appropriate money to the hospital.
7 (2) Levy and collect a special tax ~~not exceeding two and~~
8 ~~thirty-three hundredths cents (\$0.0233) on each one hundred~~
9 ~~dollars (\$100) valuation of on~~ the taxable property of the city.
10 (3) Give other aid and support to the hospital that the city council
11 considers proper.

12 SECTION 72. IC 16-23-7-2 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 2. A city may do
14 the following:

- 15 (1) Appropriate money to the hospital for support and
16 maintenance.
17 (2) Aid in the support of the hospital by the levy and collection of
18 a special tax ~~not exceeding one cent (\$0.01) on each one hundred~~
19 ~~dollars (\$100) valuation of on the~~ taxable property of the city.
20 (3) Give other aid and support in the maintenance of the hospital
21 that the city fiscal body considers proper.

22 SECTION 73. IC 16-23-8-2 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 2. A city may do
24 the following:

- 25 (1) Appropriate money to the hospital for support and
26 maintenance.
27 (2) Aid in the support of the hospital by the levy and collection of
28 a special tax ~~not exceeding two and thirty-three hundredths cents~~
29 ~~(\$0.0233) on each one hundred dollars (\$100) valuation of on~~ the
30 taxable property of the city.
31 (3) Give other aid and support in the maintenance of the hospital
32 in the manner that the city fiscal body considers proper.

33 SECTION 74. IC 16-23-9-2 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 2. The township
35 board may, at the request of the township trustee, levy annually and
36 cause to be collected as other taxes are collected a tax upon all of the
37 taxable property within the township. ~~The tax may not exceed six and~~
38 ~~sixty-seven hundredths cents (\$0.0667) on each one hundred dollars~~
39 ~~(\$100) of assessed valuation.~~ The tax is for the use of the hospital in
40 defraying the expenses of the hospital's maintenance and support, for
41 providing necessary additions, and for the payment of mortgage
42 indebtedness.



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1 SECTION 75. IC 16-41-15-5 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 5. The appropriate
 3 governing body may levy annually a tax ~~of not more than one cent~~
 4 ~~(\$0.01) on each one hundred dollars (\$100) of taxable property~~ for the
 5 control and prevention of venereal disease. The tax is in addition to
 6 other taxes of the local governing body. The tax shall be collected in
 7 the same manner as other taxes and shall be credited to the local board
 8 of health venereal disease prevention and control fund.

9 SECTION 76. IC 16-41-33-4 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 4. The county
 11 fiscal body or the governing board of a health and hospital corporation
 12 may, on the fiscal body's or board of trustees' own initiative or after a
 13 petition signed by five percent (5%) of the registered voters within the
 14 jurisdiction of the health department, make an annual appropriation
 15 specifically for the purpose of vector control to be used by the health
 16 department solely for that purpose and levy a tax ~~of not more than~~
 17 ~~sixty-seven hundredths of one cent (\$0.0067) on each one hundred~~
 18 ~~dollars (\$100) of assessed value of on the~~ taxable property in the
 19 county.

20 SECTION 77. IC 20-1-1.3-8 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 8. (a) A public
 22 school that receives a monetary award under this chapter may expend
 23 that award for any educational purpose for that school, except:

- 24 (1) athletics;
- 25 (2) salaries for school personnel; or
- 26 (3) salary bonuses for school personnel.
- 27 (b) A monetary award may not be used to determine
- 28 ~~(1) the maximum permissible general fund ad valorem property~~
- 29 ~~tax levy under IC 6-1.1-19-1.5; or~~
- 30 ~~(2) the tuition support under IC 21-3-1.6~~

31 of the school corporation of which the school receiving the monetary
 32 award is a part.

33 SECTION 78. IC 20-5-17.5-2 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 2. (a) This
 35 subsection does not apply to a school corporation in a county having a
 36 population of more than two hundred thousand (200,000) but less than
 37 three hundred thousand (300,000). The governing body of a school
 38 corporation may annually appropriate, from its general fund, a sum of
 39 not more than five-tenths of one cent (\$0.005) on each one hundred
 40 dollars (\$100) of assessed valuation in the school corporation to be
 41 paid to a historical society, subject to subsection (c).

42 (b) This subsection applies only to a school corporation in a county

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1 having a population of more than two hundred thousand (200,000) but
 2 less than three hundred thousand (300,000). To provide funding for a
 3 historical society under this section, the governing body of a school
 4 corporation may impose ~~a~~ **an ad valorem property tax**. ~~of not more~~
 5 ~~than five-tenths of one cent (\$0.005) on each one hundred dollars~~
 6 ~~(\$100) of assessed valuation in the school corporation.~~ This tax is not
 7 subject to the ~~tax levy limitations imposed on the school corporation by~~
 8 ~~IC 6-1.1-19-1.5~~ or the provisions of IC 21-2-11-8. The school
 9 corporation shall deposit the proceeds of the tax in a fund to be known
 10 as the historical society fund. The historical society fund is separate
 11 and distinct from the school corporation's general fund and may be
 12 used only for the purpose of providing funds for a historical society
 13 under this section. Subject to subsection (c), the governing body of the
 14 school corporation may annually appropriate the money in the fund to
 15 be paid in semiannual installments to a historical society having
 16 facilities in the county.

17 (c) Before a historical society may receive payments under this
 18 section, its governing board must adopt a resolution that entitles:

- 19 (1) the governing body of the school corporation to appoint its
 20 superintendent and one (1) of its history teachers as visitors, with
 21 the privilege of attending all meetings of the society's governing
 22 board;
- 23 (2) the governing body of the school corporation to nominate two
 24 (2) persons for membership on the society's governing board;
- 25 (3) the school corporation to use any of the society's facilities and
 26 equipment for educational purposes consistent with the society's
 27 purposes;
- 28 (4) the students and teachers of the school corporation to tour the
 29 society's museum, if any, free of charge; and
- 30 (5) the school corporation to borrow artifacts from the society's
 31 collection, if any, for temporary exhibit in the schools.

32 SECTION 79. IC 20-5-17.5-3, AS AMENDED BY P.L.170-2002,
 33 SECTION 120, IS AMENDED TO READ AS FOLLOWS
 34 [EFFECTIVE JANUARY 1, 2004]: Sec. 3. (a) This section applies to
 35 school corporations in a county containing a city having a population
 36 of:

- 37 (1) more than one hundred fifty thousand (150,000) but less than
 38 five hundred thousand (500,000);
- 39 (2) more than one hundred twenty thousand (120,000) but less
 40 than one hundred fifty thousand (150,000);
- 41 (3) more than ninety thousand (90,000) but less than one hundred
 42 five thousand (105,000);



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- 1 (4) more than one hundred five thousand (105,000) but less than
- 2 one hundred twenty thousand (120,000); or
- 3 (5) more than seventy-five thousand (75,000) but less than ninety
- 4 thousand (90,000).

5 (b) In order to provide funding for an art association under this
 6 section, the governing body of a school corporation may impose ~~a an~~
 7 ~~ad valorem property tax. of not more than five-tenths of one cent~~
 8 ~~(\$0.005) on each one hundred dollars (\$100) of assessed valuation in~~
 9 ~~the school corporation. This tax is not subject to the tax levy limitations~~
 10 ~~imposed on the school corporation by IC 6-1.1-19-1.5 or the provisions~~
 11 ~~of IC 21-2-11-8.~~

12 (c) The school corporation shall deposit the proceeds of the tax
 13 imposed under subsection (b) in a fund to be known as the art
 14 association fund. The art association fund is separate and distinct from
 15 the school corporation's general fund and may be used only for the
 16 purpose of providing funds for an art association under this section.
 17 The governing body of the school corporation may annually
 18 appropriate the money in the fund to be paid in semiannual installments
 19 to an art association having facilities in a city that is listed in subsection
 20 (a), subject to subsection (d).

21 (d) Before an art association may receive payments under this
 22 section, its governing board must adopt a resolution that entitles:

- 23 (1) the governing body of the school corporation to appoint its
- 24 superintendent and its director of art instruction as visitors, with
- 25 the privilege of attending all meetings of the association's
- 26 governing board;
- 27 (2) the governing body of the school corporation to nominate
- 28 persons for membership on the association's governing board,
- 29 with at least two (2) of the nominees to be elected;
- 30 (3) the school corporation to use any of the association's facilities
- 31 and equipment for educational purposes consistent with the
- 32 association's purposes;
- 33 (4) the students and teachers of the school corporation to tour the
- 34 association's museum and galleries free of charge;
- 35 (5) the school corporation to borrow materials from the
- 36 association for temporary exhibit in the schools;
- 37 (6) the teachers of the school corporation to receive normal
- 38 instruction in the fine and applied arts at half the regular rates
- 39 charged by the association; and
- 40 (7) the school corporation to expect such exhibits in the
- 41 association's museum as will supplement the work of the students
- 42 and teachers of the corporation.

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1 A copy of the resolution, certified by the president and secretary of the
2 association, must be filed in the office of the school corporation before
3 payments may be received.

4 (e) A resolution filed under subsection (d) need not be renewed
5 from year to year but continues in effect until rescinded. An art
6 association that complies with this section is entitled to continue to
7 receive payments under this section as long as it so complies.

8 (f) Whenever more than one (1) art association in a city that is listed
9 in subsection (a) qualifies to receive payments under this section, the
10 governing body of the school corporation shall select the one (1) art
11 association best qualified to perform the services described by
12 subsection (c). A school corporation may select only one (1) art
13 association to receive payments under this section.

14 SECTION 80. IC 20-5-37-4 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 4. (a) The board
16 of school trustees in a third class city may establish, maintain, and
17 equip public playgrounds to be used by children during the summer
18 vacation period. The board may use the public school buildings and
19 grounds in the cities as is necessary to carry out this section. The board
20 may levy a tax ~~not exceeding sixty-seven hundredths of one cent~~
21 ~~(\$0.0067) on each one hundred dollars (\$100) of assessed valuation of~~
22 ~~on~~ the property in the city to create a fund to carry out this section. The
23 board may lease or purchase grounds in addition to the school grounds,
24 either adjacent to the school grounds or elsewhere in the city. The
25 board may also, under eminent domain statutes, condemn ground to be
26 used for these purposes and pay for condemned ground out of the
27 school revenues of the city not otherwise appropriated.

28 (b) The board has full control of all playgrounds, including the
29 preservation of order on them, and may adopt suitable rules,
30 regulations, and bylaws for the control of them. The board may enforce
31 the rules by suitable penalties.

32 (c) The board may select and pay for directors and assistants. The
33 directors and assistants, while on duty and for the purpose of
34 preserving order and the observance of the rules, regulations, and
35 bylaws of the board, have all the powers of police officers of the city.
36 The compensation for the directors and assistants shall be fixed by the
37 board and paid for out of the school revenues not otherwise
38 appropriated.

39 SECTION 81. IC 20-8.1-6.1-8, AS AMENDED BY P.L.111-2002,
40 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41 JANUARY 1, 2004]: Sec. 8. (a) As used in this section, the following
42 terms have the following meanings:



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1 (1) "Class of school" refers to a classification of each school or
 2 program in the transferee corporation by the grades or special
 3 programs taught at the school. Generally, these classifications are
 4 denominated as kindergarten, elementary school, middle school
 5 or junior high school, high school, and special schools or classes,
 6 such as schools or classes for special education, vocational
 7 training, or career education.

8 (2) "ADM" means the following:

9 (A) For purposes of allocating to a transfer student state
 10 distributions under IC 21-1-30 (primetime), "ADM" as
 11 computed under IC 21-1-30-2.

12 (B) For all other purposes, "ADM" as set forth in
 13 IC 21-3-1.6-1.1.

14 (3) "Pupil enrollment" means the following:

15 (A) The total number of students in kindergarten through
 16 grade 12 who are enrolled in a transferee school corporation
 17 on a date determined by the Indiana state board of education.

18 (B) The total number of students enrolled in a class of school
 19 in a transferee school corporation on a date determined by the
 20 Indiana state board of education.

21 However, a kindergarten student shall be counted under clauses
 22 (A) and (B) as one-half (1/2) a student.

23 (4) "Special equipment" means equipment that during a school
 24 year:

25 (A) is used only when a child with disabilities is attending
 26 school;

27 (B) is not used to transport a child to or from a place where the
 28 child is attending school;

29 (C) is necessary for the education of each child with
 30 disabilities that uses the equipment, as determined under the
 31 individualized instruction program for the child; and

32 (D) is not used for or by any child who is not a child with
 33 disabilities.

34 The Indiana state board of education may select a different date for
 35 counts under subdivision (3). However, the same date shall be used for
 36 all school corporations making a count for the same class of school.

37 (b) Each transferee corporation is entitled to receive for each school
 38 year on account of each transferred student, except a student
 39 transferred under section 3 of this chapter, transfer tuition from the
 40 transferor corporation or the state as provided in this chapter. Transfer
 41 tuition equals the amount determined under STEP THREE of the
 42 following formula:

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1 STEP ONE: Allocate to each transfer student the capital
 2 expenditures for any special equipment used by the transfer
 3 student and a proportionate share of the operating costs incurred
 4 by the transferee school for the class of school where the transfer
 5 student is enrolled.

6 STEP TWO: If the transferee school included the transfer student
 7 in the transferee school's ADM for a school year, allocate to the
 8 transfer student a proportionate share of the following general
 9 fund revenues of the transferee school for, except as provided in
 10 clause (C), the calendar year in which the school year ends:

11 (A) The following state distributions that are computed in any
 12 part using ADM or other pupil count in which the student is
 13 included:

- 14 (i) Primetime grant under IC 21-1-30.
- 15 (ii) Tuition support for basic programs and at-risk weights
 16 under IC 21-3-1.7-8 (before January 1, 1996) and only for
 17 basic programs (after December 31, 1995).
- 18 (iii) Enrollment growth grant under IC 21-3-1.7-9.5.
- 19 (iv) At-risk grant under IC 21-3-1.7-9.7.
- 20 (v) Academic honors diploma award under IC 21-3-1.7-9.8.
- 21 (vi) Vocational education grant under IC 21-3-12.
- 22 (vii) Special education grant under IC 21-3-2.1.
- 23 (viii) The portion of the ADA flat grant that is available for
 24 the payment of general operating expenses under
 25 IC 21-3-4.5-2(b)(1).

26 (B) For school years beginning after June 30, 1997, property
 27 tax levies.

28 (C) For school years beginning after June 30, 1997, excise tax
 29 revenue (as defined in IC 21-3-1.7-2) received for deposit in
 30 the calendar year in which the school year begins.

31 (D) For school years beginning after June 30, 1997, allocations
 32 to the transferee school under IC 6-3.5.

33 STEP THREE: Determine the greater of:

34 (A) zero (0); or

35 (B) the result of subtracting the STEP TWO amount from the
 36 STEP ONE amount.

37 If a child is placed in an institution or facility in Indiana under a court
 38 order, the institution or facility shall charge the county office of the
 39 county of the student's legal settlement under IC 12-19-7 for the use of
 40 the space within the institution or facility (commonly called capital
 41 costs) that is used to provide educational services to the child based
 42 upon a prorated per student cost.



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1 (c) Operating costs shall be determined for each class of school
2 where a transfer student is enrolled. The operating cost for each class
3 of school is based on the total expenditures of the transferee
4 corporation for the class of school from its general fund expenditures
5 as specified in the classified budget forms prescribed by the state board
6 of accounts. This calculation excludes:

- 7 (1) capital outlay;
8 (2) debt service;
9 (3) costs of transportation;
10 (4) salaries of board members;
11 (5) contracted service for legal expenses; and
12 (6) any expenditure which is made out of the general fund from
13 extracurricular account receipts;
14 for the school year.

15 (d) The capital cost of special equipment for a school year is equal
16 to:

- 17 (1) the cost of the special equipment; divided by
18 (2) the product of:
19 (A) the useful life of the special equipment, as determined
20 under the rules adopted by the Indiana state board of
21 education; multiplied by
22 (B) the number of students using the special equipment during
23 at least part of the school year.

24 (e) When an item of expense or cost described in subsection (c)
25 cannot be allocated to a class of school, it shall be prorated to all
26 classes of schools on the basis of the pupil enrollment of each class in
27 the transferee corporation compared to the total pupil enrollment in the
28 school corporation.

29 (f) Operating costs shall be allocated to a transfer student for each
30 school year by dividing:

- 31 (1) the transferee school corporation's operating costs for the class
32 of school in which the transfer student is enrolled; by
33 (2) the pupil enrollment of the class of school in which the
34 transfer student is enrolled.

35 When a transferred student is enrolled in a transferee corporation for
36 less than the full school year of pupil attendance, the transfer tuition
37 shall be calculated by the portion of the school year for which the
38 transferred student is enrolled. A school year of pupil attendance
39 consists of the number of days school is in session for pupil attendance.
40 A student, regardless of the student's attendance, is enrolled in a
41 transferee school unless the student is no longer entitled to be
42 transferred because of a change of residence, the student has been

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1 excluded or expelled from school for the balance of the school year or
2 for an indefinite period, or the student has been confirmed to have
3 withdrawn from school. The transferor and the transferee corporation
4 may enter into written agreements concerning the amount of transfer
5 tuition due in any school year. Where an agreement cannot be reached,
6 the amount shall be determined by the Indiana state board of education,
7 and costs may be established, when in dispute, by the state board of
8 accounts.

9 (g) A transferee school shall allocate revenues described in
10 subsection (b) STEP TWO to a transfer student by dividing:

- 11 (1) the total amount of revenues received; by
- 12 (2) the ADM of the transferee school for the school year that ends
13 in the calendar year in which the revenues are received.

14 However, for state distributions under IC 21-1-30, IC 21-3-2.1,
15 IC 21-3-12, or any other statute that computes the amount of a state
16 distribution using less than the total ADM of the transferee school, the
17 transferee school shall allocate the revenues to the transfer student by
18 dividing the revenues that the transferee school is eligible to receive in
19 a calendar year by the pupil count used to compute the state
20 distribution.

21 (h) In lieu of the payments provided in subsection (b), the transferor
22 corporation or state owing transfer tuition may enter into a long term
23 contract with the transferee corporation governing the transfer of
24 students. This contract is for a maximum period of five (5) years with
25 an option to renew, and may specify a maximum number of pupils to
26 be transferred and fix a method for determining the amount of transfer
27 tuition and the time of payment, which may be different from that
28 provided in section 9 of this chapter.

29 (i) If the school corporation can meet the requirements of
30 IC 21-1-30-5, it may negotiate transfer tuition agreements with a
31 neighboring school corporation that can accommodate additional
32 students. Agreements under this section may be for one (1) year or
33 longer and may fix a method for determining the amount of transfer
34 tuition or time of payment that is different from the method, amount,
35 or time of payment that is provided in this section or section 9 of this
36 chapter. A school corporation may not transfer a student under this
37 section without the prior approval of the child's parent or guardian.

38 (j) ~~If a school corporation experiences a net financial impact with~~
39 ~~regard to transfer tuition that is negative for a particular school year as~~
40 ~~described in IC 6-1.1-19-5.1, the school corporation may appeal for an~~
41 ~~excessive levy as provided under IC 6-1.1-19-5.1.~~

42 SECTION 82. IC 20-8.1-6.5-4, AS AMENDED BY P.L.90-2002,

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1 SECTION 409, IS AMENDED TO READ AS FOLLOWS
 2 [EFFECTIVE JANUARY 1, 2004]: Sec. 4. (a) Where a transfer is
 3 ordered to commence in a school year, where the transferor corporation
 4 has net additional costs over savings (on account of any transfer
 5 ordered) allocable to the calendar year in which the school year begins,
 6 and where the transferee corporation has no budgeted funds for such
 7 net additional costs, they may be recovered by one (1) or more of the
 8 following methods in addition to any other methods provided by
 9 applicable law:

10 (1) An emergency loan made pursuant to IC 20-5-4-6 to be paid,
 11 however, out of the debt service levy and fund, or a loan from any
 12 state fund made available therefor.

13 (2) An advance in such calendar year of state funds, which would
 14 otherwise become payable to the transferee corporation after such
 15 calendar year pursuant to applicable law.

16 (3) A grant or grants in such calendar year from any funds of the
 17 state made available therefor.

18 (b) The net additional costs shall be certified by the department of
 19 local government finance. ~~and any grant shall be made solely after~~
 20 ~~affirmative recommendation of the tax control board created by~~
 21 ~~IC 6-1.1-19-4.1. Repayment of any advance or loan from the state shall~~
 22 ~~be made in accordance with IC 6-1.1-19-4.5(d). The use of any of the~~
 23 ~~methods enumerated above shall not subject the transferor corporation~~
 24 ~~to the provisions of IC 6-1.1-19-4.7. **from property taxes.**~~

25 SECTION 83. IC 20-8.1-6.5-9 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 9. ~~Transportation~~
 27 ~~Costs & State Reimbursement.~~ Transportation costs for transferred
 28 students for each calendar year or for capital outlay and for operations
 29 shall be reimbursed by the state to the transferor corporation in the
 30 same percent of the total outlay which the distributions to the transferor
 31 corporation under IC ~~1971~~, 21-3-1.5-3, or from the state flat grant
 32 distribution account where it is credited to the general fund, constitute
 33 of its total annual general fund appropriations for such year. In this
 34 calculation there shall be excluded from general fund appropriations
 35 capital outlay, debt service, and any expenditure which is made out of
 36 the general fund from extracurricular accounts. ~~Any amount not thus~~
 37 ~~reimbursed and raised as part of the transferor corporation's general~~
 38 ~~fund levy shall constitute an increase in its base tax levy for such~~
 39 ~~budget year, as otherwise defined and as applied in IC 6-1.1-1-16 and~~
 40 ~~IC 6-1.1-1-19. In no event shall the state reimbursement for~~
 41 ~~transportation operating expense to the transferor corporation be less~~
 42 ~~than it would receive under applicable law without regard to this~~

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1 section.

2 SECTION 84. IC 20-14-7-5.1 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 5.1. (a) The
4 library board of any library established as an 1899 township library
5 consists of the school township trustee in the township where the
6 library is located and two (2) residents of the township, to be appointed
7 by the board of commissioners of the county where the library is
8 located. Appointments are for a term of four (4) years. Members of the
9 board serve without compensation.

10 (b) The library board:

11 (1) shall control the purchase of books and the management of the
12 library;

13 (2) shall possess and retain custody of any books remaining in the
14 old township library in the township where the library is located;

15 (3) may receive donations, bequests, and legacies on behalf of the
16 library; and

17 (4) may receive copies of all documents of the state available for
18 distribution from the public library commission and the state
19 librarian.

20 (c) The 1899 township library is the property of the school
21 township, and the school township trustee is responsible for the safe
22 preservation of the township library.

23 (d) Two (2) or more adjacent townships may unite to maintain a
24 township library. The library is controlled by either:

25 (1) a combined library board, which consists of each of the
26 uniting township boards appointed under subsection (a); or

27 (2) the one (1) township library board appointed under subsection
28 (a) of the uniting townships that receives funding for the
29 operation of the uniting township library.

30 (e) The legislative body of any township within which there is a
31 library established as an 1899 township library, may levy a tax annually
32 **of not more than three and thirty-three hundredths cents (\$0.0333) on**
33 **each one hundred dollars (\$100) of taxable property assessed for**
34 **taxation on taxable property** in the township. If the legislative body
35 does not levy the tax, a petition signed by at least the number of
36 registered voters required under IC 3-8-6-3 to place a candidate on the
37 ballot may be filed with the circuit court clerk, who:

38 (1) shall determine if an adequate number of voters have signed
39 the petition; and

40 (2) if an adequate number of voters have signed the petition, shall
41 certify the public question to the county election board under
42 IC 3-10-9-3. The county election board shall then cause to be

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1 printed on the ballot for the township the following question in
 2 the form prescribed by IC 3-10-9-4: "Shall a township library tax
 3 be levied?".

4 If a majority of the votes cast on this question are in the affirmative, the
 5 township trustee shall annually levy a tax of ~~not less than one and~~
 6 ~~sixty-seven hundredths cents (\$0.0167) nor more than three and~~
 7 ~~thirty-three hundredths cents (\$0.0333) on each one hundred dollars~~
 8 ~~(\$100) of on taxable~~ property ~~taxable~~ in the township for the
 9 establishment and support of a township library. This township tax
 10 shall be levied, assessed, collected, and paid according to the procedure
 11 outlined in IC 6-1.1.

12 (f) The tax levy under subsection (e) shall be discontinued when the
 13 question of discontinuing this levy has been submitted to a vote
 14 according to the procedure provided in subsection (e) and the majority
 15 of the votes cast on the question is in the negative.

16 (g) If a public library that is open for the use of all the residents of
 17 the township is located in the township, then the proceeds of the tax
 18 collected under subsection (e) shall be paid to that public library.

19 (h) In any township outside a city in which there is a library:

20 (1) established by private donations of the value of ten thousand
 21 dollars (\$10,000) or more, including the real estate and buildings
 22 used for the library; and

23 (2) used for the benefit of all the inhabitants of the township;

24 the township trustee of the township shall annually levy and collect ~~not~~
 25 ~~more than two cents (\$0.02) on each one hundred dollars (\$100) a tax~~
 26 upon the taxable property within the limits of the township. This money
 27 shall be paid to the trustees of the library, to be applied by them for the
 28 purchase of books and the payment of the maintenance costs for the
 29 library. When it becomes necessary to purchase additional ground for
 30 the extension or protection of library buildings already established by
 31 private donation, the trustee, with the consent of the county legislative
 32 body, may annually levy and collect ~~not more than one and sixty-seven~~
 33 ~~hundredths cents (\$0.0167) on each one hundred dollars (\$100) of a~~
 34 **tax on the** taxable property of the township for not more than three (3)
 35 years successively, to be expended by the trustees for the purchase of
 36 property and the erection and enlargement of library buildings.

37 (i) The 1899 township library is free to all the inhabitants of the
 38 township.

39 SECTION 85. IC 20-14-13-11, AS AMENDED BY P.L.90-2002,
 40 SECTION 417, IS AMENDED TO READ AS FOLLOWS
 41 [EFFECTIVE JANUARY 1, 2004]: Sec. 11. (a) A library board may
 42 amend an adopted and approved plan to:



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1 (1) provide money for the purposes described in section 4(b)(4)
2 of this chapter; or

3 (2) supplement money accumulated in the capital projects fund
4 for those purposes.

5 (b) When an emergency arises that results in costs that exceed the
6 amount accumulated in the fund for the purposes described in section
7 4(b)(4) of this chapter, the library board must immediately apply to the
8 department of local government finance for a determination that an
9 emergency exists. If the department of local government finance
10 determines that an emergency exists, the library board may adopt a
11 resolution to amend the plan. The amendment is not subject to the
12 deadline and the procedures for adoption described in section 5 of this
13 chapter. However, the amendment is subject to modification by the
14 department of local government finance.

15 (c) An amendment adopted under this section may require the
16 payment of eligible emergency costs from:

17 (1) money accumulated in the capital projects fund for other
18 purposes; or

19 (2) money to be borrowed from other funds of the library board or
20 from a financial institution.

21 The amendment may also provide for an increase in the property tax
22 rate for the capital projects fund to restore money to the fund or to pay
23 principal and interest on a loan. However, before the property tax rate
24 for the fund may be increased, the library board must submit and obtain
25 the approval of the appropriate fiscal body or bodies, as provided in
26 section 6 of this chapter. An increase to the property tax rate for the
27 capital projects fund is effective for property taxes first due and
28 payable for the year next certified by the department of local
29 government finance under IC 6-1.1-17-16. ~~However, the property tax~~
30 ~~rate may not exceed the maximum rate established under section 12 of~~
31 ~~this chapter.~~

32 SECTION 86. IC 20-14-13-12 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 12. To provide for
34 the capital projects fund, the library board may, for each year in which
35 a plan adopted under section 5 of this chapter is in effect, impose a
36 property tax rate ~~that does not exceed one and sixty-seven hundredths~~
37 ~~cents (\$0.0167) on each one hundred dollars (\$100) of assessed~~
38 ~~valuation of on taxable property within the library district.~~ This rate
39 must be advertised in the same manner as other property tax rates.

40 SECTION 87. IC 21-2-11.5-3, AS AMENDED BY
41 P.L.192-2002(ss), SECTION 162, IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 3. (a) Subject to



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1 subsection (b), each school corporation may levy for the calendar year
 2 a property tax for the school transportation fund sufficient to pay all
 3 operating costs attributable to transportation that:

4 (1) are not paid from other revenues available to the fund as
 5 specified in section 4 of this chapter; and

6 (2) are listed in section 2(a)(1) through 2(a)(7) of this chapter.

7 ~~(b) For each year after 2002, the levy for the fund may not exceed~~
 8 ~~the levy for the previous year multiplied by the assessed value growth~~
 9 ~~quotient determined under STEP FOUR of the following formula:~~

10 ~~STEP ONE: For each of the six (6) calendar years immediately~~
 11 ~~preceding the year in which a budget is adopted under~~
 12 ~~IC 6-1.1-17-5 or IC 6-1.1-17-5.6 for part or all of the ensuing~~
 13 ~~calendar year, divide the Indiana nonfarm personal income for the~~
 14 ~~calendar year by the Indiana nonfarm personal income for the~~
 15 ~~calendar year immediately preceding that calendar year, rounding~~
 16 ~~to the nearest one-thousandth (0.001):~~

17 ~~STEP TWO: Determine the sum of the STEP ONE results:~~

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

20 ~~STEP FOUR: Determine the lesser of the following:~~

21 ~~(A) The STEP THREE quotient:~~

22 ~~(B) One and six-hundredths (1.06):~~

23 ~~(c) (b) Each school corporation may levy for the calendar year a tax~~
 24 ~~for the school bus replacement fund in accordance with the school bus~~
 25 ~~acquisition plan adopted under section 3.1 of this chapter.~~

26 ~~(d) (c) The tax rate and levy for each fund shall be established as a~~
 27 ~~part of the annual budget for the calendar year in accord with~~
 28 ~~IC 6-1.1-17.~~

29 SECTION 88. IC 21-2-15-8, AS AMENDED BY P.L.90-2002,
 30 SECTION 445, IS AMENDED TO READ AS FOLLOWS
 31 [EFFECTIVE JANUARY 1, 2004]: Sec. 8. After a hearing upon the
 32 petition under section 7 of this chapter, the department of local
 33 government finance shall certify its approval, disapproval, or
 34 modification of the plan to the governing body and the auditor of the
 35 county. ~~The department of local government finance may seek the~~
 36 ~~recommendation of the school property tax control board with respect~~
 37 ~~to this determination.~~ The action of the department of local government
 38 finance with respect to the plan is final.

39 SECTION 89. IC 21-2-15-10, AS AMENDED BY P.L.90-2002,
 40 SECTION 447, IS AMENDED TO READ AS FOLLOWS
 41 [EFFECTIVE JANUARY 1, 2004]: Sec. 10. (a) A governing body may
 42 amend a plan adopted under section 5 of this chapter to:

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- 1 (1) provide money for the purposes described in section 4 of this
 2 chapter; or
 3 (2) supplement money accumulated in the capital projects fund
 4 for those purposes.
- 5 (b) When an amendment to a plan is required by reason other than
 6 the occurrence of an emergency, the governing body must hold a public
 7 hearing on the proposed amendment. At this hearing, the governing
 8 body must declare the nature of and the need for the amendment and
 9 then pass a resolution to adopt the amendment to the plan. The plan, as
 10 proposed to be amended, must comply with the requirements for a plan
 11 under section 5(b) of this chapter, and the governing body must publish
 12 the proposed amendment to the plan and notice of the hearing in
 13 accordance with IC 5-3-1-2(b). This amendment to the plan is not
 14 subject to the deadline for adoption described in section 5(a) of this
 15 chapter. However, the amendment to the plan must be submitted to the
 16 department of local government finance for its consideration and is
 17 subject to approval, disapproval, or modification in accordance with
 18 the procedures for adopting a plan set forth in sections 6 through 8 of
 19 this chapter.
- 20 (c) When an emergency arises that results in costs that exceed the
 21 amount accumulated in the fund for the purposes described in section
 22 4(b)(4) of this chapter, the governing body is not required to comply
 23 with subsection (b), but instead must immediately apply to the
 24 department of local government finance for a determination that an
 25 emergency exists. If the department of local government finance
 26 determines that an emergency exists, the governing body may adopt a
 27 resolution to amend the plan. The amendment is not subject to the
 28 deadline and the procedures for adoption described in section 5 of this
 29 chapter. However, the amendment is subject to modification by the
 30 department of local government finance.
- 31 (d) An amendment adopted under this section may require the
 32 payment of eligible costs from:
- 33 (1) money accumulated in the capital projects fund for other
 34 purposes; or
 35 (2) money to be borrowed from other funds of the school
 36 corporation or from a financial institution. The amendment may
 37 also require an increase in the property tax rate for the capital
 38 projects fund to restore money to the fund or to pay principal and
 39 interest on a loan. Any increase to the property tax rate for the
 40 capital projects fund is effective for property taxes first due and
 41 payable for the year next certified by the department of local
 42 government finance under IC 6-1.1-17-16. ~~However, the property~~

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1 tax rate may not exceed the maximum rate established under
2 section 11 of this chapter.

3 SECTION 90. IC 21-2-15-11, AS AMENDED BY P.L.178-2002,
4 SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 2004]: Sec. 11. (a) To provide for the capital projects
6 fund, the governing body may, for each year in which a plan adopted
7 under section 5 of this chapter is in effect, impose a property tax rate
8 that does not exceed forty-one and sixty-seven hundredths cents
9 (\$0.4167) on each one hundred dollars (\$100) of assessed valuation of
10 the school corporation. This actual **capital projects fund** rate must be
11 advertised in the same manner as other property tax rates.

12 (b) The maximum property tax rate levied by each school
13 corporation must be adjusted each time a general reassessment of
14 property takes effect. The adjusted property tax rate becomes the new
15 maximum property tax rate for the levy for property taxes first due and
16 payable in each year:

17 (1) after the general reassessment for which the adjustment was
18 made takes effect; and

19 (2) before the next general reassessment takes effect.

20 (c) The new maximum rate under this section is the tax rate
21 determined under STEP SEVEN of the following formula:

22 STEP ONE: Determine the maximum rate for the school
23 corporation for the year preceding the year in which the general
24 reassessment takes effect.

25 STEP TWO: Determine the actual percentage increase (rounded
26 to the nearest one-hundredth percent (0.01%)) in the assessed
27 value of the taxable property from the year preceding the year the
28 general reassessment takes effect to the year that the general
29 reassessment is effective.

30 STEP THREE: Determine the three (3) calendar years that
31 immediately precede the ensuing calendar year and in which a
32 statewide general reassessment of real property does not first
33 become effective.

34 STEP FOUR: Compute separately, for each of the calendar years
35 determined in STEP THREE, the actual percentage increase
36 (rounded to the nearest one-hundredth percent (0.01%)) in the
37 assessed value of the taxable property from the preceding year.

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

40 STEP SIX: Determine the greater of the following:

41 (A) Zero (0):

42 (B) The result of the STEP TWO percentage minus the STEP

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FIVE percentage.
STEP SEVEN: Determine the quotient of the STEP ONE tax rate divided by the sum of one (+) plus the STEP SIX percentage increase.

(d) The department of local government finance shall compute the maximum rate allowed under subsection (c) and provide the rate to each school corporation:

SECTION 91. IC 23-13-17-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 1. The county council of the county of Knox is hereby authorized to fix and establish annually the rate of a special tax levy to be imposed on the taxable property of such county, for the support of Vincennes University. This levy shall not, however, exceed in any year, three cents (\$0.03) on each one hundred dollars (\$100) of the taxable property in said county. All revenue accruing from any tax levy so imposed shall be paid into the county treasury as a separate and distinct fund, and shall be paid to the proper fiduciary officer of the university on warrant of the county auditor.

SECTION 92. IC 23-14-66-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 2. (a) If the legislative body is satisfied with the accuracy of the petition, it shall:

- (1) record its findings at that meeting or at any regular meeting; and
- (2) subject to subsection (b), levy and collect an annual tax, as other taxes are levied and collected, in an amount that it considers reasonable, to provide additional care and maintenance for the cemetery.

(b) Taxes collected by a city or town for the care and maintenance of a cemetery lying entirely outside of the corporate limits of the city or town may not exceed three cents (\$0.03) on each one hundred dollars (\$100) of assessed valuation of property in the city or town.

SECTION 93. IC 23-14-67-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 3. A county cemetery commission may request the levy of an annual tax for the purpose of restoring and maintaining one (1) or more cemeteries described in section 1 of this chapter that are located in the county. The tax may not exceed fifty cents (\$0.50) on each one hundred dollars (\$100) of assessed valuation of property in the county.

SECTION 94. IC 36-2-6-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 18. (a) The county fiscal body may, by ordinance:

- (1) make loans for the purpose of procuring money to be used in

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1 the exercise of county powers and for the payment of county debts
 2 other than current running expenses, and issue bonds or other
 3 county obligations to refund those loans;

4 (2) make temporary loans to meet current running expenses, in
 5 anticipation of and not in excess of county revenues for the
 6 current fiscal year, which shall be evidenced by tax anticipation
 7 warrants of the county; and

8 (3) make loans and issue notes under subsection (d).

9 (b) An ordinance authorizing the issuance of bonds under this
 10 section must state the purpose for which the bonds are issued and may
 11 provide that the bonds:

12 (1) are or are not negotiable;

13 (2) bear interest at any rate;

14 (3) run not longer than twenty (20) years; and

15 (4) mature by installments payable annually or otherwise.

16 (c) An ordinance authorizing the issuance of tax anticipation
 17 warrants under this section must:

18 (1) state the total amount of the issue;

19 (2) state the denomination of the warrants;

20 (3) state the time and place payable;

21 (4) state the rate of interest;

22 (5) state the funds and revenues in anticipation of which the
 23 warrants are issued and out of which they are payable; and

24 (6) appropriate and pledge a sufficient amount of those revenues
 25 to the punctual payment of the warrants.

26 The warrants are exempt from taxation for all purposes.

27 (d) The county fiscal body may, by ordinance, make loans of money
 28 for not more than five (5) years and issue notes for the purpose of
 29 refunding those loans. The loans may be made only for the purpose of
 30 procuring money to be used in the exercise of the powers of the county,
 31 and the total amount of outstanding loans under this subsection may not
 32 exceed five percent (5%) of the county's total tax levy in the current
 33 year (excluding amounts levied to pay debt service and lease rentals).
 34 Loans under this subsection shall be made in the same manner as loans
 35 made under subsection (a)(1), except that:

36 (1) the ordinance authorizing the loans must pledge to their
 37 payment a sufficient amount of tax revenues over the ensuing five
 38 (5) years to provide for refunding the loans;

39 (2) the loans must be evidenced by notes of the county in terms
 40 designating the nature of the consideration, the time and place
 41 payable, and the revenues out of which they will be payable; and

42 (3) the interest accruing on the notes to the date of maturity may

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1 be added to and included in their face value or be made payable
2 periodically, as provided in the ordinance.

3 ~~Notes issued under this subsection are not bonded indebtedness for~~
4 ~~purposes of IC 6-1.1-18.5.~~

5 (e) If a deficit is incurred for the current running expenses of the
6 county because the total of county revenues for the fiscal year is less
7 than the anticipated total, the county fiscal body shall provide for the
8 deficit in the next county tax levy.

9 SECTION 95. IC 36-3-4-22 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 22. (a) The
11 city-county legislative body may, by ordinance, make temporary loans
12 in anticipation of current revenues of the consolidated city that have
13 been levied and are being collected for the fiscal year in which the
14 loans are made. Loans under this subsection shall be made in the same
15 manner as loans under section 21 of this chapter, except that:

16 (1) the ordinance authorizing the loans must appropriate and
17 pledge to their payment a sufficient amount of the revenues in
18 anticipation of which they are issued and out of which they are
19 payable; and

20 (2) the loans must be evidenced by time warrants of the city in
21 terms designating the nature of the consideration, the time and
22 place payable, and the revenues in anticipation of which they are
23 issued and out of which they are payable.

24 (b) The city-county legislative body may, by ordinance, make loans
25 of money for not more than five (5) years and issue notes for the
26 purpose of refunding those loans. The loans may be made only for the
27 purpose of procuring money to be used in the exercise of the powers of
28 the consolidated city, and the total amount of outstanding loans under
29 this subsection may not exceed five percent (5%) of the consolidated
30 city's total tax levy in the current year (excluding amounts levied to pay
31 debt service and lease rentals). Loans under this subsection shall be
32 made in the same manner as loans made under section 21 of this
33 chapter, except that:

34 (1) the ordinance authorizing the loans must pledge to their
35 payment a sufficient amount of tax revenues over the ensuing five
36 (5) years to provide for refunding the loans; and

37 (2) the loans must be evidenced by notes of the consolidated city
38 in terms designating the nature of the consideration, the time and
39 place payable, and the revenues out of which they will be payable.

40 ~~Notes issued under this subsection are not bonded indebtedness for~~
41 ~~purposes of IC 6-1.1-18.5.~~

42 SECTION 96. IC 36-4-6-20 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 20. (a) The
 2 legislative body may, by ordinance, make loans of money for not more
 3 than five (5) years and issue notes for the purpose of refunding those
 4 loans. The loans may be made only for the purpose of procuring money
 5 to be used in the exercise of the powers of the city, and the total amount
 6 of outstanding loans under this subsection may not exceed five percent
 7 (5%) of the city's total tax levy in the current year (excluding amounts
 8 levied to pay debt service and lease rentals). Loans under this
 9 subsection shall be made in the same manner as loans made under
 10 section 19 of this chapter, except that:

11 (1) the ordinance authorizing the loans must pledge to their
 12 payment a sufficient amount of tax revenues over the ensuing five
 13 (5) years to provide for refunding the loans; and

14 (2) the loans must be evidenced by notes of the city in terms
 15 designating the nature of the consideration, the time and place
 16 payable, and the revenues out of which they will be payable.

17 ~~Notes issued under this subsection are not bonded indebtedness for~~
 18 ~~purposes of IC 6-1.1-18.5.~~

19 (b) The legislative body may, by ordinance, make loans and issue
 20 notes for the purpose of refunding those loans in anticipation of
 21 revenues of the city that are anticipated to be levied and collected
 22 during the term of the loans. The term of a loan made under this
 23 subsection may not be more than five (5) years. Loans under this
 24 subsection shall be made in the same manner as loans made under
 25 section 19 of this chapter, except that:

26 (1) the ordinance authorizing the loans must appropriate and
 27 pledge to their payment a sufficient amount of the revenues in
 28 anticipation of which they are issued and out of which they are
 29 payable; and

30 (2) the loans must be evidenced by time warrants of the city in
 31 terms designating the nature of the consideration, the time and
 32 place payable, and the revenues in anticipation of which they are
 33 issued and out of which they are payable.

34 (c) An action to contest the validity of a loan made under this
 35 section must be brought within fifteen (15) days from the day on which
 36 the ordinance is adopted.

37 SECTION 97. IC 36-5-2-11, AS AMENDED BY P.L.90-2002,
 38 SECTION 471, IS AMENDED TO READ AS FOLLOWS
 39 [EFFECTIVE JANUARY 1, 2004]: Sec. 11. (a) The legislative body
 40 may issue bonds for the purpose of procuring money to be used in the
 41 exercise of the powers of the town and for the payment of town debts.
 42 However, a town may not issue bonds to procure money to pay current

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1 expenses.

2 (b) Bonds issued under this section are payable in the amounts and
3 at the times determined by the legislative body.

4 (c) Bonds issued under this section are subject to the provisions of
5 IC 5-1 and IC 6-1.1-20 relating to the filing of a petition requesting the
6 issuance of bonds and giving notice of the petition, the giving of notice
7 of a hearing on the appropriation of the proceeds of bonds, the right of
8 taxpayers to appear and be heard on the proposed appropriation, the
9 approval of the appropriation by the department of local government
10 finance, the right of taxpayers to remonstrate against the issuance of
11 bonds, and the sale of bonds at public sale for not less than their par
12 value.

13 (d) The legislative body may, by ordinance, make loans of money
14 for not more than five (5) years and issue notes for the purpose of
15 refunding those loans. The loans may be made only for the purpose of
16 procuring money to be used in the exercise of the powers of the town,
17 and the total amount of outstanding loans under this subsection may not
18 exceed five percent (5%) of the town's total tax levy in the current year
19 (excluding amounts levied to pay debt service and lease rentals). Loans
20 under this subsection shall be made as follows:

21 (1) The ordinance authorizing the loans must pledge to their
22 payment a sufficient amount of tax revenues over the ensuing five
23 (5) years to provide for refunding the loans.

24 (2) The loans must be evidenced by notes of the town in terms
25 designating the nature of the consideration, the time and place
26 payable, and the revenues out of which they will be payable.

27 (3) The interest accruing on the notes to the date of maturity may
28 be added to and included in their face value or be made payable
29 periodically, as provided in the ordinance.

30 ~~Notes issued under this subsection are not bonded indebtedness for~~
31 ~~purposes of IC 6-1.1-18.5.~~

32 SECTION 98. IC 36-7-13-4 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 4. (a) To provide
34 money for the purposes set forth in section 3 of this chapter, the unit
35 shall create a special revolving fund to be known as the industrial
36 development fund, into which any available and unappropriated money
37 of the unit may be transferred by the unit's legislative body.

38 (b) The legislative body may also by ordinance levy a tax ~~not to~~
39 ~~exceed one and sixty-seven hundredths cents (\$0.0167) on each one~~
40 ~~hundred dollars (\$100) of assessed value of~~ **on** all personal and real
41 property within its jurisdiction. The proceeds of this tax shall be
42 deposited in the industrial development fund. The unit may collect the

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1 tax as other municipal or county taxes are collected, or may set up a
 2 system for the collection and enforcement of the tax in the unit. The
 3 proceeds of the tax may be used for any purpose authorized by this
 4 chapter and may be pledged for the payment of principal and interest
 5 on bonds or other obligation issued under this chapter.

6 SECTION 99. IC 36-7-15.1-16 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 16. (a) For the
 8 purpose of raising money to carry out this chapter or IC 36-7-15.3, the
 9 city-county legislative body shall levy each year a special tax upon all
 10 property in the redevelopment district. The tax so levied each year shall
 11 be certified to the fiscal officers of the city and the county before
 12 September 2 of each year. The tax shall be estimated and entered upon
 13 the tax duplicates by the county auditor, and shall be collected and
 14 enforced by the county treasurer in the same manner as state and
 15 county taxes are estimated, entered, collected, and enforced.

16 (b) As the tax is collected by the county treasurer, it shall be
 17 accumulated and kept in a separate fund to be known as the
 18 redevelopment district fund and shall be expended and applied only for
 19 the purposes of this chapter or IC 36-7-15.3.

20 (c) The amount of the special tax levy shall be based on the budget
 21 of the department. ~~but may not exceed one and sixty-seven hundredths~~
 22 ~~cents (\$0.0167) on each one hundred dollars (\$100) of taxable~~
 23 ~~valuation in the redevelopment district, except as otherwise provided~~
 24 ~~in this chapter.~~

25 (d) The budgets and tax levies under this chapter are subject to
 26 review and modification in the manner prescribed by IC 36-3-6.

27 SECTION 100. IC 36-7-15.1-26.9, AS AMENDED BY
 28 P.L.90-2002, SECTION 482, IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 26.9. (a) The
 30 definitions set forth in section 26.5 of this chapter apply to this section.

31 (b) The fiscal officer of the consolidated city shall publish in the
 32 newspaper in the county with the largest circulation all determinations
 33 made under section 26.5 or 26.7 of this chapter that result in the
 34 allowance or disallowance of credits. The publication of a
 35 determination made under section 26.5 of this chapter shall be made
 36 not later than June 20 of the year in which the determination is made.
 37 The publication of a determination made under section 26.7 of this
 38 chapter shall be made not later than December 5 of the year in which
 39 the determination is made.

40 (c) If credits are granted under section 26.5(g) or 26.5(h) of this
 41 chapter, whether in whole or in part, property taxes on personal
 42 property (as defined in IC 6-1.1-1-11) that are equal to the aggregate

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1 amounts of the credits for all taxpayers in the allocation area under
2 section 26.5(g) and 26.5(h) of this chapter shall be:

- 3 (1) allocated to the redevelopment district;
4 (2) paid into the special fund for that allocation area; and
5 (3) used for the purposes specified in section 26 of this chapter.

6 (d) The county auditor shall adjust the estimate of assessed
7 valuation that the auditor certifies under IC 6-1.1-17-1 for all taxing
8 units in which the allocation area is located. The county auditor may
9 amend this adjustment at any time before the earliest date a taxing unit
10 must publish the unit's proposed property tax rate under IC 6-1.1-17-3
11 in the year preceding the year in which the credits under section
12 26.5(g) or 26.5(h) of this chapter are paid. The auditor's adjustment to
13 the assessed valuation shall be:

- 14 (1) calculated to produce an estimated assessed valuation that will
15 offset the effect that paying personal property taxes into the
16 allocation area special fund under subsection (c) would otherwise
17 have on the ability of a taxing unit to achieve the taxing unit's tax
18 levy in the following year; and
19 (2) used by the county board of tax adjustment, the department of
20 local government finance, and each taxing unit in determining
21 each taxing unit's tax rate and tax levy in the following year.

22 (e) The amount by which a taxing unit's levy is adjusted as a result
23 of the county auditor's adjustment of assessed valuation under
24 subsection (d), and the amount of the levy that is used to make direct
25 payments to taxpayers under section 26.5(h) of this chapter, is not part
26 of the total county tax levy under IC 6-1.1-21-2(g) and is not subject to
27 IC 6-1.1-20.

28 ~~(f) The ad valorem property tax levy limits imposed by~~
29 ~~IC 6-1.1-18.5-3 and IC 6-1.1-19-1.5 do not apply to ad valorem~~
30 ~~property taxes imposed that are used to offset the effect of paying~~
31 ~~personal property taxes into an allocation area special fund during the~~
32 ~~taxable year under subsection (d) or to make direct payments to~~
33 ~~taxpayers under section 26.5(h) of this chapter. For purposes of~~
34 ~~computing the ad valorem property tax levy limits imposed under~~
35 ~~IC 6-1.1-18.5-3 and IC 6-1.1-19-1.5, a taxing unit's ad valorem property~~
36 ~~tax levy for a particular calendar year does not include that part of the~~
37 ~~levy imposed to offset the effect of paying personal property taxes into~~
38 ~~an allocation area special fund under subsection (d) or to make direct~~
39 ~~payments to taxpayers under section 26.5(h) of this chapter.~~

40 ~~(g) (f)~~ Property taxes on personal property that are deposited in the
41 allocation area special fund:

- 42 (1) are subject to any pledge of allocated property tax proceeds

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1 made by the redevelopment district under section 26(d) of this
 2 chapter, including but not limited to any pledge made to owners
 3 of outstanding bonds of the redevelopment district of allocated
 4 taxes from that area; and

5 (2) may not be treated as property taxes used to pay interest or
 6 principal due on debt under IC 6-1.1-21-2(g)(1)(D).

7 SECTION 101. IC 36-8-13-4, AS AMENDED BY P.L.82-2001,
 8 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JANUARY 1, 2004]: Sec. 4. (a) Each township shall annually establish
 10 a township firefighting fund which is to be the exclusive fund used by
 11 the township for the payment of costs attributable to providing fire
 12 protection or emergency services under the methods prescribed in
 13 section 3 of this chapter and for no other purposes. The money in the
 14 fund may be paid out by the township executive with the consent of the
 15 township legislative body.

16 (b) Each township may levy, for each year, a tax for the township
 17 firefighting fund. Other than a township providing fire protection or
 18 emergency services or both to municipalities in the township under
 19 section 3(b) or 3(c) of this chapter, the tax levy is on all taxable real
 20 and personal property in the township outside the corporate boundaries
 21 of municipalities. ~~Subject to the levy limitations contained in~~
 22 ~~IC 6-1.1-18.5~~; The township levy is to be in an amount sufficient to pay
 23 all costs attributable to fire protection and emergency services that are
 24 not paid from other revenues available to the fund. The tax rate and
 25 levy shall be established in accordance with the procedures set forth in
 26 IC 6-1.1-17.

27 (c) In addition to the tax levy and service charges received under
 28 IC 36-8-12-13 and IC 36-8-12-16, the executive may accept donations
 29 to the township for the purpose of firefighting and other emergency
 30 services and shall place them in the fund, keeping an accurate record
 31 of the sums received. A person may also donate partial payment of any
 32 purchase of firefighting or other emergency services equipment made
 33 by the township.

34 (d) If a fire department serving a township dispatches fire apparatus
 35 or personnel to a building or premises in the township in response to:

36 (1) an alarm caused by improper installation or improper
 37 maintenance; or

38 (2) a drill or test, if the fire department is not previously notified
 39 that the alarm is a drill or test;

40 the township may impose a fee or service charge upon the owner of the
 41 property. However, if the owner of property that constitutes the owner's
 42 residence establishes that the alarm is under a maintenance contract

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1 with an alarm company and that the alarm company has been notified
 2 of the improper installation or maintenance of the alarm, the alarm
 3 company is liable for the payment of the fee or service charge.

4 (e) The amount of a fee or service charge imposed under subsection
 5 (d) shall be determined by the township legislative body. All money
 6 received by the township from the fee or service charge must be
 7 deposited in the township's firefighting fund.

8 SECTION 102. IC 36-8-13-4.5 IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 4.5. (a) This
 10 section applies to a township that provides fire protection or emergency
 11 services or both to a municipality in the township under section 3(b) or
 12 3(c) of this chapter.

13 (b) With the consent of the township legislative body, the township
 14 executive shall pay the expenses for fire protection and emergency
 15 services in the township, both inside and outside the corporate
 16 boundaries of participating municipalities, from any combination of the
 17 following township funds, regardless of when the funds were
 18 established:

19 (1) The township firefighting fund under section 4 of this chapter.

20 (2) The cumulative building and equipment fund under
 21 IC 36-8-14.

22 (3) The debt fund under sections 6 and 6.5 of this chapter.

23 (c) ~~Subject to the levy limitations contained in IC 6-1.1-18.5~~, The
 24 tax rate and levy for the township firefighting fund, the cumulative
 25 building and equipment fund, or the debt fund is to be in an amount
 26 sufficient to pay all costs attributable to fire protection or emergency
 27 services that are provided to the township and the participating
 28 municipalities that are not paid from other available revenues. The tax
 29 rate and levy for each fund shall be established in accordance with the
 30 procedures set forth in IC 6-1.1-17 and apply both inside and outside
 31 the corporate boundaries of participating municipalities.

32 (d) The township executive may accept donations for the purpose of
 33 firefighting and emergency services. The township executive shall
 34 place donations in the township firefighting fund. A person may donate
 35 partial payment of a purchase of firefighting or emergency services
 36 equipment made by the township.

37 SECTION 103. IC 36-8-14-4 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 4. (a) To provide
 39 for the cumulative building and equipment fund established under this
 40 chapter, the legislative body may levy a tax on all taxable property
 41 within the taxing district in compliance with IC 6-1.1-41. ~~The tax rate~~
 42 ~~may not exceed three and thirty-three hundredths cents (\$0.0333) on~~

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1 each one hundred dollars (\$100) of assessed valuation of property in
2 the taxing district.

3 (b) As the tax is collected, it shall be deposited in a qualified public
4 depository or depositories and held in a special fund to be known as the
5 "building or remodeling, firefighting, and police radio equipment fund"
6 in the case of a municipality or as the "building or remodeling and fire
7 equipment fund" in the case of a township or fire protection district.

8 SECTION 104. IC 36-8-15-19 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 19. (a) This
10 subsection applies to a county not having a consolidated city. For the
11 purpose of raising money to fund the operation of the district, the
12 county fiscal body may impose, for property taxes first due and payable
13 during each year after the adoption of an ordinance establishing the
14 district, an ad valorem property tax levy on property within the district.
15 The property tax rate for that levy may not exceed five cents (\$0.05) on
16 each one hundred dollars (\$100) of assessed valuation:

17 (b) This subsection applies to a county having a consolidated city.
18 The county fiscal body may elect to fund the operation of the district
19 from part of the certified distribution, if any, that the county is to
20 receive during a particular calendar year under IC 6-3.5-6-17. To make
21 such an election, the county fiscal body must adopt an ordinance before
22 September 1 of the immediately preceding calendar year. The county
23 fiscal body must specify in the ordinance the amount of the certified
24 distribution that is to be used to fund the operation of the district. If the
25 county fiscal body adopts such an ordinance, it shall immediately send
26 a copy of the ordinance to the county auditor.

27 (c) Subject to subsections (d), (e), and (f), if an ordinance or
28 resolution is adopted changing the territory covered by the district or
29 the number of public agencies served by the district, the local
30 government tax control board shall, for property taxes first due and
31 payable during the year after the adoption of the ordinance, adjust the
32 maximum permissible ad valorem property tax levy limits of the
33 district and the units participating in the district.

34 (d) If a unit by ordinance or resolution joins the district or elects to
35 have its public safety agencies served by the district, the local
36 government tax control board shall reduce the maximum permissible
37 ad valorem property tax levy of the unit for property taxes first due and
38 payable during the year after the adoption of the ordinance or
39 resolution. The reduction shall be based on the amount budgeted by the
40 unit for public safety communication services in the year in which the
41 ordinance was adopted. If such an ordinance or resolution is adopted,
42 the district shall refer its proposed budget, ad valorem property tax

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1 levy, and property tax rate for the following year to the board, which
 2 shall review and set the budget, levy, and rate as though the district
 3 were covered by IC 6-1.1-18.5-7.

4 (e) If a unit by ordinance or resolution withdraws from the district
 5 or rescinds its election to have its public safety agencies served by the
 6 district, the local government tax control board shall reduce the
 7 maximum permissible ad valorem property tax levy of the district for
 8 property taxes first due and payable during the year after the adoption
 9 of the ordinance or resolution. The reduction shall be based on the
 10 amounts being levied by the district within that unit. If such an
 11 ordinance or resolution is adopted, the unit shall refer its proposed
 12 budget, ad valorem property tax levy, and property tax rate for public
 13 safety communication services to the board, which shall review and set
 14 the budget, levy, and rate as though the unit were covered by
 15 IC 6-1.1-18.5-7.

16 (f) The adjustments provided for in subsections (c), (d), and (e) do
 17 not apply to a district or unit located in a particular county if the county
 18 fiscal body of that county does not impose an ad valorem property tax
 19 levy under subsection (a) to fund the operation of the district.

20 SECTION 105. IC 36-8-19-8, AS AMENDED BY P.L.240-2001,
 21 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JANUARY 1, 2004]: Sec. 8. (a) Upon the adoption of identical
 23 ordinances under section 6 of this chapter, the designated provider unit
 24 must establish a fire protection territory fund from which all expenses
 25 of operating and maintaining the fire protection services within the
 26 territory, including repairs, fees, salaries, depreciation on all
 27 depreciable assets, rents, supplies, contingencies, and all other
 28 expenses lawfully incurred within the territory shall be paid. The
 29 purposes described in this subsection are the sole purposes of the fund
 30 and money in the fund may not be used for any other expenses. Except
 31 as allowed in subsections (d) and (e) and section 8.5 of this chapter, the
 32 provider unit is not authorized to transfer money out of the fund at any
 33 time.

34 (b) The fund consists of the following:

- 35 (1) All receipts from the tax imposed under this section.
- 36 (2) Any money transferred to the fund by the provider unit as
 37 authorized under subsection (d).
- 38 (3) Any receipts from a false alarm fee or service charge imposed
 39 by the participating units under IC 36-8-13-4.

40 (c) The provider unit, with the assistance of each of the other
 41 participating units, shall annually budget the necessary money to meet
 42 the expenses of operation and maintenance of the fire protection

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1 services within the territory, plus a reasonable operating balance, not
 2 to exceed twenty percent (20%) of the budgeted expenses. After
 3 estimating expenses and receipts of money, the provider unit shall
 4 establish the tax levy required to fund the estimated budget. The
 5 amount budgeted under this subsection shall be considered a part of
 6 each of the participating unit's budget.

7 (d) If the amount levied in a particular year is insufficient to cover
 8 the costs incurred in providing fire protection services within the
 9 territory, the provider unit may transfer from available sources to the
 10 fire protection territory fund the money needed to cover those costs. In
 11 this case:

12 (1) the levy in the following year shall be increased by the amount
 13 required to be transferred; and

14 (2) the provider unit is entitled to transfer the amount described
 15 in subdivision (1) from the fund as reimbursement to the provider
 16 unit.

17 (e) If the amount levied in a particular year exceeds the amount
 18 necessary to cover the costs incurred in providing fire protection
 19 services within the territory, the levy in the following year shall be
 20 reduced by the amount of surplus money that is not transferred to the
 21 equipment replacement fund established under section 8.5 of this
 22 chapter. The amount that may be transferred to the equipment
 23 replacement fund may not exceed five percent (5%) of the levy for that
 24 fund for that year. All participating units must agree to the amount to
 25 be transferred by adoption of identical ordinances specifying the
 26 amount.

27 (f) The tax under this section is not subject to the tax levy
 28 limitations imposed on civil taxing units under IC 6-1.1-18.5 for any
 29 unit that is a participating unit in a fire protection territory that was
 30 established before August 1, 2001.

31 (g) This subsection applies to a participating unit in a fire protection
 32 territory established under IC 36-8-19 after July 31, 2001. For purposes
 33 of calculating a participating unit's maximum permissible ad valorem
 34 property tax levy for the three (3) calendar years in which the
 35 participating unit levies a tax to support the territory; the unit's
 36 maximum permissible ad valorem property tax levy for the preceding
 37 calendar year under IC 6-1.1-18.5-3(a) STEP ONE or
 38 IC 6-1.1-18.5-3(b) STEP ONE is increased each year by an amount
 39 equal to the difference between the:

40 (1) amount the unit will have to levy for the ensuing calendar year
 41 in order to fund the unit's share of the fire protection territory
 42 budget for the operating costs as provided in the ordinance

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1 ~~making the unit a participating unit in the fire protection territory;~~
 2 ~~and~~
 3 ~~(2) unit's levy for fire protection services for the calendar year that~~
 4 ~~immediately precedes the ensuing calendar year in which the~~
 5 ~~participating unit levies a tax to support the territory.~~

6 SECTION 106. IC 36-9-4-13.5 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 13.5. (a) This
 8 section applies to a county having a population of more than two
 9 hundred thousand (200,000) but less than three hundred thousand
 10 (300,000).

11 (b) The taxing district of a public transportation corporation under
 12 this section includes all the territory inside the corporate boundaries of
 13 the two (2) cities in the county having the largest populations and such
 14 suburban territory as provided in section 13 of this chapter.

15 (c) This section applies upon the adoption of substantially identical
 16 ordinances approving subsection (b) by both:

17 (1) the public transportation corporation incorporating the
 18 additional territory; and

19 (2) the legislative body of the city being added to the taxing
 20 district of the public transportation corporation.

21 (d) Whenever the city in the county having the second largest
 22 population becomes a part of the public transportation corporation,
 23 then two (2) additional directors representing that city shall be
 24 appointed to the board of directors of the corporation. The directors
 25 must be residents of that city and are entitled to all of the rights,
 26 privileges, powers, and duties of directors under this chapter. The
 27 executive and the legislative body of that city shall each appoint one
 28 (1) director. These two (2) directors must not be of the same political
 29 party. The director appointed by the legislative body shall serve for a
 30 term of one (1) year, and the director appointed by the executive shall
 31 serve for a term of two (2) years. Upon the expiration of the respective
 32 terms, successors shall be appointed in accordance with section 18 of
 33 this chapter.

34 (e) ~~If the city in the county having the second largest population~~
 35 ~~appropriates money to support the public transportation corporation in~~
 36 ~~a particular year, and if the territory of that city subsequently becomes~~
 37 ~~a part of the taxing district of the public transportation corporation in~~
 38 ~~that year and is subject to a separate property tax levy for transportation~~
 39 ~~services, the maximum permissible levy of that city for the year~~
 40 ~~following the particular year used to compute the property tax levy~~
 41 ~~limit under IC 6-1.1-18.5 is decreased, and the maximum permissible~~
 42 ~~levy of the public transportation corporation for the particular year used~~

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1 to compute the property tax levy limit under IC 6-1.1-18.5 is increased;
 2 by an amount equivalent to the current contract amount to be paid by
 3 that city to the public transportation corporation for transportation
 4 services provided to that city in the particular year:

5 (f) (e) The public transportation corporation shall establish a single
 6 property tax rate applicable to the taxing district of the public
 7 transportation corporation, including the territory of the city in the
 8 county having the second largest population that is included in the
 9 public transportation corporation under this section. The initial
 10 permissible levy to be raised by this rate equals the sum of the amount
 11 raised by the levy of the public transportation corporation in the
 12 previous taxable year plus an amount equivalent to the current contract
 13 amount to be paid in the calendar year 1982 by the city in the county
 14 having the second largest population to the public transportation
 15 corporation. The permissible levy for the subsequent years shall be
 16 computed in accordance with IC 6-1.1-18.5:

17 (g) If the city in the county having the second largest population is
 18 excluded from the public transportation corporation in a subsequent
 19 year, and that city is no longer subject to a separate property tax levy
 20 for transportation services, the maximum permissible levy of the public
 21 transportation corporation for that subsequent year used to compute the
 22 property tax levy limit under IC 6-1.1-18.5 is decreased; and the
 23 maximum permissible levy of that city for that subsequent year used to
 24 compute the property tax levy limit under IC 6-1.1-18.5 is increased;
 25 by the amount of the product of the public transportation property tax
 26 rate for that subsequent year multiplied by the assessed value in that
 27 subsequent year of all taxable property in that city that is excluded from
 28 the public transportation corporation:

29 SECTION 107. IC 36-9-4-48 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 48. (a) A
 31 cumulative transportation fund to provide money for the acquisition of
 32 buses and for the planning, establishment, and maintenance of routes
 33 and schedules to assist in implementing this chapter may be established
 34 under IC 6-1.1-41 by:

- 35 (1) the legislative body of a municipality that:
 36 (A) is making grants to an urban mass transportation system;
 37 or
 38 (B) has purchased buses for operation under lease by an urban
 39 mass transportation system; or
 40 (2) the board of directors of a public transportation corporation.

41 (b) In addition to other notices required under IC 6-1.1-41, notices
 42 of hearings under IC 6-1.1-41 must be given to the following:

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- 1 (1) the municipal executive, for a tax levy by a municipality; and
 2 (2) the chairman of the board of directors, for a tax levy by a
 3 public transportation corporation.

4 (c) A tax levy to finance the cumulative transportation fund may be
 5 levied in compliance with IC 6-1.1-41. ~~The tax levied under this~~
 6 ~~section may not exceed six and sixty-seven hundredths cents (\$0.0667)~~
 7 ~~on each one hundred dollars (\$100) of taxable property within the~~
 8 ~~corporate boundaries of the municipality or the taxing district of the~~
 9 ~~public transportation corporation, as the case may be.~~

10 SECTION 108. IC 36-9-6.1-2 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 2. (a) The fiscal
 12 body of a unit that has adopted a thoroughfare plan under IC 36-7-4
 13 may levy a tax ~~of five cents (\$0.05) on each one hundred dollars (\$100)~~
 14 ~~of on~~ taxable property in the unit. The tax may be levied annually, in
 15 the same way that other property taxes are levied.

16 (b) The taxes levied under this section shall be collected in the same
 17 manner as other property taxes and deposited in a separate and
 18 continuing fund to be known as the thoroughfare fund. The fiscal
 19 officer of the unit may make payments or transfers from this fund only
 20 on warrants of the works board for work related to the thoroughfare
 21 plan.

22 SECTION 109. IC 36-9-14-5 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 5. The county
 24 fiscal body may provide money for the cumulative building fund by
 25 levying a tax in compliance with IC 6-1.1-41 ~~of not more than sixteen~~
 26 ~~and sixty-seven hundredths cents (\$0.1667) on each one hundred~~
 27 ~~dollars (\$100) of on~~ taxable property in the county.

28 SECTION 110. IC 36-9-16-5 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 5. (a) The unit's
 30 fiscal body may levy a tax ~~not to exceed thirty-three cents (\$0.33) on~~
 31 ~~each one hundred dollars (\$100) of on~~ taxable property within the
 32 taxing district to provide for a cumulative building fund. The tax may
 33 be levied annually for any period not to exceed ten (10) years.

34 (b) Appropriations may be made from the cumulative building fund
 35 for the purposes authorized by this chapter.

36 SECTION 111. IC 36-9-16-6, AS AMENDED BY P.L.90-2002,
 37 SECTION 513, IS AMENDED TO READ AS FOLLOWS
 38 [EFFECTIVE JANUARY 1, 2004]: Sec. 6. (a) The unit's fiscal body
 39 may levy a tax ~~not to exceed thirty-three cents (\$0.33) on each one~~
 40 ~~hundred dollars (\$100) of on~~ taxable property within the taxing district
 41 to provide for a cumulative capital improvement fund. The tax may be
 42 levied annually for any period not to exceed ten (10) years and may be

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1 decreased or increased from year to year. ~~except that the tax may not~~
 2 ~~be increased above the levy approved by the department of local~~
 3 ~~government finance.~~

4 (b) Surplus money in other accounts of the unit, or other sources,
 5 and money acquired from other activities of the unit, or other sources,
 6 may, by resolution of the legislative body and with the approval of the
 7 department of local government finance, be added to the cumulative
 8 capital improvement fund.

9 (c) Appropriations may be made:

10 (1) as provided by law from the cumulative capital improvement
 11 fund for purposes of this chapter; or

12 (2) for a contribution to an authority established under
 13 IC 36-7-23.

14 SECTION 112. IC 36-9-17-5 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 5. (a) Subject to
 16 tax limitations and to the review of appropriations and tax levies, the
 17 legislative body of a municipality that establishes a general
 18 improvement fund may appropriate money from the general fund of the
 19 municipality and transfer that money to the general improvement fund,
 20 levy a tax for the benefit and use of the general improvement fund in
 21 compliance with the procedures for a levy for a cumulative fund under
 22 IC 6-1.1-41, or both.

23 (b) During the year in which a municipality establishes a general
 24 improvement fund, the municipal legislative body may make an
 25 emergency appropriation from the general fund of the municipality and
 26 transfer that appropriation to the general improvement fund in the
 27 manner prescribed by statute for the making of emergency
 28 appropriations.

29 (c) Any sum may be appropriated or levied under this section in any
 30 one (1) year. ~~but the aggregate sum that may be appropriated and levied~~
 31 ~~under this section, including emergency appropriations under~~
 32 ~~subsection (b), may not exceed the equivalent of sixteen and~~
 33 ~~sixty-seven hundredths cents (\$0.1667) on each one hundred dollars~~
 34 ~~(\$100) net taxable valuation of property in the municipality.~~

35 SECTION 113. IC 36-9-17.5-4, AS ADDED BY P.L.129-1999,
 36 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JANUARY 1, 2004]: Sec. 4. (a) To provide for the cumulative
 38 township vehicle and building fund authorized under this chapter, the
 39 legislative body of a township may levy a tax on all taxable property
 40 within the township in compliance with IC 6-1.1-41. ~~The tax rate may~~
 41 ~~not exceed five cents (\$0.05) on each one hundred dollars (\$100) of~~
 42 ~~assessed valuation of property in the township for property taxes first~~

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1 due and payable before January 1, 2002, or one and sixty-seven
 2 hundredths cents (\$0.0167) on each one hundred dollars (\$100) of
 3 assessed valuation of property in the township for property taxes first
 4 due and payable after December 31, 2001.

5 (b) As the tax is collected, it shall be deposited in a qualified public
 6 depository or depositories and held in a special fund known as the
 7 cumulative township vehicle and building fund.

8 SECTION 114. IC 36-9-26-4 IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 4. A municipality
 10 that has established a cumulative building and sinking fund may levy
 11 a tax in compliance with IC 6-1.1-41 ~~not to exceed one dollar (\$1) on~~
 12 ~~each one hundred dollars (\$100) of~~ on taxable property in the
 13 municipality.

14 SECTION 115. IC 36-9-27-73 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 73. (a) There is
 16 established in each county a general drain improvement fund, which
 17 shall be used to pay the cost of:

18 (1) constructing or reconstructing a regulated drain under this
 19 chapter; and

20 (2) removing obstructions from drains under IC 36-9-27.4.

21 In addition, if a maintenance fund has not been established for a drain,
 22 or if a maintenance fund has been established and it is insufficient, the
 23 general drain improvement fund shall be used to pay the deficiency.

24 (b) The general drain improvement fund consists of:

25 (1) all money in any ditch or drainage fund that was not otherwise
 26 allocated by January 1, 1966, which money the county treasurer
 27 shall transfer to the general drain improvement fund by January
 28 1, 1985;

29 (2) proceeds from the sale of bonds issued to pay the costs of
 30 constructing or reconstructing a drain;

31 (3) costs collected from petitioners in a drainage proceeding;

32 (4) appropriations made from the general fund of the county, or
 33 taxes levied by the county fiscal body for drainage purposes;

34 (5) money received from assessments upon land benefited for
 35 construction or reconstruction of a regulated drain;

36 (6) interest and penalties received on collection of delinquent
 37 drain assessments and interest received for deferred payment of
 38 drain assessments;

39 (7) money repaid to the general drain improvement fund out of a
 40 maintenance fund; and

41 (8) money received from loans under section 97.5 of this chapter.

42 (c) The county fiscal body, at the request of the board and on

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1 estimates prepared by the board, shall from time to time appropriate
 2 enough money for transfer to the general drain improvement fund to
 3 maintain the fund at a level sufficient to meet the costs and
 4 expenditures to be charged against it, after allowing credit to the fund
 5 for assessments paid into it.

6 (d) There is no limit to the amount that the county fiscal body may
 7 appropriate and levy for the use of the general drain improvement fund
 8 in any one (1) year. ~~However, the aggregate amount appropriated and~~
 9 ~~levied for the use of the fund may not exceed the equivalent of fifty~~
 10 ~~cents (\$.50) on each one hundred dollars (\$100) of net taxable~~
 11 ~~valuation on the real and personal property in the county.~~

12 (e) Whenever:

13 (1) the board finds that the amount of money in the general drain
 14 improvement fund exceeds the amount necessary to meet the
 15 expenses likely to be paid from the fund; and

16 (2) the money was raised by taxation under this section;

17 the board shall issue an order specifying the excess amount and
 18 directing that it shall be transferred to the general fund of the county.

19 The board shall serve the order on the county auditor, who shall
 20 transfer the excess amount to the general fund of the county.

21 SECTION 116. IC 36-9-27-74 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 74. (a) This
 23 section applies to a county having a population of more than four
 24 hundred thousand (400,000) but less than seven hundred thousand
 25 (700,000).

26 ~~(b) Each year, the county shall levy the tax authorized by section 73~~
 27 ~~of this chapter at a rate on each one hundred dollars (\$100) of assessed~~
 28 ~~valuation that will yield three hundred thousand dollars (\$300,000) per~~
 29 ~~year.~~

30 ~~(c)~~ (b) The county auditor shall determine a particular watershed's
 31 part of the receipts from the tax authorized by this section by
 32 multiplying the total tax receipts by a fraction determined by the county
 33 surveyor. The numerator of the fraction is the number of acres in the
 34 particular watershed, and the denominator is the total number of acres
 35 in all of the watersheds in the county. The auditor shall annually
 36 distribute these amounts to the watersheds in the county.

37 ~~(d)~~ (c) The county legislative body shall annually appropriate, for
 38 use in the county in each of these watersheds, at least eighty percent
 39 (80%) of the watershed's part of the tax receipts.

40 SECTION 117. IC 36-9-27-100 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 100. To provide
 42 money for a cumulative drainage fund established under section 99 of

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1 this chapter, the fiscal body may levy a tax in compliance with
 2 IC 6-1.1-41 ~~not to exceed five cents (\$0.05) on each one hundred~~
 3 ~~dollars (\$100) of assessed valuation of~~ **on** all taxable personal and real
 4 property:

5 (1) within the corporate boundaries, in the case of a municipality;
 6 or

7 (2) within the county but outside the corporate boundaries of all
 8 municipalities, in the case of a county.

9 SECTION 118. IC 36-9-29.1-15 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 15. (a) For the
 11 purpose of:

12 (1) providing for the payment of all general expenses of the board,
 13 including salaries of officers and employees and other items of
 14 expense not properly chargeable into the cost of any property
 15 acquired or work done under any resolution of the board for
 16 which flood control district bonds are issued; and

17 (2) providing for the operation, maintenance, and repair of any
 18 levees, dikes, retaining walls, reservoirs, drains, and other works
 19 and improvements in or along any watercourse designed to
 20 prevent damage and injury through floods, and other permanent
 21 works constructed, including the repair and maintenance of
 22 equipment or the performance of any duty imposed by this
 23 chapter;

24 a tax of ~~not exceeding one and thirty-three hundredths cents (\$0.0133)~~
 25 ~~on each one hundred dollars (\$100) of~~ **on** taxable property in the
 26 district as it appears on the tax duplicates, in addition to all other taxes,
 27 shall be levied annually by the city-county legislative body for flood
 28 control purposes. The county auditor shall estimate the taxes and enter
 29 them upon the tax duplicate, and the county treasurer shall collect and
 30 enforce the taxes, in the same manner as state and county taxes are
 31 estimated, entered, collected, and enforced.

32 (b) The county treasurer shall, between the first and tenth days of
 33 each month, notify the board of the amount of such taxes collected for
 34 flood control purposes during the preceding month, and upon the date
 35 of notification the county treasurer shall credit an account to be known
 36 as the "flood control maintenance and general expense fund" with such
 37 amount of taxes for flood control purposes as may have been collected
 38 at that time. The fund shall be used and expended only for the purposes
 39 prescribed by this chapter. The board may expend on behalf of the
 40 district all sums of money thus realized. Warrants for these
 41 expenditures shall be drawn by the fiscal officer of the consolidated
 42 city upon the vouchers of the board.



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1 (c) The board may by resolution authorize and make temporary
 2 loans in anticipation of revenues actually levied under this section,
 3 which loans mature and shall be paid within one (1) year from the date
 4 of the making of the loan, with interest payable at the maturity of the
 5 loan. The warrants or other evidence of these loans shall be sold for not
 6 less than par, and before the making of the loan, notice of the time,
 7 place, amount, and terms of making of the loan shall be given by
 8 publication in accordance with IC 5-3-1. The warrants import no
 9 personal obligation for their payment and are payable only out of the
 10 tax so levied.

11 (d) All money remaining in any of the funds to the credit of the
 12 board at the end of the calendar year continues to belong to these funds
 13 respectively, to be used by the board for the respective purposes for
 14 which the funds are created. All funds raised under this section shall be
 15 deposited at interest with the depository or depositories of other public
 16 funds of the consolidated city, and all interest collected on them
 17 belongs to them.

18 (e) In the event that the revenues in the "flood control maintenance
 19 and general expense fund" of the district are at any time insufficient,
 20 the consolidated city may appropriate money out of its general fund for
 21 the use and benefit of the district, which amount so appropriated and
 22 used shall be returned and repaid to the city out of the first available
 23 funds by the board.

24 SECTION 119. IC 36-10-3-21 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 21. (a) The board
 26 may establish a cumulative building fund under IC 6-1.1-41 to provide
 27 money for:

- 28 (1) building, remodeling, and repair of park and recreation
 29 facilities; or
 30 (2) purchase of land for park and recreation purposes.

31 In addition to the requirements of IC 6-1.1-41, before a fund may be
 32 established, the proposed action must be approved by the fiscal body
 33 of the unit.

34 (b) To provide for the cumulative building fund, the unit's fiscal
 35 body may levy a tax in compliance with IC 6-1.1-41 ~~not to exceed one~~
 36 ~~and sixty-seven hundredths cents (\$0.0167) on each one hundred~~
 37 ~~dollars (\$100) of assessed valuation of on~~ taxable property within the
 38 unit.

39 (c) The tax shall be collected and held in a special fund known as
 40 the unit's park and recreation cumulative building fund.

41 SECTION 120. IC 36-10-4-36 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 36. (a) To raise

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1 money for any of the purposes for which bonds may be issued under
 2 section 35 of this chapter, the board may request that the city legislative
 3 body adopt an ordinance establishing a cumulative building and
 4 sinking fund. The legislative body may establish a cumulative building
 5 and sinking fund under IC 6-1.1-41 **and levy a tax to provide for the**
 6 **fund. The tax may not exceed three and thirty-three hundredths cents**
 7 **(\$0.0333) on each one hundred dollars (\$100) of taxable personal and**
 8 **real property in the district.**

9 (b) The tax, when collected, shall be held in a public depository in
 10 a special fund to be known as the park district cumulative building and
 11 sinking fund.

12 SECTION 121. IC 36-10-7-7 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 7. (a) This section
 14 applies to all townships having a population between two thousand
 15 (2,000) and three thousand (3,000).

16 (b) The township executive may accept, acquire, and maintain
 17 grounds and structures to be used as public parks upon petition of at
 18 least fifty-one percent (51%) of the resident taxpayers of the township.

19 (c) Whenever a park has been established in the township, the
 20 legislative body shall, at its annual meeting and annually each
 21 following year, levy a tax ~~not exceeding one and sixty-seven~~
 22 ~~hundredths cents (\$0.0167) on each one hundred dollars (\$100) of on~~
 23 taxable property in the township. The money shall be set aside in a
 24 public park fund to be used by the executive for the maintenance and
 25 improvement of the park and for no other purpose.

26 SECTION 122. IC 36-10-7-8, AS AMENDED BY P.L.90-2002,
 27 SECTION 518, IS AMENDED TO READ AS FOLLOWS
 28 [EFFECTIVE JANUARY 1, 2004]: Sec. 8. (a) This section applies to
 29 all townships having a population of less than two thousand (2,000).

30 (b) The township executive may lease, purchase, accept by grant,
 31 devise, bequest, or other conveyance to the township, or otherwise
 32 acquire land for park purposes and may make necessary improvements
 33 only as provided by this section.

34 (c) The legislative body may establish a township park and may, by
 35 resolution, appropriate from the general fund of the township the
 36 necessary money to lease, purchase, accept, or otherwise acquire land
 37 for park purposes or make improvements thereon. The executive shall
 38 then lease, purchase, accept, or acquire the land for park purposes or
 39 shall make improvements thereon as directed in the resolution.
 40 However, the costs of the park grounds or of the improvements
 41 provided for in the resolution may not exceed in one (1) year one-fifth
 42 of one percent (0.2%) of the adjusted value of all taxable property of

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1 the township as determined under IC 36-1-15.

2 (d) If a park has been established under this section, the executive
3 shall have the park maintained and may make improvements and
4 construct and maintain facilities for the comfort and convenience of the
5 public. However, the executive annually may not spend more than one
6 cent (\$0.01) on each one hundred dollars (\$100) of assessed valuation
7 of taxable property in the township as it appears on the tax duplicates
8 of the auditor of the county in which the township is located. The
9 money shall be paid from the general fund of the township.

10 (e) If the general fund of the township is insufficient to meet the
11 expenses of acquiring or improving the land for park purposes, the
12 executive shall call a special meeting of the legislative body by written
13 notice to each member of the legislative body at least three (3) days
14 before the date of the meeting. The notice must state the time, place,
15 and purpose of the meeting. The legislative body shall meet and
16 determine whether an emergency exists for the issuance of the warrants
17 or bonds of the township. The legislative body shall, by resolution,
18 authorize the issuance and sale of the warrants or bonds of the
19 township in an amount not exceeding two percent (2%) of the adjusted
20 value of all taxable property in the township as determined under
21 IC 36-1-15. The amount of bonds may not exceed the total estimated
22 cost of all land to be acquired and all improvements described in the
23 resolution, including all expenses necessarily incurred in connection
24 with the proceedings. The proceeds from the sale of the bonds shall be
25 deposited in the general fund of the township. The bonds become due
26 and payable not less than two (2) nor more than ten (10) years after the
27 date of issuance, may bear interest at any rate, and may not be sold for
28 less than par value. The bonds shall be sold after giving notice of the
29 sale of bonds in accordance with IC 5-3-1. The bonds and the interest
30 thereon are exempt from taxation as provided by IC 6-8-5 and are
31 subject to the provisions of IC 6-1.1-20 relating to the filing of a
32 petition requesting the issuance of bonds, the appropriation of the
33 proceeds of the bonds, and the approval by the department of local
34 government finance.

35 (f) The legislative body shall, at its next annual meeting after
36 authorization of bonds and annually each following year, levy a
37 sufficient tax against all the taxable property of the township to pay the
38 principal of the bonds, together with accruing interest, as they become
39 due. The executive shall apply the money received from the levy only
40 to the payment of bonds and interest as they become due.

41 (g) In addition to the levy required by subsection (f), the legislative
42 body shall, when a park has been established under this section and at

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1 every annual meeting after establishment, levy a tax ~~not exceeding one~~
 2 ~~cent (\$0.01) on each one hundred dollars (\$100) of~~ on taxable property
 3 in the township. The levy required by this subsection shall be used by
 4 the executive for the maintenance and improvement of the park. The
 5 executive may not expend more for maintenance and improvement of
 6 the park than the amount collected by the levy except:

7 (1) upon petition by fifty-one percent (51%) of the taxpayers of
 8 the township; or

9 (2) when warrants or bonds are to be issued under this section to
 10 finance the expenses of improvements.

11 The amount received from the levy shall be deposited in the general
 12 fund of the township.

13 (h) A park established under this section shall be kept open to the
 14 public in accordance with rules prescribed by the executive.

15 (i) If the executive determines that land or other property used for
 16 park purposes under this section should be disposed of and that the
 17 park should no longer be maintained, the executive shall appoint three
 18 (3) disinterested appraisers to appraise the property. The property shall
 19 then be disposed of either at public or private sale for at least its
 20 appraised value.

21 (j) This subsection applies if the township sells the property by
 22 acceptance of bids. A bid submitted by a trust (as defined in
 23 IC 30-4-1-1(a)) must identify each:

24 (1) beneficiary of the trust; and

25 (2) settlor empowered to revoke or modify the trust.

26 (k) All money from the sale of park property, less the expenses
 27 incurred in making the appraisal and sale, shall be paid into the general
 28 fund of the township.

29 SECTION 123. IC 36-10-7.5-19 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 19. (a) The fiscal
 31 body may establish a cumulative building fund under IC 6-1.1-41 to
 32 provide money for:

33 (1) building, remodeling, and repair of park and recreation
 34 facilities; or

35 (2) purchase of land for park and recreation purposes.

36 (b) To provide for the cumulative building fund, the township fiscal
 37 body may levy a tax in compliance with IC 6-1.1-41 ~~not greater than~~
 38 ~~one and sixty-seven hundredths cents (\$0.0167) on each one hundred~~
 39 ~~dollars (\$100) of assessed valuation of~~ on taxable property within the
 40 township.

41 (c) The tax shall be collected and held in a special fund known as
 42 the township park and recreation cumulative building fund.



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1 SECTION 124. THE FOLLOWING ARE REPEALED
2 [EFFECTIVE JANUARY 1, 2004]: IC 6-1.1-17-19; IC 6-1.1-18-2;
3 IC 6-1.1-18-3; IC 6-1.1-18-11; IC 6-1.1-18.5; IC 6-1.1-18.6;
4 IC 6-1.1-19-1.7; IC 6-1.1-19-2; IC 6-1.1-19-3; IC 6-1.1-19-4.1;
5 IC 6-1.1-19-4.2; IC 6-1.1-19-4.4; IC 6-1.1-19-4.5; IC 6-1.1-19-4.6;
6 IC 6-1.1-19-4.7; IC 6-1.1-19-4.9; IC 6-1.1-19-5.1; IC 6-1.1-19-5.3;
7 IC 6-1.1-19-5.4; IC 6-1.1-19-6; IC 6-1.1-19-7; IC 6-1.1-19-8;
8 IC 12-20-25-43; IC 13-21-3-15; IC 13-21-3-15.5; IC 14-33-7-3;
9 IC 36-8-8.5-17; IC 36-8-13-4.6; IC 36-8-13-4.7; IC 36-8-19-13.

10 SECTION 125. [EFFECTIVE JANUARY 1, 2004] **The repeal of**
11 **property tax levy limits and rate controls required under this act**
12 **applies to:**

- 13 (1) **property tax assessments made after December 31, 2003;**
14 (2) **budgets prepared using the assessments described in**
15 **subdivision (1); and**
16 (3) **property taxes first due and payable in 2005.**

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