

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7136**  
**BILL NUMBER: HB 1805**

**NOTE PREPARED: Jan 10, 2005**  
**BILL AMENDED:**

**SUBJECT:** Property tax rates and levies.

**FIRST AUTHOR:** Rep. Saunders  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**      **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** Pending

**Summary of Legislation:** Allows the county auditor to reduce a taxing unit's assessed value used to set property tax rates for the following year to enable the unit to absorb the effects of reduced property tax collections expected to result from successful assessed value appeals. Limits the amount of the reduction. For property taxes first due and payable in 2006, sets a civil taxing unit's maximum property tax levy at the amount that would have applied for taxes payable in 2005 if the 2004 change had not been enacted that eliminated unused maximum levy capacity from the determination of the next year's maximum levy. Reverses that change for future years.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst: Bob Sigalow, 317-232-9859.**