

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1845 be amended to read as follows:

- 1 Page 13, between lines 18 and 19, begin a new paragraph and insert:
- 2 "SECTION 11. IC 6-1.1-21-2.3, AS ADDED BY HB 1001-2005,
- 3 SECTION 58, IS AMENDED TO READ TO READ AS FOLLOWS
- 4 [EFFECTIVE JANUARY 1, 2006]: Sec. 2.3. (a) As used in this
- 5 section, "distribution limit" means for credits granted against tax
- 6 liability first due and payable in:
- 7 (1) ~~2006~~, **2010**, two billion ninety-nine million one hundred nine
- 8 thousand one hundred ninety-seven dollars (\$2,099,109, 197); and
- 9 (2) ~~2007~~, **2011**, two billion one hundred thirty-six million four
- 10 hundred nine thousand one hundred ninety-seven dollars
- 11 (\$2,136,409, 197).
- 12 (b) Based on the department's final determinations of distribution
- 13 under sections 4 and 9 of this chapter, the department shall annually
- 14 certify the following to the department of local government finance for
- 15 each county:
- 16 (1) The final determination of the amount of property tax
- 17 replacement credits granted under section 5 of this chapter in the
- 18 immediately preceding year and the final determination of the
- 19 distribution made under this chapter to replace revenue lost from
- 20 the granting of property tax replacement credits.
- 21 (2) The final determination of the amount of homestead credits
- 22 granted under IC 6-1.1-20.9 in the immediately preceding year
- 23 and the final determination of the distribution made under this
- 24 chapter to replace revenue lost from the granting of homestead
- 25 credits.

1 (3) The amount of additional credits granted under section 5 of
 2 this chapter to taxpayers in the taxing units with at least one (1)
 3 economic development district that meets the requirements of
 4 section 5.5 of this chapter in the immediately preceding year and
 5 the final determination of the distribution made under this chapter
 6 to replace revenue lost from the granting of additional credits.

7 The certification for a county must be made before the department of
 8 local government finance certifies the budgets, tax rates, and tax levies
 9 for the county for the ensuing year under IC 6-1.1-17-16. The
 10 certification must be based on the best data available to the department
 11 at the time the certification is made and be in the form prescribed by the
 12 department of local government finance.

13 (c) Using the information certified under subsection (b) and any
 14 other data available to the department of local government finance, the
 15 department of local government finance shall calculate the maximum
 16 amount of property tax replacement credits, homestead credits, and
 17 additional credits that may be granted in each county in the ensuing
 18 year. The maximum amount of property tax credits, homestead credits,
 19 and additional credits that may be granted in a county in the ensuing
 20 year may not exceed the distribution limit for the ensuing year
 21 multiplied by a fraction. The numerator of the fraction is the total
 22 number of credits described in subsection (b) that were granted in the
 23 county in the immediately preceding year. The denominator of the
 24 fraction is the total number of credits described in subsection (b) that
 25 were granted in all counties in the immediately preceding year.

26 (d) If the department of local government finance determines that,
 27 without an adjustment under this section, the total amount of property
 28 tax replacement credits, homestead credits, and additional credits for
 29 which taxpayers in the county would be eligible in the ensuing year will
 30 exceed the maximum amount determined for the county under
 31 subsection (c), the department of local government finance shall reduce
 32 the property tax replacement credit percentages and the additional
 33 credit percentages that would otherwise apply in the county. The
 34 department of local government finance shall proportionately reduce
 35 the percentages used to compute the:

36 (1) property replacement credits granted under section 5(a) of this
 37 chapter and described in section 2(1)(2) of this chapter;

38 (2) property replacement credits granted under section 5(a) of this
 39 chapter and described in section 2(1)(3) of this chapter; and

40 (3) additional credits granted under section 5(d) of this chapter;
 41 in the county in the ensuing year so that the total amount of all property
 42 tax replacement credits, homestead credits, and additional credits
 43 granted in the county is not likely to exceed the maximum amount
 44 determined for the county under subsection (c). If a reduction is
 45 required, the percentages described in section 2(1)(2) and 2(1)(3) of this
 46 chapter must be reduced by the same reduction percentage in all taxing
 47 units in the county. If the department determines that reducing only the

1 credits described in subdivisions (1) through (3) will not result in a total
 2 of credits granted in the county that is less than the maximum amount
 3 determined for the county under subsection (c), the department shall
 4 reduce the amount of property tax credits described in section 2(1)(1) of
 5 this chapter as needed to eliminate the excess.

6 (e) Not later than the date that the department of local government
 7 finance certifies budget, tax rates, and tax levies for the political
 8 subdivisions in a county under IC 6-1.1-17-16, the department of local
 9 government finance shall certify to the county's county auditor and each
 10 political subdivision in the county the:

11 (1) property tax replacement credit percentages and additional
 12 credit percentages that apply to each taxing district in the county
 13 in the ensuing year; and

14 (2) estimated distribution that each political subdivision in the
 15 county is estimated to receive to replace revenue lost from the
 16 granting of property tax replacement credits, homestead credits,
 17 and additional credits in the ensuing year.

18 (f) County auditors and the department shall use the property tax
 19 replacement credit percentages and the additional credit percentages
 20 certified under subsection (e)(1) in computing property tax replacement
 21 credits and additional credits in the ensuing calendar year.

22 **(g) Before January 1, 2010:**

23 **(1) the department of local government finance shall certify**
 24 **credits; and**

25 **(2) sections 3, 4, and 9 of this chapter shall be applied;**

26 **without considering the distribution limit established by this**
 27 **section."**

28 Renumber all SECTIONS consecutively.

(Reference is to HB 1845 as printed February 22, 2005.)

Representative Bauer