

IC 6-1.1-18.5

Chapter 18.5. Civil Government Property Tax Controls

IC 6-1.1-18.5-1

Definitions

Sec. 1. As used in this chapter:

"Ad valorem property tax levy for an ensuing calendar year" means the total property taxes imposed by a civil taxing unit for current property taxes collectible in that ensuing calendar year.

"Adopting county" means any county in which the county adjusted gross income tax is in effect.

"Civil taxing unit" means any taxing unit except a school corporation.

"Maximum permissible ad valorem property tax levy for the preceding calendar year" means, for purposes of determining a maximum permissible ad valorem property tax levy under section 3 of this chapter for property taxes imposed for the March 1, 2010, and January 15, 2011, assessment dates, the maximum permissible ad valorem property tax levy for the preceding calendar year as determined under this section as effective on January 1, 2011. For purposes of determining a maximum permissible ad valorem property tax levy under section 3 of this chapter for property taxes imposed for an assessment date after January 15, 2011, the term means the civil taxing unit's maximum permissible ad valorem property tax levy for the calendar year immediately preceding the ensuing calendar year, as that levy was determined under section 3 of this chapter (regardless of whether the taxing unit imposed the entire amount of the maximum permissible ad valorem property tax levy in the immediately preceding year).

"Taxable property" means all tangible property that is subject to the tax imposed by this article and is not exempt from the tax under IC 6-1.1-10 or any other law. For purposes of sections 2 and 3 of this chapter, the term "taxable property" is further defined in section 6 of this chapter.

As added by P.L.73-1983, SEC.1. Amended by P.L.198-2001, SEC.51; P.L.1-2004, SEC.21 and P.L.23-2004, SEC.22; P.L.154-2006, SEC.46; P.L.1-2010, SEC.28; P.L.113-2010, SEC.31; P.L.124-2011, SEC.1.

IC 6-1.1-18.5-2

Assessed value growth quotient; Lake County determination

Sec. 2. (a) As used in this section, "Indiana nonfarm personal income" means the estimate of total nonfarm personal income for Indiana in a calendar year as computed by the federal Bureau of Economic Analysis using any actual data for the calendar year and any estimated data determined appropriate by the federal Bureau of Economic Analysis.

(b) Subject to subsection (c), for purposes of determining a civil taxing unit's maximum permissible ad valorem property tax levy for an ensuing calendar year, the civil taxing unit shall use the assessed

value growth quotient determined in the last STEP of the following STEPS:

STEP ONE: For each of the six (6) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year, divide the Indiana nonfarm personal income for the calendar year by the Indiana nonfarm personal income for the calendar year immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).

STEP TWO: Determine the sum of the STEP ONE results.

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

STEP FOUR: Determine the lesser of the following:

(A) The STEP THREE quotient.

(B) One and six-hundredths (1.06).

(c) This subsection applies only to civil taxing units in Lake County. Notwithstanding any other provision, for property taxes first due and payable after December 31, 2007, the assessed value growth quotient used to determine a civil taxing unit's maximum permissible ad valorem property tax levy under this chapter for a particular calendar year is one (1) unless a tax rate of one percent (1%) will be in effect under IC 6-3.5-1.1-26 or IC 6-3.5-6-32 in Lake County for that calendar year.

As added by P.L.73-1983, SEC.1. Amended by P.L.44-1984, SEC.1; P.L.198-2001, SEC.52; P.L.192-2002(ss), SEC.35; P.L.224-2007, SEC.19; P.L.1-2008, SEC.3.

IC 6-1.1-18.5-3 Version a

Maximum ad valorem property tax levy; formula

Note: This version of section effective until 1-1-2012. See also following version of this section, effective 1-1-2012.

Sec. 3. (a) A civil taxing unit that is treated as not being located in an adopting county under section 4 of this chapter may not impose an ad valorem property tax levy for an ensuing calendar year that exceeds the amount determined in the last STEP of the following STEPS:

STEP ONE: Add the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year to the part of the civil taxing unit's certified share, if any, that was used to reduce the civil taxing unit's ad valorem property tax levy under STEP EIGHT of subsection (b) for that preceding calendar year.

STEP TWO: Multiply the amount determined in STEP ONE by the amount determined in the last STEP of section 2(b) of this chapter.

STEP THREE: Determine the lesser of one and fifteen hundredths (1.15) or the quotient (rounded to the nearest ten-thousandth (0.0001)), of the assessed value of all taxable property subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year, divided by the assessed

value of all taxable property that is subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.

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

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

STEP SIX: Add the amount determined under STEP TWO to the amount determined under subsection (c).

STEP SEVEN: Determine the greater of the amount determined under STEP FIVE or the amount determined under STEP SIX.

(b) Except as otherwise provided in this chapter, a civil taxing unit that is treated as being located in an adopting county under section 4 of this chapter may not impose an ad valorem property tax levy for an ensuing calendar year that exceeds the amount determined in the last STEP of the following STEPS:

STEP ONE: Add the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year to the part of the civil taxing unit's certified share, if any, used to reduce the civil taxing unit's ad valorem property tax levy under STEP EIGHT of this subsection for that preceding calendar year.

STEP TWO: Multiply the amount determined in STEP ONE by the amount determined in the last STEP of section 2(b) of this chapter.

STEP THREE: Determine the lesser of one and fifteen hundredths (1.15) or the quotient of the assessed value of all taxable property subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year divided by the assessed value of all taxable property that is subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.

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

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

STEP SIX: Add the amount determined under STEP TWO to the amount determined under subsection (c).

STEP SEVEN: Determine the greater of the amount determined under STEP FIVE or the amount determined under STEP SIX.

STEP EIGHT: Subtract the amount determined under STEP FIVE of subsection (e) from the amount determined under STEP SEVEN of this subsection.

(c) The amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as applicable, equals the sum of the following:

- (1) If a civil taxing unit in the immediately preceding calendar year provided an area outside its boundaries with services on a contractual basis and in the ensuing calendar year that area has been annexed by the civil taxing unit, the amount paid by the annexed area during the immediately preceding calendar year for services that the civil taxing unit must provide to that area during the ensuing calendar year as a result of the annexation.
- (2) If the civil taxing unit has had an excessive levy appeal approved under section 13(1) of this chapter for the ensuing calendar year, an amount determined by the civil taxing unit for the ensuing calendar year that does not exceed the amount of that excessive levy.

In all other cases, the amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as the case may be, equals zero (0).

(d) This subsection applies only to civil taxing units located in a county having a county adjusted gross income tax rate for resident county taxpayers (as defined in IC 6-3.5-1.1-1) of one percent (1%) as of January 1 of the ensuing calendar year. For each civil taxing unit, the amount to be added to the amount determined in subsection (e), STEP FOUR, is determined using the following formula:

STEP ONE: Multiply the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year by two percent (2%).

STEP TWO: For the determination year, the amount to be used as the STEP TWO amount is the amount determined in subsection (f) for the civil taxing unit. For each year following the determination year the STEP TWO amount is the lesser of:

- (A) the amount determined in STEP ONE; or
- (B) the amount determined in subsection (f) for the civil taxing unit.

STEP THREE: Determine the greater of:

- (A) zero (0); or
- (B) the civil taxing unit's certified share for the ensuing calendar year minus the greater of:
 - (i) the civil taxing unit's certified share for the calendar year that immediately precedes the ensuing calendar year; or
 - (ii) the civil taxing unit's base year certified share.

STEP FOUR: Determine the greater of:

- (A) zero (0); or
- (B) the amount determined in STEP TWO minus the amount determined in STEP THREE.

Add the amount determined in STEP FOUR to the amount determined in subsection (e), STEP THREE, as provided in subsection (e), STEP FOUR.

(e) For each civil taxing unit, the amount to be subtracted under subsection (b), STEP EIGHT, is determined using the following formula:

STEP ONE: Determine the lesser of the civil taxing unit's base

year certified share for the ensuing calendar year, as determined under section 5 of this chapter, or the civil taxing unit's certified share for the ensuing calendar year.

STEP TWO: Determine the greater of:

- (A) zero (0); or
- (B) the remainder of:
 - (i) the amount of federal revenue sharing money that was received by the civil taxing unit in 1985; minus
 - (ii) the amount of federal revenue sharing money that will be received by the civil taxing unit in the year preceding the ensuing calendar year.

STEP THREE: Determine the lesser of:

- (A) the amount determined in STEP TWO; or
- (B) the amount determined in subsection (f) for the civil taxing unit.

STEP FOUR: Add the amount determined in subsection (d), STEP FOUR, to the amount determined in STEP THREE.

STEP FIVE: Subtract the amount determined in STEP FOUR from the amount determined in STEP ONE.

(f) As used in this section, a taxing unit's "determination year" means the latest of:

- (1) calendar year 1987, if the taxing unit is treated as being located in an adopting county for calendar year 1987 under section 4 of this chapter;
- (2) the taxing unit's base year, as defined in section 5 of this chapter, if the taxing unit is treated as not being located in an adopting county for calendar year 1987 under section 4 of this chapter; or
- (3) the ensuing calendar year following the first year that the taxing unit is located in a county that has a county adjusted gross income tax rate of more than one-half percent (0.5%) on July 1 of that year.

The amount to be used in subsections (d) and (e) for a taxing unit depends upon the taxing unit's certified share for the ensuing calendar year, the taxing unit's determination year, and the county adjusted gross income tax rate for resident county taxpayers (as defined in IC 6-3.5-1.1-1) that is in effect in the taxing unit's county on July 1 of the year preceding the ensuing calendar year. For the determination year and the ensuing calendar years following the taxing unit's determination year, the amount is the taxing unit's certified share for the ensuing calendar year multiplied by the appropriate factor prescribed in the following table:

COUNTIES WITH A TAX RATE OF 1/2%	
Year	Subsection (e) Factor
For the determination year and each ensuing calendar year following the determination year	0

COUNTIES WITH A TAX RATE OF 3/4%	
Year	Subsection (e) Factor

For the determination year and each ensuing
calendar year following the determination year 1/2

COUNTIES WITH A TAX RATE OF 1.0%

Year	Subsection (d) Factor	Subsection (e) Factor
For the determination year	1/6	1/3
For the ensuing calendar year following the determination year	1/4	1/3
For the ensuing calendar year following the determination year by two (2) years	1/3	1/3

(g) This subsection applies only to property taxes first due and payable after December 31, 2007. This subsection applies only to a civil taxing unit that is located in a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30. Notwithstanding any provision in this section or any other section of this chapter and except as provided in subsection (h), the maximum permissible ad valorem property tax levy calculated under this section for the ensuing calendar year for a civil taxing unit subject to this section is equal to the civil taxing unit's maximum permissible ad valorem property tax levy for the current calendar year.

(h) This subsection applies only to property taxes first due and payable after December 31, 2007. In the case of a civil taxing unit that:

- (1) is partially located in a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30; and
- (2) is partially located in a county that is not described in subdivision (1);

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

As added by P.L. 73-1983, SEC.1. Amended by P.L. 64-1986, SEC.1; P.L. 78-1987, SEC.4; P.L. 151-2001, SEC.4; P.L. 198-2001, SEC.53;

P.L.1-2002, SEC.21; P.L.192-2002(ss), SEC.36; P.L.1-2003, SEC.25; P.L.224-2007, SEC.20; P.L.146-2008, SEC.169; P.L.42-2011, SEC.7.

IC 6-1.1-18.5-3 Version b

Maximum ad valorem property tax levy; formula

Note: This version of section effective 1-1-2012. See also preceding version of this section, effective until 1-1-2012.

Sec. 3. (a) A civil taxing unit may not impose an ad valorem property tax levy for an ensuing calendar year that exceeds the amount determined in the last STEP of the following STEPS:

STEP ONE: Determine the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year.

STEP TWO: Multiply the amount determined in STEP ONE by the amount determined in the last STEP of section 2(b) of this chapter.

STEP THREE: Determine the lesser of one and fifteen hundredths (1.15) or the quotient (rounded to the nearest ten-thousandth (0.0001)), of the assessed value of all taxable property subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year, divided by the assessed value of all taxable property that is subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.

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

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

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

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

(b) This subsection applies only to property taxes first due and payable after December 31, 2007. This subsection applies only to a civil taxing unit that is located in a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30. Notwithstanding any provision in this section or any other section of this chapter and except as provided in subsection (c), the maximum permissible ad valorem property tax levy calculated under this section for the ensuing calendar year for a civil taxing unit subject to this section is equal to the civil taxing unit's maximum permissible ad valorem property tax levy for the current calendar year.

(c) This subsection applies only to property taxes first due and

payable after December 31, 2007. In the case of a civil taxing unit that:

(1) is partially located in a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30; and

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

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

As added by P.L.73-1983, SEC.1. Amended by P.L.64-1986, SEC.1; P.L.78-1987, SEC.4; P.L.151-2001, SEC.4; P.L.198-2001, SEC.53; P.L.1-2002, SEC.21; P.L.192-2002(ss), SEC.36; P.L.1-2003, SEC.25; P.L.224-2007, SEC.20; P.L.146-2008, SEC.169; P.L.42-2011, SEC.7; P.L.172-2011, SEC.35.

IC 6-1.1-18.5-4 Version a

Location in adopting county; determination

Note: This version of section effective until 1-1-2012. See also following repeal of this section, effective 1-1-2012.

Sec. 4. For purposes of determining whether a civil taxing unit is subject to the levy limit imposed by section 3 of this chapter for an ensuing calendar year, the civil taxing unit shall be treated as being located in an adopting county if on September 1 of the preceding calendar year the county adjusted gross income tax was in effect in the county in which the civil taxing unit is located. In all other cases, civil taxing units shall be treated as not being located in an adopting county for an ensuing budget year.

As added by P.L.73-1983, SEC.1. Amended by P.L.172-2011, SEC.36.

IC 6-1.1-18.5-4 Version b

Repealed

(Repealed by P.L.172-2011, SEC.161.)

Note: This repeal of section effective 1-1-2012. See also preceding version of this section, effective until 1-1-2012.

IC 6-1.1-18.5-4.5

Levy adjustment for transfer of duties between assessors

Sec. 4.5. The department of local government finance shall adjust the maximum permissible ad valorem tax levy of each county and township to reflect any transfer of duties between assessors under IC 36-2-15-5 or IC 36-6-5-2 (repealed).

As added by P.L.219-2007, SEC.54. Amended by P.L.1-2010, SEC.29.

IC 6-1.1-18.5-5 Version a

"Base year"; calculation of initial certified distribution

Note: This version of section effective until 1-1-2012. See also following repeal of this section, effective 1-1-2012.

Sec. 5. (a) As used in this section, "base year" for a civil taxing unit means the most recent calendar year:

- (1) in which the civil taxing unit is located in an adopting county, as determined under section 4 of this chapter; and
- (2) that is immediately preceded by a calendar year in which the civil taxing unit either:

(A) was not located in an adopting county, as determined under section 4 of this chapter; or

(B) did not impose an ad valorem property tax levy.

If the civil taxing unit was located in an adopting county in calendar year 1979, as determined under section 4 of this chapter, the civil taxing unit's base year is calendar year 1979 or the year determined above, whichever is later.

(b) As used in this section, "initial certified distribution" means the amount of certified shares received by a civil taxing unit in the year determined under subsection (e).

(c) If the county adjusted gross income tax was not in effect on January 1 of the calendar year immediately preceding the ensuing calendar year in the county in which a particular civil taxing unit is located, then the civil taxing unit's base year certified share is the amount of certified shares to be received by the civil taxing unit during its base year.

(d) If the county adjusted gross income tax was in effect on January 1 of the calendar year immediately preceding the ensuing calendar year in the county in which a particular civil taxing unit is located, then the civil taxing unit's base year certified share is the amount of the civil taxing unit's initial certified distribution multiplied by a fraction:

(1) The numerator of the fraction equals the remainder of the county adjusted gross income tax rate of the county in which the civil taxing unit is located and that is imposed on January 1 of the ensuing calendar year minus one quarter of one percent (1/4%).

(2) The denominator of the fraction equals the remainder of the county adjusted gross income tax rate of the county in which the civil taxing unit is located and that is imposed on January 1 of the civil taxing unit's base year minus one quarter of one

percent (1/4%).

(e) This subsection applies to a civil taxing unit that is located in a county that:

(1) adopts the county adjusted gross income tax after December 31, 2002; and

(2) had a county adjusted gross income tax in effect on January 1 of the calendar year immediately preceding the ensuing calendar year.

Until the department of state revenue, after reviewing the recommendation of the budget agency, notifies the department of local government finance that a full transition to certification of distributions as provided in IC 6-3.5-1.1-9(a)(1) through IC 6-3.5-1.1-9(a)(2) has occurred for the calendar year, the initial certified distribution to be used under subsection (e) for the civil taxing unit shall be the amount of the certified shares certified for the civil taxing unit in the most current calendar year preceding the ensuing calendar year. For the calendar year for which a full transition to certification of distributions as provided in IC 6-3.5-1.1-9(a)(1) through IC 6-3.5-1.1-9(a)(2) has occurred and each subsequent calendar year, the initial certified distribution to be used under subsection (e) for the civil taxing unit is the amount of certified shares certified for the civil taxing unit in the calendar year in which a full transition to certification of distributions as provided in IC 6-3.5-1.1-9(a)(1) through IC 6-3.5-1.1-9(a)(2) initially occurred for the civil taxing unit. The department of state revenue, after reviewing the recommendation of the budget agency, shall provide the notice to the department of local government finance as required under this subsection.

As added by P.L.73-1983, SEC.1. Amended by P.L.267-2003, SEC.1.

IC 6-1.1-18.5-5 Version b

Repealed

(Repealed by P.L.172-2011, SEC.161.)

Note: This repeal of section effective 1-1-2012. See also preceding version of this section, effective until 1-1-2012.

IC 6-1.1-18.5-6

Taxable property; assessed value

Sec. 6. For purposes of STEP THREE of section 3 of this chapter, the assessed value of taxable property is the assessed value of that property as determined by the department of local government finance in fixing the civil taxing unit's budget, levy, and rate for the applicable calendar year, excluding deductions allowed under IC 6-1.1-12 or IC 6-1.1-12.1.

As added by P.L.73-1983, SEC.1. Amended by P.L.44-1984, SEC.2; P.L.198-2001, SEC.54; P.L.3-2008, SEC.44; P.L.172-2011, SEC.37.

IC 6-1.1-18.5-7

Civil taxing unit not subject to levy limits if it did not have levy for immediately preceding year; department of local government

finance review of budget, rate, and levy

Sec. 7. (a) A civil taxing unit is not subject to the levy limits imposed by section 3 of this chapter for an ensuing calendar year if the civil taxing unit did not adopt an ad valorem property tax levy for the immediately preceding calendar year.

(b) If under subsection (a) a civil taxing unit is not subject to the levy limits imposed under section 3 of this chapter for a calendar year, the civil taxing unit shall refer its proposed budget, ad valorem property tax levy, and property tax rate for that calendar year to the department of local government finance. The department of local government finance shall make a final determination of the civil taxing unit's budget, ad valorem property tax levy, and property tax rate for that calendar year. However, a civil taxing unit may not impose a property tax levy for a year if the unit did not exist as of March 1 of the preceding year.

As added by P.L. 73-1983, SEC. 1. Amended by P.L. 25-1995, SEC. 28; P.L. 90-2002, SEC. 163; P.L. 224-2007, SEC. 21; P.L. 146-2008, SEC. 170; P.L. 182-2009(ss), SEC. 126.

IC 6-1.1-18.5-8

Civil taxing unit bond and lease taxes not subject to levy limits; department of local government finance approval; exceptions; judicial review

Sec. 8. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit if the civil taxing unit is committed to levy the taxes to pay or fund either:

- (1) bonded indebtedness; or
- (2) lease rentals under a lease with an original term of at least five (5) years.

(b) Except as provided by subsections (g) and (h), a civil taxing unit must file a petition requesting approval from the department of local government finance to incur bonded indebtedness or execute a lease with an original term of at least five (5) years not later than twenty-four (24) months after the first date of publication of notice of a preliminary determination under IC 6-1.1-20-3.1(2) (as in effect before July 1, 2008), unless the civil taxing unit demonstrates that a longer period is reasonable in light of the civil taxing unit's facts and circumstances. A civil taxing unit must obtain approval from the department of local government finance before the civil taxing unit may:

- (1) incur the bonded indebtedness; or
- (2) enter into the lease.

(c) The department of local government finance shall render a decision within three (3) months after the date it receives a request for approval under subsection (b). However, the department of local government finance may extend this three (3) month period by an additional three (3) months if, at least ten (10) days before the end of the original three (3) month period, the department sends notice of the extension to the executive officer of the civil taxing unit. A civil

taxing unit may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than forty-five (45) days after the department enters its order under this section.

(d) A civil taxing unit does not need approval under subsection (b) to obtain temporary loans made in anticipation of and to be paid from current revenues of the civil taxing unit actually levied and in the course of collection for the fiscal year in which the loans are made.

(e) For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a calendar year does not include that part of its levy that is committed to fund or pay bond indebtedness or lease rentals with an original term of five (5) years in subsection (a).

(f) A taxpayer may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than thirty (30) days after the department enters its order under this section.

(g) This subsection applies only to bonds, leases, and other obligations for which a civil taxing unit:

(1) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5; or

(2) in the case of bonds, leases, or other obligations payable from ad valorem property taxes but not described in subdivision (1), adopts a resolution or ordinance authorizing the bonds, lease rental agreement, or other obligations after June 30, 2008.

Notwithstanding any other provision, review by the department of local government finance and approval by the department of local government finance is not required before a civil taxing unit may issue or enter into bonds, a lease, or any other obligation.

(h) This subsection applies after June 30, 2008. Notwithstanding any other provision, review by the department of local government finance and approval by the department of local government finance is not required before a civil taxing unit may construct, alter, or repair a capital project.

As added by P.L. 73-1983, SEC.1. Amended by P.L. 25-1995, SEC.29; P.L. 90-2002, SEC.164; P.L. 256-2003, SEC.17; P.L. 224-2007, SEC.22; P.L. 146-2008, SEC.171; P.L. 182-2009(ss), SEC.127.

IC 6-1.1-18.5-9

Exemption from levy limits; major bridge fund

Sec. 9. The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit under IC 8-16-3.1. For purposes of computing the ad valorem property tax levy limit imposed on a civil taxing unit under section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under IC 8-16-3.1.

As added by P.L.73-1983, SEC.1.

IC 6-1.1-18.5-9.5

Application of property tax levy limits to certain port authority expenses

Sec. 9.5. (a) This section applies to civil taxing units located in a county having a population of more than one hundred ten thousand (110,000) but less than one hundred fifteen thousand (115,000).

(b) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit under IC 8-10-5-17. For purposes of computing the ad valorem property tax levy limit imposed on a civil taxing unit under section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under IC 8-10-5-17.

As added by P.L.24-1984, SEC.5. Amended by P.L.12-1992, SEC.19; P.L.170-2002, SEC.20.

IC 6-1.1-18.5-9.7

Ad valorem property tax; computation

Sec. 9.7. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed under IC 12-20-24.

(b) For purposes of computing the ad valorem property tax levy limits imposed under section 3 of this chapter, a county's or township's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under the citations listed in subsection (a).

(c) Notwithstanding subsections (a) and (b), the ad valorem property tax levy limits imposed by section 3 of this chapter apply to property taxes imposed under IC 12-20-24 after December 31, 2008, to pay principal and interest on any short term loans obtained under IC 12-20 after December 31, 2008.

As added by P.L.45-1984, SEC.1. Amended by P.L.16-1986, SEC.4; P.L.2-1992, SEC.60; P.L.36-1994, SEC.3; P.L.52-1996, SEC.1; P.L.273-1999, SEC.55; P.L.224-2003, SEC.85; P.L.146-2008, SEC.172.

IC 6-1.1-18.5-9.8

Exception from levy limits of certain cumulative fund taxes; tax rate adjustments

Sec. 9.8. (a) For purposes of determining the property tax levy limit imposed on a city, town, or county under section 3 of this chapter, the city, town, or county's ad valorem property tax levy for a particular calendar year does not include an amount equal to the lesser of:

- (1) the amount of ad valorem property taxes that would be first due and payable to the city, town, or county during the ensuing calendar year if the taxing unit imposed the maximum permissible property tax rate per one hundred dollars (\$100) of

assessed valuation that the civil taxing unit may impose for the particular calendar year under the authority of IC 36-9-14.5 (in the case of a county) or IC 36-9-15.5 (in the case of a city or town); or

(2) the excess, if any, of:

(A) the property taxes imposed by the city, town, or county under the authority of:

IC 3-11-6-9;
IC 8-16-3;
IC 8-16-3.1;
IC 8-22-3-25;
IC 14-27-6-48;
IC 14-33-9-3;
IC 16-22-8-41;
IC 16-22-5-2 through IC 16-22-5-15;
IC 16-23-1-40;
IC 36-8-14;
IC 36-9-4-48;
IC 36-9-14;
IC 36-9-14.5;
IC 36-9-15;
IC 36-9-15.5;
IC 36-9-16;
IC 36-9-16.5;
IC 36-9-17;
IC 36-9-26;
IC 36-9-27-100;
IC 36-10-3-21; or
IC 36-10-4-36;

that are first due and payable during the ensuing calendar year; over

(B) the property taxes imposed by the city, town, or county under the authority of the citations listed in clause (A) that were first due and payable during calendar year 1984.

(b) The maximum property tax rate levied under the statutes listed in subsection (a) must be adjusted each year to account for the change in assessed value of real property that results from:

(1) an annual adjustment of the assessed value of real property under IC 6-1.1-4-4.5; or

(2) a general reassessment of real property under IC 6-1.1-4-4.

(c) The new maximum rate under a statute listed in subsection (a) is the tax rate determined under STEP SEVEN of the following formula:

STEP ONE: Determine the maximum rate for the political subdivision levying a property tax under the statute for the year preceding the year in which the annual adjustment or general reassessment takes effect.

STEP TWO: Subject to subsection (e), determine the actual percentage change (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value (before the adjustment,

if any, under IC 6-1.1-4-4.5) of the taxable property from the year preceding the year the annual adjustment or general reassessment takes effect to the year that the annual adjustment or general reassessment is effective.

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

STEP FOUR: Subject to subsection (e), compute separately, for each of the calendar years determined in STEP THREE, the actual percentage change (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property from the preceding year.

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

STEP SIX: Determine the greater of the following:

(A) Zero (0).

(B) The result of the STEP TWO percentage minus the STEP FIVE percentage.

STEP SEVEN: Determine the quotient of the STEP ONE tax rate divided by the sum of one (1) 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 political subdivision with authority to levy a tax under a statute listed in subsection (a).

(e) This subsection applies to STEP TWO and STEP FOUR of subsection (c) for taxes first due and payable after 2011. If the assessed value change used in the STEPS was not an increase, the STEPS are applied using instead:

(1) the actual percentage decrease (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property; or

(2) zero (0) if the assessed value did not increase or decrease.

As added by P.L.44-1984, SEC.3. Amended by P.L.5-1986, SEC.13; P.L.2-1993, SEC.55; P.L.1-1995, SEC.46; P.L.17-1995, SEC.5; P.L.25-1995, SEC.30; P.L.90-2002, SEC.165; P.L.219-2007, SEC.55; P.L.172-2011, SEC.38.

IC 6-1.1-18.5-9.9

Adjustments of property tax rates for local funds in counties in which certain deductions and exemptions apply

Sec. 9.9. (a) The department of local government finance shall adjust the maximum property tax rate levied under the statutes listed in section 9.8(a) of this chapter, IC 20-46-3-6, or IC 20-46-6-5 in each county for property taxes first due and payable in:

(1) 2004;

(2) the year the county first applies the deduction under

IC 6-1.1-12-41, if the county first applies that deduction for property taxes first due and payable in 2005 or 2006; and

(3) 2007, if the county does not apply the deduction under IC 6-1.1-12-41 for any year.

(b) If the county does not apply the deduction under IC 6-1.1-12-41 for property taxes first due and payable in 2004, the department shall compute the adjustment under subsection (a)(1) to allow a levy for the fund for which the property tax rate is levied that equals the levy that would have applied for the fund if exemptions under IC 6-1.1-10-29(b)(2) (repealed) did not apply for the 2003 assessment date.

(c) If the county applies the deduction under IC 6-1.1-12-41 for property taxes first due and payable in 2004, the department shall compute the adjustment under subsection (a)(1) to allow a levy for the fund for which the property tax rate is levied that equals the levy that would have applied for the fund if:

(1) exemptions under IC 6-1.1-10-29(b)(2) (repealed); and

(2) deductions under IC 6-1.1-12-41;

did not apply for the 2003 assessment date.

(d) The department shall compute the adjustment under subsection (a)(2) to allow a levy for the fund for which the property tax rate is levied that equals the levy that would have applied for the fund if deductions under IC 6-1.1-12-41 did not apply for the assessment date of the year that immediately precedes the year for which the adjustment is made.

(e) The department shall compute the adjustment under subsection (a)(3) to allow a levy for the fund for which the property tax rate is levied that equals the levy that would have applied for the fund if deductions under IC 6-1.1-12-42 did not apply for the 2006 assessment date.

As added by P.L.272-2003, SEC.4. Amended by P.L.2-2006, SEC.45; P.L.146-2008, SEC.173.

IC 6-1.1-18.5-10

Civil taxing unit levy limit exceptions related to community mental health centers and community mental retardation and other developmental disabilities centers levy growth limitation

Sec. 10. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit to be used to fund:

(1) community mental health centers under:

(A) IC 12-29-2-1.2, for only those civil taxing units that authorized financial assistance under IC 12-29-1 before 2002 for a community mental health center as long as the tax levy under this section does not exceed the levy authorized in 2002;

(B) IC 12-29-2-2 through IC 12-29-2-5; and

(C) IC 12-29-2-13; or

(2) community mental retardation and other developmental disabilities centers under IC 12-29-1-1;

to the extent that those property taxes are attributable to any increase in the assessed value of the civil taxing unit's taxable property caused by a general reassessment of real property that took effect after February 28, 1979.

(b) For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy described in subsection (a).

(c) This subsection applies to property taxes first due and payable after December 31, 2008. Notwithstanding subsections (a) and (b) or any other law, any property taxes imposed by a civil taxing unit that are exempted by this section from the ad valorem property tax levy limits imposed by section 3 of this chapter may not increase annually by a percentage greater than the result of:

(1) the assessed value growth quotient determined under section 2 of this chapter; minus

(2) one (1).

(d) For a county that:

(1) did not impose an ad valorem property tax levy in 2008 for the county general fund to provide financial assistance under IC 12-29-1 (community mental retardation and other developmental disabilities center) or IC 12-29-2 (community mental health center); and

(2) determines for 2009 or a later calendar year to impose a levy as described in subdivision (1);

the ad valorem property tax levy limits imposed under section 3 of this chapter do not apply to the part of the county's general fund levy that is used in the first calendar year for which a determination is made under subdivision (2) to provide financial assistance under IC 12-29-1 or IC 12-29-2. The department of local government finance shall review a county's proposed budget that is submitted under IC 12-29-1-1 or IC 12-29-2-1.2 and make a final determination of the amount to which the levy limits do not apply under this subsection for the first calendar year for which a determination is made under subdivision (2).

(e) The ad valorem property tax levy limits imposed under section 3 of this chapter do not apply to the county's general fund levy in the amount determined by the department of local government finance under subsection (d) in each calendar year following the calendar year for which the determination under subsection (b) is made.

As added by P.L. 73-1983, SEC.1. Amended by P.L. 2-1992, SEC.61; P.L. 24-1997, SEC.4; P.L. 78-2004, SEC.2; P.L. 146-2008, SEC.174; P.L. 182-2009(ss), SEC.128.

IC 6-1.1-18.5-10.1

Exemption from levy limits; supplemental juror fees

Sec. 10.1. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a county, city, or town to supplemental juror fees

adopted under IC 33-37-10-1, to the extent provided in subsections (b) and (c).

(b) Subject to subsection (c), for purposes of determining the property tax levy limit imposed on a county, city, or town under section 3 of this chapter, the county, city, or town's ad valorem property tax levy for a calendar year does not include an amount equal to:

- (1) the average annual expenditures for nonsupplemental juror fees under IC 33-37-10-1, using the five (5) most recent years for which expenditure amounts are available; multiplied by
- (2) the percentage increase in juror fees that is attributable to supplemental juror fees under the most recent ordinance adopted under IC 33-37-10-1.

(c) For property taxes first due and payable after December 31, 2008, property taxes may be excluded under subsection (b) from the ad valorem property tax levy limits imposed by section 3 of this chapter only to the extent that:

- (1) the county fiscal body adopts a resolution approving some or all of the property taxes that may be excluded by a city or town under subsection (b), in the case of property taxes imposed by a city or town; or
- (2) the county fiscal body adopts a resolution:
 - (A) that approves some or all of the property taxes that may be excluded by the county under subsection (b); and
 - (B) that explains why the exclusion under subsection (b) is necessary and in the best interest of taxpayers;in the case of property taxes imposed by the county.

In the case of a city or town located in more than one (1) county, the exclusion under subsection (b) must be approved by the fiscal body of the county in which the greatest part of the city's or town's net assessed valuation is located.

As added by P.L. 58-1988, SEC.1. Amended by P.L. 98-2004, SEC.71; P.L. 146-2008, SEC.175.

IC 6-1.1-18.5-10.2

Taxes levied for township firefighting fund; treatment in computation of levy limit

Sec. 10.2. For purposes of determining the property tax levy limit imposed on a township under section 3 of this chapter, the township ad valorem property tax levy for a particular calendar year does not include the amount, if any, of ad valorem property taxes that would be first due and payable to the township during the ensuing calendar year under the authority of IC 36-8-13-4. The amount of ad valorem property taxes levied by the township under the authority of IC 36-8-13-4 shall, for purposes of the property tax levy limits imposed under section 3 of this chapter, be treated as if that levy were made by a separate civil taxing unit.

As added by P.L. 343-1989(ss), SEC.1.

IC 6-1.1-18.5-10.3

Levy limit on taxes by library board for capital projects fund; exemption

Sec. 10.3. (a) This subsection does not apply to property taxes first due and payable after December 31, 2008. The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a library board for a capital projects fund under IC 36-12-12. However, the maximum amount that is exempt from the levy limits under this section may not exceed the property taxes that would be raised in the ensuing calendar year with a property tax rate of one and thirty-three hundredths cents (\$0.0133) per one hundred dollars (\$100) of assessed valuation.

(b) This subsection does not apply to property taxes first due and payable after December 31, 2008. For purposes of computing the ad valorem property tax levy limit imposed on a library board under section 3 of this chapter, the library board's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under IC 36-12-12 that is exempt from the ad valorem property tax levy limits under subsection (a).

As added by P.L.35-1990, SEC.8. Amended by P.L.6-1997, SEC.83; P.L.1-2005, SEC.88; P.L.231-2005, SEC.1; P.L.146-2008, SEC.176.

IC 6-1.1-18.5-10.4

Levy limit on taxes imposed by township; exemption

Sec. 10.4. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a township or a fire protection district under IC 36-8-14.

(b) For purposes of computing the ad valorem property tax levy limit imposed on a township or a fire protection district under section 3 of this chapter, the township's or the fire protection district's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under IC 36-8-14.

As added by P.L.35-1990, SEC.9. Amended by P.L.36-2000, SEC.1.

IC 6-1.1-18.5-10.5

Civil taxing unit levy limit exceptions related to fire protection territories; levy growth limitation; department of local government finance determination of budget, rate, and levy for civil taxing unit that joins fire protection territory

Sec. 10.5. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit for fire protection services within a fire protection territory under IC 36-8-19, if the civil taxing unit is a participating unit in a fire protection territory established before August 1, 2001. For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter on a civil taxing unit that is a participating unit in a fire protection territory, established before August 1, 2001, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under IC 36-8-19.

Any property taxes imposed by a civil taxing unit that are exempted by this subsection from the ad valorem property tax levy limits imposed by section 3 of this chapter and first due and payable after December 31, 2008, may not increase annually by a percentage greater than the result of:

- (1) the assessed value growth quotient determined under section 2 of this chapter; minus
- (2) one (1).

(b) The department of local government finance may, under this subsection, increase the maximum permissible ad valorem property tax levy that would otherwise apply to a civil taxing unit under section 3 of this chapter to meet the civil taxing unit's obligations to a fire protection territory established under IC 36-8-19. To obtain an increase in the civil taxing unit's maximum permissible ad valorem property tax levy, a civil taxing unit shall submit a petition to the department of local government finance in the year immediately preceding the first year in which the civil taxing unit levies a tax to support the fire protection territory. The petition must be filed before the date specified in section 12(a)(1) of this chapter of that year. The department of local government finance shall make a final determination of the civil taxing unit's budget, ad valorem property tax levy, and property tax rate for the fire protection territory for the ensuing calendar year. In making its determination under this subsection, the department of local government finance shall consider the amount that the civil taxing unit is obligated to provide to meet the expenses of operation and maintenance of the fire protection services within the territory, including the participating unit's reasonable share of an operating balance for the fire protection territory. The department of local government finance shall determine the entire amount of the allowable adjustment in the final determination. The department shall order the adjustment implemented in the amounts and over the number of years, not exceeding three (3), requested by the petitioning civil taxing unit. However, the department of local government finance may not approve under this subsection a property tax levy greater than zero (0) if the civil taxing unit did not exist as of the March 1 assessment date for which the tax levy will be imposed. For purposes of applying this subsection to the civil taxing unit's maximum permissible ad valorem property tax levy in subsequent calendar years, the department of local government finance may determine not to consider part or all of the part of the property tax levy imposed to establish the operating balance of the fire protection territory.

As added by P.L.37-1994, SEC.1. Amended by P.L.240-2001, SEC.1; P.L.146-2008, SEC.177; P.L.182-2009(ss), SEC.129; P.L.113-2010, SEC.32.

IC 6-1.1-18.5-11

Repealed

(Repealed by P.L.182-2009(ss), SEC.467.)

IC 6-1.1-18.5-12

Civil taxing unit appeal to department of local government finance for relief from levy limits; department procedure and summons for appearance or production of books and records

Sec. 12. (a) Any civil taxing unit that determines that it cannot carry out its governmental functions for an ensuing calendar year under the levy limitations imposed by section 3 of this chapter may:

- (1) before October 20 of the calendar year immediately preceding the ensuing calendar year; or
- (2) in the case of a request described in section 16 of this chapter, before December 31 of the calendar year immediately preceding the ensuing calendar year;

appeal to the department of local government finance for relief from those levy limitations. In the appeal the civil taxing unit must state that it will be unable to carry out the governmental functions committed to it by law unless it is given the authority that it is petitioning for. The civil taxing unit must support these allegations by reasonably detailed statements of fact.

(b) The department of local government finance shall immediately proceed to the examination and consideration of the merits of the civil taxing unit's appeal.

(c) In considering an appeal, the department of local government finance has the power to conduct hearings, require any officer or member of the appealing civil taxing unit to appear before it, or require any officer or member of the appealing civil taxing unit to provide the department with any relevant records or books.

(d) If an officer or member:

- (1) fails to appear at a hearing after having been given written notice requiring that person's attendance; or
- (2) fails to produce the books and records that the department by written notice required the officer or member to produce;

then the department may file an affidavit in the circuit court in the jurisdiction in which the officer or member may be found setting forth the facts of the failure.

(e) Upon the filing of an affidavit under subsection (d), the circuit court shall promptly issue a summons, and the sheriff of the county within which the circuit court is sitting shall serve the summons. The summons must command the officer or member to appear before the department to provide information to the department or to produce books and records for the department's use, as the case may be. Disobedience of the summons constitutes, and is punishable as, a contempt of the circuit court that issued the summons.

(f) All expenses incident to the filing of an affidavit under subsection (d) and the issuance and service of a summons shall be charged to the officer or member against whom the summons is issued, unless the circuit court finds that the officer or member was acting in good faith and with reasonable cause. If the circuit court finds that the officer or member was acting in good faith and with reasonable cause or if an affidavit is filed and no summons is issued, the expenses shall be charged against the county in which the

affidavit was filed and shall be allowed by the proper fiscal officers of that county.

(g) The fiscal officer of a civil taxing unit that appeals under section 16 of this chapter for relief from levy limitations shall immediately file a copy of the appeal petition with the county auditor and the county treasurer of the county in which the unit is located. *As added by P.L.73-1983, SEC.1. Amended by P.L.90-2002, SEC.167; P.L.178-2002, SEC.27; P.L.23-2004, SEC.23; P.L.67-2006, SEC.2; P.L.219-2007, SEC.56; P.L.224-2007, SEC.24; P.L.3-2008, SEC.45; P.L.146-2008, SEC.179; P.L.182-2009(ss), SEC.130.*

IC 6-1.1-18.5-13

Types of relief available to civil taxing unit in appeal for relief from levy limits

Sec. 13. (a) With respect to an appeal filed under section 12 of this chapter, the department may find that a civil taxing unit should receive any one (1) or more of the following types of relief:

(1) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if in the judgment of the department the increase is reasonably necessary due to increased costs of the civil taxing unit resulting from annexation, consolidation, or other extensions of governmental services by the civil taxing unit to additional geographic areas or persons. With respect to annexation, consolidation, or other extensions of governmental services in a calendar year, if those increased costs are incurred by the civil taxing unit in that calendar year and more than one (1) immediately succeeding calendar year, the unit may appeal under section 12 of this chapter for permission to increase its levy under this subdivision based on those increased costs in any of the following:

(A) The first calendar year in which those costs are incurred.

(B) One (1) or more of the immediately succeeding four (4) calendar years.

(2) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to meet the civil taxing unit's share of the costs of operating a court established by statute enacted after December 31, 1973. Before recommending such an increase, the local government tax control board shall consider all other revenues available to the civil taxing unit that could be applied for that purpose. The maximum aggregate levy increases that the local government tax control board may recommend for a particular court equals the civil taxing unit's estimate of the unit's share of the costs of operating a court for the first full calendar year in which it is in existence. For

purposes of this subdivision, costs of operating a court include:

- (A) the cost of personal services (including fringe benefits);
- (B) the cost of supplies; and
- (C) any other cost directly related to the operation of the court.

(3) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the department finds that the quotient determined under STEP SIX of the following formula is equal to or greater than one and two-hundredths (1.02):

STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year and in which a statewide general reassessment of real property or the initial annual adjustment of the assessed value of real property under IC 6-1.1-4-4.5 does not first become effective.

STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the civil taxing unit's total assessed value of all taxable property and:

- (i) for a particular calendar year before 2007, the total assessed value of property tax deductions in the unit under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar year; or
- (ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-42 in 2006 plus for a particular calendar year after 2009, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-37.5 in 2008;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).

STEP FOUR: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the total assessed value of all taxable property in all counties and:

- (i) for a particular calendar year before 2007, the total assessed value of property tax deductions in all counties under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar year; or
- (ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in all counties under IC 6-1.1-12-42 in 2006 plus for a particular calendar year after 2009, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-37.5 in 2008;

divided by the sum determined under this STEP for the

calendar year immediately preceding the particular calendar year.

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

STEP SIX: Divide the STEP THREE amount by the STEP FIVE amount.

The civil taxing unit may increase its levy by a percentage not greater than the percentage by which the STEP THREE amount exceeds the percentage by which the civil taxing unit may increase its levy under section 3 of this chapter based on the assessed value growth quotient determined under section 2 of this chapter.

(4) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to pay the costs of furnishing fire protection for the civil taxing unit through a volunteer fire department. For purposes of determining a township's need for an increased levy, the local government tax control board shall not consider the amount of money borrowed under IC 36-6-6-14 during the immediately preceding calendar year. However, any increase in the amount of the civil taxing unit's levy recommended by the local government tax control board under this subdivision for the ensuing calendar year may not exceed the lesser of:

(A) ten thousand dollars (\$10,000); or

(B) twenty percent (20%) of:

(i) the amount authorized for operating expenses of a volunteer fire department in the budget of the civil taxing unit for the immediately preceding calendar year; plus

(ii) the amount of any additional appropriations authorized during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department under this chapter; minus

(iii) the amount of money borrowed under IC 36-6-6-14 during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department.

(5) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter in order to raise revenues for pension payments and contributions the civil taxing unit is required to make under IC 36-8. The maximum increase in a civil taxing unit's levy that may be recommended under this subdivision for an ensuing calendar year equals the amount, if any, by which the pension payments and contributions the civil taxing unit is required to make under IC 36-8 during the ensuing calendar year exceeds

the product of one and one-tenth (1.1) multiplied by the pension payments and contributions made by the civil taxing unit under IC 36-8 during the calendar year that immediately precedes the ensuing calendar year. For purposes of this subdivision, "pension payments and contributions made by a civil taxing unit" does not include that part of the payments or contributions that are funded by distributions made to a civil taxing unit by the state.

(6) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to increase its levy in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that:

(A) the township's township assistance ad valorem property tax rate is less than one and sixty-seven hundredths cents (\$0.0167) per one hundred dollars (\$100) of assessed valuation; and

(B) the township needs the increase to meet the costs of providing township assistance under IC 12-20 and IC 12-30-4.

The maximum increase that the board may recommend for a township is the levy that would result from an increase in the township's township assistance ad valorem property tax rate of one and sixty-seven hundredths cents (\$0.0167) per one hundred dollars (\$100) of assessed valuation minus the township's ad valorem property tax rate per one hundred dollars (\$100) of assessed valuation before the increase.

(7) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if:

(A) the increase has been approved by the legislative body of the municipality with the largest population where the civil taxing unit provides public transportation services; and

(B) the local government tax control board finds that the civil taxing unit needs the increase to provide adequate public transportation services.

The local government tax control board shall consider tax rates and levies in civil taxing units of comparable population, and the effect (if any) of a loss of federal or other funds to the civil taxing unit that might have been used for public transportation purposes. However, the increase that the board may recommend under this subdivision for a civil taxing unit may not exceed the revenue that would be raised by the civil taxing unit based on a property tax rate of one cent (\$0.01) per one hundred dollars (\$100) of assessed valuation.

(8) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase the unit's levy

in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that:

- (A) the civil taxing unit is:
 - (i) a county having a population of more than one hundred forty-eight thousand (148,000) but less than one hundred seventy thousand (170,000);
 - (ii) a city having a population of more than fifty-five thousand (55,000) but less than fifty-nine thousand (59,000);
 - (iii) a city having a population of more than twenty-eight thousand seven hundred (28,700) but less than twenty-nine thousand (29,000);
 - (iv) a city having a population of more than fifteen thousand four hundred (15,400) but less than sixteen thousand six hundred (16,600); or
 - (v) a city having a population of more than seven thousand (7,000) but less than seven thousand three hundred (7,300); and
- (B) the increase is necessary to provide funding to undertake removal (as defined in IC 13-11-2-187) and remedial action (as defined in IC 13-11-2-185) relating to hazardous substances (as defined in IC 13-11-2-98) in solid waste disposal facilities or industrial sites in the civil taxing unit that have become a menace to the public health and welfare.

The maximum increase that the local government tax control board may recommend for such a civil taxing unit is the levy that would result from a property tax rate of six and sixty-seven hundredths cents (\$0.0667) for each one hundred dollars (\$100) of assessed valuation. For purposes of computing the ad valorem property tax levy limit imposed on a civil taxing unit under section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular year does not include that part of the levy imposed under this subdivision. In addition, a property tax increase permitted under this subdivision may be imposed for only two (2) calendar years.

(9) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission for a county:

- (A) having a population of more than eighty thousand (80,000) but less than ninety thousand (90,000) to increase the county's levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the county needs the increase to meet the county's share of the costs of operating a jail or juvenile detention center, including expansion of the facility, if the jail or juvenile detention center is opened after December 31, 1991;
- (B) that operates a county jail or juvenile detention center that is subject to an order that:
 - (i) was issued by a federal district court; and

- (ii) has not been terminated;
- (C) that operates a county jail that fails to meet:
 - (i) American Correctional Association Jail Construction Standards; and
 - (ii) Indiana jail operation standards adopted by the department of correction; or
- (D) that operates a juvenile detention center that fails to meet standards equivalent to the standards described in clause (C) for the operation of juvenile detention centers.

Before recommending an increase, the local government tax control board shall consider all other revenues available to the county that could be applied for that purpose. An appeal for operating funds for a jail or a juvenile detention center shall be considered individually, if a jail and juvenile detention center are both opened in one (1) county. The maximum aggregate levy increases that the local government tax control board may recommend for a county equals the county's share of the costs of operating the jail or a juvenile detention center for the first full calendar year in which the jail or juvenile detention center is in operation.

(10) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission for a township to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the township needs the increase so that the property tax rate to pay the costs of furnishing fire protection for a township, or a portion of a township, enables the township to pay a fair and reasonable amount under a contract with the municipality that is furnishing the fire protection. However, for the first time an appeal is granted the resulting rate increase may not exceed fifty percent (50%) of the difference between the rate imposed for fire protection within the municipality that is providing the fire protection to the township and the township's rate. A township is required to appeal a second time for an increase under this subdivision if the township wants to further increase its rate. However, a township's rate may be increased to equal but may not exceed the rate that is used by the municipality. More than one (1) township served by the same municipality may use this appeal.

(11) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission for a township to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the township has been required, for the three (3) consecutive years preceding the year for which the appeal under this subdivision is to become effective, to borrow funds under IC 36-6-6-14 to furnish fire protection for the township or a part of the township. However, the maximum increase in a township's levy

that may be allowed under this subdivision is the least of the amounts borrowed under IC 36-6-6-14 during the preceding three (3) calendar years. A township may elect to phase in an approved increase in its levy under this subdivision over a period not to exceed three (3) years. A particular township may appeal to increase its levy under this section not more frequently than every fourth calendar year.

(12) Permission to a city having a population of more than twenty-nine thousand (29,000) but less than thirty-one thousand (31,000) to increase its levy in excess of the limitations established under section 3 of this chapter if:

(A) an appeal was granted to the city under this section to reallocate property tax replacement credits under IC 6-3.5-1.1 in 1998, 1999, and 2000; and

(B) the increase has been approved by the legislative body of the city, and the legislative body of the city has by resolution determined that the increase is necessary to pay normal operating expenses.

The maximum amount of the increase is equal to the amount of property tax replacement credits under IC 6-3.5-1.1 that the city petitioned under this section to have reallocated in 2001 for a purpose other than property tax relief.

(13) A levy increase may be granted under this subdivision only for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if the civil taxing unit cannot carry out its governmental functions for an ensuing calendar year under the levy limitations imposed by section 3 of this chapter due to a natural disaster, an accident, or another unanticipated emergency.

(14) Permission to Jefferson County to increase its levy in excess of the limitations established under section 3 of this chapter if the department finds that the county experienced a property tax revenue shortfall that resulted from an erroneous estimate of the effect of the supplemental deduction under IC 6-1.1-12-37.5 on the county's assessed valuation. An appeal for a levy increase under this subdivision may not be denied because of the amount of cash balances in county funds. The maximum increase in the county's levy that may be approved under this subdivision is three hundred thousand dollars (\$300,000).

(b) The department of local government finance shall increase the maximum permissible ad valorem property tax levy under section 3 of this chapter for the city of Goshen for 2012 and thereafter by an amount equal to the greater of zero (0) or the result of:

(1) the city's total pension costs in 2009 for the 1925 police pension fund (IC 36-8-6) and the 1937 firefighters' pension fund (IC 36-8-7); minus

(2) the sum of:

(A) the total amount of state funds received in 2009 by the

city and used to pay benefits to members of the 1925 police pension fund (IC 36-8-6) or the 1937 firefighters' pension fund (IC 36-8-7); plus

(B) any previous permanent increases to the city's levy that were authorized to account for the transfer to the state of the responsibility to pay benefits to members of the 1925 police pension fund (IC 36-8-6) and the 1937 firefighters' pension fund (IC 36-8-7).

As added by P.L. 73-1983, SEC.1. Amended by P.L. 74-1983, SEC.1; P.L. 44-1984, SEC.4; P.L. 24-1986, SEC.17; P.L. 83-1987, SEC.1; P.L. 84-1987, SEC.1; P.L. 54-1988, SEC.3; P.L. 35-1990, SEC.10; P.L. 2-1992, SEC.62; P.L. 12-1992, SEC.20; P.L. 1-1993, SEC.29; P.L. 67-1993, SEC.1; P.L. 66-1993, SEC.1; P.L. 25-1995, SEC.31; P.L. 87-1995, SEC.1; P.L. 6-1997, SEC.85; P.L. 181-2001, SEC.1; P.L. 198-2001, SEC.55; P.L. 1-2002, SEC.22; P.L. 89-2002, SEC.1; P.L. 192-2002(ss), SEC.37; P.L. 256-2003, SEC.18; P.L. 245-2003, SEC.16; P.L. 224-2003, SEC.246; P.L. 1-2004, SEC.22 and P.L. 23-2004, SEC.24; P.L. 73-2005, SEC.4; P.L. 80-2006, SEC.1; P.L. 154-2006, SEC.47; P.L. 196-2007, SEC.2; P.L. 224-2007, SEC.25; P.L. 3-2008, SEC.46; P.L. 146-2008, SEC.180; P.L. 182-2009(ss), SEC.131; P.L. 172-2011, SEC.39.

IC 6-1.1-18.5-13.3

Repealed

(Repealed by P.L. 83-1987, SEC.2.)

IC 6-1.1-18.5-13.5

Limit on amount of levy appeal relief for certain towns for the cost of furnishing fire protection

Sec. 13.5. A levy increase may not be granted under this section for property taxes first due and payable after December 31, 2009. With respect to an appeal filed under section 12 of this chapter, the department of local government finance may give permission to a town having a population of more than three hundred seventy-five (375) but less than five hundred (500) located in a county having a population of more than seventy-one thousand (71,000) but less than seventy-one thousand four hundred (71,400) to increase its levy in excess of the limitations established under section 3 of this chapter, if the department finds that the town needs the increase to pay the costs of furnishing fire protection for the town. However, any increase in the amount of the town's levy under this section for the ensuing calendar year may not exceed the greater of:

- (1) twenty-five thousand dollars (\$25,000); or
- (2) twenty percent (20%) of the sum of:
 - (A) the amount authorized for the cost of furnishing fire protection in the town's budget for the immediately preceding calendar year; plus
 - (B) the amount of any additional appropriations authorized under IC 6-1.1-18-5 during that calendar year for the town's use in paying the costs of furnishing fire protection.

As added by P.L. 60-1986, SEC.2. Amended by P.L. 12-1992, SEC.21; P.L.25-1995, SEC.32; P.L.90-2002, SEC.168; P.L.224-2007, SEC.26; P.L.182-2009(ss), SEC.132.

IC 6-1.1-18.5-13.6

Civil taxing unit appeal to department of local government finance for relief from levy limits related to voting systems

Sec. 13.6. A levy increase may not be granted under this section for property taxes first due and payable after December 31, 2008. For an appeal filed under section 12 of this chapter, the department of local government finance may give permission to a county to increase its levy in excess of the limitations established under section 3 of this chapter if the department finds that the county needs the increase to pay for:

- (1) a new voting system; or
- (2) the expansion or upgrade of an existing voting system;

under IC 3-11-6.

As added by P.L.178-2002, SEC.28. Amended by P.L.224-2007, SEC.27; P.L.146-2008, SEC.181; P.L.182-2009(ss), SEC.133.

IC 6-1.1-18.5-13.7

Adjustment of certain maximum levies

Sec. 13.7. (a) Notwithstanding any other provision of this chapter, Fairfield Township in Tippecanoe County may request that the department of local government finance make an adjustment to the township's maximum permissible property tax levy. The request by the township under this SECTION must be filed before September 1, 2011.

(b) The amount of the requested adjustment may not exceed one hundred thirty thousand dollars (\$130,000) for each year.

(c) If the township makes a request for an adjustment in an amount not exceeding the limit prescribed by subsection (b), the department of local government finance shall make the adjustment each year (beginning with property taxes first due and payable in 2012) to the township's maximum permissible ad valorem property tax levy for the number of years requested by the township (but not to exceed a total of four (4) years).

(d) This section expires July 1, 2016.

As added by P.L.172-2011, SEC.40.

IC 6-1.1-18.5-14

Department of local government finance correction of certain levy and rate errors

Sec. 14. (a) The department of local government finance may order a correction of any advertising error, mathematical error, or error in data made at the local level for any calendar year if the department finds that the error affects the determination of the limitations established by section 3 of this chapter or the tax rate or levy of a civil taxing unit. The department of local government finance may on its own initiative correct such an advertising error,

mathematical error, or error in data for any civil taxing unit.

(b) A correction made under subsection (a) for a prior calendar year shall be applied to the civil taxing unit's levy limitations, rate, and levy for the ensuing calendar year to offset any cumulative effect that the error caused in the determination of the civil taxing unit's levy limitations, rate, or levy for the ensuing calendar year.

As added by P.L.73-1983, SEC.1. Amended by P.L.90-2002, SEC.169; P.L.224-2007, SEC.28; P.L.146-2008, SEC.182; P.L.182-2009(ss), SEC.134.

IC 6-1.1-18.5-15

Judicial review of department of local government finance correction of certain levy and rate errors

Sec. 15. (a) The department of local government finance, upon making a finding under section 13 or 14 of this chapter, shall enter an order setting forth its final determination.

(b) A civil taxing unit may petition for judicial review of the final determination made by the department of local government finance under subsection (a). The action must be taken to the tax court under IC 6-1.1-15 in the same manner that an action is taken to appeal a final determination of the Indiana board. The petition must be filed in the tax court not more than forty-five (45) days after the department enters its order under subsection (a).

As added by P.L.73-1983, SEC.1. Amended by P.L.90-2002, SEC.170; P.L.256-2003, SEC.19; P.L.224-2007, SEC.29; P.L.146-2008, SEC.183; P.L.182-2009(ss), SEC.135.

IC 6-1.1-18.5-16

Civil taxing unit appeal to department of local government finance for relief from levy limits related to revenue shortfall related to erroneous assessed valuation

Sec. 16. (a) A civil taxing unit may request permission from the department to impose an ad valorem property tax levy that exceeds the limits imposed by section 3 of this chapter if:

- (1) the civil taxing unit experienced a property tax revenue shortfall that resulted from erroneous assessed valuation figures being provided to the civil taxing unit;
- (2) the erroneous assessed valuation figures were used by the civil taxing unit in determining its total property tax rate; and
- (3) the error in the assessed valuation figures was found after the civil taxing unit's property tax levy resulting from that total rate was finally approved by the department of local government finance.

(b) A civil taxing unit may request permission from the department to impose an ad valorem property tax levy that exceeds the limits imposed by section 3 of this chapter if the civil taxing unit experienced a property tax revenue shortfall because of the payment of refunds that resulted from appeals under this article and IC 6-1.5.

(c) If the department determines that a shortfall described in subsection (a) or (b) has occurred, the department of local

government finance may find that the civil taxing unit should be allowed to impose a property tax levy exceeding the limit imposed by section 3 of this chapter. However, the maximum amount by which the civil taxing unit's levy may be increased over the limits imposed by section 3 of this chapter equals the remainder of the civil taxing unit's property tax levy for the particular calendar year as finally approved by the department of local government finance minus the actual property tax levy collected by the civil taxing unit for that particular calendar year.

(d) Any property taxes collected by a civil taxing unit over the limits imposed by section 3 of this chapter under the authority of this section may not be treated as a part of the civil taxing unit's maximum permissible ad valorem property tax levy for purposes of determining its maximum permissible ad valorem property tax levy for future years.

(e) If the department of local government finance authorizes an excess tax levy under this section, it shall take appropriate steps to insure that the proceeds are first used to repay any loan made to the civil taxing unit for the purpose of meeting its current expenses.

As added by P.L.73-1983, SEC.1. Amended by P.L.90-2002, SEC.171; P.L.1-2004, SEC.23 and P.L.23-2004, SEC.25; P.L.224-2007, SEC.30; P.L.146-2008, SEC.184; P.L.182-2009(ss), SEC.136.

IC 6-1.1-18.5-17

Civil taxing unit levy excess fund; use of fund

Sec. 17. (a) As used in this section, "levy excess" means the part of the ad valorem property tax levy actually collected by a civil taxing unit, for taxes first due and payable during a particular calendar year, that exceeds the civil taxing unit's ad valorem property tax levy, as approved by the department of local government finance under IC 6-1.1-17. The term does not include delinquent ad valorem property taxes collected during a particular year that were assessed for an assessment date that precedes the assessment date for the current year in which the ad valorem property taxes are collected.

(b) A civil taxing unit's levy excess is valid and may not be contested on the grounds that it exceeds the civil taxing unit's levy limit for the applicable calendar year. However, the civil taxing unit shall deposit, except as provided in subsections (h) and (i), its levy excess in a special fund to be known as the civil taxing unit's levy excess fund.

(c) The chief fiscal officer of a civil taxing unit may invest money in the civil taxing unit's levy excess fund in the same manner in which money in the civil taxing unit's general fund may be invested. However, any income derived from investment of the money shall be deposited in and becomes a part of the levy excess fund.

(d) The department of local government finance shall require a civil taxing unit to include the amount in its levy excess fund in the civil taxing unit's budget fixed under IC 6-1.1-17.

(e) Except as provided by subsection (f), a civil taxing unit may

not spend any money in its levy excess fund until the expenditure of the money has been included in a budget that has been approved by the department of local government finance under IC 6-1.1-17. For purposes of fixing its budget and for purposes of the ad valorem property tax levy limits imposed under this chapter, a civil taxing unit shall treat the money in its levy excess fund that the department of local government finance permits it to spend during a particular calendar year as part of its ad valorem property tax levy for that same calendar year.

(f) A civil taxing unit may transfer money from its levy excess fund to its other funds to reimburse those funds for amounts withheld from the civil taxing unit as a result of refunds paid under IC 6-1.1-26.

(g) Subject to the limitations imposed by this section, a civil taxing unit may use money in its levy excess fund for any lawful purpose for which money in any of its other funds may be used.

(h) If the amount that would, notwithstanding this subsection, be deposited in the levy excess fund of a civil taxing unit for a particular calendar year is less than one hundred dollars (\$100), no money shall be deposited in the levy excess fund of the unit for that year.

(i) This subsection applies only to a civil taxing unit that:

- (1) has a levy excess for a particular calendar year;
- (2) in the preceding calendar year experienced a shortfall in property tax collections below the civil taxing unit's property tax levy approved by the department of local government finance under IC 6-1.1-17; and
- (3) did not receive permission from the department to impose, because of the shortfall in property tax collections in the preceding calendar year, a property tax levy that exceeds the limits imposed by section 3 of this chapter.

The amount that a civil taxing unit subject to this subsection must transfer to the civil taxing unit's levy excess fund in the calendar year in which the excess is collected shall be reduced by the amount of the civil taxing unit's shortfall in property tax collections in the preceding calendar year (but the reduction may not exceed the amount of the civil taxing unit's levy excess).

As added by P.L. 73-1983, SEC.1. Amended by P.L. 64-1985, SEC.1; P.L. 90-2002, SEC.172; P.L. 23-2004, SEC.26 and P.L. 1-2004, SEC.24; P.L. 154-2006, SEC.48; P.L. 219-2007, SEC.57; P.L. 182-2009(ss), SEC.137.

IC 6-1.1-18.5-18

Citation to prior law; continued effect of rules

Sec. 18. (a) If a provision of the prior property tax control law for civil taxing units (IC 6-3.5-1) has been replaced in the same form or in a restated form by a provision of this chapter, then a citation to the provision of the prior law shall be construed as a citation to the corresponding provision of this chapter.

(b) Any rule adopted under, and applicable to, the prior property tax control law for civil taxing units (IC 6-3.5-1) continues in effect

under this article if the provisions under which it was adopted and to which it was applicable were replaced, in the same or restated form, by corresponding provisions of this chapter.

As added by P.L.73-1983, SEC.1.

IC 6-1.1-18.5-19

Levy limit on taxes for township firefighting fund

Sec. 19. (a) If a township levied an ad valorem property tax levy for a township firefighting fund under IC 36-8-13-4 for calendar year 1989, the maximum permissible ad valorem property tax levy that will apply to the township's firefighting fund under section 3 of this chapter for calendar year 1990 is the amount determined in STEP FIVE of the following STEPS:

STEP ONE: Determine the part of the township's ad valorem property tax levy for calendar year 1989 that was dedicated to the township firefighting fund.

STEP TWO: If the township incurred any loans or bonded indebtedness to pay for fire protection or emergency services during the period from January 1, 1987, through December 31, 1989 (excluding loans or bonded indebtedness used to purchase firefighting apparatus or equipment or housing), determine the number of calendar years during that period in which the township incurred the loans or bonded indebtedness.

STEP THREE: Calculate the quotient of:

(A) the total amounts of loans or bonded indebtedness incurred by the township for fire protection and emergency services during the period from January 1, 1987, through December 31, 1989 (excluding loans or bonded indebtedness used to purchase firefighting apparatus or equipment or housing); divided by

(B) the number determined in STEP TWO.

STEP FOUR: Add the result determined in STEP ONE to the result determined in STEP THREE.

STEP FIVE: Calculate the maximum ad valorem property tax levy that would result from making the calculations contained in section 3 of this chapter as those calculations apply to the township, using the result obtained in STEP FOUR for the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year under section 3(a) or 3(b) of this chapter, whichever applies to the township.

If the amount determined under this subsection is substantially lower than the township's normal expenditure patterns for fire protection and emergency services (excluding the expenditures for the purchase of firefighting apparatus or equipment or housing), the township may appeal to the local government tax control board for an increase in the 1990 maximum permissible ad valorem property tax levy for its township firefighting fund. In considering the appeal, the local government tax control board shall consider other sources of revenue used by the township during calendar year 1989 to fund fire protection and emergency services that are also available for such

funding in 1990 and thereafter and the board shall also consider any other relevant factors.

(b) If a township did not have a township firefighting fund under IC 36-8-13-4 for calendar year 1989, but appropriated funds for fire protection or emergency services for that calendar year, the township's maximum ad valorem property tax levy that will apply to the township's firefighting fund under section 3 of this chapter for calendar year 1990 is the amount determined in STEP FIVE of the following STEPS:

STEP ONE: Determine the amount that the township appropriated from its general fund for fire protection and emergency services (excluding appropriations for the purchase of firefighting apparatus or equipment or housing).

STEP TWO: If the township incurred any loans or bonded indebtedness to pay for fire protection or emergency services during the period from January 1, 1987, through December 31, 1989 (excluding loans or bonded indebtedness used to purchase firefighting apparatus or equipment or housing), determine the number of calendar years during that period in which the township incurred the loans or bonded indebtedness.

STEP THREE: Calculate the quotient of:

(A) the total amounts of loans or bonded indebtedness incurred by the township for fire protection and emergency services during the period from January 1, 1987, through December 31, 1989 (excluding loans or bonded indebtedness used to purchase firefighting apparatus or equipment or housing); divided by

(B) the number determined in STEP TWO.

STEP FOUR: Add the result of STEP ONE to the result of STEP THREE.

STEP FIVE: Calculate the maximum ad valorem property tax levy that would result from making the calculations contained in section 3 of this chapter, as those calculations apply to the township, using the result obtained in STEP FOUR for the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year under section 3(a) or 3(b) of this chapter, whichever applies to the township.

If the amount determined under this subsection is substantially lower than the township's normal expenditure patterns for fire protection and emergency services (excluding the expenditures for the purchase of firefighting apparatus or equipment or housing), the township may appeal to the local government tax control board for an increase in its 1990 maximum permissible levy for its township firefighting fund. In considering the appeal, the local government tax control board shall consider other sources of revenue used by the township during calendar year 1989 to fund fire protection and emergency services that are also available for such funding in 1990 and thereafter and the board shall also consider any other relevant factors.

(c) If for calendar year 1989:

- (1) a township had a township firefighting fund under IC 36-8-13-4 but did not have an ad valorem property tax levy for that fund; or
- (2) a township did not have a township firefighting fund and appropriated no money for fire protection or emergency services;

the township's maximum permissible ad valorem property tax levy for its township firefighting fund shall be determined under section 7 of this chapter in the calendar year in which the township first establishes such a levy.

As added by P.L.343-1989(ss), SEC.2.

IC 6-1.1-18.5-19.1

Tax levy limits imposed by IC 6-1.1-18.5-3; bank personal property

Sec. 19.1. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed on personal property of banks that became subject to assessment in 1989 and thereafter because of IC 6-1.1-2-7.

(b) For purposes of computing the ad valorem property tax levy limits imposed under section 3 of this chapter, a civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed on bank personal property as provided in subsection (a).

As added by P.L.347-1989(ss), SEC.3. Amended by P.L.1-1990, SEC.72.

IC 6-1.1-18.5-20

Exemption from levy limits; local airport authorities

Sec. 20. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a local airport authority under IC 8-22-3-25 for a cumulative building fund.

(b) For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, a local airport authority's ad valorem property tax levy for a calendar year does not include that part of its levy that is levied under IC 8-22-3-25 for a cumulative building fund.

As added by P.L.19-1994, SEC.2.

IC 6-1.1-18.5-21

Civil taxing unit's determination that levy limits do not apply to taxes to repay certain rainy day fund loans

Sec. 21. A civil taxing unit may determine that the ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to all or part of the ad valorem property taxes imposed to repay a loan under either or both of the following:

- (1) IC 6-1.1-21.3.
- (2) IC 6-1.1-21.9.

As added by P.L.114-2006, SEC.1. Amended by P.L.182-2009(ss), SEC.138.