Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type.~~

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~*this style type*~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1081

AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 5-1-14-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 14. (a) Notwithstanding any other law, a municipality may sell the municipality's interest in any notes payable to the municipality at a negotiated sale.

(b) A county or municipality may establish a revolving fund from grants, the revenue received by the county or municipality under ~~IC 6-3.5-7,~~ **IC 6-3.6-9 and allocated for economic development purposes under IC 6-3.6-6-9,** the proceeds of the sale of notes, or the proceeds of bonds issued under this section and IC 36-9-32. The county or municipality may loan the money in the revolving fund to any borrower if the county or municipal fiscal body finds that the loan will be used by the borrower for one (1) or more of the following economic development purposes:

(1) Promoting significant opportunities for the gainful employment of the county's or municipality's residents.

(2) Attracting a major new business enterprise to the county or municipality.

(3) Retaining or expanding a significant business enterprise in the county or municipality.

(c) Activities that may be undertaken by the borrower in carrying out an economic development purpose include expenditures for any of

the following:

(1) Acquisition of land.

(2) Acquisition of property interests.

(3) Site improvements.

(4) Infrastructure improvements.

(5) Buildings.

(6) Structures.

(7) Rehabilitation, renovation, or enlargement of buildings or structures.

(8) Machinery.

(9) Equipment.

(10) Furnishings.

(d) Local governmental entities may borrow under subsection (b) if the local governmental entity's jurisdiction includes the geographic area within the boundaries of the county or municipality that established the revolving fund. Notwithstanding any other law, the following provisions apply to the borrowing:

(1) The county or municipality that established the revolving fund and the local governmental entity borrower may each authorize the loan from the revolving fund and the issuance of notes evidencing the loan by resolution. In each case, the resolution shall be adopted by the body with control over fiscal matters.

(2) A resolution adopted under subdivision (1) must approve:

(A) the term of the loan;

(B) the interest rate;

(C) the form of the note or notes;

(D) the medium of payment;

(E) the place and manner of payment;

(F) the manner of execution of the note or notes;

(G) the terms of redemption;

(H) the funds or sources of funds from which the note or notes are payable, which may be any funds and sources of funds available to the borrower; and

(I) any other provisions not inconsistent with this section.

(3) The notes and the authorization, issuance, sale, and delivery of the notes are not subject to any general statute concerning obligations issued by the local governmental entity borrower. This section contains full and complete authority for the making of the loan, the authorization, issuance, sale, and delivery of the notes, and the repayment of the loan by the borrower, and no law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by any officer, department, agency, or

instrument of the state or of any political subdivision is required to make the loan, issue the notes, or repay the loan except as prescribed in this section.

(4) The notes issued by a local governmental entity borrower are exempt from taxation for all purposes and are exempt from any security registration requirements provided for in Indiana statutes.

(5) Notes issued by a local governmental entity borrower under this section are obligations for all purposes of this chapter.

(e) A municipality may issue bonds under IC 36-9-32-7(b) through IC 36-9-32-7(j) for the economic development purposes listed in subsection (c) and may repay the indebtedness solely from revenues derived from the repayment of any notes, including notes evidencing loans made under subsection (b).

(f) To the extent a revolving fund under subsection (b) is funded from:

(1) revenues received by the county under ~~IC 6-3.5-7;~~ **IC 6-3.6-9 and allocated for economic development purposes under IC 6-3.6-6-9;** or

(2) repayments of principal and interest on loans from the revolving fund that were funded with revenues described in subdivision (1);

money in the revolving fund may at any time be transferred in whole or in part to the unit's economic development income tax fund, as determined by ordinance of the unit's fiscal body.

(g) The general assembly finds that counties and municipalities in Indiana have a need to foster economic development and industrial and commercial growth. The general assembly finds that it is necessary and proper to provide an alternative method for municipalities to foster the following:

(1) Economic development.

(2) Industrial and commercial growth.

(3) Employment opportunities.

(4) Diversification of industry and commerce.

It is declared that the fostering of economic development under this section for the benefit of the general public, including industrial and commercial enterprises, is a public purpose.

SECTION 2. IC 5-10-13-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 4. As used in this chapter, "political subdivision" ~~has the meaning set forth in IC 6-3.5-2-1.~~ **means a county, township, town, city, separate municipal corporation, special taxing district, or public school corporation.**

SECTION 3. IC 5-10-15-7, AS ADDED BY P.L.62-2006, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 7. As used in this chapter, "political subdivision" ~~has the meaning set forth in IC 6-3.5-2-1.~~ **means a county, township, town, city, separate municipal corporation, special taxing district, or public school corporation.**

SECTION 4. IC 5-16-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 3. (a) If a public agency has no parking facility under its jurisdiction or control available to private persons who desire to conduct business with the public agency, the public agency shall direct the local authority having jurisdiction over the portion of the streets which are adjacent to the facilities of the public agency to reserve parking spaces for the use of persons with physical disabilities.

(b) If a retail shopping mall is constructed in whole or in part with revenue derived from a ~~county economic development income tax imposed under IC 6-3.5-7,~~ **local income tax imposed under IC 6-3.6-6 and allocated for economic development purposes under IC 6-3.6-6-9,** the local authority having jurisdiction over the portion of the streets adjacent to the retail shopping mall shall reserve parking spaces for the use of persons with physical disabilities.

SECTION 5. IC 5-28-26-5, AS ADDED BY P.L.203-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 5. As used in this chapter, "income tax base period amount" means the total amount of ~~the following taxes~~ **local income tax (IC 6-3.6)** paid by employees employed in the territory comprising a global commerce center with respect to wages and salary earned for work in the global commerce center for the state fiscal year that precedes the date on which the global commerce center was designated under section 12 of this chapter.

~~(1) The county adjusted gross income tax.~~

~~(2) The county option income tax.~~

~~(3) The county economic development income tax.~~

SECTION 6. IC 5-28-26-6, AS ADDED BY P.L.203-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 6. As used in this chapter, "income tax incremental amount" means the remainder of:

(1) the total amount of ~~county adjusted gross income tax, county option income taxes, and county economic development income taxes~~ **local income tax (IC 6-3.6)** paid by employees employed in the territory comprising the global commerce center with respect to wages and salary earned for work in the territory

comprising the global commerce center for a particular state fiscal year; minus

(2) the income tax base period amount;

as determined by the department of state revenue.

SECTION 7. IC 5-28-26-16, AS ADDED BY P.L.203-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 16. (a) The treasurer of state shall establish an incremental tax financing fund for each global commerce center designated under this chapter. The fund shall be administered by the treasurer of state. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

(b) The total amount of ~~the following taxes~~ **local income tax (IC 6-3.6)** paid by employees employed in the global commerce center with respect to wages earned for work in the global commerce center shall be deposited in the incremental tax financing fund established for a global commerce center until the amount deposited equals the income tax incremental amount.

~~(1) The county adjusted gross income tax.~~

~~(2) The county option income tax.~~

~~(3) The county economic development income tax.~~

(c) On or before the twentieth day of each month, all amounts held in the incremental tax financing fund established for a global commerce center shall be distributed to the district that administers the global commerce center for deposit in the regional economic development fund established under section 19 of this chapter.

SECTION 8. IC 6-1.1-10.3-2, AS ADDED BY P.L.80-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 2. As used in this chapter, ~~"county~~ **"local** income tax council" refers to the ~~county~~ **local** income tax council established by ~~IC 6-3.5-6-2~~ **IC 6-3.6-3-1** for a county.

SECTION 9. IC 6-1.1-10.3-3, AS ADDED BY P.L.80-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 3. As used in this chapter, "exemption ordinance" refers to an ordinance adopted under section 5 of this chapter by a ~~county~~ **local** income tax council.

SECTION 10. IC 6-1.1-10.3-5, AS ADDED BY P.L.80-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 5. (a) A ~~county~~ **local** income tax council may adopt an exemption ordinance that exempts new personal property located in the county from property taxation as provided in section 6 of this chapter.

(b) For purposes of adopting an exemption ordinance under this

chapter, a ~~county~~ **local** income tax council is comprised of the same members as the ~~county~~ **local** income tax council that is established by ~~IC 6-3.5-6-2~~ **IC 6-3.6-3-1** for the county, regardless of whether a ~~county~~ **local** income tax is in effect in the county and regardless of ~~which county~~ **how the local** income tax ~~is~~ in effect in the county **is allocated.** Except as provided in this chapter, the ~~county~~ **local** income tax council shall use the same procedures that apply under ~~IC 6-3.5-6~~ **IC 6-3.6-3** when acting under this chapter.

(c) Before adopting an exemption ordinance under this section, a ~~county~~ **local** income tax council must conduct a public hearing on the proposed exemption ordinance. The ~~county~~ **local** income tax council must publish notice of the public hearing in accordance with IC 5-3-1.

(d) The ~~county~~ **local** income tax council shall provide a certified copy of an adopted exemption ordinance to the department of local government finance and the county auditor.

SECTION 11. IC 6-1.1-10.3-7, AS ADDED BY P.L.80-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 7. A ~~county~~ **local** income tax council may repeal or amend an exemption ordinance. However, if a ~~county~~ **local** income tax council repeals or amends an exemption ordinance, any new personal property that was exempt under the exemption ordinance on the date the new personal property was placed into service by a taxpayer remains exempt from property taxation, regardless of whether or not the ownership of the new personal property changes after the date the exemption ordinance is amended or repealed.

SECTION 12. IC 6-1.1-12-37, AS AMENDED BY P.L.148-2015, SECTION 7, AS AMENDED BY P.L.207-2015, SECTION 1, AND AS AMENDED BY P.L.245-2015, SECTION 6, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 37. (a) The following definitions apply throughout this section:

(1) "Dwelling" means any of the following:

(A) Residential real property improvements that an individual uses as the individual's residence, including a house or garage.

(B) A mobile home that is not assessed as real property that an individual uses as the individual's residence.

(C) A manufactured home that is not assessed as real property that an individual uses as the individual's residence.

(2) "Homestead" means an individual's principal place of residence:

(A) that is located in Indiana;

(B) that:

(i) the individual owns;

(ii) the individual is buying under a contract; recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the residence*, and that obligates the owner to convey title to the individual upon completion of all of the individual's contract obligations;*

(iii) the individual is entitled to occupy as a tenant-stockholder (as defined in 26 U.S.C. 216) of a cooperative housing corporation (as defined in 26 U.S.C. 216); or

(iv) is a residence described in section 17.9 of this chapter that is owned by a trust if the individual is an individual described in section 17.9 of this chapter; and

(C) that consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

Except as provided in subsection (k), the term does not include property owned by a corporation, partnership, limited liability company, or other entity not described in this subdivision.

(b) Each year a homestead is eligible for a standard deduction from the assessed value of the homestead for an assessment date. Except as provided in subsection (p), the deduction provided by this section applies to property taxes first due and payable for an assessment date only if an individual has an interest in the homestead described in subsection (a)(2)(B) on:

(1) the assessment date; or

(2) any date in the same year after an assessment date that a statement is filed under subsection (e) or section 44 of this chapter, if the property consists of real property.

If more than one (1) individual or entity qualifies property as a homestead under subsection (a)(2)(B) for an assessment date, only one (1) standard deduction from the assessed value of the homestead may be applied for the assessment date. Subject to subsection (c), the auditor of the county shall record and make the deduction for the individual or entity qualifying for the deduction.

(c) Except as provided in section 40.5 of this chapter, the total amount of the deduction that a person may receive under this section for a particular year is the lesser of:

(1) sixty percent (60%) of the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property; or

(2) forty-five thousand dollars ($45,000).

(d) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

(e) Except as provided in sections 17.8 and 44 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by this section must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement must include:

(1) the parcel number or key number of the property and the name of the city, town, or township in which the property is located;

(2) the name of any other location in which the applicant or the applicant's spouse owns, is buying, or has a beneficial interest in residential real property;

(3) the names of:

(A) the applicant and the applicant's spouse (if any):

(i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or

(ii) that they use as their legal names when they sign their names on legal documents;

if the applicant is an individual; or

(B) each individual who qualifies property as a homestead under subsection (a)(2)(B) and the individual's spouse (if any):

(i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or

(ii) that they use as their legal names when they sign their names on legal documents;

if the applicant is not an individual; and

(4) either:

(A) the last five (5) digits of the applicant's Social Security number and the last five (5) digits of the Social Security number of the applicant's spouse (if any); or

(B) if the applicant or the applicant's spouse (if any) does not have a Social Security number, any of the following for that

individual:

(i) The last five (5) digits of the individual's driver's license number.

(ii) The last five (5) digits of the individual's state identification card number.

(iii) If the individual does not have a driver's license or a state identification card, the last five (5) digits of a control number that is on a document issued to the individual by the ~~*federal*~~ *United States* government *and determined by the department of local government finance to be acceptable*.

If a form or statement provided to the county auditor under this section, IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or part or all of the Social Security number of a party or other number described in subdivision (4)(B) of a party, the telephone number and the Social Security number or other number described in subdivision (4)(B) included are confidential. The statement may be filed in person or by mail. If the statement is mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the deduction is allowed. With respect to real property, the statement must be completed and dated in the calendar year for which the person desires to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of the year for which the person desires to obtain the deduction.

(f) If an individual who is receiving the deduction provided by this section or who otherwise qualifies property for a deduction under this section:

(1) changes the use of the individual's property so that part or all of the property no longer qualifies for the deduction under this section; or

(2) is no longer eligible for a deduction under this section on another parcel of property because:

(A) the individual would otherwise receive the benefit of more than one (1) deduction under this chapter; or

(B) the individual maintains the individual's principal place of residence with another individual who receives a deduction under this section;

the individual must file a certified statement with the auditor of the county, notifying the auditor of the change of use, not more than sixty (60) days after the date of that change. An individual who fails to file

the statement required by this subsection is liable for any additional taxes that would have been due on the property if the individual had filed the statement as required by this subsection plus a civil penalty equal to ten percent (10%) of the additional taxes due. The civil penalty imposed under this subsection is in addition to any interest and penalties for a delinquent payment that might otherwise be due. One percent (1%) of the total civil penalty collected under this subsection shall be transferred by the county to the department of local government finance for use by the department in establishing and maintaining the homestead property data base under subsection (i) and, to the extent there is money remaining, for any other purposes of the department. This amount becomes part of the property tax liability for purposes of this article.

(g) The department of local government finance ~~*shall*~~ *may* adopt rules or guidelines concerning the application for a deduction under this section.

(h) This subsection does not apply to property in the first year for which a deduction is claimed under this section if the sole reason that a deduction is claimed on other property is that the individual or married couple maintained a principal residence at the other property on ~~*March 1*~~ *the assessment date* in the same year in which an application for a deduction is filed under this section or, if the application is for a homestead that is assessed as personal property, on ~~*March 1*~~ *the assessment date* in the immediately preceding year and the individual or married couple is moving the individual's or married couple's principal residence to the property that is the subject of the application. Except as provided in subsection (n), the county auditor may not grant an individual or a married couple a deduction under this section if:

(1) the individual or married couple, for the same year, claims the deduction on two (2) or more different applications for the deduction; and

(2) the applications claim the deduction for different property.

(i) The department of local government finance shall provide secure access to county auditors to a homestead property data base that includes access to the homestead owner's name and the numbers required from the homestead owner under subsection (e)(4) for the sole purpose of verifying whether an owner is wrongly claiming a deduction under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, ~~or IC 6-3.5~~ **or IC 6-3.6-5 (after December 31, 2016).**

(j) A county auditor may require an individual to provide evidence proving that the individual's residence is the individual's principal place

of residence as claimed in the certified statement filed under subsection (e). The county auditor may limit the evidence that an individual is required to submit to a state income tax return, a valid driver's license, or a valid voter registration card showing that the residence for which the deduction is claimed is the individual's principal place of residence. The department of local government finance shall work with county auditors to develop procedures to determine whether a property owner that is claiming a standard deduction or homestead credit is not eligible for the standard deduction or homestead credit because the property owner's principal place of residence is outside Indiana.

(k) As used in this section, "homestead" includes property that satisfies each of the following requirements:

(1) The property is located in Indiana and consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

(2) The property is the principal place of residence of an individual.

(3) The property is owned by an entity that is not described in subsection (a)(2)(B).

(4) The individual residing on the property is a shareholder, partner, or member of the entity that owns the property.

(5) The property was eligible for the standard deduction under this section on March 1, 2009.

(l) If a county auditor terminates a deduction for property described in subsection (k) with respect to property taxes that are:

(1) imposed for an assessment date in 2009; and

(2) first due and payable in 2010;

on the grounds that the property is not owned by an entity described in subsection (a)(2)(B), the county auditor shall reinstate the deduction if the taxpayer provides proof that the property is eligible for the deduction in accordance with subsection (k) and that the individual residing on the property is not claiming the deduction for any other property.

(m) For assessment dates after 2009, the term "homestead" includes:

(1) a deck or patio;

(2) a gazebo; or

(3) another residential yard structure, as defined in rules *that may be* adopted by the department of local government finance (other than a swimming pool);

that is assessed as real property and attached to the dwelling.

(n) A county auditor shall grant an individual a deduction under this section regardless of whether the individual and the individual's spouse

claim a deduction on two (2) different applications and each application claims a deduction for different property if the property owned by the individual's spouse is located outside Indiana and the individual files an affidavit with the county auditor containing the following information:

(1) The names of the county and state in which the individual's spouse claims a deduction substantially similar to the deduction allowed by this section.

(2) A statement made under penalty of perjury that the following are true:

(A) That the individual and the individual's spouse maintain separate principal places of residence.

(B) That neither the individual nor the individual's spouse has an ownership interest in the other's principal place of residence.

(C) That neither the individual nor the individual's spouse has, for that same year, claimed a standard or substantially similar deduction for any property other than the property maintained as a principal place of residence by the respective individuals.

A county auditor may require an individual or an individual's spouse to provide evidence of the accuracy of the information contained in an affidavit submitted under this subsection. The evidence required of the individual or the individual's spouse may include state income tax returns, excise tax payment information, property tax payment information, driver license information, and voter registration information.

(o) If:

(1) a property owner files a statement under subsection (e) to claim the deduction provided by this section for a particular property; and

(2) the county auditor receiving the filed statement determines that the property owner's property is not eligible for the deduction;

the county auditor shall inform the property owner of the county auditor's determination in writing. If a property owner's property is not eligible for the deduction because the county auditor has determined that the property is not the property owner's principal place of residence, the property owner may appeal the county auditor's determination to the county property tax assessment board of appeals as provided in IC 6-1.1-15. The county auditor shall inform the property owner of the owner's right to appeal to the county property tax assessment board of appeals when the county auditor informs the property owner of the county auditor's determination under this

subsection.

(p) An individual is entitled to the deduction under this section for a homestead for a particular assessment date if:

(1) either:

(A) the individual's interest in the homestead as described in subsection (a)(2)(B) is conveyed to the individual after the assessment date, but within the calendar year in which the assessment date occurs; or

(B) the individual contracts to purchase the homestead after the assessment date, but within the calendar year in which the assessment date occurs;

(2) on the assessment date:

(A) the property on which the homestead is currently located was vacant land; or

(B) the construction of the dwelling that constitutes the homestead was not completed;

(3) either:

(A) the individual files the certified statement required by subsection (e) on or before December 31 of the calendar year in which the assessment date occurs to claim the deduction under this section; or

(B) a sales disclosure form that meets the requirements of section 44 of this chapter is submitted to the county assessor on or before December 31 of the calendar year for the individual's purchase of the homestead; and

(4) the individual files with the county auditor on or before December 31 of the calendar year in which the assessment date occurs a statement that:

(A) lists any other property for which the individual would otherwise receive a deduction under this section for the assessment date*; and*

(B) cancels the deduction described in clause (A) for that property.

An individual who satisfies the requirements of subdivisions (1) through (4) is entitled to the deduction under this section for the homestead for the assessment date, even if on the assessment date the property on which the homestead is currently located was vacant land or the construction of the dwelling that constitutes the homestead was not completed. The county auditor shall apply the deduction for the assessment date and for the assessment date in any later year in which the homestead remains eligible for the deduction. A homestead that qualifies for the deduction under this section as provided in this

subsection is considered a homestead for purposes of section 37.5 of this chapter and IC 6-1.1-20.6. *The county auditor shall cancel the deduction under this section for any property that is located in the county and is listed on the statement filed by the individual under subdivision (4). If the property listed on the statement filed under subdivision (4) is located in another county, the county auditor who receives the statement shall forward the statement to the county auditor of that other county, and the county auditor of that other county shall cancel the deduction under this section for that property.*

(q) This subsection applies to an application for the deduction provided by this section that is filed for an assessment date occurring after December 31, 2013. Notwithstanding any other provision of this section, an individual buying a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property under a contract providing that the individual is to pay the property taxes on the mobile home or manufactured home is not entitled to the deduction provided by this section unless the parties to the contract comply with IC 9-17-6-17.

(r) This subsection:

(1) applies to an application for the deduction provided by this section that is filed for an assessment date occurring after December 31, 2013; and

(2) does not apply to an individual described in subsection (q).

The owner of a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property must attach a copy of the owner's title to the mobile home or manufactured home to the application for the deduction provided by this section.

(s) For assessment dates after 2013, the term "homestead" includes property that is owned by an individual who:

(1) is serving on active duty in any branch of the armed forces of the United States;

(2) was ordered to transfer to a location outside Indiana; and

(3) was otherwise eligible, without regard to this subsection, for the deduction under this section for the property for the assessment date immediately preceding the transfer date specified in the order described in subdivision (2).

For property to qualify under this subsection for the deduction provided by this section, the individual described in subdivisions (1) through (3) must submit to the county auditor a copy of the individual's transfer orders or other information sufficient to show that the individual was ordered to transfer to a location outside Indiana. The property continues to qualify for the deduction provided by this section until the individual

ceases to be on active duty, the property is sold, or the individual's ownership interest is otherwise terminated, whichever occurs first. Notwithstanding subsection (a)(2), the property remains a homestead regardless of whether the property continues to be the individual's principal place of residence after the individual transfers to a location outside Indiana. However, the property ceases to qualify as a homestead under this subsection if the property is leased while the individual is away from Indiana. Property that qualifies as a homestead under this subsection shall also be construed as a homestead for purposes of section 37.5 of this chapter.

SECTION 13. IC 6-1.1-18.5-1, AS AMENDED BY P.L.124-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: 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.

SECTION 14. IC 6-1.1-18.5-3, AS AMENDED BY P.L.153-2014,

SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: 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:~~

~~(1) 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~~

~~(2) a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30;~~

~~to provide property tax relief in the county.~~ **that is covered by IC 6-3.6-11-1.** Notwithstanding any provision in this section, any other section of this chapter, or IC 12-20-21-3.2, 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 to provide property tax relief in the county;~~ **that is covered by IC 6-3.6-11-1;** 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).

SECTION 15. IC 6-1.1-18.5-13, AS AMENDED BY P.L.245-2015, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: 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 under IC 6-1.1-4-4 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 (repealed) 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 (repealed) 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

seventy thousand (170,000) but less than one hundred seventy-five thousand (175,000);

(ii) a city having a population of more than sixty-five thousand (65,000) but less than seventy thousand (70,000);

(iii) a city having a population of more than twenty-nine thousand five hundred (29,500) but less than twenty-nine thousand six hundred (29,600);

(iv) a city having a population of more than thirteen thousand four hundred fifty (13,450) but less than thirteen thousand five hundred (13,500); or

(v) a city having a population of more than eight thousand seven hundred (8,700) but less than nine thousand (9,000); 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) Permission to a city having a population of more than

thirty-one thousand five hundred (31,500) but less than thirty-one thousand seven hundred twenty-five (31,725) 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 **(repealed)** 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 **(repealed)** that the city petitioned under this section to have reallocated in 2001 for a purpose other than property tax relief.

(12) 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.

(13) 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).

(c) In calendar year 2013, the department of local government finance shall allow a township to increase its maximum permissible ad valorem property tax levy in excess of the limitations established under section 3 of this chapter, if the township:

(1) petitions the department for the levy increase on a form prescribed by the department; and

(2) submits proof of the amount borrowed in 2012 or 2013, but not both, under IC 36-6-6-14 to furnish fire protection for the township or a part of the township.

The maximum increase in a township's levy that may be allowed under this subsection is the amount borrowed by the township under IC 36-6-6-14 in the year for which proof was submitted under subdivision (2). An increase allowed under this subsection applies to property taxes first due and payable after December 31, 2013.

SECTION 16. IC 6-1.1-18.5-18 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. ~~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.~~

SECTION 17. IC 6-1.1-20.6-3, AS AMENDED BY P.L.146-2008, SECTION 219, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 3. As used in this chapter, "property tax liability" means, for purposes of:

(1) this chapter, other than section 8.5 of this chapter, liability for the tax imposed on property under this article determined after application of all credits and deductions under this article or ~~IC 6-3.5,~~ **IC 6-3.6,** except the credit under this chapter, but does not include any interest or penalty imposed under this article; and

(2) section 8.5 of this chapter, liability for the tax imposed on property under this article determined after application of all credits and deductions under this article or ~~IC 6-3.5,~~ **IC 6-3.6,** including the credit granted by section 7 or 7.5 of this chapter, but not including the credit granted under section 8.5 of this chapter or any interest or penalty imposed under this article.

SECTION 18. IC 6-1.1-20.6-10, AS AMENDED BY P.L.137-2012, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 10. (a) As used in this section, "debt service obligations of a political subdivision" refers to:

(1) the principal and interest payable during a calendar year on bonds; and

(2) lease rental payments payable during a calendar year on leases;

of a political subdivision payable from ad valorem property taxes.

(b) Political subdivisions are required by law to fully fund the payment of their debt obligations in an amount sufficient to pay any debt service or lease rentals on outstanding obligations, regardless of any reduction in property tax collections due to the application of tax credits granted under this chapter.

(c) Upon the failure of a political subdivision to pay any of the political subdivision's debt service obligations during a calendar year when due, the treasurer of state, upon being notified of the failure by a claimant, shall pay the unpaid debt service obligations that are due from money in the possession of the state that would otherwise be available for distribution to the political subdivision under any other law, deducting the payment from the amount distributed. A deduction under this subsection must be made:

(1) first from **local income tax** distributions ~~of county adjusted gross income tax distributions under IC 6-3.5-1.1, county option income tax distributions under IC 6-3.5-6, or county economic development income tax distributions under IC 6-3.5-7 that would otherwise be distributed to the county under the schedule in IC 6-3.5-1.1-10, IC 6-3.5-1.1-21.1, IC 6-3.5-6-16, IC 6-3.5-6-17.3, IC 6-3.5-7-17, and IC 6-3.5-7-17.3;~~ **under IC 6-3.6-9;** and

(2) second from any other undistributed funds of the political subdivision in the possession of the state.

(d) This section shall be interpreted liberally so that the state shall to the extent legally valid ensure that the debt service obligations of each political subdivision are paid when due. However, this section does not create a debt of the state.

SECTION 19. IC 6-1.1-21.8-4, AS AMENDED BY P.L.146-2008,

SECTION 244, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 4. (a) The board shall determine the terms of a loan made under this chapter. However, the interest charged on the loan may not exceed the percent of increase in the United States Department of Labor Consumer Price Index for Urban Wage Earners and Clerical Workers during the most recent twelve (12) month period for which data is available as of the date that the unit applies for a loan under this chapter. In the case of a qualified taxing unit that is not a school corporation or a public library (as defined in IC 36-12-1-5), a loan must be repaid not later than ten (10) years after the date on which the loan was made. In the case of a qualified taxing unit that is a school corporation or a public library (as defined in IC 36-12-1-5), a loan must be repaid not later than eleven (11) years after the date on which the loan was made. A school corporation or a public library (as defined in IC 36-12-1-5) is not required to begin making payments to repay a loan until after June 30, 2004. The total amount of all the loans made under this chapter may not exceed twenty-eight million dollars ($28,000,000). The board may disburse the proceeds of a loan in installments. However, not more than one-third (1/3) of the total amount to be loaned under this chapter may be disbursed at any particular time without the review of the budget committee and the approval of the budget agency.

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

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

(2) in the case of a school corporation, the school corporation's debt service fund; or

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

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

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

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

(e) This section does not prohibit a qualified taxing unit from repaying a loan made under this chapter before the date specified in subsection (a) if a taxpayer described in section 3 of this chapter

resumes paying property taxes to the qualified taxing unit.

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

~~(1) The county adjusted gross income tax under IC 6-3.5-1.1.~~

~~(2) The county option income tax under IC 6-3.5-6.~~

~~(3) The county economic development income tax under IC 6-3.5-7.~~

a local income tax under IC 6-3.6. Notwithstanding subsection (a), interest may not be charged on a loan made under this chapter if a tax described in this subsection is adopted before a qualified taxing unit applies for the loan.

SECTION 20. IC 6-1.1-22-8.1, AS AMENDED BY P.L.5-2015, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 8.1. (a) The county treasurer shall:

(1) except as provided in subsection (h), mail to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book; and

(2) transmit by written, electronic, or other means to a mortgagee maintaining an escrow account for a person who is liable for any property taxes or special assessments, as shown on the tax duplicate or special assessment records;

a statement in the form required under subsection (b). ~~However, for property taxes first due and payable in 2008, the county treasurer may choose to use a tax statement that is different from the tax statement prescribed by the department under subsection (b). If a county chooses to use a different tax statement, the county must still transmit (with the tax bill) the statement in either color type or black and white type.~~

(b) The department of local government finance shall prescribe a form, subject to the approval of the state board of accounts, for the statement under subsection (a) that includes at least the following:

(1) A statement of the taxpayer's current and delinquent taxes and special assessments.

(2) A breakdown showing the total property tax and special assessment liability and the amount of the taxpayer's liability that will be distributed to each taxing unit in the county.

(3) An itemized listing for each property tax levy, including:

(A) the amount of the tax rate;

(B) the entity levying the tax owed; and

(C) the dollar amount of the tax owed.

(4) Information designed to show the manner in which the taxes and special assessments billed in the tax statement are to be used.
(5) A comparison showing any change in the assessed valuation for the property as compared to the previous year.
(6) A comparison showing any change in the property tax and special assessment liability for the property as compared to the previous year. The information required under this subdivision must identify:

(A) the amount of the taxpayer's liability distributable to each taxing unit in which the property is located in the current year and in the previous year; and

(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which the property is located from the previous year to the current year.

(7) An explanation of the following:

(A) Homestead credits under IC 6-1.1-20.4, ~~IC 6-3.5-6-13,~~ **IC 6-3.6-5,** or another law that are available in the taxing district where the property is located.

(B) All property tax deductions that are available in the taxing district where the property is located.

(C) The procedure and deadline for filing for any available homestead credits under IC 6-1.1-20.4, ~~IC 6-3.5-6-13,~~ **IC 6-3.6-5,** or another law and each deduction.

(D) The procedure that a taxpayer must follow to:

(i) appeal a current assessment; or

(ii) petition for the correction of an error related to the taxpayer's property tax and special assessment liability.

(E) The forms that must be filed for an appeal or a petition described in clause (D).

(F) The procedure and deadline that a taxpayer must follow and the forms that must be used if a credit or deduction has been granted for the property and the taxpayer is no longer eligible for the credit or deduction.

(G) Notice that an appeal described in clause (D) requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date that is the basis for the taxes payable on that property.

The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.
(8) A checklist that shows:

(A) homestead credits under IC 6-1.1-20.4, ~~IC 6-3.5-6-13,~~

IC 6-3.6-5, or another law and all property tax deductions; and (B) whether each homestead credit and property tax deduction applies in the current statement for the property transmitted under subsection (a).

(c) The county treasurer may mail or transmit the statement one (1) time each year at least fifteen (15) business days before the date on which the first or only installment is due. Whenever a person's tax liability for a year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this chapter, a statement that is mailed must include the date on which the installment is due and denote the amount of money to be paid for the installment. Whenever a person's tax liability is due in two (2) installments, a statement that is mailed must contain the dates on which the first and second installments are due and denote the amount of money to be paid for each installment. If a statement is returned to the county treasurer as undeliverable and the forwarding order is expired, the county treasurer shall notify the county auditor of this fact. Upon receipt of the county treasurer's notice, the county auditor may, at the county auditor's discretion, treat the property as not being eligible for any deductions under IC 6-1.1-12 or any homestead credits under IC 6-1.1-20.4 and ~~IC 6-3.5-6-13.~~ **IC 6-3.6-5.**

(d) All payments of property taxes and special assessments shall be made to the county treasurer. The county treasurer, when authorized by the board of county commissioners, may open temporary offices for the collection of taxes in cities and towns in the county other than the county seat.

(e) The county treasurer, county auditor, and county assessor shall cooperate to generate the information to be included in the statement under subsection (b).

(f) The information to be included in the statement under subsection (b) must be simply and clearly presented and understandable to the average individual.

(g) After December 31, 2007, a reference in a law or rule to IC 6-1.1-22-8 (expired January 1, 2008, and repealed) shall be treated as a reference to this section.

(h) Transmission of statements and other information under this subsection applies in a county only if the county legislative body adopts an authorizing ordinance. Subject to subsection (i), in a county in which an ordinance is adopted under this subsection for property taxes and special assessments first due and payable after 2009, a person may, in any manner permitted by subsection (n), direct the county treasurer and county auditor to transmit the following to the person by electronic mail:

(1) A statement that would otherwise be sent by the county treasurer to the person by regular mail under subsection (a)(1), including a statement that reflects installment payment due dates under section 9.5 or 9.7 of this chapter.

(2) A provisional tax statement that would otherwise be sent by the county treasurer to the person by regular mail under IC 6-1.1-22.5-6.

(3) A reconciling tax statement that would otherwise be sent by the county treasurer to the person by regular mail under any of the following:

(A) Section 9 of this chapter.

(B) Section 9.7 of this chapter.

(C) IC 6-1.1-22.5-12, including a statement that reflects installment payment due dates under IC 6-1.1-22.5-18.5.

(4) Any other information that:

(A) concerns the property taxes or special assessments; and

(B) would otherwise be sent:

(i) by the county treasurer or the county auditor to the person by regular mail; and

(ii) before the last date the property taxes or special assessments may be paid without becoming delinquent.

The information listed in this subsection may be transmitted to a person by using electronic mail that provides a secure Internet link to the information.

(i) For property with respect to which more than one (1) person is liable for property taxes and special assessments, subsection (h) applies only if all the persons liable for property taxes and special assessments designate the electronic mail address for only one (1) individual authorized to receive the statements and other information referred to in subsection (h).

(j) Before 2010, the department of local government finance shall create a form to be used to implement subsection (h). The county treasurer and county auditor shall:

(1) make the form created under this subsection available to the public;

(2) transmit a statement or other information by electronic mail under subsection (h) to a person who, at least thirty (30) days before the anticipated general mailing date of the statement or other information, files the form created under this subsection:

(A) with the county treasurer; or

(B) with the county auditor; and

(3) publicize the availability of the electronic mail option under

this subsection through appropriate media in a manner reasonably designed to reach members of the public.

(k) The form referred to in subsection (j) must:

(1) explain that a form filed as described in subsection (j)(2) remains in effect until the person files a replacement form to:

(A) change the person's electronic mail address; or

(B) terminate the electronic mail option under subsection (h); and

(2) allow a person to do at least the following with respect to the electronic mail option under subsection (h):

(A) Exercise the option.

(B) Change the person's electronic mail address.

(C) Terminate the option.

(D) For a person other than an individual, designate the electronic mail address for only one (1) individual authorized to receive the statements and other information referred to in subsection (h).

(E) For property with respect to which more than one (1) person is liable for property taxes and special assessments, designate the electronic mail address for only one (1) individual authorized to receive the statements and other information referred to in subsection (h).

(l) The form created under subsection (j) is considered filed with the county treasurer or the county auditor on the postmark date or on the date it is electronically submitted. If the postmark is missing or illegible, the postmark is considered to be one (1) day before the date of receipt of the form by the county treasurer or the county auditor.

(m) The county treasurer shall maintain a record that shows at least the following:

(1) Each person to whom a statement or other information is transmitted by electronic mail under this section.

(2) The information included in the statement.

(3) Whether the county treasurer received a notice that the person's electronic mail was undeliverable.

(n) A person may direct the county treasurer and county auditor to transmit information by electronic mail under subsection (h) on a form prescribed by the department submitted:

(1) in person;

(2) by mail; or

(3) in an online format developed by the county and approved by the department.

SECTION 21. IC 6-1.1-22.5-8, AS AMENDED BY P.L.172-2011,

SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 8. (a) Subject to subsection (c), a provisional statement must:

(1) be on a form prescribed by the department of local government finance;

(2) except as provided in emergency rules adopted under section 20 of this chapter and subsection (b):

(A) for property taxes first due and payable after 2010 and billed using a provisional statement under section 6 of this chapter, indicate:

(i) that the first installment of the taxpayer's tax liability is an amount equal to fifty percent (50%) of the tax liability that was payable in the same year as the assessment date for the property for which the provisional statement is issued, subject to any adjustments to the tax liability authorized by the department of local government finance under subsection (e) and approved by the county treasurer; and

(ii) that the second installment is either the amount specified in a reconciling statement or, if a reconciling statement is not sent until after the second installment is due, an amount equal to fifty percent (50%) of the tax liability that was payable in the same year as the assessment date for the property for which the provisional statement is issued, subject to any adjustments to the tax liability authorized by the department of local government finance under subsection (e) and approved by the county treasurer; and

(B) for property taxes billed using a provisional statement under section 6.5 of this chapter, except as provided in subsection (d), indicate tax liability in an amount determined by the department of local government finance based on:

(i) subject to subsection (c), for the cross-county entity, the property tax rate of the cross-county entity for taxes first due and payable in the immediately preceding calendar year; and

(ii) for all other taxing units that make up the taxing district or taxing districts that comprise the cross-county area, the property tax rates of the taxing units for taxes first due and payable in the current calendar year;

(3) indicate:

(A) that the tax liability under the provisional statement is determined as described in subdivision (2); and

(B) that property taxes billed on the provisional statement:

(i) are due and payable in the same manner as property taxes

billed on a tax statement under IC 6-1.1-22-8.1; and

(ii) will be credited against a reconciling statement;

(4) for property taxes billed using a provisional statement under section 6 of this chapter, include a statement in the following or a substantially similar form, as determined by the department of local government finance:

"Under Indiana law, _____ County (insert county) has sent provisional statements. The statement is due to be paid in installments on _____ (insert date) and _____ (insert date). The first installment is equal to fifty percent (50%) of your tax liability for taxes payable in _____ (insert year), subject to adjustment to the tax liability authorized by the department of local government finance and approved by the county treasurer. The second installment is either the amount specified in a reconciling statement that will be sent to you, or (if a reconciling statement is not sent until after the second installment is due) an amount equal to fifty percent (50%) of your tax liability for taxes payable in _____ (insert year), subject to adjustment to the tax liability authorized by the department of local government finance and approved by the county treasurer. After the abstract of property is complete, you will receive a reconciling statement in the amount of your actual tax liability for taxes payable in _____ (insert year) minus the amount you pay under this provisional statement.";

(5) for property taxes billed using a provisional statement under section 6.5 of this chapter, include a statement in the following or a substantially similar form, as determined by the department of local government finance:

"Under Indiana law, _____ County (insert county) has elected to send provisional statements for the territory of _____ (insert cross-county entity) located in _____ County (insert county) because the property tax rate for _____ (insert cross-county entity) was not available in time to prepare final tax statements. The statement is due to be paid in installments on _____ (insert date) and _____ (insert date). The statement is based on the property tax rate of _____ (insert cross-county entity) for taxes first due and payable in _____ (insert immediately preceding calendar year). After the property tax rate of _____ (insert cross-county entity) is determined, you will receive a reconciling statement in the amount of your actual tax liability for taxes payable in _____ (insert year) minus the amount you pay under

this provisional statement.";

(6) indicate any adjustment to tax liability under subdivision (2) authorized by the department of local government finance under subsection (e) and approved by the county treasurer for:

(A) delinquent:

(i) taxes; and

(ii) special assessments;

(B) penalties; and

(C) interest;

(7) in the case of a reconciling statement only, include:

(A) a checklist that shows:

(i) homestead credits under IC 6-1.1-20.4, ~~IC 6-3.5-6-13,~~ **IC 6-3.6-5,** or another law and all property tax deductions; and

(ii) whether each homestead credit and property tax deduction were applied in the current provisional statement;

(B) an explanation of the procedure and deadline that a taxpayer must follow and the forms that must be used if a credit or deduction has been granted for the property and the taxpayer is no longer eligible for the credit or deduction; and

(C) an explanation of the tax consequences and applicable penalties if a taxpayer unlawfully claims a standard deduction under IC 6-1.1-12-37 on:

(i) more than one (1) parcel of property; or

(ii) property that is not the taxpayer's principal place of residence or is otherwise not eligible for a standard deduction; and

(8) include any other information the county treasurer requires.

(b) The county may apply a standard deduction, supplemental standard deduction, or homestead credit calculated by the county's property system on a provisional bill for a qualified property. If a provisional bill has been used for property tax billings for two (2) consecutive years and a property qualifies for a standard deduction, supplemental standard deduction, or homestead credit for the second year a provisional bill is used, the county shall apply the standard deduction, supplemental standard deduction, or homestead credit calculated by the county's property system on the provisional bill.

(c) For purposes of this section, property taxes that are:

(1) first due and payable in the current calendar year on a provisional statement under section 6 or 6.5 of this chapter; and

(2) based on property taxes first due and payable in the immediately preceding calendar year or on a percentage of those

property taxes;

are determined after excluding from the property taxes first due and payable in the immediately preceding calendar year property taxes imposed by one (1) or more taxing units in which the tangible property is located that are attributable to a levy that no longer applies for property taxes first due and payable in the current calendar year.

(d) If there was no property tax rate of the cross-county entity for taxes first due and payable in the immediately preceding calendar year for use under subsection (a)(2)(B), the department of local government finance shall provide an estimated tax rate calculated to approximate the actual tax rate that will apply when the tax rate is finally determined.

(e) The department of local government finance shall:

(1) authorize the types of adjustments to tax liability that a county treasurer may approve under subsection (a)(2)(A) including:

(A) adjustments for any new construction on the property or any damage to the property;

(B) any necessary adjustments for credits, deductions, or **the** local ~~option~~ income ~~taxes;~~ **tax;**

(C) adjustments to include current year special assessments or exclude special assessments payable in the year of the assessment date but not payable in the current year;

(D) adjustments to include delinquent:

(i) taxes; and

(ii) special assessments;

(E) adjustments to include penalties that are due and owing; and

(F) adjustments to include interest that is due and owing; and

(2) notify county treasurers in writing of the types of adjustments authorized under subdivision (1).

SECTION 22. IC 6-1.1-30-17, AS AMENDED BY P.L.137-2012, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 17. (a) Except as provided in subsection (c) and subject to subsection (d), the department of state revenue and the auditor of state shall, when requested by the department of local government finance, withhold a percentage of the distributions of ~~county adjusted gross income tax distributions under IC 6-3.5-1.1, county option income tax distributions under IC 6-3.5-6, or county economic development income tax distributions under IC 6-3.5-7 that would otherwise be distributed to the county under the schedules in IC 6-3.5-1.1-10, IC 6-3.5-1.1-21.1, IC 6-3.5-6-17, IC 6-3.5-6-17.3, IC 6-3.5-7-16, and IC 6-3.5-7-17.3,~~ **local income tax revenue under**

IC 6-3.6-9, if:

(1) the county assessor has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25;

(2) the county auditor has not paid a bill for services under IC 6-1.1-4-31.5 to the department of local government finance in a timely manner;

(3) the county assessor has not forwarded to the department of local government finance in a timely manner sales disclosure form data under IC 6-1.1-5.5-3;

(4) the county auditor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that date under IC 6-1.1-11-8(a);

(5) by the date the distribution is scheduled to be made, the county auditor has not sent a certified statement required to be sent by that date under IC 6-1.1-17-1 to the department of local government finance;

(6) the county does not maintain a certified computer system that meets the requirements of IC 6-1.1-31.5-3.5;

(7) the county auditor has not transmitted the data described in IC 36-2-9-20 to the department of local government finance in the form and on the schedule specified by IC 36-2-9-20;

(8) the county has not established a parcel index numbering system under 50 IAC 23-8-1 in a timely manner;

(9) a county official has not provided other information to the department of local government finance in a timely manner as required by the department of local government finance; or

(10) the department of local government finance incurs additional costs to assist a covered county (as defined in IC 6-1.1-22.6-1) to issue tax statements within the time frame specified in IC 6-1.1-22.6-18(b) for each year that the county experienced delayed property taxes (as defined in IC 6-1.1-22.6-2) before the year in which the county qualifies as a covered county.

The percentage to be withheld is the percentage determined by the department of local government finance. However, the percentage withheld for a reason stated in subdivision (10) may not exceed the percentage needed to reimburse the department of local government finance for the costs incurred by the department of local government finance to take the actions necessary to permit a covered county (as defined in IC 6-1.1-22.6-1) to issue reconciling tax statements for prior

year delayed property taxes (as defined in IC 6-1.1-22.6-2) within the time frame specified in IC 6-1.1-22.6-18(b). The county governmental taxing unit of a covered county (as defined in IC 6-1.1-22.6-1) shall reimburse the department of local government finance for these expenses. The amount withheld under subdivision (10) reduces only the amount that would otherwise be distributed to the county governmental taxing unit of a covered county (as defined in IC 6-1.1-22.6-1) and not money distributable to any other political subdivision. The withholding of an amount under subdivision (10) does not relieve the county government of a covered county (as defined in IC 6-1.1-22.6-1) from making bond or lease payments that would otherwise be paid from withheld amounts or providing property tax credits that would otherwise be provided under ~~IC 6-3.5~~ **IC 6-3.6** from withheld amounts. Subdivision (10) does not apply to any county other than a covered county (as defined in IC 6-1.1-22.6-1).

(b) Except as provided in subsection (e), money not distributed for the reasons stated in subsection (a) shall be distributed to the county when the department of local government finance determines that the failure to:

(1) provide information; or

(2) pay a bill for services;

has been corrected.

(c) The restrictions on distributions under subsection (a) do not apply if the department of local government finance determines that the failure to:

(1) provide information; or

(2) pay a bill for services;

in a timely manner is justified by unusual circumstances.

(d) The department of local government finance shall give the county auditor at least thirty (30) days notice in writing before the department of state revenue or the auditor of state withholds a distribution under subsection (a).

(e) Money not distributed for the reason stated in subsection (a)(2) may be deposited in the fund established by IC 6-1.1-5.5-4.7(a). Money deposited under this subsection is not subject to distribution under subsection (b).

(f) This subsection applies to a county that will not receive a distribution **of local income tax revenue** under ~~IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7.~~ **IC 6-3.6-9.** At the request of the department of local government finance, an amount permitted to be withheld under subsection (a) may be withheld from any state revenues that would otherwise be distributed to the county or one (1) or more taxing units

in the county.

SECTION 23. IC 6-1.1-36-17, AS AMENDED BY P.L.5-2015, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 17. (a) As used in this section, "nonreverting fund" refers to a nonreverting fund established under subsection (c).

(b) Each county auditor that makes a determination that property was not eligible for a standard deduction under IC 6-1.1-12-37 in a particular year shall:

(1) notify the county treasurer of the determination; and

(2) do one (1) or more of the following:

(A) Make a notation on the tax duplicate that the property is ineligible for the standard deduction and indicate the date the notation is made.

(B) Record a notice of an ineligible homestead lien under subsection (d)(2).

The county auditor shall issue a notice of taxes, interest, and penalties due to the owner that improperly received the standard deduction and include a statement that the payment is to be made payable to the county auditor. The notice must require full payment of the amount owed within thirty (30) days. The additional taxes and civil penalties that result from the removal of the deduction, if any, are imposed for property taxes first due and payable for an assessment date occurring before the earlier of the date of the notation made under subdivision (2)(A) or the date a notice of an ineligible homestead lien is recorded under subsection (d)(2) in the office of the county recorder. With respect to property subject to a determination made under this subsection that is owned by a bona fide purchaser without knowledge of the determination, no lien attaches for any additional taxes and civil penalties that result from the removal of the deduction.

(c) Each county auditor shall establish a nonreverting fund. Upon collection of the adjustment in tax due (and any interest and penalties on that amount) after the termination of a deduction or credit as specified in subsection (b), the county treasurer shall deposit that amount:

(1) in the nonreverting fund, if the county contains a consolidated city; or

(2) if the county does not contain a consolidated city:

(A) in the nonreverting fund, to the extent that the amount collected, after deducting the direct cost of any contract, including contract related expenses, under which the contractor is required to identify homestead deduction eligibility, does not cause the total amount deposited in the

nonreverting fund under this subsection for the year during which the amount is collected to exceed one hundred thousand dollars ($100,000); or

(B) in the county general fund, to the extent that the amount collected exceeds the amount that may be deposited in the nonreverting fund under clause (A).

(d) Any part of the amount due under subsection (b) that is not collected by the due date is subject to collection under one (1) or more of the following:

(1) After being placed on the tax duplicate for the affected property and collected in the same manner as other property taxes.

(2) Through a notice of an ineligible homestead lien recorded in the county recorder's office without charge.

The adjustment in tax due (and any interest and penalties on that amount) after the termination of a deduction or credit as specified in subsection (b) shall be deposited as specified in subsection (c) only in the first year in which that amount is collected. Upon the collection of the amount due under subsection (b) or the release of a lien recorded under subdivision (2), the county auditor shall submit the appropriate documentation to the county recorder, who shall amend the information recorded under subdivision (2) without charge to indicate that the lien has been released or the amount has been paid in full.

(e) The amount to be deposited in the nonreverting fund or the county general fund under subsection (c) includes adjustments in the tax due as a result of the termination of deductions or credits available only for property that satisfies the eligibility for a standard deduction under IC 6-1.1-12-37, including the following:

(1) Supplemental deductions under IC 6-1.1-12-37.5.

(2) Homestead credits under IC 6-1.1-20.4, ~~IC 6-3.5-1.1-26, IC 6-3.5-6-13, IC 6-3.5-6-32, IC 6-3.5-7-13.1, or IC 6-3.5-7-26,~~ **IC 6-3.6-5, IC 6-3.6-11-3,** or any other law.

(3) Credit for excessive property taxes under IC 6-1.1-20.6-7.5 or IC 6-1.1-20.6-8.5.

Any amount paid that exceeds the amount required to be deposited under subsection (c)(1) or (c)(2) shall be distributed as property taxes.

(f) Money deposited under subsection (c)(1) or (c)(2) shall be treated as miscellaneous revenue. Distributions shall be made from the nonreverting fund established under this section upon appropriation by the county fiscal body and shall be made only for the following purposes:

(1) Fees and other costs incurred by the county auditor to discover property that is eligible for a standard deduction under

IC 6-1.1-12-37.

(2) Other expenses of the office of the county auditor.

The amount of deposits in a reverting fund, the balance of a nonreverting fund, and expenditures from a reverting fund may not be considered in establishing the budget of the office of the county auditor or in setting property tax levies that will be used in any part to fund the office of the county auditor.

SECTION 24. IC 6-3-4-4.1, AS AMENDED BY P.L.1-2009, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 4.1. (a) Any individual required by the Internal Revenue Code to file estimated tax returns and to make payments on account of such estimated tax shall file estimated tax returns and make payments of the tax imposed by this article to the department at the time or times and in the installments as provided by Section 6654 of the Internal Revenue Code. However, the following apply to estimated tax returns filed and payments made under this subsection:

(1) In applying Section 6654 of the Internal Revenue Code for the purposes of this article, "estimated tax" means the amount which the individual estimates as the amount of the adjusted gross income tax imposed by this article for the taxable year, minus the amount which the individual estimates as the sum of any credits against the tax provided by IC 6-3-3.

(2) Estimated tax for a nonresident alien (as defined in Section 7701 of the Internal Revenue Code) must be computed by applying not more than one (1) exclusion under IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4), regardless of the total number of exclusions that IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4) permit the taxpayer to apply on the taxpayer's final return for the taxable year.

(b) Every individual who has adjusted gross income subject to the tax imposed by this article and from which tax is not withheld under the requirements of section 8 of this chapter shall make a declaration of estimated tax for the taxable year. However, no such declaration shall be required if the estimated tax can reasonably be expected to be less than one thousand dollars ($1,000). In the case of an underpayment of the estimated tax as provided in Section 6654 of the Internal Revenue Code, there shall be added to the tax a penalty in an amount prescribed by IC 6-8.1-10-2.1(b).

(c) Every corporation subject to the adjusted gross income tax liability imposed by this article shall be required to report and pay an estimated tax equal to the lesser of:

(1) twenty-five percent (25%) of such corporation's estimated adjusted gross income tax liability for the taxable year; or

(2) the annualized income installment calculated in the manner provided by Section 6655(e) of the Internal Revenue Code as applied to the corporation's liability for adjusted gross income tax.

A taxpayer who uses a taxable year that ends on December 31 shall file the taxpayer's estimated adjusted gross income tax returns and pay the tax to the department on or before April 20, June 20, September 20, and December 20 of the taxable year. If a taxpayer uses a taxable year that does not end on December 31, the due dates for filing estimated adjusted gross income tax returns and paying the tax are on or before the twentieth day of the fourth, sixth, ninth, and twelfth months of the taxpayer's taxable year. The department shall prescribe the manner and forms for such reporting and payment.

(d) The penalty prescribed by IC 6-8.1-10-2.1(b) shall be assessed by the department on corporations failing to make payments as required in subsection (c) or (f). However, no penalty shall be assessed as to any estimated payments of adjusted gross income tax which equal or exceed:

(1) the annualized income installment calculated under subsection (c); or

(2) twenty-five percent (25%) of the final tax liability for the taxpayer's previous taxable year.

In addition, the penalty as to any underpayment of tax on an estimated return shall only be assessed on the difference between the actual amount paid by the corporation on such estimated return and twenty-five percent (25%) of the corporation's final adjusted gross income tax liability for such taxable year.

(e) The provisions of subsection (c) requiring the reporting and estimated payment of adjusted gross income tax shall be applicable only to corporations having an adjusted gross income tax liability which, after application of the credit allowed by IC 6-3-3-2 (repealed), shall exceed two thousand five hundred dollars ($2,500) for its taxable year.

(f) If the department determines that a corporation's:

(1) estimated quarterly adjusted gross income tax liability for the current year; or

(2) average estimated quarterly adjusted gross income tax liability for the preceding year;

exceeds five thousand dollars ($5,000), after the credit allowed by IC 6-3-3-2 (repealed), the corporation shall pay the estimated adjusted gross income taxes due by electronic funds transfer (as defined in

IC 4-8.1-2-7) or by delivering in person or overnight by courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(g) If a corporation's adjusted gross income tax payment is made by electronic funds transfer, the corporation is not required to file an estimated adjusted gross income tax return.

(h) An individual filing an estimated tax return and making an estimated tax payment under this section must designate:

(1) the portion of the estimated tax payment that represents estimated state adjusted gross income tax liability; and

(2) the portion of the estimated tax payment that represents estimated local income tax liability under ~~IC 6-3.5.~~ **IC 6-3.6.**

The department shall adopt guidelines and issue instructions as necessary to assist individuals in making the designations required by this subsection.

SECTION 25. IC 6-3-4-8, AS AMENDED BY P.L.242-2015, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 8. (a) Except as provided in subsection (d), every employer making payments of wages subject to tax under this article, regardless of the place where such payment is made, who is required under the provisions of the Internal Revenue Code to withhold, collect, and pay over income tax on wages paid by such employer to such employee, shall, at the time of payment of such wages, deduct and retain therefrom the amount prescribed in withholding instructions issued by the department. The department shall base its withholding instructions on the adjusted gross income tax rate for persons, on the total ~~rates of any income taxes~~ **local income tax rate** that the taxpayer is subject to under ~~IC 6-3.5,~~ **IC 6-3.6,** and on the total amount of exclusions the taxpayer is entitled to under IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4). However, the withholding instructions on the adjusted gross income of a nonresident alien (as defined in Section 7701 of the Internal Revenue Code) are to be based on applying not more than one (1) withholding exclusion, regardless of the total number of exclusions that IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4) permit the taxpayer to apply on the taxpayer's final return for the taxable year. Such employer making payments of any wages:

(1) shall be liable to the state of Indiana for the payment of the tax required to be deducted and withheld under this section and shall not be liable to any individual for the amount deducted from the individual's wages and paid over in compliance or intended

compliance with this section; and

(2) shall make return of and payment to the department monthly of the amount of tax which under this article and ~~IC 6-3.5~~ **IC 6-3.6** the employer is required to withhold.

(b) An employer shall pay taxes withheld under subsection (a) during a particular month to the department no later than thirty (30) days after the end of that month. However, in place of monthly reporting periods, the department may permit an employer to report and pay the tax for a calendar year reporting period, if the average monthly amount of all tax required to be withheld by the employer in the previous calendar year does not exceed one thousand dollars ($1,000). An employer using a reporting period (other than a monthly reporting period) must file the employer's return and pay the tax for a reporting period no later than the last day of the month immediately following the close of the reporting period.

(c) For purposes of determining whether an employee is subject to taxation under ~~IC 6-3.5,~~ **IC 6-3.6,** an employer is entitled to rely on the statement of an employee as to the employee's county of residence as represented by the statement of address in forms claiming exemptions for purposes of withholding, regardless of when the employee supplied the forms. Every employee shall notify the employee's employer within five (5) days after any change in the employee's county of residence.

(d) A county that makes payments of wages subject to tax under this article:

(1) to a precinct election officer (as defined in IC 3-5-2-40.1); and

(2) for the performance of the duties of the precinct election officer imposed by IC 3 that are performed on election day;

is not required, at the time of payment of the wages, to deduct and retain from the wages the amount prescribed in withholding instructions issued by the department.

(e) Every employer shall, at the time of each payment made by the employer to the department, deliver to the department a return upon the form prescribed by the department showing:

(1) the total amount of wages paid to the employer's employees;

(2) the amount deducted therefrom in accordance with the provisions of the Internal Revenue Code;

(3) the amount of adjusted gross income tax deducted therefrom in accordance with the provisions of this section;

(4) the amount of income tax, if any, imposed under ~~IC 6-3.5~~ **IC 6-3.6** and deducted therefrom in accordance with this section; and

(5) any other information the department may require.

Every employer making a declaration of withholding as provided in this section shall furnish the employer's employees annually, but not later than thirty (30) days after the end of the calendar year, a record of the total amount of adjusted gross income tax and the amount of each income tax, if any, imposed under ~~IC 6-3.5,~~ **IC 6-3.6,** withheld from the employees, on the forms prescribed by the department. In addition, the employer shall file Form WH-3 annual withholding tax reports with the department not later than thirty-one (31) days after the end of the calendar year.

(f) All money deducted and withheld by an employer shall immediately upon such deduction be the money of the state, and every employer who deducts and retains any amount of money under the provisions of this article shall hold the same in trust for the state of Indiana and for payment thereof to the department in the manner and at the times provided in this article. Any employer may be required to post a surety bond in the sum the department determines to be appropriate to protect the state with respect to money withheld pursuant to this section.

(g) The provisions of IC 6-8.1 relating to additions to tax in case of delinquency and penalties shall apply to employers subject to the provisions of this section, and for these purposes any amount deducted or required to be deducted and remitted to the department under this section shall be considered to be the tax of the employer, and with respect to such amount the employer shall be considered the taxpayer. In the case of a corporate or partnership employer, every officer, employee, or member of such employer, who, as such officer, employee, or member is under a duty to deduct and remit such taxes, shall be personally liable for such taxes, penalties, and interest.

(h) Amounts deducted from wages of an employee during any calendar year in accordance with the provisions of this section shall be considered to be in part payment of the tax imposed on such employee for the employee's taxable year which begins in such calendar year, and a return made by the employer under subsection (b) shall be accepted by the department as evidence in favor of the employee of the amount so deducted from the employee's wages. Where the total amount so deducted exceeds the amount of tax on the employee as computed under this article and ~~IC 6-3.5,~~ **IC 6-3.6,** the department shall, after examining the return or returns filed by the employee in accordance with this article and ~~IC 6-3.5,~~ **IC 6-3.6,** refund the amount of the excess deduction. However, under rules promulgated by the department, the excess or any part thereof may be applied to any taxes or other claim due from the taxpayer to the state of Indiana or any subdivision thereof.

In the event that the excess tax deducted is less than one dollar ($1), no refund shall be made.

(i) This section shall in no way relieve any taxpayer from the taxpayer's obligation of filing a return or returns at the time required under this article and ~~IC 6-3.5,~~ **IC 6-3.6,** and, should the amount withheld under the provisions of this section be insufficient to pay the total tax of such taxpayer, such unpaid tax shall be paid at the time prescribed by section 5 of this chapter.

(j) Notwithstanding subsection (b), an employer of a domestic service employee that enters into an agreement with the domestic service employee to withhold federal income tax under Section 3402 of the Internal Revenue Code may withhold Indiana income tax on the domestic service employee's wages on the employer's Indiana individual income tax return in the same manner as allowed by Section 3510 of the Internal Revenue Code.

(k) To the extent allowed by Section 1137 of the Social Security Act, an employer of a domestic service employee may report and remit state unemployment insurance contributions on the employee's wages on the employer's Indiana individual income tax return in the same manner as allowed by Section 3510 of the Internal Revenue Code.

(l) A person who knowingly fails to remit trust fund money as set forth in this section commits a Level 6 felony.

SECTION 26. IC 6-3-4-12, AS AMENDED BY P.L.242-2015, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 12. (a) Every partnership shall, at the time that the partnership pays or credits amounts to any of its nonresident partners on account of their distributive shares of partnership income, for a taxable year of the partnership, deduct and retain therefrom the amount prescribed in the withholding instructions referred to in section 8 of this chapter. Such partnership so paying or crediting any nonresident partner:

(1) shall be liable to the state of Indiana for the payment of the tax required to be deducted and retained under this section and shall not be liable to such partner for the amount deducted from such payment or credit and paid over in compliance or intended compliance with this section; and

(2) shall make return of and payment to the department monthly whenever the amount of tax due under IC 6-3 and ~~IC 6-3.5~~ **IC 6-3.6** exceeds an aggregate amount of fifty dollars ($50) per month with such payment due on the thirtieth day of the following month, unless an earlier date is specified by section 8.1 of this chapter.

Where the aggregate amount due under IC 6-3 and ~~IC 6-3.5~~ **IC 6-3.6** does not exceed fifty dollars ($50) per month, then such partnership shall make return and payment to the department quarterly, on such dates and in such manner as the department shall prescribe, of the amount of tax which, under IC 6-3 and ~~IC 6-3.5,~~ **IC 6-3.6,** it is required to withhold.

(b) Every partnership shall, at the time of each payment made by it to the department pursuant to this section, deliver to the department a return upon such form as shall be prescribed by the department showing the total amounts paid or credited to its nonresident partners, the amount deducted therefrom in accordance with the provisions of this section, and such other information as the department may require. Every partnership making the deduction and retention provided in this section shall furnish to its nonresident partners annually, but not later than the fifteenth day of the third month after the end of its taxable year, a record of the amount of tax deducted and retained from such partners on forms to be prescribed by the department.

(c) All money deducted and retained by the partnership, as provided in this section, shall immediately upon such deduction be the money of the state of Indiana and every partnership which deducts and retains any amount of money under the provisions of IC 6-3 shall hold the same in trust for the state of Indiana and for payment thereof to the department in the manner and at the times provided in IC 6-3. Any partnership may be required to post a surety bond in such sum as the department shall determine to be appropriate to protect the state of Indiana with respect to money deducted and retained pursuant to this section.

(d) The provisions of IC 6-8.1 relating to additions to tax in case of delinquency and penalties shall apply to partnerships subject to the provisions of this section, and for these purposes any amount deducted, or required to be deducted and remitted to the department under this section, shall be considered to be the tax of the partnership, and with respect to such amount it shall be considered the taxpayer.

(e) Amounts deducted from payments or credits to a nonresident partner during any taxable year of the partnership in accordance with the provisions of this section shall be considered to be in part payment of the tax imposed on such nonresident partner for the nonresident partner's taxable year within or with which the partnership's taxable year ends. A return made by the partnership under subsection (b) shall be accepted by the department as evidence in favor of the nonresident partner of the amount so deducted for the nonresident partner's distributive share.

(f) This section shall in no way relieve any nonresident partner from the nonresident partner's obligations of filing a return or returns at the time required under IC 6-3 or ~~IC 6-3.5,~~ **IC 6-3.6,** and any unpaid tax shall be paid at the time prescribed by section 5 of this chapter.

(g) Instead of the reporting periods required under subsection (a), the department may permit a partnership to file one (1) return and payment each year if the partnership pays or credits amounts to its nonresident partners only one (1) time each year. The return and payment are due on or before the fifteenth day of the fourth month after the end of the year. However, if a partnership is permitted an extension to file its income tax return under IC 6-8.1-6-1, the return and payment due under this subsection shall be allowed the same treatment as an extended income tax return with respect to due dates, interest, and penalties under IC 6-8.1-6-1.

(h) A partnership shall file a composite adjusted gross income tax return on behalf of all nonresident partners. The composite return must include each nonresident partner regardless of whether or not the nonresident partner has other Indiana source income.

(i) If a partnership does not include all nonresident partners in the composite return, the partnership is subject to the penalty imposed under IC 6-8.1-10-2.1(j).

(j) For taxable years beginning after December 31, 2013, the department may not impose a late payment penalty on a partnership for the failure to file a return, pay the full amount of the tax shown on the partnership's return, or pay the deficiency of the withholding taxes due under this section if the partnership pays the department before the fifteenth day of the fourth month after the end of the partnership's taxable year at least:

(1) eighty percent (80%) of the withholding tax due for the current year; or

(2) one hundred percent (100%) of the withholding tax due for the preceding year.

(k) Notwithstanding subsection (a) or (h), a pass through entity is not required to withhold tax or file a composite adjusted gross income tax return for a nonresident member if the entity:

(1) is a publicly traded partnership as defined by Section 7704(b) of the Internal Revenue Code;

(2) meets the exception for partnerships under Section 7704(c) of the Internal Revenue Code; and

(3) has agreed to file an annual information return reporting the name, address, taxpayer identification number, and other information requested by the department of each unit holder.

The department may issue written guidance explaining circumstances under which limited partnerships or limited liability companies owned by a publicly traded partnership may be excluded from the withholding requirements of this section.

(l) Notwithstanding subsection (j), a partnership is subject to a late payment penalty for the failure to file a return, pay the full amount of the tax shown on the partnership's return, or pay the deficiency of the withholding taxes due under this section for any amounts of withholding tax, including any interest under IC 6-8.1-10-1, reported or paid after the due date of the return, as adjusted by any extension under IC 6-8.1-6-1.

(m) For purposes of this section, a "nonresident partner" is:

(1) an individual who does not reside in Indiana;
(2) a trust that does not reside in Indiana;
(3) an estate that does not reside in Indiana;
(4) a partnership not domiciled in Indiana;
(5) a C corporation not domiciled in Indiana; or
(6) an S corporation not domiciled in Indiana.

SECTION 27. IC 6-3-4-13, AS AMENDED BY P.L.242-2015, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 13. (a) Every corporation which is exempt from tax under IC 6-3 pursuant to IC 6-3-2-2.8(2) shall, at the time that it pays or credits amounts to any of its nonresident shareholders as dividends or as their share of the corporation's undistributed taxable income, withhold the amount prescribed by the department. Such corporation so paying or crediting any nonresident shareholder:

(1) shall be liable to the state of Indiana for the payment of the tax required to be withheld under this section and shall not be liable to such shareholder for the amount withheld and paid over in compliance or intended compliance with this section; and
(2) when the aggregate amount due under IC 6-3 and ~~IC 6-3.5~~ **IC 6-3.6** exceeds one hundred fifty dollars ($150) per quarter, then such corporation shall make return and payment to the department quarterly, on such dates and in such manner as the department shall prescribe, of the amount of tax which, under IC 6-3 and ~~IC 6-3.5,~~ **IC 6-3.6,** it is required to withhold.

(b) Every corporation shall, at the time of each payment made by it to the department pursuant to this section, deliver to the department a return upon such form as shall be prescribed by the department showing the total amounts paid or credited to its nonresident shareholders, the amount withheld in accordance with the provisions of this section, and such other information as the department may

require. Every corporation withholding as provided in this section shall furnish to its nonresident shareholders annually, but not later than the fifteenth day of the third month after the end of its taxable year, a record of the amount of tax withheld on behalf of such shareholders on forms to be prescribed by the department.

(c) All money withheld by a corporation, pursuant to this section, shall immediately upon being withheld be the money of the state of Indiana and every corporation which withholds any amount of money under the provisions of this section shall hold the same in trust for the state of Indiana and for payment thereof to the department in the manner and at the times provided in IC 6-3. Any corporation may be required to post a surety bond in such sum as the department shall determine to be appropriate to protect the state of Indiana with respect to money withheld pursuant to this section.

(d) The provisions of IC 6-8.1 relating to additions to tax in case of delinquency and penalties shall apply to corporations subject to the provisions of this section, and for these purposes any amount withheld, or required to be withheld and remitted to the department under this section, shall be considered to be the tax of the corporation, and with respect to such amount it shall be considered the taxpayer.

(e) Amounts withheld from payments or credits to a nonresident shareholder during any taxable year of the corporation in accordance with the provisions of this section shall be considered to be a part payment of the tax imposed on such nonresident shareholder for the shareholder's taxable year within or with which the corporation's taxable year ends. A return made by the corporation under subsection (b) shall be accepted by the department as evidence in favor of the nonresident shareholder of the amount so withheld from the shareholder's distributive share.

(f) This section shall in no way relieve any nonresident shareholder from the shareholder's obligation of filing a return or returns at the time required under IC 6-3 or ~~IC 6-3.5,~~ **IC 6-3.6,** and any unpaid tax shall be paid at the time prescribed by section 5 of this chapter.

(g) Instead of the reporting periods required under subsection (a), the department may permit a corporation to file one (1) return and payment each year if the corporation pays or credits amounts to its nonresident shareholders only one (1) time each year. The withholding return and payment are due on or before the fifteenth day of the fourth month after the end of the taxable year of the corporation. However, if a corporation is permitted an extension to file its income tax return under IC 6-8.1-6-1, the return and payment due under this subsection shall be allowed the same treatment as the extended income tax return

with respect to the due dates, interest, and penalties under IC 6-8.1-6-1.

(h) If a distribution will be made with property other than money or a gain is realized without the payment of money, the corporation shall not release the property or credit the gain until it has funds sufficient to enable it to pay the tax required to be withheld under this section. If necessary, the corporation shall obtain such funds from the shareholders.

(i) If a corporation fails to withhold and pay any amount of tax required to be withheld under this section and thereafter the tax is paid by the shareholders, such amount of tax as paid by the shareholders shall not be collected from the corporation but it shall not be relieved from liability for interest or penalty otherwise due in respect to such failure to withhold under IC 6-8.1-10.

(j) A corporation described in subsection (a) shall file a composite adjusted gross income tax return on behalf of all nonresident shareholders. The composite return must include each nonresident shareholder regardless of whether or not the nonresident shareholder has other Indiana source income.

(k) If a corporation described in subsection (a) does not include all nonresident shareholders in the composite return, the corporation is subject to the penalty imposed under IC 6-8.1-10-2.1(j).

(l) For taxable years beginning after December 31, 2013, the department may not impose a late payment penalty on a corporation for the failure to file a return, pay the full amount of the tax shown on the corporation's return, or pay the deficiency of the withholding taxes due under this section if the corporation pays the department before the fifteenth day of the fourth month after the end of the partnership's taxable year at least:

(1) eighty percent (80%) of the withholding tax due for the current year; or

(2) one hundred percent (100%) of the withholding tax due for the preceding year.

(m) Notwithstanding subsection (l), a corporation is subject to a late payment penalty for the failure to file a return, pay the full amount of the tax shown on the corporation's return, or pay the deficiency of the withholding taxes due under this section for any amounts of withholding tax, including any interest under IC 6-8.1-10-1, reported or paid after the due date of the return, as adjusted by any extension under IC 6-8.1-6-1.

(n) For purposes of this section, a "nonresident shareholder" is:

(1) an individual who does not reside in Indiana;

(2) a trust that does not reside in Indiana; or

(3) an estate that does not reside in Indiana.

SECTION 28. IC 6-3-4-15.7, AS AMENDED BY P.L.146-2008, SECTION 320, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 15.7. (a) The payor of a periodic or nonperiodic distribution under an annuity, a pension, a retirement, or other deferred compensation plan, as described in Section 3405 of the Internal Revenue Code, that is paid to a resident of this state shall, upon receipt from the payee of a written request for state income tax withholding, withhold the requested amount from each payment. The request must:

(1) be dated and signed by the payee;

(2) specify the flat whole dollar amount to be withheld from each payment;

(3) designate the portion of the withheld amount that represents estimated state adjusted gross income tax liability and the portion of the withheld amount that represents estimated local income tax liability under ~~IC 6-3.5;~~ **IC 6-3.6;** and

(4) specify the payee's name, current address, taxpayer identification number, and the contract, policy, or account number to which the request applies.

The request shall remain in effect until the payor receives in writing from the payee a change in or revocation of the request. The department shall adopt guidelines and issue instructions as necessary to assist individuals in making the designations required by subdivision (3).

(b) The payor is not required to withhold state income tax from a payment if the amount to be withheld is less than ten dollars ($10) or if the amount to be withheld would reduce the affected payment to less than ten dollars ($10).

(c) The payor is responsible for custody of withheld funds, for reporting withheld funds to the state and to the payee, and for remitting withheld funds to the state in the same manner as is done for wage withholding, including utilization of federal forms and participation by Indiana in the combined Federal/State Filing Program on magnetic media.

SECTION 29. IC 6-3-4-17, AS AMENDED BY P.L.42-2011, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 17. Beginning after December 31, 2010, the department and the office of management and budget shall:

(1) develop a quarterly report that summarizes the amount reported to and processed by the department under section 4.1(h) of this chapter, section 15.7(a)(3) of this chapter,

~~IC 6-3.5-1.1-18(c), IC 6-3.5-6-22(c),~~ and ~~IC 6-3.5-7-18(c)~~ **IC 6-3.6-8-5** for each county; and

(2) make the quarterly report available to county auditors within forty-five (45) days after the end of the calendar quarter.

SECTION 30. IC 6-3.1-19-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1. As used in this chapter, "state and local tax liability" means a taxpayer's total tax liability incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);

~~(2) IC 6-3.5-1.1 (county adjusted gross income tax);~~

~~(3) IC 6-3.5-6 (county option income tax);~~

~~(4) IC 6-3.5-7 (county economic development income tax);~~

(2) IC 6-3.6 (local income tax);

~~(5)~~ **(3)** IC 6-5.5 (the financial institutions tax); and

~~(6)~~ **(4)** IC 27-1-18-2 (the insurance premiums tax);

as computed after the application of all credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

SECTION 31. IC 6-3.5-0.7 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. (Status of Certain Property Tax Credits).

SECTION 32. IC 6-3.5-0.8 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. (Adoption of Certain Ordinances Relating to a County Adjusted Gross Income Tax or a County Option Income Tax).

SECTION 33. IC 6-3.5-2 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. (Employment Tax).

SECTION 34. IC 6-3.5-4-1, AS AMENDED BY P.L.205-2013, SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1. As used in this chapter:

"Adopting entity" means either the county council or the ~~county~~ **local** income tax council established by ~~IC 6-3.5-6-2~~ **IC 6-3.6-3-1** for the county, whichever adopts an ordinance to impose a surtax first.

"Branch office" means a branch office of the bureau of motor vehicles.

"County council" includes the city-county council of a county that contains a consolidated city of the first class.

"Motor vehicle" means a vehicle which is subject to the annual license excise tax imposed under IC 6-6-5.

"Net annual license excise tax" means the tax due under IC 6-6-5 after the application of the adjustments and credits provided by that chapter.

"Surtax" means the annual license excise surtax imposed by an adopting entity under this chapter.

SECTION 35. IC 6-3.5-4-1.1, AS ADDED BY P.L.205-2013,

SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1.1. For purposes of acting as the adopting entity under this chapter, a ~~county~~ **local** income tax council is comprised of the same members as the ~~county~~ **local** income tax council that is established by ~~IC 6-3.5-6-2~~ **IC 6-3.6-3-1** for the county. ~~(regardless of the income tax that may be in effect in the county).~~ The ~~county~~ **local** income tax council shall use the same procedures that apply under ~~IC 6-3.5-6~~ **IC 6-3.6-3** when acting as an adopting entity under this chapter.

SECTION 36. IC 6-3.5-5-1, AS AMENDED BY P.L.205-2013, SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1. As used in this chapter:

"Adopting entity" means either the county council or the ~~county~~ **local** income tax council established by ~~IC 6-3.5-6-2~~ **IC 6-3.6-3-1** for the county, whichever adopts an ordinance to impose a wheel tax first.

"Branch office" means a branch office of the bureau of motor vehicles.

"Bus" has the meaning set forth in IC 9-13-2-17(a).

"Commercial motor vehicle" has the meaning set forth in IC 6-6-5.5-1(c).

"County council" includes the city-county council of a county that contains a consolidated city of the first class.

"In-state miles" has the meaning set forth in IC 6-6-5.5-1(i).

"Political subdivision" has the meaning set forth in IC 34-6-2-110.

"Recreational vehicle" has the meaning set forth in IC 9-13-2-150.

"Semitrailer" has the meaning set forth in IC 9-13-2-164(a).

"State agency" has the meaning set forth in IC 34-6-2-141.

"Tractor" has the meaning set forth in IC 9-13-2-180.

"Trailer" has the meaning set forth in IC 9-13-2-184(a).

"Truck" has the meaning set forth in IC 9-13-2-188(a).

"Wheel tax" means the tax imposed under this chapter.

SECTION 37. IC 6-3.5-5-1.1, AS ADDED BY P.L.205-2013, SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1.1. For purposes of acting as the adopting entity under this chapter, a ~~county~~ **local** income tax council is comprised of the same members as the ~~county~~ **local** income tax council that is established by ~~IC 6-3.5-6-2~~ **IC 6-3.6-3-1** for the county. ~~(regardless of the income tax that may be in effect in the county).~~ The ~~county~~ **local** income tax council shall use the same procedures that apply under ~~IC 6-3.5-6~~ **IC 6-3.6-3** when acting as an adopting entity under this chapter.

SECTION 38. IC 6-3.5-9-1, AS ADDED BY P.L.173-2011,

SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1. This chapter applies to a city or county that receives a certified distribution of a tax imposed under ~~IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7.~~ **IC 6-3.6-4.**

SECTION 39. IC 6-3.6-1-1, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1. (a) The purpose of this article is to consolidate and simplify the various local income tax laws (referred to as a "former tax" in this article) that are in effect on May 1, 2016, into a uniform law that transitions each county from the former taxes to the tax governed by this article.

(b) Notwithstanding the effective date of the repeal of the former tax laws on January 1, 2017, an adopting body may not adopt any ordinances under a former tax after June 30, 2016. In addition, notwithstanding the effective date of this article being July 1, 2015, an adopting body may not take any action under this article before July 1, 2016.

(c) To carry out the transition, the office of management and budget, along with the appropriate state agencies and in cooperation with each county, shall do the following:

(1) Document all terms, conditions, limitations, and obligations that exist under the former taxes.

(2) Categorize the tax rate under the former taxes into the appropriate tax rate or rates under this article to provide revenue for all the same purposes for which revenue under a former tax was used in 2016, except to the extent required under this article and to the extent that an adopting body takes action under this article after June 30, 2016, to change the purposes and allocation of the revenue as permitted under this article. Matching the purposes of a former tax to the purposes under this article, including the apportionment, allocation, and distribution of revenue under this article shall be accomplished by using the best information available. These purposes include, but are not limited to, one (1) or more of the following:

(A) Property tax credits using the options set forth in IC 6-3.6-5. This categorization is limited to former tax rates that were dedicated to providing credits against property taxes under IC 6-3.5-1.1-26 **(repealed),** IC 6-3.5-6 **(repealed),** or IC 6-3.5-7 **(repealed).**

(B) School corporation distributions and additional revenue. All former tax rates not used for a specified project or categorized under clause (A) shall be categorized under

IC 6-3.6-6 using the former tax rates or dollar amounts that were dedicated for school corporation distributions, public safety, economic development, and certified shares.

(C) A special purpose project (IC 6-3.6-7) using the former tax rate that was dedicated to the project.

(d) The office of management and budget shall compile a comprehensive report detailing for each taxing unit throughout the state and for each property class type described in IC 6-3.6-5, the categorization of revenue and its uses under this article compared to the former taxes. Before November 1, 2015, the office of management and budget shall submit its report to the legislative council in an electronic format under IC 5-14-6.

(e) The transition under this article shall be completed by August 1, 2016, for purposes of local government budgets for 2017 and for purposes of the distribution and allocation of revenue under this article after December 31, 2016.

SECTION 40. IC 6-3.6-1-1.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 1.1. (a) The general assembly has considered the report submitted under section 1 of this chapter in which the office of management and budget categorized local income tax revenue and its uses under this article compared to the former taxes.**

(b) The general assembly finds that the categorizations satisfy the requirements of this article and shall be used for making the transition from the former taxes to the tax rates and uses under this article subject to any amendments made during the 2016 regular session of the Indiana general assembly.

SECTION 41. IC 6-3.6-1-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1.5. (a) In counties that adopted a homestead credit under IC 6-3.5-6-13 (before its repeal January 1, 2017), the transition from the former taxes to the taxes governed under this article shall include the transition of the homestead credit under IC 6-3.5-6-13 (before its repeal January 1, 2017) to a property tax relief rate under IC 6-3.6-5.**

(b) To accomplish the transition under this section, the department of local government finance shall determine the portion of the income tax rate under IC 6-3.5-6-8 (before its repeal January 1, 2017) that is attributable to the homestead credit approved under IC 6-3.5-6-13 (before its repeal January 1, 2017) and shall allocate that portion of the income tax rate that is

attributable to the homestead credit under IC 6-3.5-6-13 (before its repeal January 1, 2017) to the property tax relief rate under IC 6-3.6-5.

(c) The department of local government finance shall notify each affected county of the rate that will be allocated to the property tax relief rate not later than July 1, 2016. In addition, the department of local government finance shall notify the state budget agency of the transition under this section.

(d) The approval of the local income tax council is not required for the transition of the homestead credit under IC 6-3.5-6-13 (before its repeal January 1, 2017) to a property tax relief rate as set forth in this section.

SECTION 42. IC 6-3.6-1-3, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 3. Except to the extent that taxes imposed in a county **under or determined** under:

~~(1) IC 6-3.5-1 (repealed);~~

~~(2)~~ **(1)** IC 6-3.5-1.1 (repealed);

(2) IC 6-3.5-1.5 (repealed);

(3) IC 6-3.5-6 (repealed); or

(4) IC 6-3.5-7 (repealed);

are increased, decreased, or rescinded under this article, the total tax rate in effect in a county under the provisions described in subdivisions (1) through (4) on May 1, 2016, continue in effect after May 1, 2016, and shall be treated as taxes imposed under this article.

SECTION 43. IC 6-3.6-1-4, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 4. Notwithstanding:

~~(1) IC 6-3.5-1 (repealed);~~

~~(2)~~ **(1)** IC 6-3.5-1.1 (repealed);

(2) IC 6-3.5-1.5 (repealed);

(3) IC 6-3.5-6 (repealed); or

(4) IC 6-3.5-7 (repealed);

a change in a tax imposed under a provision described in subdivisions (1) through (4), credits related to property taxes, allocations of tax revenue, and pledges for payment from tax revenue after December 31, 2016, must be made under this article and not under the provisions described in subdivisions (1) through (4).

SECTION 44. IC 6-3.6-2-14, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 14. "Public safety" refers to the following:

(1) A police and law enforcement system to preserve public peace

and order.
(2) A firefighting and fire prevention system.
(3) Emergency ambulance services (as defined in IC 16-18-2-107).
(4) Emergency medical services (as defined in IC 16-18-2-110).
(5) Emergency action (as defined in IC 13-11-2-65).
(6) A probation department of a court.
(7) Confinement, supervision, services under a community corrections program (as defined in IC 35-38-2.6-2), or other correctional services for a person who has been:
(A) diverted before a final hearing or trial under an agreement that is between the county prosecuting attorney and the person or the person's custodian, guardian, or parent and that provides for confinement, supervision, community corrections services, or other correctional services instead of a final action described in clause (B) or (C);
(B) convicted of a crime; or
(C) adjudicated as a delinquent child or a child in need of services.
(8) A juvenile detention facility under IC 31-31-8.
(9) A juvenile detention center under IC 31-31-9.
(10) A county jail.
(11) A communications system (as defined in IC 36-8-15-3), an enhanced emergency telephone system (as defined in IC 36-8-16-2, before its repeal on July 1, 2012), **a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and located within the county,** or the statewide 911 system (as defined in IC 36-8-16.7-22).
(12) Medical and health expenses for jailed inmates and other confined persons.
(13) Pension payments for any of the following:
(A) A member of a fire department (as defined in IC 36-8-1-8) or any other employee of the fire department.
(B) A member of a police department (as defined in IC 36-8-1-9), a police chief hired under a waiver under IC 36-8-4-6.5, or any other employee hired by the police department.
(C) A county sheriff or any other member of the office of the county sheriff.
(D) Other personnel employed to provide a service described in this section.

SECTION 45. IC 6-3.6-3-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 7.5. (a) This section applies to a county in which the county adopting body is the county council.**

(b) Before the county council may vote on a proposed ordinance under this article, the county council must hold a public hearing on the proposed ordinance and provide the public with notice of the date, time, and place where the public hearing will be held.

(c) The notice required by subsection (b) must be given in accordance with IC 5-3-1 and include the proposed ordinance.

SECTION 46. IC 6-3.6-5-5, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 5. The auditor of state shall assist adopting bodies and county auditors in calculating credit percentages and amounts under this ~~chapter.~~ **article.**

SECTION 47. IC 6-3.6-6-3, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 3. Revenue raised from a tax imposed under this chapter shall be treated as follows:

(1) To make distributions to school corporations and civil taxing units in counties that formerly imposed a tax under IC 6-3.5-1.1 **(repealed).** The revenue categorized from the first twenty-five hundredths percent (0.25%) of the rate for a former tax adopted under IC 6-3.5-1.1 **(repealed)** shall be allocated to school corporations and civil taxing units. The amount of the allocation to a school corporation or civil taxing unit shall be determined using the allocation amounts for civil taxing units and school corporations in the ~~determination.~~ **county.**

(2) The remaining revenue shall be treated as additional revenue (referred to as "additional revenue" in this chapter). Additional revenue may not be considered by the department of local government finance in determining:

(A) any taxing unit's maximum permissible property tax levy limit under IC 6-1.1-18.5; or

(B) the approved property tax rate for any fund.

In the case of a civil taxing unit that has pledged the tax from additional revenue for the payment of bonds, leases, or other obligations as reported by the civil taxing unit under IC 5-1-18, the adopting body may not, under section 4 of this chapter, reduce the proportional allocation of the additional revenue that was allocated in the preceding year if the reduction for that year would result in an amount less than

the amount necessary for the payment of bonds, leases, or other obligations payable or required to be deposited in a sinking fund or other reserve in that year for the bonds, leases, or other obligations for which the tax from additional revenue has been pledged.

SECTION 48. IC 6-3.6-6-4, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 4. The adopting body shall, by ordinance, determine how the additional revenue from a tax under this chapter must be allocated in subsequent years. **The allocations are subject to IC 6-3.6-11.** The ordinance must be adopted before July 1 and first applies in the following year and then thereafter until it is rescinded or modified. The revenue must be allocated among **one (1) or more of** the following uses as provided in this chapter:

(1) Public safety.

(2) Economic development projects.

(3) Certified shares.

The ordinance ~~may~~ **must** describe the allocation of additional revenue by use of percentages. ~~or dollar amounts.~~

SECTION 49. IC 6-3.6-6-5, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. The adopting body may not ~~allocate~~ **reduce the proportional allocation among the uses described in section 4 of this chapter** in a year **if the reduction would allocate** less to the payment of bonds or leases for which the tax under this chapter has been pledged in accordance with law than the amount pledged and payable in that year or required under the agreements for the bonds or leases to be deposited in a sinking fund or other reserve in that year.

SECTION 50. IC 6-3.6-6-6 IS REPEALED [EFFECTIVE JULY 1, 2016]. ~~Sec. 6. (a) The total amount allocated in a year to the uses described in section 4 of this chapter may not, in the aggregate, exceed the amount of additional revenue raised by the tax imposed under this chapter for that year. If the amount available in a year is less than the amount necessary to fund all the purposes authorized by the adopting body, the county auditor shall reduce the amount distributed to these purposes to eliminate the deficit.~~

~~(b) The county auditor may not in a year reduce an allocation of money pledged to make bond payments or lease payments less than the amount pledged to make payments in that year.~~

~~(c) Subject to subsection (b), the county auditor shall reduce allocations under this section in accordance with the instructions in an ordinance adopted by the adopting body. To the extent that the~~

~~adopting body has not adopted an ordinance to specify how a deficiency is to be eliminated, or the ordinance does not eliminate the deficiency, the county auditor shall, subject to subsection (b), uniformly reduce allocations in each category.~~

SECTION 51. IC 6-3.6-6-7 IS REPEALED [EFFECTIVE JULY 1, 2016]. ~~Sec. 7. The county auditor may not allocate more than the amount authorized by the adopting body. If the amount available in a year for allocation under this chapter is greater than the amount necessary to fund all the purposes authorized by the adopting body, the county auditor shall:~~

~~(1) allocate the excess as directed by the adopting body; or~~

~~(2) in the absence of an ordinance that allocates all the excess, retain the excess and apply it, as necessary, to fund the purposes authorized by the adopting body for the following year.~~

SECTION 52. IC 6-3.6-6-8, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 8. (a) This section applies to the allocation of additional revenue from a tax under this chapter to public safety purposes.

~~(b) This subsection applies to Marion County. The adopting body may allocate part or all of the certified distribution that is allocated to public safety purposes to fund the operation of a public communications system and computer facilities district as provided in an election, if any, made by the county fiscal body under IC 36-8-15-19(b).~~

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

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

(2) a fraction equal to:

(A) in the case of a county that initially imposed a rate for public safety under IC 6-3.5-6 **(repealed),** the result of the

total property taxes imposed in the county by the county or municipality for the calendar year, divided by the sum of the total property taxes imposed in the county by the county and each municipality in the county that is entitled to a distribution under this section for the calendar year; or

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

~~(d)~~ **(c)** A fire department, volunteer fire department, or emergency medical services provider that:

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

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

may, before July 1 of a year, apply to the adopting body for a distribution of tax revenue under this section during the following calendar year. The adopting body shall review an application submitted under this subsection and may, before September 1 of a year, adopt a resolution requiring that one (1) or more of the applicants shall receive a specified amount of the tax revenue to be distributed under this section during the following calendar year. A resolution approved under this subsection providing for a distribution to one (1) or more fire departments, volunteer fire departments, or emergency medical services providers applies only to distributions in the following calendar year. Any amount of tax revenue distributed under this subsection to a fire department, volunteer fire department, or emergency medical services provider shall be distributed before the remainder of the tax revenue is allocated under subsection ~~(c).~~ **(b).**

SECTION 53. IC 6-3.6-6-9, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2016 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 9. (a) This section applies to the allocation of additional revenue from a tax under this chapter for economic development purposes.

(b) Money designated for economic development purposes shall be

allocated to the county, cities, and towns for use by the taxing unit's fiscal body for any of the purposes described in IC 6-3.6-10. Except as provided in subsections (c) and (d) **and IC 6-3.6-11,** and subject to adjustment as provided in IC 36-8-19-7.5, the amount of the certified distribution allocated to economic development purposes that the county and each city or town in a county is entitled to receive each month of each year equals the amount determined using the following formula:

STEP ONE: Determine the sum of:

(A) the total property taxes being imposed by the county, city, or town during the calendar year of the distribution; plus

(B) for a county, the welfare allocation amount.

STEP TWO: Determine the quotient of:

(A) The STEP ONE amount; divided by

(B) the sum of the total property taxes that are first due and payable to the county and all cities and towns of the county during the calendar year in which the month falls, plus the welfare allocation amount.

STEP THREE: Determine the product of:

(A) the amount of the certified distribution allocated to economic development purposes for that month; multiplied by

(B) the STEP TWO amount.

(c) The body imposing the tax may adopt an ordinance before August 2 of a year to provide for a distribution of the amount allocated to economic development purposes based on population instead of a distribution under subsection (b). The following apply if an ordinance is adopted under this subsection:

(1) The ordinance is effective January 1 of the following year.

(2) The amount of the certified distribution allocated to economic development purposes that the county and each city and town in the county are entitled to receive during each month of each year equals the product of:

(A) the amount of the certified distribution that is allocated to economic development purposes for the month; multiplied by

(B) the quotient of:

~~(A)~~ **(i)** for a city or town, the population of the city or the town that is located in the county and for a county, the population of the part of the county that is not located in a city or town; divided by

~~(B)~~ **(ii)** the population of the entire county.

(3) The ordinance may be made irrevocable for the duration of specified lease rental or debt service payments.

(d) In a county having a consolidated city, only the consolidated city is entitled to the amount of the certified distribution that is allocated to economic development purposes.

~~(e) This subsection applies to Porter County. Three million five hundred thousand dollars ($3,500,000) of the additional revenue that is allocated each year for economic development purposes shall be used by the county or by eligible municipalities (as defined in IC 36-7.5-1-11.3) in the county to make transfers as provided in and required under IC 36-7.5-4-2 (before its repeal).~~

SECTION 54. IC 6-3.6-6-11, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 11. (a) Except as provided in this chapter and IC 6-3.6-11, this section applies to an allocation of certified shares in all counties.

(b) Subject to this chapter, any civil taxing unit that imposes an ad valorem property tax in the county that has a tax rate in effect under this chapter is eligible for an allocation under this chapter.

(c) A school corporation is not a civil taxing unit for the purpose of receiving an allocation of certified shares under this chapter. The distributions to school corporations and civil taxing units in counties that formerly imposed a tax under IC 6-3.5-1.1 **(repealed)** as provided in section 3(1) of this chapter is not considered an allocation of certified shares. A school corporation's allocation amount for purposes of section 3(1) of this chapter shall be determined under section 12 of this chapter.

(d) A county solid waste management district (as defined in IC 13-11-2-47) or a joint solid waste management district (as defined in IC 13-11-2-113) is not a civil taxing unit for the purpose of receiving an allocation of certified shares under this chapter unless a majority of the members of each of the county fiscal bodies of the counties within the district passes a resolution approving the distribution.

(e) A resolution passed by a county fiscal body under subsection (d) may:

(1) expire on a date specified in the resolution; or

(2) remain in effect until the county fiscal body revokes or rescinds the resolution.

SECTION 55. IC 6-3.6-6-20, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 20. **(a) This section does not apply to distributions of revenue under section 9 of this chapter.**

~~(a)~~ **(b)** This section applies **only** to **the following:**

(1) Any allocation or distribution of revenue under section

3(1) of this chapter that is made on the basis of property tax levies in counties that formerly imposed a tax under IC 6-3.5-1.1 (before its repeal January 1, 2017).

(2) Any allocation or distribution of revenue under section ~~3(1) or~~ 3(2) of this chapter that is made on the basis of property tax levies **in counties that formerly imposed a tax under IC 6-3.5-6 (before its repeal January 1, 2017).**

(c) Subject to subsection (b), if a school corporation or civil taxing unit of an adopting county does not impose a property tax levy that is first due and payable in a calendar year in which revenue under section ~~3(1) or 3(2)~~ **3** of this chapter is being allocated or distributed, that school corporation or civil taxing unit is entitled to receive a part of the revenue under section 3(1) or 3(2) of this chapter (as appropriate) to be distributed within the county. The fractional amount that such a school corporation or civil taxing unit is entitled to receive each month during that calendar year equals the product of the following:

(1) The amount of revenue under section ~~3(1) or 3(2)~~ **3** of this chapter to be distributed on the basis of property tax levies during that month; multiplied by

(2) A fraction. The numerator of the fraction equals the budget of that school corporation or civil taxing unit for that calendar year. The denominator of the fraction equals the aggregate budgets of all school corporations or civil taxing units of that county for that calendar year.

~~(b)~~ **(d) Subject to subsection (b),** if for a calendar year a school corporation or civil taxing unit is allocated a part of a county's revenue under section ~~3(1) or 3(2)~~ **3** of this chapter by subsection ~~(a),~~ **(c),** the calculations used to determine the shares of revenue of all other school corporations and civil taxing units under section ~~3(1) or 3(2)~~ **3** of this chapter (as appropriate) shall be changed each month for that same year by reducing the amount of revenue to be distributed by the amount of revenue under section ~~3(1) or 3(2)~~ **3** of this chapter allocated under subsection ~~(a)~~ **(c)** for that same month. The department of local government finance shall make any adjustments required by this subsection and provide them to the appropriate county auditors.

SECTION 56. IC 6-3.6-7-2, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 2. An adopting body ~~that had the authority to adopt a special purpose rate under the former tax law~~ may impose a tax on the adjusted gross income of local taxpayers in the county served by the adopting body that is a combination of one (1) or more of the tax rates permitted in this chapter in the county served by the adopting

body. The total of all tax rates under this chapter in a county may not be greater than the sum of the tax rates specified in this chapter for special purpose projects in the county and may be imposed only for the length of time that rate ~~was~~ **is** permitted under **this chapter, including any periods that occurred before the repeal of** the former tax law.

SECTION 57. IC 6-3.6-7-3, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 3. (a) A separate tax rate is permitted under this chapter for each of the ~~following~~ **special** purposes **set forth in this chapter.**

~~(1) To finance, construct, acquire, improve, renovate, remodel, or equip a criminal justice facility, including a court, a jail, a juvenile detention center facility, or a juvenile probation facility, including:~~

~~(A) related buildings and parking facilities;~~

~~(B) costs related to the demolition of existing buildings;~~

~~(C) the acquisition of land; and~~

~~(D) any other reasonably related costs;~~

~~for these purposes.~~

~~(2) To renovate a former county hospital for additional office space, educational facilities, nonsecure juvenile facilities, and other county functions.~~

~~(3) To finance, construct, acquire, renovate, and equip buildings for a volunteer fire department (as defined in IC 36-8-12-2) that provides services in any part of the county.~~

~~(4) To finance, construct, acquire, and renovate firefighting apparatus or other related equipment for a volunteer fire department (as defined in IC 36-8-12-2) that provides services in any part of the county.~~

~~(5) To finance, construct, acquire, renovate, and operate a public transportation system described in IC 8-25.~~

~~(6) To carry out the purposes set forth throughout this chapter.~~

(b) The rate permitted under ~~subsection (a)(1)~~ **the section in this chapter authorizing the special purpose tax rate** may include a rate to repay bonds issued or leases entered into for ~~a~~ **the special** purpose. ~~described in subsection (a)(1). A tax rate imposed under this section may be imposed only until the last of the following dates:~~

~~(1) The date on which the purposes described in subsection (a)(1) are completed.~~

~~(2) The date on which the last of any bonds issued (including any refunding bonds) or leases described in subsection (a) are fully paid.~~

However, for a bond or lease entered into after December 31, 2015, the term of the bonds issued (including any refunding bonds) or a lease entered into under this section may not exceed twenty (20) years, **unless the section in this chapter authorizing the special purpose tax rate specifies a different term.** The adopting body shall provide a notice to the budget agency, the department of local government finance, and the department of state revenue specifying that the date for the termination of the tax rate has occurred.

(c) **If the section in this chapter authorizing the special purpose tax rate does not specify what to do with** money accumulated from the tax ~~under this section~~ after:

(1) the redemption of bonds issued; or

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

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

SECTION 58. IC 6-3.6-7-4, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 4. In order to impose a tax under this chapter, an adopting body ~~that had the authority to adopt a special purpose rate under the former tax law~~ must adopt an ordinance finding and determining that revenues from the tax are needed for the purposes described in the section under which the tax is imposed. **The adoption of an ordinance under the former tax law for a special purpose described in this chapter is considered an ordinance adopted under this chapter.**

SECTION 59. IC 6-3.6-7-8, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 8. (a) This section applies to Elkhart County.

(b) The county fiscal body may impose a tax on the adjusted gross income of local taxpayers at a tax rate that does not exceed the lesser of the following:

(1) Twenty-five hundredths percent (0.25%).

(2) The rate necessary to carry out the purposes described in subsection (c).

(c) Revenue raised from a tax under this section may be used only for the following purposes:

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

(A) jail facilities;

(B) juvenile court, detention, and probation facilities;

(C) other criminal justice facilities; and

(D) related buildings and parking facilities;

located in the county, including costs related to the demolition of existing buildings and the acquisition of land.

(2) To repay bonds issued or leases entered into for the purposes described in subdivision (1).

(3) To operate and maintain jail facilities described in subdivision (1)(A) ~~but only~~ after the purposes described in subdivision (1) are completed and any bonds issued or leases entered into under subdivision (2) are fully paid.

(d) The term of the bonds issued (including any refunding bonds) or a lease entered into under this section may not exceed twenty (20) years.

(e) Money accumulated from a tax under this section that remains after the tax imposed by this section is terminated shall be transferred to the county highway fund to be used for construction, resurfacing, restoration, and rehabilitation of county highways, roads, and bridges.

SECTION 60. IC 6-3.6-7-12, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 12. (a) This section applies only to Jasper County.

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

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

(A) jail facilities;

(B) juvenile court, detention, and probation facilities;

(C) other criminal justice facilities; and

(D) related buildings and parking facilities;

located in the county, including costs related to the demolition of existing buildings and the acquisition of land; and

(2) repay bonds issued or leases entered into for the purposes described in subdivision (1).

(c) The county council may, by ordinance, determine that additional local income tax revenue is also needed in the county to operate or maintain any of the facilities described in subsection (b)(1)(A) through (b)(1)(D) that are located in the county. The county council may make a determination under both this subsection and subsection (b).

(d) The county council may impose a tax rate of:

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

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

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

on the adjusted gross income of ~~county~~ **local** taxpayers if the adopting body makes a finding and determination set forth in subsection (b) or

(c).

(e) If the county council imposes the tax under this section to pay for the purposes described in both subsections (b) and (c), when:

(1) the financing, construction, acquisition, improvement, renovation, and equipping described in subsection (b) are completed; and

(2) all bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b) are fully paid;

the county council shall, subject to subsection (d), establish a tax rate under this section by ordinance such that the revenue from the tax does not exceed the costs of operating and maintaining the jail facilities described in subsection (b)(1)(A). The tax rate may not be imposed at a rate greater than is necessary to carry out the purposes described in subsections (b) and (c), as applicable.

(f) The tax imposed under this section may be imposed only until the latest of the following:

(1) The date on which the financing, construction, acquisition, improvement, renovation, and equipping described in subsection (b) are completed.

(2) The date on which the last of any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b) are fully paid.

(3) The date on which an ordinance adopted under subsection (c) is rescinded.

(g) The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (b)(2) may not exceed twenty (20) years.

(h) The county treasurer shall establish a criminal justice facilities revenue fund to be used only for purposes described in this section. Revenue derived from the tax imposed under this section shall be deposited in the criminal justice facilities revenue fund.

(i) Revenue derived from the tax imposed under this section:

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

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for any or all the purposes described in subsection (b).

(j) Notwithstanding any other law, money remaining in the criminal

justice facilities revenue fund established under subsection (h) after the tax imposed by this section is terminated under subsection (f) shall be transferred to the county highway fund to be used for construction, resurfacing, restoration, and rehabilitation of county highways, roads, and bridges.

SECTION 61. IC 6-3.6-7-19.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: **Sec. 19.5. (a) This section applies to Rush County.**

(b) The county council may, by ordinance, determine that additional local income tax revenue is needed in the county to do the following:

(1) Finance, construct, acquire, improve, renovate, and equip the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs.

(2) Repay bonds issued or leases entered into for the purposes described in subdivision (1).

(3) Operate and maintain the facilities described in subdivision (1).

(c) If the county council makes the determination set forth in subsection (b), the county council may adopt an ordinance to impose a local income tax rate of:

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

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

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

(4) three-tenths percent (0.3%);

(5) thirty-five hundredths percent (0.35%);

(6) four-tenths percent (0.4%);

(7) forty-five hundredths percent (0.45%);

(8) five-tenths percent (0.5%);

(9) fifty-five hundredths percent (0.55%); or

(10) six-tenths percent (0.6%).

The tax rate may not be greater than the rate necessary to pay for the purposes described in subsection (b).

(d) The tax rate used to pay for the purposes described in subsection (b)(1) and (b)(2) may be imposed only until the latest of the following dates:

(1) The date on which the financing, construction, acquisition, improvement, and equipping of the facilities as described in subsection (b) are completed.

(2) The date on which the last of any bonds issued (including refunding bonds) or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping of the facilities described in subsection (b) are fully paid.

(3) The date on which an ordinance adopted under subsection (c) is rescinded.

(e) If the county council imposes a tax under this section to pay for the purposes described in subsection (b)(1) and (b)(2), in the year before the facilities are ready for occupancy, the county council shall by ordinance establish a tax rate at a rate permitted under subsection (c) so that the revenue from the tax rate established under this subsection does not exceed the costs of operating and maintaining the facilities described in subsection (b). The tax rate under this subsection may be imposed beginning in the year following the year the ordinance is adopted and until the date on which the ordinance adopted under this subsection is rescinded.

(f) The term of a bond issued (including any refunding bond) or a lease entered into under subsection (b) may not exceed twenty-five (25) years.

(g) The county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. Local income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund.

(h) Local income tax revenues derived from the tax rate imposed under this section:

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

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for the purposes described in subsection (b).

(i) Rush County possesses unique governmental and economic development challenges and opportunities due to the following:

(1) Deficiencies in the current county jail, including the following:

(A) Aging facilities that have not been significantly improved or renovated since the original construction.

(B) Lack of recreation and medical facilities.

(C) Inadequate line of sight supervision of inmates due to

the configuration of the aging jail.

(D) Lack of adequate housing for an increasing female inmate population and for inmates with special needs.

(E) Lack of adequate administrative space.

(F) Increasing maintenance demands and costs resulting from having aging facilities.

(2) A limited industrial and commercial assessed valuation in the county.

The use of local income tax revenues as provided in this section is necessary for the county to provide adequate jail capacity in the county and to maintain low property tax rates essential to economic development. The use of local income tax revenues as provided in this section to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping of the facilities described in subsection (b), rather than the use of property taxes, promotes those purposes.

(j) Money accumulated from the local income tax rate imposed under this section after the termination of the tax under this section shall be transferred to the county rainy day fund under IC 36-1-8-5.1.

SECTION 62. IC 6-3.6-7-21.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: **Sec. 21.5. (a) This section applies only to Tipton County.**

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

(1) finance the:

(A) construction, acquisition, and equipping of the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs; and

(B) improvement, renovation, remodeling, repair, and equipping of the courthouse to address security concerns and mitigate excess moisture in the courthouse; and

(2) repay bonds issued or leases entered into for the purposes described in subdivision (1).

(c) If the county council makes the determination set forth in subsection (b), the county council may adopt an ordinance to impose a local income tax rate of:

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

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

(3) twenty-five hundredths percent (0.25%);
(4) three-tenths percent (0.3%);
(5) thirty-five hundredths percent (0.35%); or
(6) four-tenths percent (0.4%).

The tax rate may not be imposed at a rate greater than is necessary to pay for the purposes described in subsection (b).

(d) The tax imposed under this section may be imposed only until the later of the date on which:

(1) the financing for constructing, acquisition, improvement, renovation, remodeling, and equipping described in subsection (b) is completed; or
(2) the last of any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, remodeling, and equipping described in subsection (b) are fully paid.

The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (b)(2) may not exceed twenty (20) years.

(e) The county treasurer shall establish a county facilities revenue fund to be used only for the purposes described in this section. Local income tax revenues derived from the tax rate imposed under this section shall be deposited in the county facilities revenue fund.

(f) Local income tax revenues derived from the tax rate imposed under this section:

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

(g) Tipton County possesses unique governmental and economic development challenges and opportunities due to:

(1) the county's heavy agricultural base;
(2) deficiencies in the current county jail, including:
(A) overcrowding;
(B) lack of program and support space for efficient jail operations;
(C) inadequate line of sight supervision of inmates, due to current jail configuration;

(D) lack of adequate housing for an increasing female inmate population and inmates with special needs;

(E) lack of adequate administrative space; and

(F) increasing maintenance demands and costs resulting from having aging facilities;

(3) the presence of a large industrial employer that offers the opportunity to expand the income tax base; and

(4) the presence of the historic Tipton County jail and sheriff's home, listed on the National Register of Historic Places.

The use of local income tax revenue as provided in this section is necessary for the county to provide adequate jail facilities in the county and to maintain low property tax rates essential to economic development. The use of local income tax revenues as provided in this section to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, remodeling, and equipping described in subsection (b), rather than the use of property taxes, promotes those purposes.

(h) Money accumulated from the local income tax rate imposed under this section after:

(1) the redemption of bonds issued; or

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

shall be transferred to the county rainy day fund under IC 36-1-8-5.1.

SECTION 63. IC 6-3.6-7-27, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 27. (a) This section applies only to an eligible county, as defined in IC 8-25-1-4.

(b) If the voters of the county approve a local public question under IC 8-25-2, the fiscal body of the county may adopt an ordinance to provide for the use of local income tax revenues attributable to an additional tax rate imposed under IC 6-3.6-6 to fund a public transportation project under IC 8-25. However, a county fiscal body shall adopt an ordinance under this subsection if required by IC 8-25-6-10 to impose an additional tax rate on the county taxpayers **(as defined in IC 8-24-1-10)** who reside in a township in which the voters approve a public transportation project in a local public question held under IC 8-25-6. An ordinance adopted under this subsection must specify an additional tax rate to be imposed in the county (or township in the case of an additional rate required by IC 8-25-6-10) of at least one-tenth percent (0.1%), but not more than twenty-five hundredths

percent (0.25%). If an ordinance is adopted under this subsection, the amount of the certified distribution attributable to the additional tax rate imposed under this subsection must be:

(1) retained by the county auditor;

(2) deposited in the county public transportation project fund established under IC 8-25-3-7; and

(3) used for the purpose provided in this subsection instead of as a property tax replacement distribution.

(c) The tax rate under this section plus the tax rate under IC 6-3.6-6 may not exceed ~~two and five-tenths percent (2.5%).~~ **the tax rate specified in IC 6-3.6-6-2.**

SECTION 64. IC 6-3.6-8-5, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 5. (a) Except as otherwise provided in subsection (b) and the other provisions of this article, all provisions of the adjusted gross income tax law (IC 6-3) concerning:

(1) definitions;

(2) declarations of estimated tax;

(3) filing of returns;

(4) deductions or exemptions from adjusted gross income;

(5) remittances;

(6) incorporation of the provisions of the Internal Revenue Code;

(7) penalties and interest; and

(8) exclusion of military pay credits for withholding;

apply to the imposition, collection, and administration of the tax imposed by this article.

(b) ~~IC 6-3-1-3.5(a)(6),~~ IC 6-3-3-3, IC 6-3-3-5, and IC 6-3-5-1 do not apply to the tax imposed by this article.

(c) Notwithstanding subsections (a) and (b), each employer shall report to the department of state revenue the amount of withholdings attributable to each county. This report shall be submitted to the department of state revenue:

(1) each time the employer remits to the department the tax that is withheld; and

(2) annually along with the employer's annual withholding report.

SECTION 65. IC 6-3.6-8-8 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. ~~Sec. 8. (a) If for a particular taxable year a local taxpayer is, or a local taxpayer and the taxpayer's spouse who file a joint return are, allowed a credit for the elderly or individuals with a total disability under Section 22 of the Internal Revenue Code, the local taxpayer is, or the local taxpayer and the taxpayer's spouse are, entitled to a credit against the tax liability imposed under this article for that~~

~~same taxable year. The amount of the credit equals the lesser of:~~

~~(1) the product of:~~

~~(A) the credit for the elderly or individuals with a total disability for that same taxable year; multiplied by~~

~~(B) a fraction equal to:~~

~~(i) the tax rate imposed against the local taxpayer, or the local taxpayer and the taxpayer's spouse; divided by~~

~~(ii) fifteen-hundredths (0.15); or~~

~~(2) the amount of tax imposed on the local taxpayer, or the local taxpayer and the taxpayer's spouse.~~

~~(b) If a local taxpayer and the taxpayer's spouse file a joint return and are subject to different tax rates for the same taxable year, they must compute the credit under this section by using the formula provided by subsection (a), except that they must use the average of the two (2) tax rates imposed against them as the numerator referred to in subsection (a)(1)(B).~~

SECTION 66. IC 6-3.6-9-9, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 9. The budget agency shall provide the ~~county council~~ **adopting body** with an informative summary of the calculations used to determine the certified distribution. The summary of calculations must include:

(1) the amount reported on individual income tax returns processed by the department during the previous fiscal year;

(2) adjustments for over distributions in prior years;

(3) adjustments for clerical or mathematical errors in prior years;

(4) adjustments for tax rate changes; and

(5) the amount of excess account balances to be distributed under section 15 of this chapter.

SECTION 67. IC 6-3.6-9-11, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 11. The information described in sections 9 and 10 of this chapter must be certified to the county auditor, **to the fiscal officer of each taxing unit in the county,** and to the department of local government finance not later than the later of the following:

(1) October 1 of each calendar year.

(2) Thirty (30) days after the adopting body certifies a new rate to the budget agency.

SECTION 68. IC 6-3.6-10-7, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 7. (a) The general assembly finds that counties and municipalities in Indiana have a need to foster economic

development, the development of new technology, and industrial and commercial growth. The general assembly finds that it is necessary and proper to provide an alternative method for counties and municipalities to foster the following:

(1) Economic development.

(2) The development of new technology.

(3) Industrial and commercial growth.

(4) Employment opportunities.

(5) The diversification of industry and commerce.

The fostering of economic development and the development of new technology under this section or section 8 of this chapter for the benefit of the general public, including industrial and commercial enterprises, is a public purpose.

(b) The fiscal bodies of two (2) or more counties or municipalities may, by resolution, do the following:

(1) Determine that part or all the revenue described in section 2 of this chapter should be combined to foster:

(A) economic development;

(B) the development of new technology; and

(C) industrial and commercial growth.

(2) Establish a regional venture capital fund.

(c) Each unit participating in a regional venture capital fund established under subsection (b) may deposit the following in the fund:

(1) Revenues described in section 2 of this chapter.

(2) The proceeds of public or private grants.

(d) A regional venture capital fund shall be administered by a governing board. The expenses of administering the fund shall be paid from money in the fund. The governing board shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited into the fund. The fund is subject to ~~an annual~~ audit by the state board of accounts. The fund must bear the full costs of the audit.

(e) The fiscal body of each participating unit shall approve an interlocal agreement created under IC 36-1-7 establishing the terms for the administration of the regional venture capital fund. The terms must include the following:

(1) The membership of the governing board.

(2) The amount of each unit's contribution to the fund.

(3) The procedures and criteria under which the governing board may loan or grant money from the fund.

(4) The procedures for the dissolution of the fund and for the

distribution of money remaining in the fund at the time of the dissolution.

(f) An interlocal agreement made by the participating units under subsection (e) must provide that:

(1) each of the participating units is represented by at least one (1) member of the governing board; and

(2) the membership of the governing board is established on a bipartisan basis so that the number of the members of the governing board who are members of one (1) political party may not exceed the number of members of the governing board required to establish a quorum.

(g) A majority of the governing board constitutes a quorum, and the concurrence of a majority of the governing board is necessary to authorize any action.

(h) An interlocal agreement made by the participating units under subsection (e) must be submitted to the Indiana economic development corporation for approval before the participating units may contribute to the fund.

(i) A majority of members of a governing board of a regional venture capital fund established under this section must have at least five (5) years of experience in business, finance, or venture capital.

(j) The governing board of the fund may loan or grant money from the fund to a private or public entity if the governing board finds that the loan or grant will be used by the borrower or grantee for at least one (1) of the following economic development purposes:

(1) To promote significant employment opportunities for the residents of the units participating in the regional venture capital fund.

(2) To attract a major new business enterprise to a participating unit.

(3) To develop, retain, or expand a significant business enterprise in a participating unit.

(k) The expenditures of a borrower or grantee of money from a regional venture capital fund that are considered to be for an economic development purpose include expenditures for any of the following:

(1) Research and development of technology.

(2) Job training and education.

(3) Acquisition of property interests.

(4) Infrastructure improvements.

(5) New buildings or structures.

(6) Rehabilitation, renovation, or enlargement of buildings or structures.

(7) Machinery, equipment, and furnishings.

(8) Funding small business development with respect to:

(A) prototype products or processes;

(B) marketing studies to determine the feasibility of new products or processes; or

(C) business plans for the development and production of new products or processes.

SECTION 69. IC 6-3.6-11-1, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1. (a) This section applies to any county that imposed a former tax to provide for a levy freeze.

(b) The revenue used to offset the levy freeze shall be part of the tax rate under IC 6-3.6-6.

(c) The levy freeze amount prescribed by the adopting body shall continue to be applied under this article as it was applied under the former tax until an adopting body adopts an ordinance that fixes the levy freeze amount as of a certain date as permitted under the former tax. A levy freeze **amount** may be fixed as of a certain date, but may not be rescinded.

(d) The levy freeze, levy amounts, and income tax distributions shall be administered in the same manner as under the former tax. The distributions of income tax shall be made before allocating or distributing revenue under IC 6-3.6-6 or applying the property tax credits funded by a tax rate under IC 6-3.6-5.

(e) Notwithstanding IC 6-1.1-18.5-3, ~~and IC 6-3.5-1.5,~~ for purposes of calculating the maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for an ensuing calendar year beginning after December 31, 2016, revenue under IC 6-3.6-6 that is applied under this section for purposes of a levy freeze shall not be included in the amount determined under STEP ONE of IC 6-1.1-18.5-3 for the civil taxing unit.

(f) This subsection applies for ensuing calendar years beginning after December 31, 2016. This subsection applies in a county that:

(1) imposed a tax rate for a levy freeze under IC 6-3.5-1.1-24 (before its repeal January 1, 2017) or IC 6-3.5-6-30 (before its repeal January 1, 2017); and

(2) has not adopted an ordinance specifying that the levy freeze will not apply to future increases in maximum permissible ad valorem property tax levies.

The maximum permissible ad valorem property tax levy calculated under IC 6-1.1-18.5 for the ensuing calendar year for a civil taxing unit in a county subject to this section is equal to the civil taxing unit's

maximum permissible ad valorem property tax levy for the current calendar year.

SECTION 70. IC 6-3.6-11-3, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 3. (a) This section applies to Lake County's categorizations, allocations, and distributions under IC 6-3.6-5.

(b) The rate under the former tax in Lake County that was used for any of the following shall be categorized under IC 6-3.6-5, and the Lake County council may adopt an ordinance providing that the revenue from the tax rate under this section may be used for any of the following:

(1) To reduce all property tax levies imposed by the county by the granting of property tax replacement credits against those property tax levies.

(2) To provide local property tax replacement credits in Lake County in the following manner:

(A) The tax revenue under this section that is collected from taxpayers within a particular municipality in Lake County (as determined by the department of state revenue based on the department's best estimate) shall be used only to provide a local property tax credit against property taxes imposed by that municipality.

(B) The tax revenue under this section that is collected from taxpayers within the unincorporated area of Lake County (as determined by the department of state revenue) shall be used only to provide a local property tax credit against property taxes imposed by the county. The local property tax credit for the unincorporated area of Lake County shall be available only to those taxpayers within the unincorporated area of the county.

(3) To provide property tax credits in the following manner:

(A) Sixty percent (60%) of the tax revenue shall be used as provided in subdivision (2).

(B) Forty percent (40%) of the tax revenue shall be used to provide property tax replacement credits against property tax levies of the county and each township and municipality in the county. The percentage of the tax revenue distributed under this item that shall be used as credits against the county's levies or against a particular township's or municipality's levies is equal to the percentage determined by dividing the population of the county, township, or municipality by the sum of the total population of the county, each township in the

county, and each municipality in the county.

The Lake County council shall determine whether the credits under subdivision (1), (2), or (3) shall be provided to homesteads, to all qualified residential property, or to all taxpayers. The department of local government finance, with the assistance of the budget agency, shall certify to the county auditor and the fiscal body of the county and each township and municipality in the county the amount of property tax credits under this ~~subdivision.~~ **section.** The tax revenue under this section that is used to provide credits under this ~~subdivision~~ **section** shall be treated for all purposes as property tax levies but shall not be considered for purposes of computing the maximum permissible property tax levy under IC 6-1.1-18.5-3 or the credit under IC 6-1.1-20.6.

SECTION 71. IC 6-3.6-11-4, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 4. (a) This section applies to ~~Marion County's~~ **the** allocation of the tax revenue under IC 6-3.6-6 that is dedicated to public safety **and funding for:**

(1) a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and located within the county; or

(2) the operation of a public communications system and computer facilities district as provided in subsection (b).

This tax revenue shall be allocated and distributed to the PSAP or Marion County before the allocation and distribution of the remaining tax revenue as provided in IC 6-3.6-6.

(b) **In Marion County,** the adopting body may allocate part or all of the certified distribution that is allocated to public safety purposes to fund the operation of a public communications system and computer facilities district as provided in an election, if any, made by the county fiscal body under IC 36-8-15-19(b).

SECTION 72. IC 6-3.6-11-6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: **Sec. 6. (a) This section applies to Lake County, LaPorte County, Porter County, and any municipality in those counties that is a member of the northwest Indiana regional development authority (IC 36-7.5) for purposes of categorizations, allocations, and distributions of additional revenue that is allocated each year for economic development purposes under IC 6-3.6-6-9.**

(b) This subsection applies only to Lake County. The county or a city or town in the county may use additional revenue that is allocated each year for economic development purposes under

IC 6-3.6-6-9 to provide homestead credits in the county, city, or town. The following apply to homestead credits provided under this subsection:

(1) The county, city, or town fiscal body must adopt an ordinance authorizing the homestead credits. The ordinance must specify the amount of additional revenue that will be used to provide homestead credits in the following year.

(2) The county, city, or town fiscal body that adopts an ordinance under this subsection must forward a copy of the ordinance to the county auditor and the department of local government finance not more than thirty (30) days after the ordinance is adopted.

(3) The homestead credits must be applied uniformly to provide a homestead credit for homesteads in the county, city, or town.

(4) The homestead credits shall be treated for all purposes as property tax levies.

(5) The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(6) The auditor of state shall determine the homestead credit percentage for a particular year based on the amount of additional revenue that will be used under this subsection to provide homestead credits in that year.

(c) This subsection applies only to LaPorte County as follows:

(1) This subsection applies if:

(A) the county fiscal body has adopted an ordinance under IC 36-7.5-2-3(e) providing that the county is joining the northwest Indiana regional development authority; and

(B) the fiscal body of the city described in IC 36-7.5-2-3(e) has adopted an ordinance under IC 36-7.5-2-3(e) providing that the city is joining the development authority.

(2) Additional revenue that is allocated each year for economic development purposes under IC 6-3.6-6-9 may be used by a county or a city described in IC 36-7.5-2-3(e) for making transfers required by IC 36-7.5-4-2. In addition, if the allocation of additional revenue for economic development purposes under IC 6-3.6-6-9 is increased in the county, the first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the allocation increase shall be used by the county only to make the county's

transfer required by IC 36-7.5-4-2 and shall be paid by the county treasurer to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2 before certified distributions are made to the county or any cities or towns in the county.

(3) All of the additional revenue allocated for economic development purposes under IC 6-3.6-6-9 that results each year from an allocation increase described in subdivision (2) and that is in excess of the first three million five hundred thousand dollars ($3,500,000) must be used by the county and cities and towns in the county for homestead credits under this subsection. The following apply to homestead credits provided under this subsection:

(A) The homestead credits must be applied uniformly to provide a homestead credit for homesteads in the county, city, or town.

(B) The homestead credits shall be treated for all purposes as property tax levies.

(C) The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(D) The auditor of state shall determine the homestead credit percentage for a particular year based on the amount of additional revenue that will be used under this subdivision to provide homestead credits in that year.

(d) This subsection applies only to Porter County. The additional revenue designated each year for economic development purposes under IC 6-3.6-6 shall be allocated and used as follows:

(1) First, the revenue attributable to an income tax rate of twenty-five hundredths percent (0.25%) shall be allocated to the county and cities and towns as provided in IC 6-3.6-6-9.

(2) Second, the next three million five hundred thousand dollars ($3,500,000) of the revenue shall be used for the county or for eligible municipalities (as defined in IC 36-7.5-1-11.3) in the county, to make transfers as provided in and required under IC 36-7.5-4-2. This amount shall be paid by the county treasurer to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2. If Porter County ceases to be a member of the northwest Indiana regional development authority under IC 36-7.5 but

two (2) or more municipalities in the county have become members of the northwest Indiana regional development authority as authorized by IC 36-7.5-2-3(i), the county treasurer shall continue to transfer this amount to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2.

(3) Third, except as provided in IC 36-7.5-3-5, all of the revenue each year that is in excess of the amounts described in subdivisions (1) and (2) must be used by the county and cities and towns in the county for homestead credits. The following apply to homestead credits provided under this subdivision:

(A) The homestead credits must be applied uniformly to provide a homestead credit for homesteads in the county, city, or town.

(B) The homestead credits shall be treated for all purposes as property tax levies.

(C) The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(D) The auditor of state shall determine the homestead credit percentage for a particular year based on the amount of additional revenue that will be used under this subdivision to provide homestead credits in that year.

SECTION 73. IC 6-8-12-3, AS AMENDED BY P.L.131-2008, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 3. (a) Except as provided in subsection (b), all property owned by an eligible entity, revenues of an eligible entity, and expenditures and transactions of an eligible entity:

(1) in connection with an eligible event; and

(2) resulting from holding an eligible event in Indiana or making preparatory advance visits to Indiana in connection with an eligible event;

are exempt from taxation in Indiana for all purposes.

(b) Salaries and wages paid to employees of the National Collegiate Athletic Association and its affiliates that are ordinarily subject to taxation under:

(1) IC 6-3-1 through IC 6-3-7; and

(2) ~~IC 6-3.5;~~ **IC 6-3.6;**

are subject to income taxation regardless of whether the salaries and

wages are paid in connection with an eligible event, holding an eligible event in Indiana, or making a preparatory advance visit to Indiana in connection with an eligible event.

SECTION 74. IC 6-8.1-1-1, AS AMENDED BY P.L.220-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1. "Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat admissions tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the slot machine wagering tax (IC 4-35-8); the type II gambling game excise tax (IC 4-36-9); the gross income tax (IC 6-2.1) (repealed); the utility receipts and utility services use taxes (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8) (repealed); the county adjusted gross income tax (IC 6-3.5-1.1) **(repealed);** the county option income tax (IC 6-3.5-6) **(repealed);** the county economic development income tax (IC 6-3.5-7) **(repealed); the local income tax (IC 6-3.6);** the auto rental excise tax (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax (IC 6-6-5); the aviation fuel excise tax (IC 6-6-13); the commercial vehicle excise tax (IC 6-6-5.5); the excise tax imposed on recreational vehicles and truck campers (IC 6-6-5.1); the hazardous waste disposal tax (IC 6-6-6.6) (repealed); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); ~~the regional transportation improvement income tax (IC 8-24-17);~~ the oil inspection fee (IC 16-44-2); ~~the emergency and hazardous chemical inventory form fee (IC 6-6-10);~~ the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); and any other tax or fee that the department is required to collect or administer.

SECTION 75. IC 6-8.1-3-16, AS AMENDED BY P.L.182-2009(ss), SECTION 250, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 16. (a) The department shall prepare a list of all outstanding tax warrants for listed taxes each month. The list shall identify each taxpayer liable for a warrant by name, address, amount of tax, and either Social Security number or

employer identification number. Unless the department renews the warrant, the department shall exclude from the list a warrant issued more than ten (10) years before the date of the list. The department shall certify a copy of the list to the bureau of motor vehicles.

(b) The department shall prescribe and furnish tax release forms for use by tax collecting officials. A tax collecting official who collects taxes in satisfaction of an outstanding warrant shall issue to the taxpayers named on the warrant a tax release stating that the tax has been paid. The department may also issue a tax release:

(1) to a taxpayer who has made arrangements satisfactory to the department for the payment of the tax; or

(2) by action of the commissioner under IC 6-8.1-8-2(k).

(c) The department may not issue or renew:

(1) a certificate under IC 6-2.5-8;

(2) a license under IC 6-6-1.1 or IC 6-6-2.5; or

(3) a permit under IC 6-6-4.1;

to a taxpayer whose name appears on the most recent monthly warrant list, unless that taxpayer pays the tax, makes arrangements satisfactory to the department for the payment of the tax, or a release is issued under IC 6-8.1-8-2(k).

(d) The bureau of motor vehicles shall, before issuing the title to a motor vehicle under IC 9-17, determine whether the purchaser's or assignee's name is on the most recent monthly warrant list. If the purchaser's or assignee's name is on the list, the bureau shall enter as a lien on the title the name of the state as the lienholder unless the bureau has received notice from the commissioner under IC 6-8.1-8-2(k). The tax lien on the title:

(1) is subordinate to a perfected security interest (as defined and perfected in accordance with IC 26-1-9.1); and

(2) shall otherwise be treated in the same manner as other title liens.

(e) The commissioner is the custodian of all titles for which the state is the sole lienholder under this section. Upon receipt of the title by the department, the commissioner shall notify the owner of the department's receipt of the title.

(f) The department shall reimburse the bureau of motor vehicles for all costs incurred in carrying out this section.

(g) Notwithstanding IC 6-8.1-8, a person who is authorized to collect taxes, interest, or penalties on behalf of the department under IC 6-3 or ~~IC 6-3.5~~ **IC 6-3.6** may not, except as provided in subsection (h) or (i), receive a fee for collecting the taxes, interest, or penalties if:

(1) the taxpayer pays the taxes, interest, or penalties as

consideration for the release of a lien placed under subsection (d) on a motor vehicle title; or

(2) the taxpayer has been denied a certificate or license under subsection (c) within sixty (60) days before the date the taxes, interest, or penalties are collected.

(h) In the case of a sheriff, subsection (g) does not apply if:

(1) the sheriff collects the taxes, interest, or penalties within sixty (60) days after the date the sheriff receives the tax warrant; or

(2) the sheriff collects the taxes, interest, or penalties through the sale or redemption, in a court proceeding, of a motor vehicle that has a lien placed on its title under subsection (d).

(i) In the case of a person other than a sheriff:

(1) subsection (g)(2) does not apply if the person collects the taxes, interests, or penalties within sixty (60) days after the date the commissioner employs the person to make the collection; and

(2) subsection (g)(1) does not apply if the person collects the taxes, interest, or penalties through the sale or redemption, in a court proceeding, of a motor vehicle that has a lien placed on its title under subsection (d).

(j) IC 5-14-3-4, IC 6-8.1-7-1, and any other law exempting information from disclosure by the department do not apply to this subsection. The department shall prepare a list of retail merchants whose registered retail merchant certificate has not been renewed under IC 6-2.5-8-1(g) or whose registered retail merchant certificate has been revoked under IC 6-2.5-8-7. The list compiled under this subsection must identify each retail merchant by name (including any name under which the retail merchant is doing business), address, and county. The department shall publish the list compiled under this subsection on the department's Internet web site (as operated under IC 4-13.1-2) and make the list available for public inspection and copying under IC 5-14-3. The department or an agent, employee, or officer of the department is immune from liability for the publication of information under this subsection.

SECTION 76. IC 6-8.1-5-2, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2016 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 2. (a) Except as otherwise provided in this section, the department may not issue a proposed assessment under section 1 of this chapter more than three (3) years after the latest of the date the return is filed, or either of the following:

(1) The due date of the return.

(2) In the case of a return filed for the state gross retail or use tax,

the gasoline tax, the special fuel tax, the motor carrier fuel tax, the oil inspection fee, or the petroleum severance tax, the end of the calendar year which contains the taxable period for which the return is filed.

(b) If a person files a **return for the** utility receipts tax ~~return~~ (IC 6-2.3), ~~an~~ adjusted gross income tax (IC 6-3), supplemental net income tax (IC 6-3-8) (repealed), county adjusted gross income tax (IC 6-3.5-1.1) **(repealed),** county option income tax (IC 6-3.5-6) **(repealed), local income tax (IC 6-3.6),** or financial institutions tax (IC 6-5.5) ~~return~~ that understates the person's income, as that term is defined in the particular income tax law, by at least twenty-five percent (25%), the proposed assessment limitation is six (6) years instead of the three (3) years provided in subsection (a).

(c) In the case of the motor vehicle excise tax (IC 6-6-5), the tax shall be assessed as provided in IC 6-6-5-5 and IC 6-6-5-6 and shall include the penalties and interest due on all listed taxes not paid by the due date. A person that fails to properly register a vehicle as required by IC 9-18 and pay the tax due under IC 6-6-5 is considered to have failed to file a return for purposes of this article.

(d) In the case of the commercial vehicle excise tax imposed under IC 6-6-5.5, the tax shall be assessed as provided in IC 6-6-5.5 and shall include the penalties and interest due on all listed taxes not paid by the due date. A person that fails to properly register a commercial vehicle as required by IC 9-18 and pay the tax due under IC 6-6-5.5 is considered to have failed to file a return for purposes of this article.

(e) In the case of the excise tax imposed on recreational vehicles and truck campers under IC 6-6-5.1, the tax shall be assessed as provided in IC 6-6-5.1 and must include the penalties and interest due on all listed taxes not paid by the due date. A person who fails to properly register a recreational vehicle as required by IC 9-18 and pay the tax due under IC 6-6-5.1 is considered to have failed to file a return for purposes of this article. A person who fails to pay the tax due under IC 6-6-5.1 on a truck camper is considered to have failed to file a return for purposes of this article.

(f) If a person files a fraudulent, unsigned, or substantially blank return, or if a person does not file a return, there is no time limit within which the department must issue its proposed assessment.

(g) If any part of a listed tax has been erroneously refunded by the department, the erroneous refund may be recovered through the assessment procedures established in this chapter. An assessment issued for an erroneous refund must be issued:

(1) within two (2) years after making the refund; or

(2) within five (5) years after making the refund if the refund was induced by fraud or misrepresentation.

(h) If, before the end of the time within which the department may make an assessment, the department and the person agree to extend that assessment time period, the period may be extended according to the terms of a written agreement signed by both the department and the person. The agreement must contain:

(1) the date to which the extension is made; and

(2) a statement that the person agrees to preserve the person's records until the extension terminates.

The department and a person may agree to more than one (1) extension under this subsection.

(i) If a taxpayer's federal taxable income, federal adjusted gross income, or federal income tax liability for a taxable year is modified due to a modification as provided under IC 6-3-4-6(c) and IC 6-3-4-6(d) (for the adjusted gross income tax), or a modification or alteration as provided under IC 6-5.5-6-6(c) and ~~IC 6-5.5-6-6(d)~~ **IC 6-5.5-6-6(e)** (for the financial institutions tax), then the date by which the department must issue a proposed assessment under section 1 of this chapter for tax imposed under IC 6-3 is extended to six (6) months after the date on which the notice of modification is filed with the department by the taxpayer.

SECTION 77. IC 6-8.1-6-8, AS ADDED BY P.L.182-2009(ss), SECTION 253, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 8. (a) ~~Beginning after December 31, 2010,~~ The department in cooperation with the department of local government finance and the budget agency shall provide information annually that:

(1) identifies the total number of individual taxpayers that live within a particular incorporated city or town;

(2) identifies the total individual adjusted gross income of those taxpayers; and

(3) includes any other information that:

(A) can be abstracted from the taxpayers' individual income tax returns; and

(B) is necessary to obtain information concerning individual income taxation under IC 6-3.5-1.1 **(repealed),** IC 6-3.5-6 **(repealed),** ~~and~~ IC 6-3.5-7 **(repealed), and IC 6-3.6;**

as agreed to by the department and the legislative services agency.

(b) As used in this subsection, "authorized agency" refers to the legislative services agency or the budget agency. As used in this subsection, "director" refers to the executive director of the legislative

services agency or the director of the budget agency. The department shall provide access to the information described in subsection (a) in electronic format to an authorized agency:

(1) upon receipt of a written request from the director of the authorized agency; and

(2) upon the director's agreement that any information accessed (other than aggregate data) will be kept confidential and used solely for official purposes.

SECTION 78. IC 6-9-10.5-8, AS ADDED BY P.L.172-2011, SECTION 104, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 8. (a) If the tax levied under section 6 of this chapter is increased by an ordinance adopted by the county fiscal body after June 30, 2011, the county treasurer shall establish a county promotion fund. The county treasurer shall deposit in the county promotion fund the difference between:

(1) the amount received under section 6 of this chapter; minus

(2) the amount deposited in the lake enhancement fund under section 7(c) of this chapter.

(b) In a county in which a commission has been established under section 9 of this chapter, the county auditor shall issue a warrant directing the county treasurer to transfer money from the county promotion fund to the commission's treasurer if the commission submits a written request for the transfer.

(c) Money in a county promotion fund, or money transferred from such a fund under subsection (b), may be expended only to promote and encourage conventions, visitors, tourism, and economic development within the county. Expenditures that may be made under this subsection include expenditures for advertising, promotional activities, trade shows, special events, and recreation, and expenditures that are authorized by ~~IC 6-3.5-7-13.1~~ **IC 6-3.6-10-2** with respect to the county's **additional revenue that is allocated for** economic development ~~income tax fund.~~ **purposes under IC 6-3.6-6-9.**

SECTION 79. IC 6-9-26-12.5, AS AMENDED BY P.L.119-2012, SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 12.5. (a) This section applies if there are no outstanding obligations for which a pledge has been made under section 15(a) of this chapter concerning uses authorized under section 12 of this chapter.

(b) Money deposited in the county economic development project fund ~~before March 1, 1992,~~ shall be transferred to the following:

(1) ~~Fifty percent (50%)~~ **Forty percent (40%)** of the money deposited shall be transferred to the fiscal officer of a city having

a population of more than fifty-five thousand (55,000) but less than sixty thousand (60,000).

~~(2) Fifty percent (50%) of the money deposited shall be transferred to the county general fund. Money transferred under this subdivision shall be used for:~~

~~(A) economic development projects in locations other than a city described in subdivision (1); or~~

~~(B) the following purposes:~~

~~(i) The financing, construction, or equipping of a secure detention facility under IC 31-31-8 or IC 31-6-9-5 (repealed).~~

~~(ii) All reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, and supervisory expenses related to the financing, construction, or equipping of a facility described in item (i).~~

~~(iii) The retiring of any bonds issued, loans obtained, or lease payments incurred under IC 36-1-10 to finance, construct, or equip a facility described in item (i).~~

~~(c) Except as provided in subsection (d), money deposited in the county economic development project fund after February 29, 1992, shall be transferred to the following:~~

~~(1) Forty percent (40%) of the money deposited shall be transferred to the fiscal officer of a city described in subsection (b)(1).~~

(2) Forty percent (40%) of the money deposited shall be transferred to the county general fund. Money transferred under this subdivision shall be used for the following purposes:

(A) The financing, construction, or equipping of a secure detention facility under IC 31-31-8 or IC 31-6-9-5 (repealed).

(B) All reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, and supervisory expenses related to the financing, construction, or equipping of a facility described in clause (A).

(C) The retiring of any bonds issued, loans obtained, or lease payments incurred under IC 36-1-10 to finance, construct, or equip a facility described in clause (A).

(3) Twenty percent (20%) of the money deposited shall be transferred to the county general fund. Money transferred under this subdivision shall be used for economic development projects in locations other than a city described in ~~subsection (b)(1).~~ **subdivision (1).**

~~(d)~~ **(c)** After the retiring of any bonds issued, loans obtained, or

lease payments incurred under IC 36-1-10 to finance, construct, or equip a secure detention facility under subsection ~~(c)(2),~~ **(b)(2),** money deposited in the county economic development project fund ~~after February 29, 1992,~~ shall be transferred to the following:

(1) Seventy percent (70%) of the money deposited shall be transferred to the fiscal officer of a city described in subsection (b)(1).

(2) Thirty percent (30%) of the money deposited shall be transferred to the county general fund. Money transferred under this subdivision shall be used for economic development projects in locations other than a city described in subsection (b)(1).

~~(c)~~ **(d)** Money transferred to a city fiscal officer under subsection (b)(1) **or** (c)(1) ~~or (d)(1)~~ shall be credited to a special account to be known as the city economic development account. Money credited to the account shall be used only for those purposes described in ~~IC 6-3.5-7 (the county economic development income tax).~~ **IC 6-3.6-10-2 (local income tax for economic development purposes).**

SECTION 80. IC 6-9-33-8, AS AMENDED BY P.L.137-2012, SECTION 111, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 8. (a) If a tax is imposed under section 3 of this chapter, the county treasurer shall establish a supplemental coliseum improvement fund. The county treasurer shall deposit in this fund all amounts received from the tax imposed under this chapter. Money in this fund:

(1) may be appropriated only to retire or advance refund bonds issued, loans obtained, or lease payments incurred under IC 36-1-10 (referred to in this chapter as "obligations") to remodel, expand, improve, or acquire an athletic and exhibition coliseum in existence before the effective date of an ordinance adopted under section 3 of this chapter; and

(2) shall be used to make transfers required by subsection (b).

(b) There is established a food and beverage tax fund, with a food and beverage tax reserve account, both to be administered by the capital improvement board of managers (IC 36-10-8). The money that is deposited in the supplemental coliseum improvement fund after December 31, 2009, and is not needed in a year to make payments on obligations for which a pledge of revenue under this chapter was made before January 1, 2009, shall be transferred to the capital improvement board. The county treasurer shall make the transfer before February 1 of the following year. The capital improvement board shall deposit the money it receives in the board's food and beverage tax fund reserve

account. Money in the reserve account may not be withdrawn or transferred during the year it is received except to make transfers back to the county to make payments on obligations for which a pledge of revenue under this chapter was made before January 1, 2009. However, the capital improvement board may transfer:

(1) interest earned on money in the reserve account; and

(2) an amount equal to the balance that has been held in the reserve account for at least twelve (12) months;

to the board's food and beverage tax fund and used as provided in subsection (c).

(c) Excess revenue transferred under subsection (b) to the capital improvement board of managers may be used to provide funding for:

(1) the construction of a capital improvement (as defined in IC 36-10-1-4);

(2) an economic development project as described in:

(A) ~~IC 6-3.5-7-13.1(c)(1) or IC 6-3.5-7-13.1(c)(2)(A) through IC 6-3.5-7-13.1(c)(2)(I);~~ **IC 6-3.6-2-8(1) or IC 6-3.6-2-8(2)(A) through IC 6-3.6-2-8(2)(I);** and

(B) ~~IC 6-3.5-7-13.1(c)(2)(K);~~ **IC 6-3.6-2-8(2)(K);** or

(3) financing a capital improvement or an economic development project described in subdivision (1) or (2).

In carrying out this subsection, the capital improvement board may borrow against future tax revenue that will be collected under this chapter. In addition, the capital improvement board may use an amount not to exceed one hundred thousand dollars ($100,000) annually from the tax revenue collected under this chapter to pay expenses related to investigating a potential capital improvement or economic development project, including feasibility and preliminary engineering studies related to such a capital improvement or economic development project.

(d) Excess revenue transferred under subsection (b) to the capital improvement board of managers may not be used to:

(1) provide funding for improvements initiated before January 1, 2009, that are located in the area bounded on the north by Jefferson Boulevard, on the east by Harrison Street, on the south by Breckenridge Street, and on the west by Ewing Street as those public ways were located on January 1, 2009, as part of the Harrison Square project;

(2) provide for debt service or lease payments for a project for which the obligations for the project were incurred before January 1, 2009; or

(3) pay operational expenses for any facilities of the municipality.

SECTION 81. IC 6-9-38-6, AS ADDED BY P.L.214-2005, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 6. As used in this chapter, "economic development project" has the meaning set forth in ~~IC 6-3.5-7-13.1.~~ **IC 6-3.6-2-8.**

SECTION 82. IC 8-14-16-5, AS AMENDED BY P.L.232-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 5. Money in the fund may be expended only for the following purposes:

(1) Construction of highways, roads, and bridges.

(2) In a county that is a member of the northwest Indiana regional development authority, or in a city or town located in such a county, any purpose for which the regional development authority may make expenditures under IC 36-7.5.

(3) Providing funding for economic development projects (as defined in ~~IC 6-3.5-7-13.1(c)(1) or IC 6-3.5-7-13.1(c)(2)(A) through IC 6-3.5-7-13.1(c)(2)(K)).~~ **IC 6-3.6-2-8(1) or IC 6-3.6-2-8(2)(A) through IC 6-3.6-2-8(2)(K)).**

(4) Matching federal grants for a purpose described in this section.

(5) Providing funding for interlocal agreements under IC 36-1-7 for a purpose described in this section.

(6) Providing the county's, city's, or town's contribution to a regional development authority established under IC 36-7.6-2-3.

SECTION 83. IC 8-18-8-5, AS AMENDED BY P.L.30-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 5. All expenses incurred in the maintenance of county highways shall first be paid out of funds from the gasoline tax, special fuel tax, and the motor vehicle registration fees that are paid to the counties by the state. In addition, a county may use funds derived from the:

(1) county motor vehicle excise surtax;

(2) county wheel tax;

~~(3) county adjusted gross income tax;~~

~~(4) county option income tax;~~

(3) local income tax (IC 6-3.6);

~~(5)~~ **(4)** riverboat admission tax (IC 4-33-12);

~~(6)~~ **(5)** riverboat wagering tax (IC 4-33-13); or

~~(7)~~ **(6)** property taxes and miscellaneous revenue deposited in the county general fund.

SECTION 84. IC 8-18-22-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 6. (a) Except as

provided in subsection (b), the county fiscal body may pledge revenues for the payment of principal and interest on the bonds and for other purposes under the ordinance as provided by IC 5-1-14-4, including revenues from the following sources:

(1) The motor vehicle highway account.

(2) The local road and street account.

(3) The county motor vehicle excise surtax.

(4) The county wheel tax.

~~(5) The county adjusted gross income tax.~~

~~(6) The county option income tax.~~

~~(7) The economic development income tax.~~

(5) The local income tax (IC 6-3.6).

~~(8)~~ **(6)** Assessments.

~~(9)~~ **(7)** Any other unappropriated or unencumbered money.

(b) The county fiscal body may not pledge to levy ad valorem property taxes for these purposes, except for revenues from the following:

(1) IC 8-16-3.

(2) IC 8-16-3.1.

(c) If the county fiscal body has pledged revenues from the ~~county option~~ **local** income tax as set forth in subsection (a), the ~~county~~ **local** income tax council ~~(as defined in IC 6-3.5-6-1)~~ **(as defined in IC 6-3.6-2-12)** may covenant that the council will not repeal or modify the tax in a manner that would adversely affect owners of outstanding bonds issued under this chapter. The ~~county~~ **local** income tax council may make the covenant by adopting an ordinance using procedures described in ~~IC 6-3.5-6.~~ **IC 6-3.6-3.**

~~(d) If the county fiscal body has pledged revenues from the economic development income tax as set forth in subsection (a), the county income tax council (if the council is the body that imposed the tax) may covenant that the council will not repeal or modify the tax in a manner that would adversely affect owners of outstanding bonds issued under this chapter. The county income tax council may make the covenant by adopting an ordinance using procedures described in IC 6-3.5-6.~~

SECTION 85. IC 8-25-2-2, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 2. If the fiscal body of an eligible county adopts an ordinance under section 1 of this chapter, the county auditor shall certify a copy of the ordinance to the department of local government finance, including the language for the question required by section 3 ~~4, or 5~~ of this chapter, whichever is applicable to the

eligible county. The department shall review the language for compliance with section 3 ~~4, or 5~~ of this chapter, whichever is applicable to the eligible county. The department of local government finance may approve or reject the language. The department shall send its decision to the county auditor and the fiscal body of the eligible county not more than ten (10) days after the ordinance is submitted to the department. If the language is approved, the county auditor shall certify a copy of the ordinance, including the language for the question and the department's approval, to the county election board of the eligible county.

SECTION 86. IC 8-25-2-3, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 3. (a) This section applies to **Delaware County,** Hamilton County, **Hancock County, Johnson County, Madison County,** and Marion County.

(b) If a fiscal body of an eligible county adopts an ordinance under section 1 of this chapter, the county auditor shall certify the ordinance to the county election board, and the county election board shall place the following question on the election ballot in accordance with IC 3-10-9:

> "Shall _____ County have the ability to impose a ~~county economic development~~ **local** income tax rate, not to exceed a rate of _____ (insert recommended rate included in the ordinance authorizing the local public question), to pay for improving or establishing public transportation service in the county through a public transportation project that _____ (insert the description of the public transportation project set forth in the ordinance authorizing the local public question)?".

SECTION 87. IC 8-25-2-4 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. ~~Sec. 4. (a) This section applies to Delaware County and Madison County.~~

~~(b) If a fiscal body of an eligible county adopts an ordinance under section 1 of this chapter, the county auditor shall certify the ordinance to the county election board, and the county election board shall place the following question on the election ballot in accordance with IC 3-10-9:~~

> ~~"Shall _____ County have the ability to impose a county option income tax rate, not to exceed a rate of _____ (insert recommended rate included in the ordinance authorizing the local public question), to pay for improving or establishing public transportation service in the county through a public transportation project that _____ (insert the description~~

~~of the public transportation project set forth in the ordinance authorizing the local public question)?".~~

SECTION 88. IC 8-25-2-5 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. ~~Sec. 5. (a) This section applies to Hancock County and Johnson County.~~

~~(b) If a fiscal body of an eligible county adopts an ordinance under section 1 of this chapter, the county auditor shall certify the ordinance to the county election board, and the county election board shall place the following question on the election ballot in accordance with IC 3-10-9:~~

~~"Shall _____ County have the ability to impose a county adjusted gross income tax rate, not to exceed a rate of _____ (insert recommended rate included in the ordinance authorizing the local public question), to pay for improving or establishing public transportation service in the county through a public transportation project that _____ (insert the description of the public transportation project set forth in the ordinance authorizing the local public question)?".~~

SECTION 89. IC 8-25-2-6, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 6. Except as provided in section 9 of this chapter, if a county auditor certifies an ordinance under section 3 ~~4, or 5~~ of this chapter, the county election board shall place the local public question on the ballot at the next general election for which the question may be certified under IC 3-10-9-3 and for which all voters of the county are entitled to vote.

SECTION 90. IC 8-25-3-1, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1. (a) This section applies to **Delaware County,** Hamilton County, **Hancock County, Johnson County, Madison County,** and Marion County.

(b) If the voters of an eligible county approve a local public question under IC 8-25-2, the fiscal body of the eligible county may, subject to section 4 of this chapter, adopt an ordinance under ~~IC 6-3.5-7-26(m)~~ **IC 6-3.6-6** to impose an additional ~~county economic development~~ **local** income tax rate as allowed by ~~IC 6-3.5-7-5(o)~~ **IC 6-3.6-7-27** for the public transportation project.

SECTION 91. IC 8-25-3-2 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. ~~Sec. 2. (a) This section applies to Delaware County and Madison County.~~

~~(b) If the voters of an eligible county approve a local public question under IC 8-25-2, the fiscal body of the eligible county may, subject to~~

~~section 4 of this chapter, adopt an ordinance under IC 6-3.5-6-30(t) to impose an additional county option income tax rate for the public transportation project.~~

SECTION 92. IC 8-25-3-3 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. ~~Sec. 3. (a) This section applies to Hancock County and Johnson County.~~

~~(b) If the voters of an eligible county approve a local public question under IC 8-25-2, the fiscal body of the eligible county may, subject to section 4 of this chapter, adopt an ordinance under IC 6-3.5-1.1-24(s) to impose an additional county adjusted gross income tax rate for the public transportation project.~~

SECTION 93. IC 8-25-3-5 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. ~~Sec. 5. (a) The minimum tax rate for a county adjusted gross income tax, county option income tax, or county economic development income tax that may be imposed to fund a public transportation project is one-tenth percent (0.1%).~~

~~(b) The maximum tax rate for a county adjusted gross income tax, county option income tax, or county economic development income tax that may be imposed to fund a public transportation project is twenty-five hundredths percent (0.25%).~~

SECTION 94. IC 8-25-3-6, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 6. (a) The following apply to the funding of a public transportation project:

(1) For the first year of operations, an amount must be raised from sources other than taxes and fares that is equal to at least ten percent (10%) of the revenue that the budget agency certifies that the county will receive in that year from a ~~county adjusted gross income tax, county option income tax, or county economic development~~ **local** income tax imposed to fund the public transportation project.

(2) For the second year of operations and each year thereafter, at least ten percent (10%) of the annual operating expenses of the public transportation project must be paid from sources other than taxes and fares. For purposes of this subdivision, operating expenses include only those expenses incurred in the operation of fixed route services that are established or expanded as a result of a public transportation project authorized and funded under this article.

The budget agency shall assist the fiscal body of an eligible county in determining the amount of money that must be raised under subdivision (1).

(b) A county fiscal body or another entity authorized to carry out a public transportation project under IC 8-25-4 shall raise the revenue required by subsection (a) for a particular calendar year before the end of the third quarter of the preceding calendar year. Money raised under this section must be deposited in the county public transportation fund established under section 7 of this chapter.

(c) If a county fiscal body or other entity fails to raise the revenue required by subsection (a) before the deadline specified in subsection (b), the county in which the public transportation project is located is responsible for paying the difference between:

(1) the amount that subsection (a) requires to be raised from sources other than taxes and fares; minus

(2) the amount actually raised from sources other than taxes and fares.

SECTION 95. IC 8-25-5-6, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 6. (a) Except as provided in subsection (b), the county fiscal body may pledge revenues for the payment of principal and interest on the bonds and for other purposes under the ordinance as provided by IC 5-1-14-4, including revenues from the ~~following sources:~~

~~(1) The county adjusted gross~~ **local** income tax in **Delaware County, Hamilton County,** Hancock County, ~~or~~ Johnson County, **Madison County, or Marion County.**

~~(2) The county option income tax in Delaware County or Madison County.~~

~~(3) The county economic development income tax in Hamilton County or Marion County.~~

(b) The county fiscal body may not pledge to levy ad valorem property taxes for these purposes.

(c) If the county fiscal body has pledged revenues from the ~~county economic development~~ **local** income tax as set forth in subsection (a), the county fiscal body may covenant that the county fiscal body will not repeal or modify the tax in a manner that would adversely affect owners of outstanding bonds issued under this chapter. The county fiscal body may make the covenant by adopting an ordinance.

SECTION 96. IC 8-25-6-3, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 3. If the fiscal body of a township adopts a resolution under section 2 of this chapter, the township trustee shall certify a copy of the resolution to the department of local government finance, including the language for the question required by

IC 8-25-2-3. ~~IC 8-25-2-4, or IC 8-25-2-5, whichever is applicable to the eligible county in which the township is located.~~ The township trustee may modify the proposed local question as necessary to indicate that the local question concerns a public transportation project for the township. The department shall review the language for compliance with section ~~3,~~ 4 ~~or 5~~ of this chapter, whichever is applicable to the eligible county, while taking into account any necessary modifications for the township. The department of local government finance may approve or reject the language. The department shall send its decision to the township trustee and the fiscal body of the township not more than ten (10) days after the resolution is submitted to the department. If the language is approved, the township trustee shall certify a copy of the resolution, including the language for the question and the department's approval, to the county election board of the eligible county.

SECTION 97. IC 8-25-6-4, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 4. If the county election board of an eligible county receives from a township trustee a certified copy of the resolution adopted under section 2 of this chapter and the approved language for the local public question, the county election board shall place the following question on the election ballot in accordance with IC 3-10-9:

> "Shall _____ County impose a _____ ~~(insert the name of the applicable income tax under IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7)~~ **local income** tax rate, not to exceed a rate of _____ (insert recommended rate included in the ordinance authorizing the local public question), on the ~~county~~ **local** taxpayers residing in _____ Township to pay for improving or establishing public transportation service in _____ Township through a public transportation project that _____ (insert the description of the public transportation project set forth in the township resolution authorizing the local public question)?".

SECTION 98. IC 8-25-6-10, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 10. If the voters of a township located in an eligible county approve a local public question under this chapter, the fiscal body of the eligible county shall adopt an ordinance under ~~IC 6-3.5-1.1-24(s), IC 6-3.5-6-30(t), or IC 6-3.5-7-26(m), whichever is applicable to the eligible county,~~ **IC 6-3.6-6** to impose an additional ~~county adjusted gross income tax rate, county option income tax rate,~~

~~or county economic development~~ **local** income tax rate, **as permitted by IC 6-3.6-7-27,** upon the county taxpayers **(as defined in IC 8-24-1-10)** residing in the township for the public transportation project in the township.

SECTION 99. IC 8-25-6-11 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. ~~Sec. 11. (a) The minimum tax rate for a county adjusted gross income tax, county option income tax, or county economic development income tax that may be imposed upon the county taxpayers who reside in a township to fund a public transportation project in the township is one-tenth percent (0.1%).~~

~~(b) The maximum tax rate for a county adjusted gross income tax, county option income tax, or county economic development income tax that may be imposed upon the county taxpayers who reside in a township to fund a public transportation project in the township is twenty-five hundredths percent (0.25%).~~

SECTION 100. IC 8-25-6-12, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 12. A tax rate imposed under this chapter applies only to the ~~county~~ **local** taxpayers who reside in a township in which the voters approve a local public question held under this chapter.

SECTION 101. IC 8-25-6-14, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 14. Bonds issued with respect to a public transportation project in the township must be paid from tax revenue collected from ~~county~~ **local** taxpayers who reside in the township.

SECTION 102. IC 12-20-25-0.4 IS REPEALED [EFFECTIVE JANUARY 1, 2017]. ~~Sec. 0.4. (a) Notwithstanding the amendment of section 40 of this chapter by P.L.73-2005, funds that are in the county income tax poor relief control fund on June 30, 2005, are transferred to the county income tax township assistance control fund established by section 40 of this chapter, as amended by P.L.73-2005.~~

~~(b) Notwithstanding the amendment of section 51 of this chapter by P.L.73-2005, funds that are in the distressed township supplemental poor relief fund on June 30, 2005, are transferred to the distressed township supplemental township assistance fund established by section 51 of this chapter as amended by P.L.73-2005.~~

SECTION 103. IC 12-20-25-34, AS AMENDED BY P.L.73-2005, SECTION 135, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 34. The financial plan adopted under section 33 of this chapter may include the following:

(1) The adoption in the current year of

~~(A) the county adjusted gross income tax at a rate allowed by IC 6-3.5-1.1; or~~

~~(B) the county option~~ **a local** income tax ~~at a~~ rate **under IC 6-3.6** not to exceed one percent (1%).

~~to~~ **If a local income tax rate is imposed under this chapter, the ordinance must specify whether any revenue in excess of the rate needed to carry out the financial plan is to be used for property tax relief (IC 6-3.6-5) or as additional revenue (IC 6-3.6-6). The revenue from the tax rate under this section shall** be distributed as provided in this chapter. The adoption of ~~either county~~ **a local** income tax **rate** under this chapter is in addition to the ~~county adjusted gross income tax or the county option~~ **local** income tax **rate under IC 6-3.6** that may already be in effect in the county.

(2) The payment of township assistance with county money.

(3) The elimination or reduction of township assistance services not required under this article.

SECTION 104. IC 12-20-25-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 35. (a) The control board shall report the following to the county fiscal body:

(1) The audit findings of the management committee.

(2) The financial plan adopted under section 33 of this chapter.

(b) Not more than thirty (30) days after notice, the county fiscal body shall adopt one (1) of the following:

(1) An ordinance adopting the financial plan adopted by the control board.

(2) An ordinance rejecting the financial plan adopted by the control board.

(c) Notwithstanding ~~IC 6-3.5-6,~~ **IC 6-3.6-3,** if:

(1) the financial plan adopted under section 33 of this chapter includes ~~the county option~~ **a local** income tax **rate;** and

(2) the fiscal body adopts an ordinance adopting the financial plan under subsection (b);

the ~~county option~~ **local** income tax **rate** is imposed at the rate adopted in the financial plan. Subject to the requirements of this chapter **and notwithstanding that the local income tax council may be the adopting body specified in IC 6-3.6-3-1,** the county fiscal body, rather than the ~~county~~ **local** income tax council, has the authority granted to a ~~county~~ **local** income tax council by ~~IC 6-3.5-6~~ **IC 6-3.6-3** as long as the ~~county option~~ **local** income tax **rate** imposed under this chapter remains in effect.

SECTION 105. IC 12-20-25-37 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 37. (a) If the county fiscal body adopts an ordinance adopting the control board's financial plan as provided in section 35 of this chapter and the plan includes a proposal to adopt ~~the county adjusted gross income tax or the county option~~ **a local** income tax **rate,** the control board shall notify the department of state revenue of this fact.

(b) Notwithstanding ~~IC 6-3.5-1.1 and IC 6-3.5-6,~~ **IC 6-3.6,** after receiving notice from the control board, the department of state revenue shall collect the tax beginning on the earlier of July 1 or January 1 immediately following the notice from the control board. Except as provided in this chapter, a ~~county adjusted gross income tax or county option~~ **local** income tax **rate** imposed under this chapter shall be administered in the same manner that ~~other county adjusted gross income taxes or county option income taxes are~~ **the local income tax is** administered under ~~IC 6-3.5-1.1 or IC 6-3.5-6, whichever applies.~~ **IC 6-3.6-8.**

SECTION 106. IC 12-20-25-38, AS AMENDED BY P.L.73-2005, SECTION 137, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 38. (a) If the county fiscal body adopts an ordinance adopting the control board's financial plan as provided in section 35 of this chapter and the plan includes a proposal to adopt the ~~county adjusted gross income tax or the county option~~ **local** income tax, the control board may request an advance of state general fund money in the year the county fiscal body adopts the plan and in any subsequent year in anticipation of the ~~county adjusted gross income tax or the county option~~ **local** income tax revenue. However, the state, acting through the state board of finance, may not advance an amount that is greater than the amount of ~~county adjusted gross income tax or county option~~ **local** income tax revenue expected to be collected within the year in which the advancement is made. The department of state revenue shall estimate and certify to the state board of finance the amount of ~~county adjusted gross income tax or county option~~ **local** income tax revenue expected to be collected.

(b) If the county fiscal body adopts an ordinance adopting the control board's financial plan as provided in section 35 of this chapter and the plan includes a proposal to adopt the ~~county adjusted gross income tax or the county option~~ **local** income tax, a state advance from the state general fund must be repaid before any money is distributed to the county. The treasurer of state shall withhold sufficient money from the county's ~~county adjusted gross income tax or county option~~ **local** income tax account to repay the state the amount of state advances provided to the county from the state general fund. The

treasurer of state shall disburse any balance in the county's account to the county, to be used as provided in section 40 of this chapter.

(c) This section does not impose liability on the state for the township assistance debts of the county.

SECTION 107. IC 12-20-25-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 39. The proceeds of the ~~county adjusted gross income tax or the county option~~ **local** income tax imposed under this chapter shall be deposited by the treasurer of state on behalf of the county into a separate county ~~adjusted gross income tax or county option~~ **local** income tax account. ~~whichever applies.~~ The money in the account shall be disbursed as provided in section 38(b) of this chapter.

SECTION 108. IC 12-20-25-40, AS AMENDED BY P.L.169-2006, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 40. The county treasurer shall deposit the disbursements from the treasurer of state in a county fund to be known as the ~~county~~ **local** income tax township assistance control fund. Notwithstanding ~~IC 6-3.5-1.1, IC 6-3.5-6,~~ **IC 6-3.6** and IC 6-1.1-18.5, the county treasurer shall disburse the money in the fund in the following priority:

(1) To ensure the payment within thirty (30) days of all valid township assistance claims in the distressed township that are not covered by subdivision (3).

(2) At the end of each calendar year, to redeem any outstanding bonds issued or repay loans incurred by the county for poor relief or township assistance purposes under IC 12-2-4.5 (before its repeal), IC 12-2-5 (before its repeal), IC 12-20-23 (before its repeal), or IC 12-20-24 to the extent the proceeds of the bonds or loans were advanced to the distressed township.

(3) To pay claims approved under section 27 or 28 of this chapter (or IC 12-2-14-22 or IC 12-2-14-23 before their repeal).

(4) As provided in **IC 6-3.6, for the purposes specified in the ordinance imposing the local income tax under this chapter.** ~~IC 6-3.5-6 if the county option income tax is imposed under this chapter. If the county adjusted gross income tax is imposed under this chapter, to provide property tax replacement credits for each civil taxing unit and school corporation in the county as provided in IC 6-3.5-1.1. No part of the county adjusted gross income tax revenue is considered a certified share of a governmental unit as provided in IC 6-3.5-1.1-15. In addition, the county adjusted gross income tax revenue (except for the county adjusted gross income tax revenues that are to be treated as property tax replacements~~

~~under this subdivision) is in addition to and not a part of the revenue of the township for purposes of determining the township's maximum permissible property tax levy under IC 6-1.1-18.5.~~

SECTION 109. IC 12-20-25-41, AS AMENDED BY P.L.73-2005, SECTION 139, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 41. (a) As used in subsection (c), "advance" refers to money provided to a distressed township from the state general fund under section 38 of this chapter.

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

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

(1) has repaid:

(A) all state advances provided to the county under this chapter; and

(B) state support provided to the county under this chapter if the department has reduced the county's general fund budget under section 36 of this chapter;

(2) has paid all valid township assistance claims in the distressed township, including the claims approved under section 27 or 28 of this chapter;

(3) will have sufficient money to pay, not more than thirty (30) days after a claim is submitted for payment, all valid township assistance claims in the distressed township that are expected to be submitted in the following year as determined by the control board, excluding any advances from the state, revenues from short term loans from the county or a financial institution under IC 12-2-4.5 (before its repeal) or IC 12-20-24, and proceeds from bonds issued under IC 12-2-1 (before its repeal), IC 12-2-5 (before its repeal), or this article; and

(4) has no bonds outstanding that were issued to pay for township assistance in the distressed township.

(d) Notwithstanding ~~IC 6-3.5-1.1 and IC 6-3.5-6,~~ **IC 6-3.6,** if the control board finds that:

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

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

the county fiscal body may dedicate to the provision of township assistance, from the ~~county adjusted gross income tax or the county option~~ **local** income tax imposed as a result of adopting a financial plan under section 35 of this chapter, an amount necessary to satisfy the requirements of subsection (c)(3).

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

SECTION 110. IC 12-20-25-43, AS AMENDED BY P.L.73-2005, SECTION 141, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 43. Notwithstanding ~~IC 6-3.5-1.1 and IC 6-3.5-6,~~ **IC 6-3.6,** if:

(1) there has been a controlled township in a county;

(2) the township that has been controlled has levied the township's maximum permissible ad valorem property tax levy for township assistance;

(3) the maximum permissible ad valorem property tax levy is insufficient to ensure the payment within thirty (30) days of all valid township assistance claims in the township; and

(4) the ~~county adjusted gross income tax or county option~~ **local** income tax is in effect in the county as a result of adopting a financial plan under this chapter;

the county fiscal body shall dedicate from the ~~county adjusted gross income tax or county option~~ **local** income tax imposed under this chapter an amount of revenue determined by the department to be necessary to ensure the payment within thirty (30) days of all township assistance claims in the township that has been controlled. The county fiscal body shall distribute any **local** income tax revenues dedicated under this section before the fiscal body makes any other distributions in accordance with this chapter. Notwithstanding section 45 of this chapter, the county fiscal body may not reduce the ~~county option~~ **local** income tax rate below the rate necessary to satisfy the requirements of this section.

SECTION 111. IC 12-20-25-44, AS AMENDED BY P.L.73-2005,

SECTION 142, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 44. (a) This section applies after the termination of the controlled status of all townships located in a county as provided in section 41 of this chapter.

(b) If the ~~county adjusted gross income tax or county option~~ **local** income tax is imposed under this chapter, the tax shall be distributed as provided in section 46 of this chapter. If the county fiscal body has not dedicated ~~county adjusted gross income tax or county option~~ **local** income tax revenue for township assistance under section 41 of this chapter, the county fiscal body may rescind the tax as provided in ~~IC 6-3.5-1.1 or IC 6-3.5-6, whichever applies.~~ **IC 6-3.6.** If the county fiscal body has dedicated ~~county adjusted gross income tax or county option~~ **local** income tax revenue for township assistance under section 41 of this chapter, the county fiscal body may rescind the tax but not until after the end of the year following the termination of the controlled status of the township.

(c) If:

(1) the ~~county adjusted gross income tax (IC 6-3.5-1.1) or the county option~~ **local** income tax ~~(IC 6-3.5-6)~~ **(IC 6-3.6)** was in effect before the ~~county adjusted gross income tax or the county option~~ **local** income tax **rate** is imposed under this chapter; and

(2) the county fiscal body did not dedicate ~~county adjusted gross income tax or county option~~ **local** income tax revenue for township assistance under section 41 of this chapter;

the ~~county adjusted gross income tax or county option~~ **local** income tax imposed under this chapter terminates as of the date the controlled status of all townships located in the county terminates.

SECTION 112. IC 12-20-25-45, AS AMENDED BY P.L.113-2010, SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 45. (a) Notwithstanding ~~IC 6-3.5-6,~~ **IC 6-3.6,** after the termination of the controlled status of all townships located in a county as provided in section 41 of this chapter and if the ~~county option~~ **local** income tax is imposed under this chapter, the county fiscal body may adopt an ordinance to:

(1) grant a credit for homesteads that ~~are eligible for~~ **receive** a standard deduction under IC 6-1.1-12-37 in the county; or

(2) reduce the ~~county option~~ **local** income tax rate for ~~resident county~~ **local** taxpayers to a rate not less than the greater of:

(A) the minimum rate necessary to satisfy the requirements of section 43 of this chapter; or

(B) the minimum rate necessary to satisfy the requirements of sections 43 and 46(2) of this chapter if an ordinance is adopted

under subdivision (1).

~~(b) A county fiscal body may not grant a credit for homesteads that exceeds the percentage permitted under IC 6-3.5-6-13 for a county option income tax imposed under IC 6-3.5-6.~~

~~(c)~~ **(b)** The increase in the homestead credit percentage must be uniform for all homesteads in a county.

~~(d)~~ **(c)** In an ordinance that increases the homestead credit percentage, the county fiscal body may provide for a series of increases or decreases to take place for each of a group of succeeding calendar years.

~~(e)~~ **(d)** An ordinance may be adopted under this section after January 1 but before June 1 of a calendar year.

~~(f)~~ **(e)** An ordinance adopted under this section takes effect January 1 of the next calendar year.

~~(g)~~ **(f)** An ordinance adopted under this section for a county is not applicable for a year if on January 1 of that year the ~~county option~~ **local** income tax is not in effect.

SECTION 113. IC 12-20-25-46, AS AMENDED BY P.L.113-2010, SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 46. After the termination of the controlled status of all townships located in a county as provided in section 41 of this chapter, if the ~~county adjusted gross income tax or the county option~~ **local** income tax is imposed under this chapter, any revenues from the ~~county adjusted gross income tax or the county option~~ **local** income tax imposed under this chapter shall be distributed in the following priority:

(1) To satisfy the requirements of section 43 of this chapter.

(2) ~~If the county option income tax imposed under this chapter is in effect,~~ To replace the amount, if any, of property tax revenue lost due to the allowance of a homestead credit within the county under an ordinance adopted under section 45 of this chapter.

(3) To be used as a certified distribution as provided in ~~IC 6-3.5-1.1 or IC 6-3.5-6, whichever applies.~~ **IC 6-3.6-6.**

SECTION 114. IC 12-29-2-2, AS AMENDED BY P.L.153-2014, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 2. (a) A county shall fund the operation of community mental health centers in the amount determined under subsection (b), unless a lower tax levy amount will be adequate to fulfill the county's financial obligations under this chapter in any of the following situations:

(1) If the total population of the county is served by one (1) center.

(2) If the total population of the county is served by more than one (1) center.

(3) If the partial population of the county is served by one (1) center.

(4) If the partial population of the county is served by more than one (1) center.

(b) The amount of funding under subsection (a) for taxes first due and payable in a calendar year is the ~~following:~~

~~(1) For 2004, the amount is the amount determined under STEP THREE of the following formula:~~

~~STEP ONE: Determine the amount that was levied within the county to comply with this section from property taxes first due and payable in 2002.~~

~~STEP TWO: Multiply the STEP ONE result by the county's assessed value growth quotient for the ensuing year 2003, as determined under IC 6-1.1-18.5-2.~~

~~STEP THREE: Multiply the STEP TWO result by the county's assessed value growth quotient for the ensuing year 2004, as determined under IC 6-1.1-18.5-2.~~

~~(2) Except as provided in subsection (c), for 2005 and each year thereafter, the~~

result equal to:

~~(A)~~ **(1)** the amount that was levied in the county to comply with this section from property taxes first due and payable in the calendar year immediately preceding the ensuing calendar year; multiplied by

~~(B)~~ **(2)** the county's assessed value growth quotient for the ensuing calendar year, as determined under IC 6-1.1-18.5-2.

(c) ~~This subsection applies only to property taxes first due and payable after December 31, 2007.~~ This subsection applies only to a county ~~for which:~~

~~(1) 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~~

~~(2) a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30;~~

~~to provide property tax relief~~ **that provides a levy freeze** in the county **as provided in IC 6-3.6-11-1.** Notwithstanding any provision in this section or any other section of this chapter, for a county subject to this subsection, the county's maximum property tax levy under this section to fund the operation of community mental health centers for the ensuing calendar year is equal to the county's maximum property tax levy to fund the operation of community mental health centers for the

current calendar year.

(d) Except as provided in subsection (h), the county shall pay to the division of mental health and addiction the part of the funding determined under subsection (b) that is appropriated solely for funding the operations of a community health center. The funding required under this section for operations of a community health center shall be paid by the county to the division of mental health and addiction. These funds shall be used solely for satisfying the ~~non-federal~~ **nonfederal** share of medical assistance payments to community mental health centers serving the county for:

(1) allowable administrative services; and

(2) community mental health rehabilitation services.

All other funding appropriated for the purposes allowed under section 1.2(b)(1) of this chapter shall be paid by the county directly to the community mental health center semiannually at the times that the payments are made under subsection (e).

(e) The county shall appropriate and disburse the funds for operations semiannually not later than December 1 and June 1 in an amount equal to the amount determined under subsection (b) and requested in writing by the division of mental health and addiction. The total funding amount paid to the division of mental health and addiction for a county for each calendar year may not exceed the amount that is calculated in subsection (b) and set forth in writing by the division of mental health and addiction for the county. Funds paid to the division of mental health and addiction by the county shall be submitted by the county in a timely manner after receiving the written request from the division of mental health and addiction, to ensure current year compliance with the community mental health rehabilitation program and any administrative requirements of the program.

(f) The division of mental health and addiction shall ensure that the ~~non-federal~~ **nonfederal** share of funding received from a county under this program is applied only for matching federal funds for the designated community mental health centers to the extent a center is eligible to receive county funding under IC 12-21-2-3(5)(D).

(g) The division of mental health and addiction:

(1) shall first apply state funding to a community mental health center's ~~non-federal~~ **nonfederal** share of funding under this program; and

(2) may next apply county funding received under this section to any remaining ~~non-federal~~ **nonfederal** share of funding for the community mental health center.

The division shall distribute any excess state funds that exceed the community mental health rehabilitation services ~~non-federal~~ **nonfederal** share applied to a community mental health center that is entitled to the excess state funds.

(h) The health and hospital corporation of Marion County created by IC 16-22-8-6 may make payments to the division for the operation of a community mental health center as described in this chapter.

SECTION 115. IC 16-22-7-37 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 37. (a) The county fiscal body shall annually levy a tax sufficient to produce funds that, with other funds available, are sufficient to pay the lease rental provided to be paid from taxes.

(b) If the lease rental is payable from taxes, net revenues of the hospital of which the leased buildings are a part that are not required to be kept in reserve for additional construction, equipment, betterment, maintenance, or operation shall be transferred to a fund for the payment of the lease rental. To the extent that the transferred funds are insufficient to pay the lease rental, cumulative building funds reserved for lease rental payable from taxes under section 20 of this chapter shall be transferred.

(c) In fixing and determining the necessary levy to pay lease rentals payable from taxes, the county council shall consider the amounts transferred from the net revenues of the hospital and may appropriate and pay funds from any available sources, including revenues derived under ~~IC 6-3.5~~ **IC 6-3.6.** This subsection does not relieve the county from the obligation to pay from taxes any lease rental payable from taxes if other funds are not available. The tax levies are reviewable by other bodies vested by law with the authority to ascertain that the levies are sufficient to meet the rental under the lease contract that is payable from taxes. The lease rental shall be paid semiannually to the authority.

(d) A lease by the authority to the county may not provide for rentals payable from the levy of a tax by a county unless the lease is approved by a majority vote of the county fiscal body.

SECTION 116. IC 16-31-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1. The governing body of a city, town, township, or county by the governing body's action or in any combination may do the following:

(1) Establish, operate, and maintain emergency medical services.

(2) Levy taxes under and limited by ~~IC 6-3.5~~ **IC 6-3.6** and expend appropriated funds of the political subdivision to pay the costs and expenses of establishing, operating, maintaining, or contracting for emergency medical services.

(3) Except as provided in section 2 of this chapter, authorize, franchise, or contract for emergency medical services. However:

(A) a county may not provide, authorize, or contract for emergency medical services within the limits of any city without the consent of the city; and

(B) a city or town may not provide, authorize, franchise, or contract for emergency medical services outside the limits of the city or town without the approval of the governing body of the area to be served.

(4) Apply for, receive, and accept gifts, bequests, grants-in-aid, state, federal, and local aid, and other forms of financial assistance for the support of emergency medical services.

(5) Establish and provide for the collection of reasonable fees for emergency ambulance services the governing body provides under this chapter.

(6) Pay the fees or dues for individual or group membership in any regularly organized volunteer emergency medical services association on their own behalf or on behalf of the emergency medical services personnel serving that unit of government.

SECTION 117. IC 20-26-11-13, AS AMENDED BY P.L.205-2013, SECTION 242, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 13. (a) As used in this section, the following terms have the following meanings:

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

(2) "Special equipment" means equipment that during a school year:

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

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

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

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

(3) "Student enrollment" means the following:

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

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

However, a kindergarten student shall be counted under clauses (A) and (B) as one-half (1/2) student. The state board may select a different date for counts under this subdivision. However, the same date shall be used for all school corporations making a count for the same class of school.

(b) Each transferee corporation is entitled to receive for each school year on account of each transferred student, except a student transferred under section 6 of this chapter, transfer tuition from the transferor corporation or the state as provided in this chapter. Transfer tuition equals the amount determined under STEP THREE of the following formula:

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

STEP TWO: If the transferee school included the transfer student in the transferee school's current ADM, allocate to the transfer student a proportionate share of the following general fund revenues of the transferee school:

(A) State tuition support distributions received during the calendar year in which the school year ends.

(B) Property tax levies under IC 20-45-7 and IC 20-45-8 for the calendar year in which the school year ends.

(C) The sum of the following excise tax revenue received for deposit in the calendar year in which the school year begins:

(i) Financial institution excise tax revenue (IC 6-5.5).

(ii) Motor vehicle excise taxes (IC 6-6-5).

(iii) Commercial vehicle excise taxes (IC 6-6-5.5).

(iv) Boat excise tax (IC 6-6-11).

(v) Aircraft license excise tax (IC 6-6-6.5).

(D) Allocations to the transferee school under ~~IC 6-3.5.~~ **IC 6-3.6.**

STEP THREE: Determine the greater of:

(A) zero (0); or

(B) the result of subtracting the STEP TWO amount from the

STEP ONE amount.

If a child is placed in an institution or facility in Indiana by or with the approval of the department of child services, the institution or facility shall charge the department of child services for the use of the space within the institution or facility (commonly called capital costs) that is used to provide educational services to the child based upon a prorated per student cost.

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

(1) capital outlay;
(2) debt service;
(3) costs of transportation;
(4) salaries of board members;
(5) contracted service for legal expenses; and
(6) any expenditure that is made from extracurricular account receipts;

for the school year.

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

(1) the cost of the special equipment; divided by
(2) the product of:
(A) the useful life of the special equipment, as determined under the rules adopted by the state board; multiplied by
(B) the number of students using the special equipment during at least part of the school year.

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

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

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

When a transferred student is enrolled in a transferee corporation for less than the full school year of student attendance, the transfer tuition

shall be calculated by the part of the school year for which the transferred student is enrolled. A school year of student attendance consists of the number of days school is in session for student attendance. A student, regardless of the student's attendance, is enrolled in a transferee school unless the student is no longer entitled to be transferred because of a change of residence, the student has been excluded or expelled from school for the balance of the school year or for an indefinite period, or the student has been confirmed to have withdrawn from school. The transferor and the transferee corporation may enter into written agreements concerning the amount of transfer tuition due in any school year. If an agreement cannot be reached, the amount shall be determined by the state board, and costs may be established, when in dispute, by the state board of accounts.

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

(1) the total amount of revenues received during a period; by

(2) the current ADM of the transferee school for the period in which the revenues are received.

However, for state tuition support distributions or any other state distribution computed using less than the total current ADM of the transferee school, the transferee school shall allocate the revenues to the transfer student by dividing the revenues that the transferee school is eligible to receive during the period by the student count used to compute the state distribution.

(h) Instead of the payments provided in subsection (b), the transferor corporation or state owing transfer tuition may enter into a long term contract with the transferee corporation governing the transfer of students. The contract may:

(1) be entered into for a period of not more than five (5) years with an option to renew;

(2) specify a maximum number of students to be transferred; and

(3) fix a method for determining the amount of transfer tuition and the time of payment, which may be different from that provided in section 14 of this chapter.

(i) A school corporation may negotiate transfer tuition agreements with a neighboring school corporation that can accommodate additional students. Agreements under this section may:

(1) be for one (1) year or longer; and

(2) fix a method for determining the amount of transfer tuition or time of payment that is different from the method, amount, or time of payment that is provided in this section or section 14 of this chapter.

A school corporation may not transfer a student under this section without the prior approval of the child's parent.

SECTION 118. IC 22-4-17-2.5, AS AMENDED BY P.L.2-2011, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 2.5. (a) When an individual files an initial claim, the individual shall be advised of the following:

(1) Unemployment compensation is subject to federal, state, and local income taxes.

(2) Requirements exist concerning estimated tax payments.

(3) The individual may elect to have income taxes withheld from the individual's payment of unemployment compensation. If an election is made, the department shall withhold federal income tax at the applicable rate provided in the Internal Revenue Code.

(4) After December 31, 2011, the individual may elect to have state adjusted gross income tax imposed under IC 6-3 and **the** local ~~taxes~~ **income tax** imposed under ~~IC 6-3.5~~ **IC 6-3.6** deducted and withheld from the individual's payment of unemployment compensation. If an election is made, the department shall withhold state adjusted gross income tax imposed under IC 6-3 and **the** local ~~taxes~~ **income tax** imposed under ~~IC 6-3.5~~ **IC 6-3.6** at the applicable rate prescribed in withholding instructions issued by the department of state revenue.

(5) An individual is allowed to change an election made under this section.

(b) Money withheld from unemployment compensation under this section shall remain in the unemployment fund until transferred to the federal taxing authority or the state (as appropriate) for payment of income taxes.

(c) The commissioner shall follow all procedures of the United States Department of Labor, the Internal Revenue Service, and the department of state revenue concerning the withholding of income taxes.

(d) Money shall be deducted and withheld in accordance with the priorities established in regulations developed by the commissioner.

SECTION 119. IC 36-1-7-11.5, AS ADDED BY P.L.169-2006, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 11.5. (a) As used in this section, "economic development project" has the meaning set forth in ~~IC 6-3.5-7-13.1(c).~~ **IC 6-3.6-2-8.** The term also includes any project related to transportation services, transportation infrastructure, or the development or construction of a hotel or other tourism destination.

(b) An entity entering into an agreement under this chapter that is

related to an economic development project may do any of the following to carry out the agreement:

(1) After appropriation by the entity's fiscal body, transfer money derived from any source to any of the following:

(A) One (1) or more entities that have entered into the agreement.

(B) An economic development entity (as defined in section 15 of this chapter) established by an entity that has entered into the agreement.

(C) A regional development authority, including the northwest Indiana regional development authority established by IC 36-7.5-2-1.

(D) A regional transportation authority including the regional bus authority established under IC 36-9-3-2(c).

(2) Transfer any property or provide personnel, services, or facilities to any entity or authority described in subdivision (1)(A) through (1)(D).

SECTION 120. IC 36-1-8-5.1, AS AMENDED BY P.L.288-2013, SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 5.1. (a) A political subdivision may establish a rainy day fund by the adoption of:

(1) an ordinance, in the case of a county, city, or town; or

(2) a resolution, in the case of any other political subdivision.

(b) An ordinance or a resolution adopted under this section must specify the following:

(1) The purposes of the rainy day fund.

(2) The sources of funding for the rainy day fund, which may include the following:

(A) Unused and unencumbered funds under:

(i) section 5 of this chapter; **or**

~~(ii) IC 6-3.5-1.1-21.1;~~

~~(iii) IC 6-3.5-6-17.3; or~~

~~(iv) IC 6-3.5-7-17.3.~~

(ii) IC 6-3.6-9-15.

(B) Any other funding source:

(i) specified in the ordinance or resolution adopted under this section; and

(ii) not otherwise prohibited by law.

(c) The rainy day fund is subject to the same appropriation process as other funds that receive tax money.

(d) In any fiscal year, a political subdivision may, at any time, do the following:

(1) Transfer any unused and unencumbered funds specified in subsection (b)(2)(A) from any fiscal year to the rainy day fund.

(2) Transfer any other unobligated cash balances from any fiscal year that are not otherwise identified in subsection (b)(2)(A) or section 5 of this chapter to the rainy day fund as long as the transfer satisfies the following requirements:

(A) The amount of the transfer is authorized by and identified in an ordinance or resolution.

(B) The amount of the transfer is not more than ten percent (10%) of the political subdivision's total annual budget adopted under IC 6-1.1-17 for that fiscal year.

(C) The transfer is not made from a debt service fund.

(e) A political subdivision may use only the funding sources specified in subsection (b)(2)(A) or in the ordinance or resolution establishing the rainy day fund. The political subdivision may adopt a subsequent ordinance or resolution authorizing the use of another funding source.

(f) The department of local government finance may not reduce the actual or maximum permissible levy of a political subdivision as a result of a balance in the rainy day fund of the political subdivision.

(g) A county, city, or town may at any time, by ordinance or resolution, transfer to:

(1) its general fund; or

(2) any other appropriated funds of the county, city, or town;

money that has been deposited in the rainy day fund of the county, city, or town.

SECTION 121. IC 36-3-7-6, AS ADDED BY P.L.135-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 6. The governing body of a public library located in the county may recommend and the county fiscal body may elect to provide revenue to the public library from part of the certified distribution, if any, that the county is to receive during that same year under ~~IC 6-3.5-6-17.~~ **IC 6-3.6-9.** To make the election, the county fiscal body must adopt an ordinance before November 1 of the preceding year. The county fiscal body must specify in the ordinance the amount of the certified distribution that is to be used to provide revenue to the public library. If such an ordinance is adopted, the county fiscal body shall immediately send a copy of the ordinance to the county auditor.

SECTION 122. IC 36-4-3-4.2, AS ADDED BY P.L.228-2015, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 4.2. (a) As used in this section,

"infrastructure" means the capital improvements that comprise:

(1) a sanitary sewer system or wastewater treatment facility;

(2) a building and appurtenances;

(3) a park or recreational facility;

(4) a road, street, highway, or bridge; or

(5) a water treatment, water storage, or water distribution facility.

(b) This section applies:

(1) only to an annexation for which an annexation ordinance is adopted after June 30, 2015; and

(2) if there is debt, evidenced by bonds, leases, or other obligations, that is outstanding on infrastructure on the date that the annexation becomes effective.

(c) This subsection applies if:

(1) the municipality takes ownership of infrastructure located within the annexation territory, or part of an item of infrastructure, owned by the county; and

(2) the outstanding debt is payable from property taxes or from revenue bonds or obligations.

The annexing municipality is liable to the county for reimbursements only if the municipality assumes ownership or partial ownership of the infrastructure. If the municipality assumes ownership or partial ownership of the infrastructure, the municipality shall reimburse the county for the appropriate share of the remaining debt that is payable by the county from property taxes or revenues. The county and the annexing municipality shall enter into an interlocal agreement under IC 36-1-7 regarding the allocation of the debt and reimbursement terms.

(d) This subsection applies if ~~a~~ **the** local income tax under ~~IC 6-3.5~~ **IC 6-3.6** has been pledged by the county to pay outstanding debt on infrastructure located within the county. To offset the change in local income tax distributions that will occur after the annexation, the annexing municipality is liable to the county for reimbursements in the amount that represents part of the outstanding debt on the infrastructure until the debt is fully paid. The amount that the municipality is required to reimburse the county is the percent of the total county income tax distribution that is indebted, multiplied by the amount of local income tax revenue for the distribution year that is shifted from the county to the municipality as a result of the annexation.

(e) Reimbursements received by a county under this section shall be deposited in the appropriate debt service fund.

SECTION 123. IC 36-7-4-1318 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1318. (a) A unit

may not adopt an impact fee ordinance under section 1311 of this chapter unless the unit has prepared or substantially updated a zone improvement plan for each impact zone during the immediately preceding one (1) year period. A single zone improvement plan may be used for two (2) or more infrastructure types if the impact zones for the infrastructure types are congruent.

(b) Each zone improvement plan must contain the following information:

(1) A description of the nature and location of existing infrastructure in the impact zone.

(2) A determination of the current level of service.

(3) Establishment of a community level of service. A unit may provide that the unit's current level of service is the unit's community level of service in the zone improvement plan.

(4) An estimate of the nature and location of development that is expected to occur in the impact zone during the following ten (10) year period.

(5) An estimate of the nature, location, and cost of infrastructure that is necessary to provide the community level of service for the development described in subdivision (4). The plan must indicate the proposed timing and sequencing of infrastructure installation.

(6) A general description of the sources and amounts of money used to pay for infrastructure during the previous five (5) years.

(c) If a zone improvement plan provides for raising the current level of service to a higher community level of service, the plan must:

(1) provide for completion of the infrastructure that is necessary to raise the current level of service to the community level of service within the following ten (10) year period;

(2) indicate the nature, location, and cost of infrastructure that is necessary to raise the current level of service to the community level of service; and

(3) identify the revenue sources and estimate the amount of the revenue sources that the unit intends to use to raise the current level of service to the community level of service for existing development. Revenue sources include, without limitation, any increase in revenues available from one (1) or more of the following:

(A) Adopting or increasing the following:

~~(i) The county adjusted gross income tax.~~

~~(ii) The county option income tax.~~

~~(iii) The county economic development income tax.~~

(i) The local income tax (IC 6-3.6-6).

~~(iv)~~ **(ii)** The annual license excise surtax.

~~(v)~~ **(iii)** The wheel tax.

(B) Imposing the property tax rate per one hundred dollars ($100) of assessed valuation that the unit may impose to create a cumulative capital improvement fund under IC 36-9-14.5 or IC 36-9-15.5.

(C) Transferring and reserving for infrastructure purposes other general revenues that are currently not being used to pay for capital costs of infrastructure.

(D) Dedicating and reserving for infrastructure purposes any newly available revenues, whether from federal or state revenue sharing programs or from the adoption of newly authorized taxes.

(d) A unit must consult with a qualified engineer licensed to perform engineering services in Indiana when the unit is preparing the portions of the zone improvement plan described in subsections (b)(1), (b)(2), (b)(5), and (c)(2).

(e) A zone improvement plan and amendments and modifications to the zone improvement plan become effective after adoption as part of the comprehensive plan under the 500 SERIES of this chapter or adoption as part of the capital improvements program under section 503(5) of this chapter. If the unit establishing the impact fee schedule or formula and establishing the zone improvement plan is different from the unit having planning and zoning jurisdiction, the unit having planning and zoning jurisdiction shall incorporate the zone improvement plan as part of the unit's comprehensive plan and capital improvement plan.

(f) If a unit's zone improvement plan identifies revenue sources for raising the current level of service to the community level of service, impact fees may not be assessed or collected by the unit unless:

(1) before the effective date of the impact fee ordinance the unit has available or has adopted the revenue sources that the zone improvement plan specifies will be in effect before the impact fee ordinance becomes effective; and

(2) after the effective date of the impact fee ordinance the unit continues to provide adequate funds to defray the cost of raising the current level of service to the community level of service, using revenue sources specified in the zone improvement plan or revenue sources other than impact fees.

SECTION 124. IC 36-7-7.6-18, AS AMENDED BY P.L.39-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 18. (a) The commission shall prepare and

adopt an annual appropriation budget for its operation. The appropriation budget shall be apportioned to each participating county on a pro rata per capita basis. After adoption of the appropriation budget, any amount that does not exceed an amount for each participating county equal to seventy cents ($0.70) per capita for each participating county shall be certified to the respective county auditor.

(b) A county's portion of the commission's appropriation budget may be paid from any of the following, as determined by the county fiscal body:

(1) Property tax revenue as provided in subsections (c) and (d).

(2) Any other local revenue, other than property tax revenue, received by the county, including local ~~option~~ income tax revenue under ~~IC 6-3.5,~~ **IC 6-3.6,** excise tax revenue, riverboat admissions tax revenue, riverboat wagering tax revenue, riverboat incentive payments, and any funds received from the state that may be used for this purpose.

(c) The county auditor shall:

(1) advertise the amount of property taxes that the county fiscal body determines will be levied to pay the county's portion of the commission's appropriation budget, after the county fiscal body determines the amount of other local revenue that will be paid under subsection (b)(2); and

(2) establish the rate necessary to collect that property tax revenue;

in the same manner as for other county budgets.

(d) The tax levied under this section and certified shall be estimated and entered upon the tax duplicates by the county auditor and shall be collected and enforced by the county treasurer in the same manner as other county taxes are estimated, entered, collected, and enforced. The tax collected by the county treasurer shall be transferred to the commission.

(e) In fixing and determining the amount of the necessary levy for the purpose provided in this section, the commission shall take into consideration the amount of revenue, if any, to be derived from federal grants, contractual services, and miscellaneous revenues above the amount of those revenues considered necessary to be applied upon or reserved upon the operation, maintenance, and administrative expenses for working capital throughout the year.

(f) After the budget is approved, amounts may not be expended except as budgeted unless the commission authorizes their expenditure. Before the expenditure of sums appropriated as provided in this section, a claim must be filed and processed as other claims for

allowance or disallowance for payment as provided by law.

(g) Any two (2) of the following officers may allow claims:

(1) Chairperson.

(2) Vice chairperson.

(3) Secretary.

(4) Treasurer.

(h) The treasurer of the commission may receive, disburse, and otherwise handle funds of the commission, subject to applicable statutes and to procedures established by the commission.

(i) The commission shall act as a board of finance under the statutes relating to the deposit of public funds by political subdivisions.

(j) Any appropriated money remaining unexpended or unencumbered at the end of a year becomes part of a nonreverting cumulative fund to be held in the name of the commission. Unbudgeted expenditures from this fund may be authorized by vote of the commission and upon other approval as required by statute. The commission is responsible for the safekeeping and deposit of the amounts in the nonreverting cumulative fund, and the state board of accounts shall prescribe the methods and forms for keeping the accounts, records, and books to be used by the commission. The books, records, and accounts of the commission shall be audited periodically by the state board of accounts, and those audits shall be paid for as provided by statute.

SECTION 125. IC 36-7-13-3.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 3.8. As used in this chapter, "state and local income taxes" means taxes imposed under any of the following:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax).

~~(2) IC 6-3.5-1.1 (county adjusted gross income tax).~~

~~(3) IC 6-3.5-6 (county option income tax).~~

~~(4) IC 6-3.5-7 (county economic development income tax).~~

(2) IC 6-3.6 (local income tax).

SECTION 126. IC 36-7-14-25.5, AS AMENDED BY P.L.172-2011, SECTION 148, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 25.5. (a) Notwithstanding any other law, the legislative body may pledge revenues received or to be received by the unit from:

(1) the unit's

~~(A) certified shares of the county adjusted gross income tax under IC 6-3.5-1.1;~~

~~(B) distributive share of the county option income tax under IC 6-3.5-6; or~~

~~(C) distributions of county economic development income tax revenue under IC 6-3.5-7;~~

additional revenue from the local income tax that is designated for certified shares or economic development under IC 6-3.6-6;

(2) any other source legally available to the unit for the purposes of this chapter; or

(3) any combination of revenues under subdivisions (1) through (2);

in any amount to pay amounts payable under section 25.1 or 25.2 of this chapter.

(b) The legislative body may covenant to adopt an ordinance to increase ~~its tax rate under the county option income tax or any other~~ revenues at the time it is necessary to raise funds to pay any amounts payable under section 25.1 or 25.2 of this chapter.

(c) The commission may pledge revenues received or to be received from any source legally available to the commission for the purposes of this chapter in any amount to pay amounts payable under section 25.1 or 25.2 of this chapter.

(d) The pledge or the covenant under this section may be for the life of the bonds issued under section 25.1 of this chapter, the term of a lease entered into under section 25.2 of this chapter, or for a shorter period as determined by the legislative body. Money pledged by the legislative body under this section shall be considered revenues or other money available to the commission under sections 25.1 through 25.2 of this chapter.

(e) The general assembly covenants not to impair this pledge or covenant so long as any bonds issued under section 25.1 of this chapter are outstanding or as long as any lease entered into under section 25.2 of this chapter is still in effect. The pledge or covenant shall be enforced as provided in IC 5-1-14-4.

SECTION 127. IC 36-7-15.1-17.5, AS AMENDED BY P.L.172-2011, SECTION 152, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 17.5. (a) Notwithstanding any other law, the legislative body may pledge revenues received or to be received by the unit from:

(1) the unit's

~~(A) certified shares of the county adjusted gross income tax under IC 6-3.5-1.1;~~

~~(B) distributive share of the county option income tax under IC 6-3.5-6; or~~

~~(C) distributions of county economic development income tax~~

~~revenue under IC 6-3.5-7;~~

additional revenue from the local income tax that is designated for certified shares or economic development under IC 6-3.6-6;

(2) any other source legally available to the unit for the purposes of this chapter; or

(3) combination of revenues under subdivisions (1) through (2); in any amount to pay amounts payable under section 17 or 17.1 of this chapter.

(b) The legislative body may covenant to adopt an ordinance to increase ~~its tax rate under the county option income tax or any other~~ revenues at the time it is necessary to raise funds to pay any amounts payable under section 17 or 17.1 of this chapter.

(c) The commission may pledge revenues received or to be received from any source legally available to it for the purposes of this chapter in any amount to pay amounts payable under section 17 or 17.1 of this chapter.

(d) The pledge or the covenant under this section may be for the life of the bonds issued under section 17 of this chapter, the term of a lease entered into under section 17.1 of this chapter, or for a shorter period as determined by the legislative body. Money pledged by the legislative body under this section shall be considered revenues or other money available to the commission under sections 17 through 17.1 of this chapter.

(e) The general assembly covenants not to impair this pledge or covenant so long as any bonds issued under section 17 of this chapter are outstanding or as long as any lease entered into under section 17.1 of this chapter is still in effect. The pledge or covenant shall be enforced as provided in IC 5-1-14-4.

SECTION 128. IC 36-7-15.1-48 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 48. (a) Notwithstanding any other law, the legislative body of the excluded city may pledge revenues received or to be received by the excluded city from:

(1) the excluded city's ~~distributive share~~ **certified shares** of the ~~county option~~ **local** income tax under ~~IC 6-3.5-6;~~ **IC 6-3.6;**

(2) any other source legally available to the excluded city for the purposes of this chapter; or

(3) a combination of revenues under subdivisions (1) through (2); in any amount to pay amounts payable under section 45 or 46 of this chapter.

(b) The legislative body of the excluded city may covenant to adopt

an ordinance to increase ~~its tax rate under the county option income tax or any other~~ revenues at the time it is necessary to raise funds to pay amounts payable under section 45 or 46 of this chapter.

(c) The commission may pledge revenues received or to be received from any source legally available to it for the purposes of this chapter in any amount to pay amounts payable under section 45 or 46 of this chapter.

(d) The pledge or the covenant under this section may be for the life of the bonds issued under section 45 of this chapter, the term of a lease entered into under section 46 of this chapter, or a shorter period as determined by the legislative body of the excluded city. Money pledged by the legislative body of the excluded city under this section shall be considered revenues or other money available to the commission under sections 45 through 46 of this chapter.

(e) The general assembly covenants not to impair this pledge or covenant so long as any bonds issued under section 45 of this chapter are outstanding or as long as any lease entered into under section 46 of this chapter is still in effect. The pledge or covenant shall be enforced as provided in IC 5-1-14-4.

SECTION 129. IC 36-7-27-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 4. (a) As used in this chapter, "county taxpayer" means an individual who:

(1) resides in the county; or

(2) maintains the individual's principal place of business or employment in the county and who does not reside in another county in which the ~~county option income tax, the county adjusted income tax, or the county economic development~~ **local** income tax is in effect.

(b) For purposes of this section, an individual shall be treated as a resident of the county in which the individual:

(1) maintains a home, if the individual maintains only one (1) home in Indiana;

(2) if subdivision (1) does not apply, is registered to vote;

(3) if subdivision (1) or (2) does not apply, registers the individual's personal automobile; or

(4) if subdivision (1), (2), or (3) does not apply, spends the majority of the individual's time spent in Indiana during the taxable year in question.

SECTION 130. IC 36-7-27-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 5. As used in this chapter, "covered local income taxes" means the ~~following income taxes~~ **local income tax** imposed on county taxpayers

~~(1) County option income tax.~~

~~(2) County economic development income tax.~~

under IC 6-3.6.

SECTION 131. IC 36-7-27-13, AS AMENDED BY P.L.261-2013, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 13. (a) The treasurer of state shall establish an incremental income tax financing fund for the county. The fund shall be administered by the treasurer of state. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

(b) Before July 2 of each calendar year, the department, after reviewing the recommendation of the budget agency, shall estimate and certify to the county auditor the amount of incremental income tax for the tax areas in the county that will be collected from that county during the twelve (12) month period beginning July 1 of that calendar year and ending June 30 of the following calendar year. The amount certified shall be deposited into the fund and shall be distributed on the dates specified in subsection (e) for the following calendar year. The amount certified may be adjusted under subsection (c) or (d). Taxpayers operating in the tax area shall report annually, in the manner and in the form prescribed by the department, information that the department determines necessary to calculate the incremental income tax amount. A taxpayer operating in the tax area that files a consolidated tax return with the department also shall file annually an informational return with the department for each business location of the taxpayer within the tax area. If a taxpayer fails to report the information required by this section, the department shall use the best information available in calculating the amount of incremental income taxes.

(c) The department may certify to the county an amount that is greater than the estimated twelve (12) month incremental income tax collection if the department, after reviewing the recommendation of the budget agency, determines that there will be a greater amount of incremental income tax available for distribution from the fund.

(d) The department may certify an amount less than the estimated twelve (12) month incremental income tax collection if the department, after reviewing the recommendation of the budget agency, determines that a part of those collections need to be distributed during the current calendar year so that the county will receive its full certified amount for the current calendar year.

(e) The auditor of state shall disburse the certified amount to the commission in equal semiannual installments on May 31 and November 30 of each year.

(f) Money in the fund may be pledged by the commission to the following purposes:

(1) To pay debt service on the bonds issued under section 14 of this chapter.

(2) To pay lease rentals under section 14 of this chapter.

(3) To establish and maintain a debt service reserve established by the commission or by a lessor that provides local public improvements to the commission.

(g) When money in the fund is sufficient when combined with other sources of payment to pay all outstanding principal and interest or lease rentals to the date on which the obligations can be redeemed on obligations of the commission for a local public improvement in the county, no additional incremental income tax for that project shall be deposited in the fund and **local** covered income taxes shall be distributed as provided in ~~IC 6-3.5-6 or IC 6-3.5-7, as appropriate.~~ **IC 6-3.6-9.**

SECTION 132. IC 36-7-30-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 21. (a) Notwithstanding any other law, the legislative body may pledge revenues received or to be received by the unit from:

(1) the unit's ~~distributive share of the county option income tax under IC 6-3.5-6;~~

~~(2) the unit's distributive share of the county economic development income tax under IC 6-3.5-7;~~ **additional revenue from the local income tax that is designated for certified shares or economic development under IC 6-3.6-6;**

~~(3)~~ **(2)** any other source legally available to the unit for the purposes of this chapter; or

~~(4)~~ **(3)** any combination of revenues under subdivisions (1) through ~~(3);~~ **(2);**

in any amount to pay amounts payable under section 18 or 19 of this chapter.

(b) The legislative body may covenant to adopt an ordinance to increase ~~its tax rate under the county option income tax, county economic development income tax or any other~~ revenues at the time it is necessary to raise funds to pay any amounts payable under section 18 or 19 of this chapter.

(c) The reuse authority may pledge revenues received or to be received from any source legally available to the reuse authority for the purposes of this chapter in any amount to pay amounts payable under section 18 or 19 of this chapter.

(d) The pledge or covenant under this section may be for the term

of the bonds issued under section 18 of this chapter, the term of a lease entered into under section 19 of this chapter, or for a shorter period as determined by the legislative body. Money pledged by the legislative body under this section shall be considered revenues or other money available to the reuse authority under sections 18 through 19 of this chapter.

(e) The general assembly covenants not to impair this pledge or covenant as long as any bonds issued under section 18 of this chapter are outstanding or as long as any lease entered into under section 19 of this chapter is still in effect. The pledge or covenant shall be enforced as provided in IC 5-1-14-4.

SECTION 133. IC 36-7-30.5-26, AS ADDED BY P.L.203-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 26. (a) Notwithstanding any other law, the legislative body of a unit may pledge revenues received or to be received by the unit from:

~~(1) the unit's distributive share of the county adjusted gross income tax under IC 6-3.5-1.1;~~

~~(2) the unit's distributive share of the county option income tax under IC 6-3.5-6;~~

~~(3) the unit's distributive share of the county economic development income tax under IC 6-3.5-7;~~

(1) the unit's additional revenue from the local income tax that is designated for certified shares or economic development under IC 6-3.6-6;

~~(4)~~ **(2)** any other source legally available to the unit for the purposes of this chapter; or

~~(5)~~ **(3)** any combination of revenues under subdivisions (1) through ~~(4);~~ **(2);**

in any amount to pay amounts payable under section 23 or 24 of this chapter.

(b) The legislative body may covenant to adopt an ordinance to increase ~~its tax rate under the county adjusted gross income tax, county option income tax, county economic development income tax or any other~~ revenues at the time it is necessary to raise funds to pay any amounts payable under section 23 or 24 of this chapter.

(c) The development authority may pledge revenues received or to be received from any source legally available to the development authority for the purposes of this chapter in any amount to pay amounts payable under section 23 or 24 of this chapter.

(d) The pledge or covenant under this section may be for:

(1) the term of the bonds issued under section 23 of this chapter;

(2) the term of a lease entered into under section 24 of this chapter; or

(3) ~~for~~ a shorter period as determined by the legislative body.

Money pledged by the legislative body under this section shall be considered revenues or other money available to the development authority under sections 23 through 24 of this chapter.

(e) The general assembly covenants not to impair this pledge or covenant as long as any bonds issued under section 23 of this chapter are outstanding or as long as any lease entered into under section 24 of this chapter is still in effect. The pledge or covenant shall be enforced as provided in IC 5-1-14-4.

SECTION 134. IC 36-7-31-6, AS AMENDED BY P.L.182-2009(ss), SECTION 408, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 6. As used in this chapter, "covered taxes" means the following:

(1) With respect to the professional sports development area as it existed on December 31, 2008:

(A) The state gross retail tax imposed under IC 6-2.5-2-1 or use tax imposed under IC 6-2.5-3-2.

(B) An adjusted gross income tax imposed under IC 6-3-2-1 on an individual.

(C) ~~A county option~~ **The local** income tax imposed under ~~IC 6-3.5-6.~~ **IC 6-3.6.**

(D) A food and beverage tax imposed under IC 6-9.

(2) With respect to an addition to the professional sports development area after December 31, 2008:

(A) The state gross retail tax imposed under IC 6-2.5-2-1 or use tax imposed under IC 6-2.5-3-2.

(B) An adjusted gross income tax imposed under IC 6-3-2-1 on an individual.

(C) ~~A county option~~ **The local** income tax imposed under ~~IC 6-3.5-6.~~ **IC 6-3.6.**

SECTION 135. IC 36-7-31.3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 4. As used in this chapter, "covered taxes" means the part of the following taxes attributable to the operation of a facility designated as part of a tax area under section 8 of this chapter:

(1) The state gross retail tax imposed under IC 6-2.5-2-1 or use tax imposed under IC 6-2.5-3-2.

(2) An adjusted gross income tax imposed under IC 6-3-2-1 on an individual.

(3) ~~A county option~~ **The local** income tax imposed under

~~IC 6-3.5.~~ **IC 6-3.6.**

(4) Except in a county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000), a food and beverage tax imposed under IC 6-9.

SECTION 136. IC 36-7-31.3-8, AS AMENDED BY P.L.119-2012, SECTION 210, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 8. (a) A designating body may designate as part of a professional sports and convention development area any facility that is:

(1) owned by the city, the county, a school corporation, or a board under IC 36-9-13, IC 36-10-8, IC 36-10-10, or IC 36-10-11, and used by a professional sports franchise for practice or competitive sporting events;

(2) owned by the city, the county, or a board under IC 36-9-13, IC 36-10-8, IC 36-10-10, or IC 36-10-11, and used as one (1) of the following:

(A) A facility used principally for convention or tourism related events serving national or regional markets.

(B) An airport.

(C) A museum.

(D) A zoo.

(E) A facility used for public attractions of national significance.

(F) A performing arts venue.

(G) A county courthouse registered on the National Register of Historic Places; or

(3) a hotel.

Notwithstanding section 9 of this chapter or any other law, a designating body may by resolution approve the expansion of a professional sports and convention development area after June 30, 2009, to include a hotel designated by the designating body. A resolution for such an expansion must be reviewed by the budget committee and approved by the budget agency in the same manner as a resolution establishing a professional sports and convention development area is reviewed and approved. A facility may not include a private golf course or related improvements. The tax area may include only facilities described in this section and any parcel of land on which a facility is located. An area may contain noncontiguous tracts of land within the city, county, or school corporation.

(b) Except for a tax area that is located in a city having a population of:

(1) more than one hundred fifty thousand (150,000) but less than

five hundred thousand (500,000); or

(2) more than eighty thousand (80,000) but less than eighty thousand four hundred (80,400);

a tax area must include at least one (1) facility described in subsection (a)(1).

(c) A tax area may contain other facilities not owned by the designating body if:

(1) the facility is owned by a city, the county, a school corporation, or a board established under IC 36-9-13, IC 36-10-8, IC 36-10-10, or IC 36-10-11; and

(2) an agreement exists between the designating body and the owner of the facility specifying the distribution and uses of the covered taxes to be allocated under this chapter.

(d) This subsection applies to all tax areas located in a county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000). The facilities located at an Indiana University-Purdue University regional campus are added to the tax area designated by the county. The maximum amount of covered taxes that may be captured in all tax areas located in the county is three million dollars ($3,000,000) per year, regardless of the designating body that established the tax area. The ~~county option~~ **revenue from the local** income ~~taxes~~ **tax** imposed under ~~IC 6-3.5~~ **IC 6-3.6** that ~~are~~ **is** captured must be counted first toward this maximum.

SECTION 137. IC 36-7-32-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 8. As used in this chapter, "income tax base period amount" means the aggregate amount of the following taxes paid by employees employed in the territory comprising a certified technology park with respect to wages and salary earned for work in the certified technology park for the state fiscal year that precedes the date on which the certified technology park was designated under section 11 of this chapter:

(1) The adjusted gross income tax.

~~(2) The county adjusted gross income tax.~~

~~(3) The county option income tax.~~

~~(4) The county economic development income tax.~~

(2) The local income tax (IC 6-3.6).

SECTION 138. IC 36-7-32-8.5, AS ADDED BY P.L.199-2005, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 8.5. As used in this chapter, "income tax incremental amount" means the remainder of:

(1) the total amount of state adjusted gross income taxes ~~county adjusted gross income tax, county option income taxes,~~ and

~~county economic development~~ **local** income taxes paid by employees employed in the territory comprising the certified technology park with respect to wages and salary earned for work in the territory comprising the certified technology park for a particular state fiscal year; minus

(2) the sum of the:

(A) income tax base period amount; and

(B) tax credits awarded by the economic development for a growing economy board under IC 6-3.1-13 to businesses operating in a certified technology park as the result of wages earned for work in the certified technology park for the state fiscal year;

as determined by the department of state revenue.

SECTION 139. IC 36-7-32-22, AS AMENDED BY P.L.249-2015, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 22. (a) The treasurer of state shall establish an incremental tax financing fund for each certified technology park designated under this chapter. The fund shall be administered by the treasurer of state. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

(b) Subject to subsection (c), the following amounts shall be deposited during each state fiscal year in the incremental tax financing fund established for a certified technology park under subsection (a):

(1) The aggregate amount of state gross retail and use taxes that are remitted under IC 6-2.5 by businesses operating in the certified technology park, until the amount of state gross retail and use taxes deposited equals the gross retail incremental amount for the certified technology park.

(2) The aggregate amount of the following taxes paid by employees employed in the certified technology park with respect to wages earned for work in the certified technology park, until the amount deposited equals the income tax incremental amount:

(A) The adjusted gross income tax.

~~(B) The county adjusted gross income tax.~~

~~(C) The county option income tax.~~

~~(D) The county economic development income tax.~~

(B) The local income tax (IC 6-3.6).

(c) Except as provided in subsection (d), not more than a total of five million dollars ($5,000,000) may be deposited in a particular incremental tax financing fund for a certified technology park over the life of the certified technology park.

(d) In the case of a certified technology park that is operating under

a written agreement entered into by two (2) or more redevelopment commissions, and subject to section 26(b)(4) of this chapter:

(1) not more than a total of five million dollars ($5,000,000) may be deposited over the life of the certified technology park in the incremental tax financing fund of each redevelopment commission participating in the operation of the certified technology park; and

(2) the total amount that may be deposited in all incremental tax financing funds over the life of the certified technology park, in aggregate, may not exceed the result of:

(A) five million dollars ($5,000,000); multiplied by

(B) the number of redevelopment commissions that have entered into a written agreement for the operation of the certified technology park.

(e) On or before the twentieth day of each month, all amounts held in the incremental tax financing fund established for a certified technology park shall be distributed to the redevelopment commission for deposit in the certified technology park fund established under section 23 of this chapter.

SECTION 140. IC 36-7.5-3-5, AS ADDED BY P.L.213-2015, SECTION 265, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 5. (a) There is established a grant program to provide state matching grants for construction projects extending the Chicago, South Shore, and South Bend Railway.

(b) To participate in the grant program, the development authority must prepare an update to the comprehensive strategic development plan prepared under section 4 of this chapter. The update must include detailed information concerning the following:

(1) The proposed projects to be undertaken by the development authority to extend the Chicago, South Shore, and South Bend Railway using grants made under this section.

(2) The commitments being made by the development authority and political subdivisions in exchange for receiving grants under this section.

(3) The following information for each project included under subdivision (1):

(A) The location of each project.

(B) A timeline and budget, including milestones that the development authority commits to achieving by the time specified.

(C) The expected return on investment.

(D) Any projected or expected federal and local matching

funds.

(c) To receive a matching grant under this section, the development authority must adopt an authorizing resolution and submit the updated plan along with a grant application to the Indiana finance authority for approval, after review by the budget committee.

(d) A grant may not be approved under this section unless the Indiana finance authority finds all of the following:

(1) The development authority commits to matching the biennial appropriations provided from the state general fund to the northwest Indiana regional development authority commuter rail construction fund for the term of the grant project. The funds used to match these biennial appropriations must be funds received by the development authority under IC 36-7.5-4-1 and IC 36-7.5-4-2.

(2) The development authority can demonstrate an annual return on investment that, within twenty (20) years after the first grant is made for the projects, is at least twice the annualized amount of the grant requested. The return on investment must be measured by the annual amount of incremental state fiscal year increases to state gross retail and use taxes and state income taxes that are projected to be collected as a direct result of the projects, as determined by the Indiana finance authority. Projections to determine the return on investment must be provided in detail by the development authority and shall be evaluated by the office of management and budget.

(e) If projects that will be financed are approved under this section, the Indiana finance authority may, after review by the budget committee, approve a grant, comprised of a series of annual grants, not to exceed thirty (30) years, that is consistent with the financing requirements for the approved projects. If the Indiana finance authority approves and makes a grant under this section, the general assembly covenants that it will not:

(1) repeal or amend this section in a manner that would adversely affect owners of outstanding bonds, or payment of any lease rentals, secured by grants made under this section; or

(2) in any way impair the rights of owners of bonds of the development authority, or the owners of bonds secured by lease rentals, secured by grants made under this section.

The budget agency shall allot the appropriation for the duration of the grants that are needed to complete the approved projects.

(f) If the Indiana finance authority approves and makes a grant under this section, the development authority shall in July of each year through 2045 submit an annual progress report to the Indiana finance

authority.

(g) The following must be deposited each year in the northwest Indiana regional development authority commuter rail construction fund established by section 6 of this chapter:

(1) Money that is granted to the development authority by the state under this section during the year.

(2) Money that is committed by the development authority under this section for the year.

(3) Money that is committed by a political subdivision ~~from county~~ **to** economic development ~~income tax under IC 6-3.5-7.~~ **purposes under IC 6-3.6-6.**

(4) In the case of a political subdivision in Porter County, ~~notwithstanding IC 6-3.5-7-13.1(b)(5),~~ the money that is committed by the political subdivision **to economic development purposes under IC 6-3.6-6** from ~~county economic development~~ **the local** income tax shall be paid from tax revenue that is in excess of the first three million five hundred thousand dollars ($3,500,000) ~~that results each year from the tax rate increase described in IC 6-3.5-7-13.1(b)(4).~~ **that is required to be transferred under IC 6-3.6-11-6(d)(2).** Any remaining tax revenue that:

(A) is in excess of the first three million five hundred thousand dollars ($3,500,000) **each year** that ~~results each year from the tax rate increase described in IC 6-3.5-7-13.1(b)(4);~~ **is required to be transferred under IC 6-3.6-11-6(d)(2);** and

(B) is not committed by a political subdivision under this subdivision;

shall be used ~~for the purposes set forth in IC 6-3.5-7-13.1(b)(5).~~ **as required by IC 6-3.6-11-6(d)(3).**

SECTION 141. IC 36-7.5-3-6, AS ADDED BY P.L.213-2015, SECTION 266, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 6. (a) As used in this section, "fund" refers to the northwest Indiana regional development authority commuter rail construction fund established by subsection (b).

(b) The northwest Indiana regional development authority commuter rail construction fund is established within the treasury of the development authority as a restricted fund for the purpose of holding money to be used to provide matching grants for projects that:

(1) are related to the extension of the Chicago, South Shore, and South Bend Railway; and

(2) are approved by the development authority under this section.

(c) The fund consists of the following:

(1) Appropriations by the general assembly.

(2) Contributions received by the development authority under IC 36-7.5-4-1 and IC 36-7.5-4-2.

(3) Contributions of ~~county economic development~~ **the local** income tax revenue received by the fund in accordance with section 5 of this chapter.

(4) Federal grants.

(5) Gifts.

(d) The development authority shall administer the fund.

(e) Money in the fund that is not needed to satisfy the obligations of the fund may be invested in the manner that other public money may be invested. Interest or other investment returns received on investments of money in the fund becomes part of the fund.

(f) Money in the fund may be disbursed from the fund only for the following purposes:

(1) To pay debt service on bonds issued to fund construction projects extending the Chicago, South Shore, and South Bend Railway.

(2) To provide matching grants in accordance with the requirements of this section.

(3) To pay the expenses of the development authority in administering the fund.

(4) To return money to the entity that contributed the money to correct an error in the contribution amount or because the money is no longer needed for the purpose for which the money was contributed.

SECTION 142. IC 36-7.5-4-1, AS AMENDED BY P.L.182-2009(ss), SECTION 425, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 1. (a) The development board shall establish and administer a development authority fund.

(b) The development authority fund consists of the following:

(1) Riverboat admissions tax revenue, riverboat wagering tax revenue, or riverboat incentive payments received by a city or county described in IC 36-7.5-2-3(b) and transferred by the county or city to the fund.

(2) ~~County~~ **Local income tax revenue dedicated to** economic development ~~income tax revenue received under IC 6-3.5-7~~ **purposes** by a county or city and transferred by the county or city to the fund.

(3) Amounts distributed under IC 8-15-2-14.7.

(4) Food and beverage tax revenue deposited in the fund under

IC 6-9-36-8.

(5) Funds received from the federal government.

(6) Appropriations to the fund by the general assembly.

(7) Other local revenue appropriated to the fund by a political subdivision.

(8) Gifts, donations, and grants to the fund.

(c) The development authority shall establish a development authority fund. The development board shall establish and administer a general account, a lease rental account, and such other accounts in the fund as are necessary or appropriate to carry out the powers and duties of the development authority. Except as otherwise provided by law or agreement with holders of any obligations of the development authority, all money transferred to the development authority fund under subsection (b)(1), (b)(2), and (b)(4) shall be deposited in the lease rental account and used only for the payment of or to secure the payment of obligations of an eligible political subdivision under a lease entered into by an eligible political subdivision and the development authority under this chapter. However, any money deposited in the lease rental account and not used for the purposes of this subsection shall be returned by the treasurer of the development authority to the respective counties and cities that contributed the money to the development authority.

(d) If the amount of money transferred to the development authority fund under subsection (b)(1), (b)(2), and (b)(4) for deposit in the lease rental account in any one (1) calendar year is greater than an amount equal to:

(1) one and twenty-five hundredths (1.25); multiplied by

(2) the total of the highest annual debt service on any bonds then outstanding to their final maturity date, which have been issued under this article and are not secured by a lease, plus the highest annual lease payments on any leases to their final maturity, which are then in effect under this article;

all or a portion of the excess may instead be deposited in the general account.

(e) Except as otherwise provided by law or agreement with the holders of obligations of the development authority, all other money and revenues of the development authority may be deposited in the general account or the lease rental account at the discretion of the development board. Money on deposit in the lease rental account may be used only to make rental payments on leases entered into by the development authority under this article. Money on deposit in the general account may be used for any purpose authorized by this article.

(f) The development authority fund shall be administered by the development authority.

(g) Money in the development authority fund shall be used by the development authority to carry out this article and does not revert to any other fund.

SECTION 143. IC 36-7.5-4-2, AS AMENDED BY P.L.192-2015, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 2. (a) Except as provided in subsections (b) and (d), ~~beginning in 2006~~ the fiscal officer of each city and county described in IC 36-7.5-2-3(b) shall each transfer three million five hundred thousand dollars ($3,500,000) each year to the development authority for deposit in the development authority fund established under section 1 of this chapter. However, if a county having a population of more than one hundred fifty thousand (150,000) but less than one hundred seventy thousand (170,000) ceases to be a member of the development authority and two (2) or more municipalities in the county have become members of the development authority as authorized by IC 36-7.5-2-3(i), the transfer of ~~county economic development~~ **the local** income tax **revenue that is dedicated to economic development purposes that is required to be** transferred under ~~IC 6-3.5-7-13.1(b)(4)~~ **IC 6-3.6-11-6** is the contribution of the municipalities in the county that have become members of the development authority.

(b) This subsection applies only if:

(1) the fiscal body of the county described in IC 36-7.5-2-3(e) has adopted an ordinance under IC 36-7.5-2-3(e) providing that the county is joining the development authority;

(2) the fiscal body of the city described in IC 36-7.5-2-3(e) has adopted an ordinance under IC 36-7.5-2-3(e) providing that the city is joining the development authority; and

(3) the county described in IC 36-7.5-2-3(e) is an eligible county participating in the development authority.

~~Beginning in 2007,~~ The fiscal officer of the county described in IC 36-7.5-2-3(e) shall transfer two million six hundred twenty-five thousand dollars ($2,625,000) each year to the development authority for deposit in the development authority fund established under section 1 of this chapter. ~~Beginning in 2007,~~ The fiscal officer of the city described in IC 36-7.5-2-3(e) shall transfer eight hundred seventy-five thousand dollars ($875,000) each year to the development authority for deposit in the development authority fund established under section 1 of this chapter.

(c) This subsection does not apply to Lake County, Hammond, Gary,

or East Chicago. The following apply to the remaining transfers required by subsections (a) and (b):

(1) Except for transfers of money described in subdivision (4)(D), the transfers shall be made without appropriation by the city or county fiscal body or approval by any other entity.

(2) Except as provided in subdivision (3), ~~after December 31, 2005,~~ each fiscal officer shall transfer eight hundred seventy-five thousand dollars ($875,000) to the development authority fund before the last business day of January, April, July, and October of each year. Food and beverage tax revenue deposited in the fund under IC 6-9-36-8 is in addition to the transfers required by this section.

(3) ~~After December 31, 2006,~~ The fiscal officer of the county described in IC 36-7.5-2-3(e) shall transfer six hundred fifty-six thousand two hundred fifty dollars ($656,250) to the development authority fund before the last business day of January, April, July, and October of each year. The county is not required to make any payments or transfers to the development authority covering any time before January 1, 2007. The fiscal officer of a city described in IC 36-7.5-2-3(e) shall transfer two hundred eighteen thousand seven hundred fifty dollars ($218,750) to the development authority fund before the last business day of January, April, July, and October of each year. The city is not required to make any payments or transfers to the development authority covering any time before January 1, 2007.

(4) The transfers shall be made from one (1) or more of the following:

(A) Riverboat admissions tax revenue received by the city or county, riverboat wagering tax revenue received by the city or county, or riverboat incentive payments received from a riverboat licensee by the city or county.

(B) Any ~~county economic development~~ **local** income tax revenue **that is dedicated to economic development purposes under IC 6-3.6-6 and** received under ~~IC 6-3.5-7~~ **IC 6-3.6-9** by the city or county.

(C) Any other local revenue other than property tax revenue received by the city or county.

(D) In the case of a county described in IC 36-7.5-2-3(e) or a city described in IC 36-7.5-2-3(e), any money from the major moves construction fund that is distributed to the county or city under IC 8-14-16.

(d) This subsection applies only to Lake County, Hammond, Gary,

and East Chicago. The obligations of each city and the county under subsection (a) are satisfied by the distributions made by the auditor of state on behalf of each unit under IC 4-33-12-6(d) and IC 4-33-13-5(j). However, if the total amount distributed under IC 4-33 on behalf of a unit with respect to a particular state fiscal year is less than the amount required by subsection (a), the fiscal officer of the unit shall transfer the amount of the shortfall to the authority from any source of revenue available to the unit other than property taxes. The auditor of state shall certify the amount of any shortfall to the fiscal officer of the unit after making the distribution required by IC 4-33-13-5(j) on behalf of the unit with respect to a particular state fiscal year.

SECTION 144. IC 36-7.6-1-10, AS ADDED BY P.L.232-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 10. "Economic development project" means an economic development project described in ~~IC 6-3.5-7-13.1(c).~~ **IC 6-3.6-2-8.**

SECTION 145. IC 36-7.6-4-2, AS AMENDED BY P.L.178-2015, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 2. (a) This section applies only to a development authority and its member counties and municipalities to the extent necessary to make required payments and maintain a required reserve for debt obligations or leases that were issued or entered into by the development authority before May 1, 2015.

(b) Beginning January 1 of the year following the year in which a development authority is established, the fiscal officer of each county and each municipality that is a member of the development authority shall transfer the amount determined under subsection (c) to the development authority for deposit in the development authority fund.

(c) The amount of the transfer required each year by subsection (b) from each county and each municipality is equal to the following:

(1) Except as provided in subdivision (2), the amount that would be distributed to the county or the municipality as certified distributions of ~~county economic development~~ **local** income tax revenue raised from a ~~county economic development~~ **local** income tax rate of five-hundredths of one percent (0.05%) in the county **that is dedicated to economic development purposes under IC 6-3.6-6.**

(2) In the case of a county or municipality that becomes a member of a development authority after June 30, 2011, and before July 1, 2013, the amount that would be distributed to the county or municipality as certified distributions of ~~county economic development~~ **local** income tax revenue raised from a ~~county~~

~~economic development~~ **local** income tax rate of twenty-five thousandths of one percent (0.025%) in the county **that is dedicated to economic development purposes under IC 6-3.6-6.**

(d) Notwithstanding subsection (c), if the additional ~~county economic development~~ **local** income tax **rate permitted** under ~~IC 6-3.5-7-28~~ **IC 6-3.6-7-24** is in effect in a county, the obligations of the county and each municipality in the county under this section are satisfied by the transfer to the development fund of all ~~county economic development~~ **local** income tax revenue derived from the additional tax and deposited in the county regional development authority fund.

(e) The following apply to the transfers required by this section:

(1) The transfers shall be made without appropriation by the fiscal body of the county or the fiscal body of the municipality.

(2) Except as provided in subdivision (3), the fiscal officer of each county and each municipality that is a member of the development authority shall transfer twenty-five percent (25%) of the total transfers due for the year before the last business day of January, April, July, and October of each year.

(3) ~~County economic development~~ **Local** income tax revenue derived from the additional ~~county economic development~~ **local** income tax **rate permitted** under ~~IC 6-3.5-7-28~~ **IC 6-3.6-7-24** must be transferred to the development fund not more than thirty (30) days after being deposited in the county regional development fund.

(4) This subdivision does not apply to a county in which the additional ~~county economic development~~ **local** income tax **rate permitted** under ~~IC 6-3.5-7-28~~ **IC 6-3.6-7-24** has been imposed or to any municipality in the county. The transfers required by this section may be made from any local revenue (other than property tax revenue) of the county or municipality, including excise tax revenue, **local** income tax revenue, ~~local option tax revenue,~~ riverboat tax revenue, distributions, incentive payments, or money deposited in the county's or municipality's local major moves construction fund under IC 8-14-16.

SECTION 146. IC 36-8-15-19, AS AMENDED BY P.L.137-2012, SECTION 122, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 19. (a) This subsection applies to a county that has a population of more than one hundred eighty-five thousand (185,000) but less than two hundred fifty thousand (250,000). For the purpose of raising money to fund the operation of the district, the county fiscal body may impose, for property taxes first due and

payable during each year after the adoption of an ordinance establishing the district, an ad valorem property tax levy on property within the district. The property tax rate for that levy may not exceed five cents ($0.05) on each one hundred dollars ($100) of assessed valuation.

(b) This subsection applies to a county having a consolidated city. The county fiscal body may elect to fund the operation of the district from part of the certified distribution, if any, that the county is to receive during a particular calendar year under ~~IC 6-3.5-6-17.~~ **IC 6-3.6-9.** To make such an election, the county fiscal body must adopt an ordinance before November 1 of the immediately preceding calendar year. The county fiscal body must specify in the ordinance the amount of the certified distribution that is to be used to fund the operation of the district. If the county fiscal body adopts such an ordinance, it shall immediately send a copy of the ordinance to the county auditor.

(c) Subject to subsections (d), (e), and (f), if an ordinance or resolution is adopted changing the territory covered by the district or the number of public agencies served by the district, the department of local government finance shall, for property taxes first due and payable during the year after the adoption of the ordinance, adjust the maximum permissible ad valorem property tax levy limits of the district and the units participating in the district.

(d) If a unit by ordinance or resolution joins the district or elects to have its public safety agencies served by the district, the department of local government finance shall reduce the maximum permissible ad valorem property tax levy of the unit for property taxes first due and payable during the year after the adoption of the ordinance or resolution. The reduction shall be based on the amount budgeted by the unit for public safety communication services in the year in which the ordinance was adopted. If such an ordinance or resolution is adopted, the district shall refer its proposed budget, ad valorem property tax levy, and property tax rate for the following year to the department of local government finance, which shall review and set the budget, levy, and rate as though the district were covered by IC 6-1.1-18.5-7.

(e) If a unit by ordinance or resolution withdraws from the district or rescinds its election to have its public safety agencies served by the district, the department of local government finance shall reduce the maximum permissible ad valorem property tax levy of the district for property taxes first due and payable during the year after the adoption of the ordinance or resolution. The reduction shall be based on the amounts being levied by the district within that unit. If such an

ordinance or resolution is adopted, the unit shall refer its proposed budget, ad valorem property tax levy, and property tax rate for public safety communication services to the department of local government finance, which shall review and set the budget, levy, and rate as though the unit were covered by IC 6-1.1-18.5-7.

(f) The adjustments provided for in subsections (c), (d), and (e) do not apply to a district or unit located in a particular county if the county fiscal body of that county does not impose an ad valorem property tax levy under subsection (a) to fund the operation of the district.

(g) A county that has adopted an ordinance under section 1(3) of this chapter may not impose an ad valorem property tax levy on property within the district to fund the operation or implementation of the district.

SECTION 147. IC 36-8-19-7.5, AS ADDED BY P.L.182-2009(ss), SECTION 442, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 7.5. (a) This section applies to:

(1) ~~county adjusted gross income tax, county option income tax, and county economic development~~ **local** income tax distributions; and

(2) excise tax distributions;

made after December 31, 2009.

(b) For purposes of allocating any ~~county adjusted gross income tax, county option income tax, and county economic development~~ **local** income tax distributions or excise tax distributions that are distributed based on the amount of a taxing unit's property tax levies, each participating unit in a territory is considered to have imposed a part of the property tax levy imposed for the territory. The part of the property tax levy imposed for the territory for a particular year that shall be attributed to a participating unit is equal to the amount determined in the following STEPS:

STEP ONE: Determine the total amount of all property taxes imposed by the participating unit in the year before the year in which a property tax levy was first imposed for the territory.

STEP TWO: Determine the sum of the STEP ONE amounts for all participating units.

STEP THREE: Divide the STEP ONE result by the STEP TWO result.

STEP FOUR: Multiply the STEP THREE result by the property tax levy imposed for the territory for the particular year.

SECTION 148. IC 36-9-4-42, AS AMENDED BY P.L.137-2012, SECTION 123, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JANUARY 1, 2017]: Sec. 42. (a) A municipality or a public transportation corporation that expends money for the establishment or maintenance of an urban mass transportation system under this chapter may acquire the money for these expenditures:

(1) by issuing bonds under section 43 or 44 of this chapter;

(2) by borrowing money made available for such purposes by any source;

(3) by accepting grants or contributions made available for such purposes by any source;

(4) in the case of a municipality, by appropriation from the general fund of the municipality, or from a special fund that the municipal legislative body includes in the municipality's budget; or

(5) in the case of a public transportation corporation, by levying a tax under section 49 of this chapter or by recommending an election to use revenue from the ~~county option~~ **local** income ~~taxes,~~ **tax,** as provided in subsection (c).

(b) Money may be acquired under this section for the purpose of exercising any of the powers granted by or incidental to this chapter, including:

(1) studies under section 4, 9, or 11 of this chapter;

(2) grants in aid;

(3) the purchase of buses or real property by a municipality for lease to an urban mass transportation system, including the payment of any amount outstanding under a mortgage, contract of sale, or other security device that may attach to the buses or real property;

(4) the acquisition by a public transportation corporation of property of an urban mass transportation system, including the payment of any amount outstanding under a mortgage, contract of sale, or other security device that may attach to the property;

(5) the operation of an urban mass transportation system by a public transportation corporation, including the acquisition of additional property for such a system; and

(6) the retirement of bonds issued and outstanding under this chapter.

(c) This subsection applies only to a public transportation corporation located in a county having a consolidated city. In order to provide revenue to a public transportation corporation during a year, the public transportation corporation board may recommend and the county fiscal body may elect to provide revenue to the corporation from part of the certified distribution, if any, that the county is to receive

during that same year under ~~IC 6-3.5-6-17.~~ **IC 6-3.6-9.** To make the election, the county fiscal body must adopt an ordinance before November 1 of the preceding year. The county fiscal body must specify in the ordinance the amount of the certified distribution that is to be used to provide revenue to the corporation. If such an ordinance is adopted, the county fiscal body shall immediately send a copy of the ordinance to the county auditor.

SECTION 149. IC 36-9-14.5-6, AS AMENDED BY P.L.146-2008, SECTION 791, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 6. (a) ~~Except as provided in subsection (c),~~ The county fiscal body may provide money for the cumulative capital development fund by levying a tax in compliance with IC 6-1.1-41 on the taxable property in the county. **For purposes of this section, a county in which only the county economic development income tax (IC 6-3.5-7, repealed) was in effect on January 1, 2016, is considered a county in which the local income tax is not in effect unless the county increases, after 2015, the allocation of its local income tax revenue to property tax relief, public safety, or certified shares by an amount that is at least equal to the revenue raised from an income tax rate of twenty-five hundredths percent (0.25%).**

(b) The maximum property tax rate that may be imposed for property taxes first due and payable during a particular year in a county in which the ~~county option income tax or the county adjusted gross~~ **local** income tax is in effect on January 1 of that year, depends upon the number of years the county has previously imposed a tax under this chapter and is determined under the following table:

NUMBER OF YEARS	TAX RATE PER $100 OF ASSESSED VALUATION
0	$0.0167
1 or more	$0.0333

(c) The maximum property tax rate that may be imposed for property taxes first due and payable during a particular year in a county in which ~~neither the county option income tax nor the county adjusted gross~~ **the local** income tax is **not** in effect on January 1 of that year depends upon the number of years the county has previously imposed a tax under this chapter and is determined under the following table:

NUMBER OF YEARS	TAX RATE PER $100 OF ASSESSED VALUATION
0	$0.0133

1 or more	$0.0233

SECTION 150. IC 36-9-15.5-6, AS AMENDED BY P.L.146-2008, SECTION 792, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 6. (a) ~~Except as provided in subsection (c),~~ The municipal fiscal body may provide money for the cumulative capital development fund by levying a tax in compliance with IC 6-1.1-41 on the taxable property in the municipality. **For purposes of this section, a county in which only the county economic development income tax (IC 6-3.5-7, repealed) was in effect on January 1, 2016, is considered a county in which the local income tax is not in effect unless the county increases, after 2015, the allocation of its local income tax revenue to property tax relief, public safety, or certified shares by an amount that is at least equal to the revenue raised from an income tax rate of twenty-five hundredths percent (0.25%).**

(b) The maximum property tax rate that may be imposed for property taxes first due and payable during a particular year in a municipality that is either wholly or partially located in a county in which the ~~county option income tax or the county adjusted gross~~ **local** income tax is in effect on January 1 of that year depends upon the number of years the municipality has previously imposed a tax under this chapter and is determined under the following table:

NUMBER OF YEARS	TAX RATE PER $100 OF ASSESSED VALUATION
0	$0.0167
1	$0.0333
2 or more	$0.05

(c) The maximum property tax rate that may be imposed for property taxes first due and payable during a particular year in a municipality that is wholly located in a county in which ~~neither the county option income tax nor the county adjusted gross~~ **the local** income tax is **not** in effect on January 1 of that year depends upon the number of years the municipality has previously imposed a tax under this chapter and is determined under the following table:

NUMBER OF YEARS	TAX RATE PER $100 OF ASSESSED VALUATION
0	$0.0133
1	$0.0267
2 or more	$0.04

SECTION 151. IC 36-9-31-3 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 3. In order to provide for the collection and disposal of waste in the consolidated city and for the management, operation, acquisition, and financing of facilities for waste disposal, the board may exercise the following powers on behalf of the city, in addition to the powers specifically set forth elsewhere in this chapter:

(1) To sue and be sued.

(2) To exercise the power of eminent domain as provided in IC 32-24 within the corporate boundaries of the city; however, the power of eminent domain may not be exercised to acquire the property of any public utility used for the production or distribution of energy.

(3) To provide for the collection of waste accumulated within the service district and to provide for disposal of waste accumulated within the waste disposal district, including contracting with persons for collection, disposal, or waste storage, and the recovery of byproducts from waste, and granting these persons the right to collect and dispose of any such wastes and store and recover byproducts from them.

(4) To plan, design, construct, finance, manage, own, lease, operate, and maintain facilities for waste disposal.

(5) To enter into all contracts or agreements necessary or incidental to the collection, disposal, or recovery of byproducts from waste, such as put or pay contracts, contracts and agreements for the design, construction, operation, financing, ownership, or maintenance of facilities or the processing or disposal of waste or the sale or other disposition of any products generated by a facility. Notwithstanding any other statute, any such contract or agreement may be for a period not to exceed forty (40) years.

(6) To enter into agreements for the leasing of facilities in accordance with IC 36-1-10. ~~however, any such agreement having an original term of five (5) or more years is subject to approval by the department of local government finance under IC 6-3.5. Such an agreement may be executed before approval, but if the department of local government finance does not approve the agreement, it is void.~~

(7) To purchase, lease, or otherwise acquire real or personal property.

(8) To contract for architectural, engineering, legal, or other professional services.

(9) To exclusively control, within the city, the collection,

transportation, storage, and disposal of waste and, subject to the provisions of sections 6 and 8 of this chapter, to fix fees in connection with these matters.
(10) To determine exclusively the location and character of any facility, subject to local zoning ordinances and environmental management laws (as defined in IC 13-11-2-71).
(11) To sell or lease to any person any facility or part of it.
(12) To make and contract for plans, surveys, studies, and investigations.
(13) To enter upon property to make surveys, soundings, borings, and examinations.
(14) To accept gifts, grants, or loans of money, other property, or services from any source, public or private, and to comply with their terms.
(15) To issue from time to time waste disposal district bonds to finance the cost of facilities as provided in section 9 of this chapter.
(16) To issue from time to time revenue bonds to finance the cost of facilities as provided in section 10 of this chapter.
(17) To issue from time to time waste disposal development bonds to finance the cost of facilities as provided in section 11 of this chapter.
(18) To issue from time to time notes in anticipation of grants or in anticipation of the issuance of bonds to finance the cost of facilities as provided in section 13 of this chapter.
(19) To establish fees for the collection and disposal of waste, subject to the provisions of sections 6 and 8 of this chapter.
(20) To levy a tax within the service district to pay costs of operation in connection with waste collection, waste disposal, mowing services, and animal control, subject to regular budget and tax levy procedures. For purposes of this subdivision, "mowing services" refers only to mowing services for rights-of-way or on vacant property.
(21) To levy a tax within the waste disposal district to pay costs of operation in connection with waste disposal, subject to regular budget and tax levy procedures.
(22) To borrow in anticipation of taxes.
(23) To employ staff engineers, clerks, secretaries, and other employees in accordance with an approved budget.
(24) To issue requests for proposals and requests for qualifications as provided in section 4 of this chapter.
(25) To require all persons located within the service district or

waste disposal district to deposit waste at sites designated by the board.

(26) To otherwise do all things necessary for the collection and disposal of waste and the recovery of byproducts from it.

SECTION 152. IC 36-9-31-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 6. ~~For purposes of IC 6-3.5-1.1,~~ The service district and the waste disposal district ~~constitute civil taxing units, and they~~ may impose ad valorem property tax levies for the purpose of paying for waste collection, or waste disposal. However, notwithstanding any other provision of this chapter, if a property tax is levied for waste collection, a user fee may not also be charged for waste collection or animal control.

SECTION 153. IC 36-10-10-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 12. A lease under this chapter must provide for the payment of the lease rental by the city from the levy of taxes against the real and personal property located within the city. ~~The lease is subject to approval by the department of local government finance under IC 6-3.5. The lease may be executed before approval; however, if the department of local government finance does not approve the lease, it is void.~~

SECTION 154. IC 36-10-11-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017]: Sec. 16. (a) The lease shall be executed on behalf of the governmental entity by an officer authorized by law to execute contracts for the entity and on behalf of the authority by both the president or vice president of the board and the secretary of the board of directors.

(b) Notice of the execution of the lease shall be given by the governmental entity by publication as provided in IC 5-3-1.

(c) A lease may not be executed with annual lease rental exceeding an aggregate of two hundred seventy-five thousand dollars ($275,000) unless the fiscal body of the lessee governmental entity finds that the estimated annual net income to the lessee governmental entity from the civic center, plus any other nonproperty tax funds made available annually for the payment of the lease rental, will not be less than the amount of the excess.

~~(d) The lease is subject to approval by the department of local government finance under IC 6-3.5. The lease may be executed before approval; however, if the department of local government finance does not approve the lease, it is void. The department of local government finance may not approve the lease under IC 6-3.5-1.1-8 unless it finds that the condition prescribed in subsection (c) is satisfied.~~

~~(e)~~ **(d)** All net revenues of the leased building, together with any

other funds made available for the payment of lease rental, shall be transferred at least annually by the lessee to a fund for payment of lease rental.

SECTION 155. **An emergency is declared for this act.**

Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____