

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: All School Corporations
FROM: Micah G. Vincent, Commissioner *MGV*
RE: School Referendum Distributions
DATE: June 18, 2013

On May 11, 2013, Governor Mike Pence signed into law Senate Enrolled Act 517 ("SEA 517"). Sections 19 and 39 of SEA 517, effective July 1, 2013, add subsection (d) to IC 6-1.1-20-12 and IC 20-46-1-10.5, respectively. These new subsections specify that, for school corporation referendums conducted after November 1, 2009 and before May 1, 2010, the school corporation must receive property tax proceeds collected within an allocation area that are attributable to property taxes imposed after being approved in the referendum. The amount to be distributed to the school corporation must be treated as part of the referendum levy for the purposes of setting the school corporation's tax rates. This means the assessed valuation used to set the referendum fund levy for the identified referendums will include incremental assessed valuation from the allocation areas. This is similar to how successful referendums after April 30, 2010 are currently handled. Please note, this memorandum is intended to be an informative bulletin, not a substitute for reading the law.

Questions may be directed to Staff Attorney Mike Duffy at (317) 233-9219 or mduffy@dlgf.in.gov.