
STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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Certification of Local Option Income Tax – Budget Year 2010 Carroll County

Operating (Levy Freeze) LOIT

The Operating (Levy Freeze) LOIT effectively freezes the maximum property tax levies for an adopting county's civil units of government and replaces the annual maximum levy growth with income tax (LOIT) proceeds. This rate is capped at 1% and is annually recertified for each county by the Department of Local Government Finance

Please Note: Indiana Code 6-3.5-1.1-24, subsection (h) dictates that once adopted, a rate for Operating (Levy Freeze) LOIT is permanent: "Notwithstanding sections 3.1 and 4 of this chapter, a county council may not decrease or rescind a tax rate imposed under this chapter". Also, once a rate is adopted for the Operating (Levy Freeze) LOIT, property tax maximum permissible levies are frozen as of the year of adoption and cannot grow annually as they normally would.

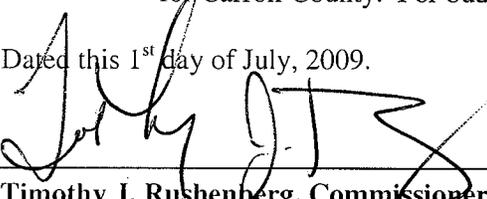
Indiana Code 6-3.5-1.1-24 requires the Department of Local Government Finance and the Department of Revenue to certify the rate that must be imposed in a county to raise tax revenues as specified. Therefore, the Department of Local Government Finance and the Department of Revenue certify the following rate for Carroll County:

2010 Rate for Levy Freeze*:

0.18000%

*When the Levy Freeze rate is first adopted, under Indiana Code 6-3.5-1.5-1, subsection (b), the initial Levy Freeze rate is calculated for two years. This is the second year at this rate for Carroll County. For budget year 2011, a new Levy Freeze rate will be certified.

Dated this 1st day of July, 2009.



Timothy J. Rushenberg, Commissioner
Department of Local Government Finance

Other LOIT Options

Property Tax Relief LOIT

Indiana Code 6-3.5-1.1-26 also allows a county to adopt an additional CAGIT to:

1. Provide local property tax replacement credits to all property;
2. Provide or increase the homestead credit percentage uniformly; or
3. Provide local property tax replacement credits to qualified residential property.

This additional CAGIT can be raised in increments of 0.05% up to a maximum of 1.00%.

Public Safety LOIT

Indiana Code 6-3.5-1.1-25 also allows a county to adopt an additional CAGIT for Public Safety. In order to adopt this additional CAGIT, a county must have adopted a 0.25% rate for the additional CAGIT for Operating (Levy Freeze), the CAGIT for Property Tax Relief, or a combination of both. The Public Safety CAGIT rate can be adopted up to a maximum of 0.25%.