

ENGROSSED SENATE BILL No. 296

DIGEST OF SB 296 (Updated February 18, 1998 4:16 pm - DI 92)

Citations Affected: IC 4-33; IC 6-1.1; IC 36-1; noncode.

Synopsis: Riverboat revenues. Local funds for deposit of riverboat revenues. Legalizes funds established by local units of government before July 1, 1997, to receive riverboat tax revenues if those funds meet the requirements for a riverboat fund under IC 36-1-8-9. Allows units of local government that receive riverboat revenue to use the money to reduce the unit's actual property tax levy.

Effective: Upon passage.

Rogers, Borst

(HOUSE SPONSORS — HARRIS, FESKO)

January 8, 1998, read first time and referred to Committee on Finance.
January 15, 1998, reported favorably — Do Pass.
January 20, 1998, read second time, ordered engrossed.
January 21, 1998, engrossed.
January 22, 1998, read third time, passed. Yeas 48, nays 0.

HOUSE ACTION

January 29, 1998, read first time and referred to Committee on Ways and Means.
February 16, 1998, reported — Do Pass.
February 18, 1998, read second time, amended, ordered engrossed.

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Reprinted
February 19, 1998

Second Regular Session 110th General Assembly (1998)

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 1997 General Assembly.

ENGROSSED SENATE BILL No. 296

A BILL FOR AN ACT concerning local government.

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

- 1 SECTION 1. IC 4-33-12-6, AS AMENDED BY P.L.90-1997,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 1998]: Sec. 6. (a) The department shall place in the state
4 general fund the tax revenue collected under this chapter.
5 (b) Except as provided by subsection (c), the treasurer of state shall
6 quarterly pay the following amounts:
7 (1) One dollar (\$1) of the admissions tax collected by the licensed
8 owner for each person embarking on a riverboat during the
9 quarter shall be paid to:
10 (A) the city in which the riverboat is docked, if the city:
11 (i) is described in IC 4-33-6-1(a)(1) through
12 IC 4-33-6-1(a)(4) or in IC 4-33-6-1(b); or
13 (ii) is contiguous to the Ohio River and is the largest city in
14 the county; and
15 (B) the county in which the riverboat is docked, if the
16 riverboat is not docked in a city described in clause (A).
17 (2) One dollar (\$1) of the admissions tax collected by the licensed

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1 owner for each person embarking on a riverboat during the
 2 quarter shall be paid to the county in which the riverboat is
 3 docked. In the case of a county described in subdivision (1)(B),
 4 this one dollar (\$1) is in addition to the one dollar (\$1) received
 5 under subdivision (1)(B).

6 (3) Ten cents (\$0.10) of the admissions tax collected by the
 7 licensed owner for each person embarking on a riverboat during
 8 the quarter shall be paid to the county convention and visitors
 9 bureau or promotion fund for the county in which the riverboat is
 10 docked.

11 (4) Fifteen cents (\$0.15) of the admissions tax collected by the
 12 licensed owner for each person embarking on a riverboat during
 13 a quarter shall be paid to the state fair commission, for use in any
 14 activity that the commission is authorized to carry out under
 15 IC 15-1.5-3.

16 (5) Ten cents (\$0.10) of the admissions tax collected by the
 17 licensed owner for each person embarking on a riverboat during
 18 the quarter shall be paid to the division of mental health. The
 19 division shall allocate at least twenty-five percent (25%) of the
 20 funds derived from the admissions tax to the prevention and
 21 treatment of compulsive gambling.

22 (6) Sixty-five cents (\$0.65) of the admissions tax collected by the
 23 licensed owner for each person embarking on a riverboat during
 24 the quarter shall be paid to the Indiana horse racing commission
 25 to be distributed as follows, in amounts determined by the Indiana
 26 horse racing commission, for the promotion and operation of
 27 horse racing in Indiana:

28 (A) To one (1) or more breed development funds established
 29 by the Indiana horse racing commission under IC 4-31-11-10.

30 (B) To a racetrack that was approved by the Indiana horse
 31 racing commission under IC 4-31. The commission may make
 32 a grant under this clause only for purses, promotions, and
 33 routine operations of the racetrack. No grants shall be made
 34 for long term capital investment or construction and no grants
 35 shall be made before the racetrack becomes operational and is
 36 offering a racing schedule.

37 (c) With respect to tax revenue collected from a riverboat that
 38 operates on Patoka Lake, the treasurer of state shall quarterly pay the
 39 following amounts:

40 (1) The counties described in IC 4-33-1-1(3) shall receive one
 41 dollar (\$1) of the admissions tax collected for each person
 42 embarking on the riverboat during the quarter. This amount shall

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- 1 be divided equally among the counties described in
 2 IC 4-33-1-1(3).
- 3 (2) The Patoka Lake development account established under
 4 IC 4-33-15 shall receive one dollar (\$1) of the admissions tax
 5 collected for each person embarking on the riverboat during the
 6 quarter.
- 7 (3) The resource conservation and development program that:
 8 (A) is established under 16 U.S.C. 3451 et seq.; and
 9 (B) serves the Patoka Lake area;
 10 shall receive forty cents (\$0.40) of the admissions tax collected
 11 for each person embarking on the riverboat during the quarter.
- 12 (4) The state general fund shall receive fifty cents (\$0.50) of the
 13 admissions tax collected for each person embarking on the
 14 riverboat during the quarter.
- 15 (5) The division of mental health shall receive ten cents (\$0.10)
 16 of the admissions tax collected for each person embarking on the
 17 riverboat during the quarter. The division shall allocate at least
 18 twenty-five percent (25%) of the funds derived from the
 19 admissions tax to the prevention and treatment of compulsive
 20 gambling.
- 21 (d) Money paid to a unit of local government under subsection
 22 (b)(1) through (b)(2) or subsection (c)(1):
 23 (1) must be paid to the fiscal officer of the unit and may be
 24 deposited in the unit's general fund or riverboat fund established
 25 under IC 36-1-8-9, or both;
 26 (2) may not be used **by the local government tax control board**
 27 **or the state board of tax commissioners** to reduce the unit's
 28 maximum or actual levy under IC 6-1.1-18.5; and
 29 (3) may be used for any legal or corporate purpose of the unit,
 30 including the pledge of money to bonds, leases, or other
 31 obligations under IC 5-1-14-4.
- 32 (e) **Money paid to a unit of local government under subsection**
 33 **(b)(1) through (b)(2) or subsection (c)(1) may be used to reduce the**
 34 **unit's actual levy if the unit's fiscal body adopts a resolution**
 35 **appropriating the money for property tax relief.**
- 36 (f) Money paid by the treasurer of state under subsection (b)(3)
 37 shall be:
 38 (1) deposited in:
 39 (A) the county convention and visitor promotion fund; or
 40 (B) the county's general fund if the county does not have a
 41 convention and visitor promotion fund; and
 42 (2) used only for the tourism promotion, advertising, and



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1 economic development activities of the county and community.

2 ~~(f)~~ (g) Money received by the division of mental health under
3 subsections (b)(5) and (c)(5):

4 (1) is annually appropriated to the division of mental health;

5 (2) shall be distributed to the division of mental health at times
6 during each state fiscal year determined by the budget agency;
7 and

8 (3) shall be used by the division of mental health for programs
9 and facilities for the prevention and treatment of addictions to
10 drugs, alcohol, and compulsive gambling, including the creation
11 and maintenance of a toll free telephone line to provide the public
12 with information about these addictions. The division shall
13 allocate at least twenty-five percent (25%) of the money received
14 to the prevention and treatment of compulsive gambling.

15 SECTION 2. IC 4-33-13-6, AS AMENDED BY P.L.90-1997,
16 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 1998]: Sec. 6. (a) Money paid to a unit of local government
18 under this chapter:

19 (1) must be paid to the fiscal officer of the unit and may be
20 deposited in the unit's general fund or riverboat fund established
21 under IC 36-1-8-9, or both;

22 (2) may not be used **by the local government tax control board**
23 **or the state board of tax commissioners** to reduce the unit's
24 maximum or actual levy under IC 6-1.1-18.5; and

25 (3) may be used for any legal or corporate purpose of the unit,
26 including the pledge of money to bonds, leases, or other
27 obligations under IC 5-1-14-4.

28 **(b) Money paid to a unit of local government under this chapter**
29 **may be used to reduce the unit's actual levy if the unit's fiscal body**
30 **adopts a resolution appropriating the money for property tax**
31 **relief.**

32 ~~(b)~~ (c) This chapter does not prohibit the city or county designated
33 as the home dock of the riverboat from entering into agreements with
34 other units of local government in Indiana or in other states to share the
35 city's or county's part of the tax revenue received under this chapter.

36 SECTION 3. IC 6-1.1-21-2, AS AMENDED BY P.L.253-1997(ss),
37 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 1998]: Sec. 2. As used in this chapter:

39 (a) "Taxpayer" means a person who is liable for taxes on property
40 assessed under this article.

41 (b) "Taxes" means taxes payable in respect to property assessed
42 under this article. The term does not include special assessments,

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1 penalties, or interest, but does include any special charges which a
 2 county treasurer combines with all other taxes in the preparation and
 3 delivery of the tax statements required under IC 6-1.1-22-8(a).

4 (c) "Department" means the department of state revenue.

5 (d) "Auditor's abstract" means the annual report prepared by each
 6 county auditor which under IC 6-1.1-22-5, is to be filed on or before
 7 March 1 of each year with the auditor of state.

8 (e) "Mobile home assessments" means the assessments of mobile
 9 homes made under IC 6-1.1-7.

10 (f) "Postabstract adjustments" means adjustments in taxes made
 11 subsequent to the filing of an auditor's abstract which change
 12 assessments therein or add assessments of omitted property affecting
 13 taxes for such assessment year.

14 (g) "Total county tax levy" means the sum of:

15 (1) the remainder of:

16 (A) the aggregate levy of all taxes for all taxing units in a
 17 county which are to be paid in the county for a stated
 18 assessment year as reflected by the auditor's abstract for the
 19 assessment year, adjusted, however, for any postabstract
 20 adjustments which change the amount of the aggregate levy;
 21 minus

22 (B) the sum of any increases in property tax levies of taxing
 23 units of the county that result from appeals described in:

24 (i) IC 6-1.1-18.5-13(5) and IC 6-1.1-18.5-13(6) filed after
 25 December 31, 1982; plus

26 (ii) the sum of any increases in property tax levies of taxing
 27 units of the county that result from any other appeals
 28 described in IC 6-1.1-18.5-13 filed after December 31,
 29 1983; plus

30 (iii) IC 6-1.1-18.6-3 (children in need of services and
 31 delinquent children who are wards of the county); minus

32 (C) the total amount of property taxes imposed for the stated
 33 assessment year by the taxing units of the county under the
 34 authority of IC 12-1-11.5 (repealed), IC 12-2-4.5 (repealed),
 35 IC 12-19-5, or IC 12-20-24; minus

36 (D) the total amount of property taxes to be paid during the
 37 stated assessment year that will be used to pay for interest or
 38 principal due on debt that:

39 (i) is entered into after December 31, 1983;

40 (ii) is not debt that is issued under IC 5-1-5 to refund debt
 41 incurred before January 1, 1984; and

42 (iii) does not constitute debt entered into for the purpose of

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- 1 building, repairing, or altering school buildings for which
 2 the requirements of IC 20-5-52 were satisfied prior to
 3 January 1, 1984; minus
 4 (E) the amount of property taxes imposed in the county for the
 5 stated assessment year under the authority of IC 21-2-6 or any
 6 citation listed in IC 6-1.1-18.5-9.8 for a cumulative building
 7 fund whose property tax rate was initially established or
 8 reestablished for a stated assessment year that succeeds the
 9 1983 stated assessment year; minus
 10 (F) the remainder of:
 11 (i) the total property taxes imposed in the county for the
 12 stated assessment year under authority of IC 21-2-6 or any
 13 citation listed in IC 6-1.1-18.5-9.8 for a cumulative building
 14 fund whose property tax rate was not initially established or
 15 reestablished for a stated assessment year that succeeds the
 16 1983 stated assessment year; minus
 17 (ii) the total property taxes imposed in the county for the
 18 1984 stated assessment year under the authority of IC 21-2-6
 19 or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative
 20 building fund whose property tax rate was not initially
 21 established or reestablished for a stated assessment year that
 22 succeeds the 1983 stated assessment year; minus
 23 (G) the amount of property taxes imposed in the county for the
 24 stated assessment year under:
 25 (i) IC 21-2-15 for a capital projects fund; plus
 26 (ii) IC 6-1.1-19-10 for a racial balance fund; plus
 27 (iii) IC 20-14-13 for a library capital projects fund; plus
 28 (iv) IC 20-5-17.5-3 for an art association fund; plus
 29 (v) IC 21-2-17 for a special education preschool fund; plus
 30 (vi) an appeal filed under IC 6-1.1-19-5.1 for an increase in
 31 a school corporation's maximum permissible general fund
 32 levy for certain transfer tuition costs; plus
 33 (vii) an appeal filed under IC 6-1.1-19-5.4 for an increase in
 34 a school corporation's maximum permissible general fund
 35 levy for transportation operating costs; minus
 36 (H) the amount of property taxes imposed by a school
 37 corporation that is attributable to the passage, after 1983, of a
 38 referendum for an excessive tax levy under IC 6-1.1-19,
 39 including any increases in these property taxes that are
 40 attributable to the adjustment set forth in IC 6-1.1-19-1.5(a)
 41 STEP ONE or any other law; minus
 42 (I) for each township in the county, the lesser of:

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- 1 (i) the sum of the amount determined in IC 6-1.1-18.5-19(a)
 2 STEP THREE or IC 6-1.1-18.5-19(b) STEP THREE,
 3 whichever is applicable, plus the part, if any, of the
 4 township's ad valorem property tax levy for calendar year
 5 1989 that represents increases in that levy that resulted from
 6 an appeal described in IC 6-1.1-18.5-13(5) filed after
 7 December 31, 1982; or
 8 (ii) the amount of property taxes imposed in the township for
 9 the stated assessment year under the authority of
 10 IC 36-8-13-4; minus
 11 (J) for each participating unit in a fire protection territory
 12 established under IC 36-8-19-1, the amount of property taxes
 13 levied by each participating unit under IC 36-8-19-8 and
 14 IC 36-8-19-8.5 less the maximum levy limit for each of the
 15 participating units that would have otherwise been available
 16 for fire protection services under IC 6-1.1-18.5-3 and
 17 IC 6-1.1-18.5-19 for that same year; minus
 18 (K) for each county, the sum of:
 19 (i) the amount of property taxes imposed in the county for
 20 the repayment of loans under IC 12-19-5-6 that is included
 21 in the amount determined under IC 12-19-7-4(a) STEP
 22 SEVEN for property taxes payable in 1995, or for property
 23 taxes payable in each year after 1995, the amount
 24 determined under IC 12-19-7-4(b); and
 25 (ii) the amount of property taxes imposed in the county
 26 attributable to appeals granted under IC 6-1.1-18.6-3 that is
 27 included in the amount determined under IC 12-19-7-4(a)
 28 STEP SEVEN for property taxes payable in 1995, or the
 29 amount determined under IC 12-19-7-4(b) for property taxes
 30 payable in each year after 1995; plus
 31 (2) all taxes to be paid in the county in respect to mobile home
 32 assessments currently assessed for the year in which the taxes
 33 stated in the abstract are to be paid; plus
 34 (3) the amounts, if any, of county adjusted gross income taxes that
 35 were applied by the taxing units in the county as property tax
 36 replacement credits to reduce the individual levies of the taxing
 37 units for the assessment year, as provided in IC 6-3.5-1.1; plus
 38 **(4) the amounts, if any, of tax revenue received under**
 39 **IC 4-33-12-6 or IC 4-33-13 that were used by the taxing units**
 40 **in the county to reduce the individual levies of the taxing units**
 41 **for the assessment year; plus**
 42 **(+) (5) the amounts, if any, by which the maximum permissible ad**

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1 valorem property tax levies of the taxing units of the county were
 2 reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated
 3 assessment year; plus

4 ~~(5)~~ **(6)** the difference between:

5 (A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR;
 6 minus

7 (B) the amount the civil taxing units' levies were increased
 8 because of the reduction in the civil taxing units' base year
 9 certified shares under IC 6-1.1-18.5-3(e).

10 (h) "December settlement sheet" means the certificate of settlement
 11 filed by the county auditor with the auditor of state, as required under
 12 IC 6-1.1-27-3.

13 (i) "Tax duplicate" means the roll of property taxes which each
 14 county auditor is required to prepare on or before March 1 of each year
 15 under IC 6-1.1-22-3.

16 SECTION 4. IC 36-1-8-9, AS ADDED BY P.L.90-1997, SECTION
 17 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
 18 1998]: Sec. 9. (a) Each unit that receives tax revenue under
 19 IC 4-33-12-6, IC 4-33-13, or an agreement to share a city's or county's
 20 part of the tax revenue may establish a riverboat fund. Money in the
 21 fund may be used for any legal or corporate purpose of the unit.

22 **(b) A unit that receives tax revenue under IC 4-33-12-6 or**
 23 **IC 4-33-13 may use money in the fund to reduce the unit's actual**
 24 **levy if the unit's fiscal body adopts a resolution appropriating the**
 25 **money for property tax relief.**

26 ~~(b)~~ **(c)** The riverboat fund established under subsection (a) shall be
 27 administered by the unit's treasurer, and the expenses of administering
 28 the fund shall be paid from money in the fund. Money in the fund not
 29 currently needed to meet the obligations of the fund may be invested
 30 in the same manner as other public funds may be invested. Interest that
 31 accrues from these investments shall be deposited in the fund. Money
 32 in the fund at the end of a particular fiscal year does not revert to the
 33 unit's general fund.

34 SECTION 5. [EFFECTIVE UPON PASSAGE] **(a) As used in this**
 35 **SECTION, "unit" has the meaning set forth in IC 36-1-2-23.**

36 **(b) A fund that:**

37 **(1) was established by a unit before July 1, 1997; and**

38 **(2) would have been considered a riverboat fund for purposes**
 39 **of IC 36-1-8-9 if IC 36-1-8-9 had been in effect before July 1,**
 40 **1997;**

41 **is legalized and validated.**

42 **(c) A fund described in subsection (b) is considered a riverboat**



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1 **fund for purposes of IC 36-1-8-9.**
2 **SECTION 6. An emergency is declared for this act.**

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SENATE MOTION

Mr. President: I move that Senator Borst be added as second author of Senate Bill 296.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Finance, to which was referred Senate Bill 296, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 296 as introduced.)

BORST, Chairperson

Committee Vote: Yeas 15, Nays 0.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 296, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

BAUER, Chair

Committee Vote: yeas 24, nays 0.

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HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 296 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-33-12-6, AS AMENDED BY P.L.90-1997, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsection (c), the treasurer of state shall quarterly pay the following amounts:

(1) One dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

(i) is described in IC 4-33-6-1(a)(1) through IC 4-33-6-1(a)(4) or in IC 4-33-6-1(b); or

(ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) One dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during a quarter shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the division of mental health. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and

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treatment of compulsive gambling.

(6) Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(c) With respect to tax revenue collected from a riverboat that operates on Patoka Lake, the treasurer of state shall quarterly pay the following amounts:

(1) The counties described in IC 4-33-1-1(3) shall receive one dollar (\$1) of the admissions tax collected for each person embarking on the riverboat during the quarter. This amount shall be divided equally among the counties described in IC 4-33-1-1(3).

(2) The Patoka Lake development account established under IC 4-33-15 shall receive one dollar (\$1) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(3) The resource conservation and development program that:

(A) is established under 16 U.S.C. 3451 et seq.; and

(B) serves the Patoka Lake area;

shall receive forty cents (\$0.40) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(4) The state general fund shall receive fifty cents (\$0.50) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(5) The division of mental health shall receive ten cents (\$0.10) of the admissions tax collected for each person embarking on the riverboat during the quarter. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

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(d) Money paid to a unit of local government under subsection (b)(1) through (b)(2) or subsection (c)(1):

- (1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;
- (2) may not be used **by the local government tax control board or the state board of tax commissioners** to reduce the unit's maximum or actual levy under IC 6-1.1-18.5; and
- (3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4.

(e) Money paid to a unit of local government under subsection (b)(1) through (b)(2) or subsection (c)(1) may be used to reduce the unit's actual levy if the unit's fiscal body adopts a resolution appropriating the money for property tax relief.

~~(e)~~ (f) Money paid by the treasurer of state under subsection (b)(3) shall be:

- (1) deposited in:
 - (A) the county convention and visitor promotion fund; or
 - (B) the county's general fund if the county does not have a convention and visitor promotion fund; and
- (2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

~~(f)~~ (g) Money received by the division of mental health under subsections (b)(5) and (c)(5):

- (1) is annually appropriated to the division of mental health;
- (2) shall be distributed to the division of mental health at times during each state fiscal year determined by the budget agency; and
- (3) shall be used by the division of mental health for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

SECTION 2. IC 4-33-13-6, AS AMENDED BY P.L.90-1997, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 6. (a) Money paid to a unit of local government under this chapter:

- (1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established

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under IC 36-1-8-9, or both;

(2) may not be used **by the local government tax control board or the state board of tax commissioners** to reduce the unit's maximum or actual levy under IC 6-1.1-18.5; and

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4.

(b) Money paid to a unit of local government under this chapter may be used to reduce the unit's actual levy if the unit's fiscal body adopts a resolution appropriating the money for property tax relief.

~~(b)~~ (c) This chapter does not prohibit the city or county designated as the home dock of the riverboat from entering into agreements with other units of local government in Indiana or in other states to share the city's or county's part of the tax revenue received under this chapter.

SECTION 3. IC 6-1.1-21-2, AS AMENDED BY P.L.253-1997(ss), SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 2. As used in this chapter:

(a) "Taxpayer" means a person who is liable for taxes on property assessed under this article.

(b) "Taxes" means taxes payable in respect to property assessed under this article. The term does not include special assessments, penalties, or interest, but does include any special charges which a county treasurer combines with all other taxes in the preparation and delivery of the tax statements required under IC 6-1.1-22-8(a).

(c) "Department" means the department of state revenue.

(d) "Auditor's abstract" means the annual report prepared by each county auditor which under IC 6-1.1-22-5, is to be filed on or before March 1 of each year with the auditor of state.

(e) "Mobile home assessments" means the assessments of mobile homes made under IC 6-1.1-7.

(f) "Postabstract adjustments" means adjustments in taxes made subsequent to the filing of an auditor's abstract which change assessments therein or add assessments of omitted property affecting taxes for such assessment year.

(g) "Total county tax levy" means the sum of:

(1) the remainder of:

(A) the aggregate levy of all taxes for all taxing units in a county which are to be paid in the county for a stated assessment year as reflected by the auditor's abstract for the assessment year, adjusted, however, for any postabstract adjustments which change the amount of the aggregate levy;

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minus

(B) the sum of any increases in property tax levies of taxing units of the county that result from appeals described in:

(i) IC 6-1.1-18.5-13(5) and IC 6-1.1-18.5-13(6) filed after December 31, 1982; plus

(ii) the sum of any increases in property tax levies of taxing units of the county that result from any other appeals described in IC 6-1.1-18.5-13 filed after December 31, 1983; plus

(iii) IC 6-1.1-18.6-3 (children in need of services and delinquent children who are wards of the county); minus

(C) the total amount of property taxes imposed for the stated assessment year by the taxing units of the county under the authority of IC 12-1-11.5 (repealed), IC 12-2-4.5 (repealed), IC 12-19-5, or IC 12-20-24; minus

(D) the total amount of property taxes to be paid during the stated assessment year that will be used to pay for interest or principal due on debt that:

(i) is entered into after December 31, 1983;

(ii) is not debt that is issued under IC 5-1-5 to refund debt incurred before January 1, 1984; and

(iii) does not constitute debt entered into for the purpose of building, repairing, or altering school buildings for which the requirements of IC 20-5-52 were satisfied prior to January 1, 1984; minus

(E) the amount of property taxes imposed in the county for the stated assessment year under the authority of IC 21-2-6 or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(F) the remainder of:

(i) the total property taxes imposed in the county for the stated assessment year under authority of IC 21-2-6 or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(ii) the total property taxes imposed in the county for the 1984 stated assessment year under the authority of IC 21-2-6 or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially

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- established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus
- (G) the amount of property taxes imposed in the county for the stated assessment year under:
- (i) IC 21-2-15 for a capital projects fund; plus
 - (ii) IC 6-1.1-19-10 for a racial balance fund; plus
 - (iii) IC 20-14-13 for a library capital projects fund; plus
 - (iv) IC 20-5-17.5-3 for an art association fund; plus
 - (v) IC 21-2-17 for a special education preschool fund; plus
 - (vi) an appeal filed under IC 6-1.1-19-5.1 for an increase in a school corporation's maximum permissible general fund levy for certain transfer tuition costs; plus
 - (vii) an appeal filed under IC 6-1.1-19-5.4 for an increase in a school corporation's maximum permissible general fund levy for transportation operating costs; minus
- (H) the amount of property taxes imposed by a school corporation that is attributable to the passage, after 1983, of a referendum for an excessive tax levy under IC 6-1.1-19, including any increases in these property taxes that are attributable to the adjustment set forth in IC 6-1.1-19-1.5(a) STEP ONE or any other law; minus
- (I) for each township in the county, the lesser of:
- (i) the sum of the amount determined in IC 6-1.1-18.5-19(a) STEP THREE or IC 6-1.1-18.5-19(b) STEP THREE, whichever is applicable, plus the part, if any, of the township's ad valorem property tax levy for calendar year 1989 that represents increases in that levy that resulted from an appeal described in IC 6-1.1-18.5-13(5) filed after December 31, 1982; or
 - (ii) the amount of property taxes imposed in the township for the stated assessment year under the authority of IC 36-8-13-4; minus
- (J) for each participating unit in a fire protection territory established under IC 36-8-19-1, the amount of property taxes levied by each participating unit under IC 36-8-19-8 and IC 36-8-19-8.5 less the maximum levy limit for each of the participating units that would have otherwise been available for fire protection services under IC 6-1.1-18.5-3 and IC 6-1.1-18.5-19 for that same year; minus
- (K) for each county, the sum of:
- (i) the amount of property taxes imposed in the county for the repayment of loans under IC 12-19-5-6 that is included

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in the amount determined under IC 12-19-7-4(a) STEP SEVEN for property taxes payable in 1995, or for property taxes payable in each year after 1995, the amount determined under IC 12-19-7-4(b); and

(ii) the amount of property taxes imposed in the county attributable to appeals granted under IC 6-1.1-18.6-3 that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN for property taxes payable in 1995, or the amount determined under IC 12-19-7-4(b) for property taxes payable in each year after 1995; plus

(2) all taxes to be paid in the county in respect to mobile home assessments currently assessed for the year in which the taxes stated in the abstract are to be paid; plus

(3) the amounts, if any, of county adjusted gross income taxes that were applied by the taxing units in the county as property tax replacement credits to reduce the individual levies of the taxing units for the assessment year, as provided in IC 6-3.5-1.1; plus

(4) the amounts, if any, of tax revenue received under IC 4-33-12-6 or IC 4-33-13 that were used by the taxing units in the county to reduce the individual levies of the taxing units for the assessment year; plus

~~(4)~~ (5) the amounts, if any, by which the maximum permissible ad valorem property tax levies of the taxing units of the county were reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated assessment year; plus

~~(5)~~ (6) the difference between:

(A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR; minus

(B) the amount the civil taxing units' levies were increased because of the reduction in the civil taxing units' base year certified shares under IC 6-1.1-18.5-3(e).

(h) "December settlement sheet" means the certificate of settlement filed by the county auditor with the auditor of state, as required under IC 6-1.1-27-3.

(i) "Tax duplicate" means the roll of property taxes which each county auditor is required to prepare on or before March 1 of each year under IC 6-1.1-22-3.

SECTION 4. IC 36-1-8-9, AS ADDED BY P.L.90-1997, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 9. (a) Each unit that receives tax revenue under IC 4-33-12-6, IC 4-33-13, or an agreement to share a city's or county's part of the tax revenue may establish a riverboat fund. Money in the



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fund may be used for any legal or corporate purpose of the unit.

(b) A unit that receives tax revenue under IC 4-33-12-6 or IC 4-33-13 may use money in the fund to reduce the unit's actual levy if the unit's fiscal body adopts a resolution appropriating the money for property tax relief.

~~(b)~~ (c) The riverboat fund established under subsection (a) shall be administered by the unit's treasurer, and the expenses of administering the fund shall be paid from money in the fund. Money in the fund not currently needed to meet the obligations of the fund may be invested in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund. Money in the fund at the end of a particular fiscal year does not revert to the unit's general fund."

Renumber all SECTIONS consecutively.

(Reference is to Engrossed Senate Bill 296 as printed February 16, 1998.)

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