

HOUSE BILL No. 1080

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-19-12.

Synopsis: School fund shortfalls. Allows a school corporation to make up a shortfall for a fund other than the general fund (allowed under current law) under specified circumstances.

Effective: July 1, 1998.

GiaQuinta

January 6, 1998, read first time and referred to Committee on Ways and Means.



Introduced

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.

HOUSE BILL No. 1080

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

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

- 1 SECTION 1. IC 6-1.1-19-12 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 1998]: **Sec. 12. (a) A school corporation may request permission**
4 **from the tax control board to replace revenue shortfalls for a fund**
5 **not covered by section 4.5 of this chapter for which an ad valorem**
6 **property tax rate is established. A school corporation may request**
7 **replacement revenue only to make up a shortfall for a fund that**
8 **results:**
9 (1) **whenever erroneous:**
10 (A) **assessed valuation figures are provided to the school**
11 **corporation; and**
12 (B) **figures are used to determine the school corporation's**
13 **total property tax rate; or**
14 (2) **whenever assessed valuation figures provided to, and used**
15 **by, the school corporation to determine the property tax rate**
16 **do not accurately reflect appeals filed by property owners.**
17 (b) **The tax control board shall recommend to the state board of**



1 tax commissioners that a school corporation be allowed to replace
2 revenue in the current year if in the tax control board's judgment
3 the school corporation will be impaired in carrying out its public
4 purpose without replacing the revenue in the current year. The
5 replacement of revenue must be in the form specified by section
6 4.5(b)(1) through 4.5(b)(7) of this chapter, or in a combination of
7 the forms of relief specified by section 4.5(b)(1) through 4.5(b)(7)
8 of this chapter.

9 (c) The tax control board shall, if the tax control board
10 determines that a shortfall exists as described in subsection (a),
11 recommend that a school corporation be allowed to collect an ad
12 valorem property tax levy for each fund with a shortfall for a
13 specified calendar year. The amount that may be collected is the
14 difference between the school corporation's:

15 (1) property tax levy for the affected fund for a particular
16 year that is increased as allowed by the state board of tax
17 commissioners; and

18 (2) actual property tax levy for the affected fund for the
19 particular year.

20 (d) A recommendation made by the tax control board under this
21 section must specify the amount of the tax levy for each affected
22 fund. The state board of tax commissioners shall authorize the
23 school board to make a tax levy in accordance with the
24 recommendation without any other proceeding. Whenever the
25 state board of tax commissioners authorizes a tax levy under this
26 subsection, the state board of tax commissioners shall take
27 appropriate steps to ensure that the proceeds of the tax levy are
28 first used to repay any loan authorized under sections 4.5 through
29 5.3 of this chapter.

