

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6489
BILL NUMBER: SB 117

DATE PREPARED: Nov 24, 1998
BILL AMENDED:

SUBJECT: Annexation remonstrance period.

FISCAL ANALYST: Beverly Holloway
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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill provides that an annexation ordinance takes effect at least 120 days after its publication and upon filing. (Current law provides that an annexation ordinance takes effect at least 60 days after publication and filing.) Landowners are allowed to file a remonstrance petition not later than 120 days after the publication of an annexation ordinance. (Current law requires landowners to file a remonstrance petition not later than 60 days after the publication of an annexation ordinance.)

Effective Date: July 1, 1999.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: Under current law, when a municipality annexes territory, the annexation may be appealed by a majority of the landowners or the owners of more than 75% of the land. This appeal, or remonstrance, must be filed with the Circuit or Superior Court within 60 days after publication of the annexation ordinance.

When territory is annexed, the municipality's assessed value is increased along with its maximum levy. Taxpayers in the annexed territory must start paying property taxes to the municipality in addition to the taxes already paid. The annexed territory then gets the benefit of municipal services. This bill would give the remonstrators up to 120 days instead of 60 days to file the remonstrance. The additional 60 days could give remonstrators more time to organize the number of landowners necessary to successfully appeal the annexation. If the appeal is successful the property owners would not have to pay the increased property taxes nor would they receive municipal services. The fiscal impact of this provision is dependent on the outcome of a remonstrance.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Municipalities; Counties; Circuit and Superior Courts.

Information Sources: