PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION ____

MR. SPEAKER:

I move that House Bill 1001 be amended to read as follows:

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

"SECTION 1. IC 6-1.1-17-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the state board of tax commissioners and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

(1) the estimated budget;

(2) the estimated maximum permissible levy;

(3) the current and proposed tax levies of each fund; ~~and~~

(4) the amounts of excessive levy appeals to be requested; **and**

(5) after December 31, 1999, the current and proposed amount of revenue to be distributed by the state during the budget year to the general fund of a school corporation.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing.

(b) The trustee of each township of the county shall:

(1) estimate the amount necessary to meet the cost of poor relief in the township for the ensuing calendar year; and

(2) publish with the township budget a tax rate sufficient to meet the estimated cost of poor relief.

The taxes collected as a result of this rate shall be credited to the county poor fund.

(c) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

(1) in any county of the solid waste management district; and

(2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

SECTION 2. IC 6-1.1-17-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5.1. (a) As used in this section, "school corporation" has the meaning set forth in IC 20-10.1-1-1.

(b) Before February 1 of each year, the officers of a school corporation shall meet to fix the budget for the school corporation for the ensuing budget year, with notice given by the same officers.

(c) Not later than two (2) days after a school corporation fixes a budget under subsection (b), the officers of the school corporation shall file the budget adopted by the school corporation for the ensuing budget year with the state board of tax commissioners.

(d) Each year at least two (2) days before the first meeting of the county board of tax adjustment held under IC 6-1.1-29-4, a school corporation shall file with the county auditor:

(1) a statement of the tax rate and tax levy fixed by the school corporation for the ensuing budget year;

(2) after December 31, 1999, the proposed amount of revenue to be distributed by the state during the budget year to the general fund of a school corporation;

~~(2)~~ **(3)** two (2) copies of the budget adopted by the school corporation for the ensuing budget year; and

~~(3)~~ **(4)** any written notification from the state board of tax commissioners under section 16(i) of this chapter that specifies a proposed revision, reduction, or increase in the budget adopted by the school corporation for the ensuing budget year.

Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting.

(e) In a consolidated city, a county containing a consolidated city, and a second class city, the clerk of the fiscal body shall, notwithstanding subsection (d), file the adopted budget and tax ordinances with the county board of tax adjustment not later than two (2) days after the ordinances are signed by the executive or not later than two (2) days after action is taken by the fiscal body to override a veto of the ordinances, whichever is later.

SECTION 3. IC 6-1.1-17-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. **(a)** When the aggregate tax rate within a political subdivision, as approved or modified by the county board of tax adjustment, exceeds the maximum aggregate tax rate prescribed in IC 1971, 6-1.1-18-3(a), the county auditor shall certify the budgets, tax rates, and tax levies of the political subdivisions whose tax rates compose the aggregate tax rate within the political subdivision, as approved or modified by the county board, to the state board of tax commissioners for final review. For purposes of this section, the maximum aggregate tax rate limit exceptions provided in IC ~~1971,~~ 6-1.1-18-3(b) do not apply.

(b) The county auditor shall certify the general fund budgets of each school corporation, as modified by the county board of tax adjustment, to the state board of tax commissioners for final review.

SECTION 4. IC 6-1.1-19-1.9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 1.9. (a) This section applies to ad valorem property taxes first due and payable after December 31, 1999.**

(b) Except as provided in:

(1) IC 20-5-15-2 (public library in connection with school);

(2) IC 20-5-16-2 (nursery schools);

(3) IC 20-5-17-2 (Children's Museum in Marion County);

(4) IC 20-5-17.5-2 (historical societies);

(5) IC 20-5-17.5-3 (art associations);

(6) IC 20-5-17.5-4 (cultural institutions); and

(7) IC 20-5-37-4 (public playgrounds);

a school corporation may not levy an ad valorem property tax for the school corporation's general fund that exceeds the amount permitted under subsection (c).

(c) The maximum general fund levy of a school corporation determined under this chapter shall be reduced to be the following:

(1) For 2000, ninety-five percent (95%) of the maximum levy.
(2) For 2001, ninety percent (90%) of the maximum levy.
(3) For 2002, eighty-five percent (85%) of the maximum levy.
(4) For 2003, eighty percent (80%) of the maximum levy.
(5) For 2004, seventy-five percent (75%) of the maximum levy.
(6) For 2005, seventy percent (70%) of the maximum levy.
(7) For 2006, sixty-five percent (65%) of the maximum levy.
(8) For 2007, sixty percent (60%) of the maximum levy.
(9) For 2008, fifty-five percent (55%) of the maximum levy.
(10) For 2009 and thereafter, fifty percent (50%) of the maximum levy.

This reduction shall be made by the state board of tax commissioners after the calculation of state tuition support.

(d) An additional property tax replacement credit shall be distributed to counties to be applied to the tax liability of property taxpayers at the same time and in the same manner as the property tax replacement credit under IC 6-1.1-21. The amount of the credit that each taxpayer is entitled to receive is one hundred percent (100%) minus the percentage used under subsection (c) of the taxpayer's liability, as defined in IC 6-1.1-21-5, for school corporation general fund property taxes. The money to make the distributions is appropriated from the state general fund.

SECTION 5. IC 6-1.1-19-12 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 12. (a) As used in this section, "revenues" means excise tax distributions under IC 6-6-5 and any other allocation of state tax collections or distributions that by statute:**

(1) are distributed to school corporations; and
(2) are based on the property tax levies imposed by the taxing units in a county.

The term does not include homestead credits or property tax replacement credits.

(b) A school corporation is entitled to receive for the school corporation's general fund a proportion of the revenues that are distributed within the county. The amount that the school corporation is entitled to receive during that calendar year equals the amount determined under STEP FIVE of the following formula:

STEP ONE: Determine the amount of revenue that is available for distribution in the county in the distribution year.
STEP TWO: Determine the product of:
(A) the average annual percentage of the school general fund budget, using 1997, 1998, and 1999, that was comprised of property tax revenue, including any property tax replacement credits or homestead credits; multiplied by
(B) the school general fund budget for the distribution year.
STEP THREE: Determine the sum of:
(A) the property tax levies imposed by all taxing units in the county; and
(B) the amounts determined in STEP TWO for all school corporations in the county in proportion to the amount of taxable property located in the school corporation and the county;
for that calendar year.
STEP FOUR: Determine the result of the STEP TWO amount divided by the STEP THREE sum.
STEP FIVE: Multiply the STEP ONE amount by the STEP FOUR result.

(c) The amount of revenues distributed to:
(1) taxing units other than a school corporation; and
(2) funds of a school corporation for which a property tax levy is imposed;

shall be changed for that same year by reducing the amount of revenue distributed by the amount of revenue allocated under this section for that same calendar year. The state board of tax commissioners shall make any adjustments required by this section and provide them to the appropriate county auditors.

(d) A school corporation shall be treated as a taxing unit for purposes of a distribution of financial institutions tax revenues under IC 6-5.5-8-2.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as printed February 22, 1999.)

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Representative McClain