

SENATE BILL No. 400

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-1-14-1; IC 5-1-16-42; IC 5-3-1-2; IC 6; IC 8; IC 12; IC 14; IC 16; IC 20; IC 21; IC 36.

Synopsis: Property tax rate controls. Establishes a property tax rate control system for local units of government, including school corporations, for all funds. Establishes a property tax control board for each county consisting of elected officials representing each type of taxing unit. Eliminates the discretion of the state board of tax commissioners with respect to increasing, decreasing, or modifying a local unit's budget. Allows increases in the property tax rate above the rate imposed in 1999 only with the approval of the county property tax control board. Combines the school transportation fund with the school general fund. Separates the rate controls into four categories: (1) social service funds; (2) bonds and leases paid from debt service funds; (3)
(Continued next page)

Effective: July 1, 1999.

Weatherwax

January 11, 1999, read first time and referred to Committee on Finance.

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Digest Continued

cumulative or capital funds; and (4) all other funds. Exempts the tax levy needed to pay for 1925, 1937, and 1953 pension plans from the controls. Provides that in the year that a general reassessment becomes effective, the rate is adjusted downward using the change in the implicit price deflator for construction costs since the last general reassessment. Establishes a referendum procedure allowing voters to agree or disagree with the county property tax control board's decision if a group of taxpayers petitions for a referendum. Requires county property tax control board approval of all bonds and leases that will be paid from a taxing unit's debt service fund. Eliminates the approval of the state board of tax commissioners for all cumulative funds. Requires the state board of tax commissioners to review each taxing unit's notices and budget for accuracy. Makes conforming changes.

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Introduced

First Regular Session 111th General Assembly (1999)

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 1998 General Assembly.

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SENATE BILL No. 400



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 5-1-14-1 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) Any bonds, notes, or
3 warrants, whether payable from property taxes, revenues, or any other
4 source, are not subject to the maximum interest rate limitations
5 contained in any law enacted before December 31, 1982, if they are
6 issued by or in the name of any entity named in IC 5-1-1-1.
7 (b) After July 1, 1979, any bond, coupon, certificate of
8 indebtedness, or installment payment payable by a city, town, or
9 property holder for public improvements under the Barrett Law is not
10 subject to any maximum interest rate limitation. This subsection does
11 not apply to interest rates or penalties on delinquencies provided under
12 the Barrett Law.
13 (c) ~~This section does not limit an interest rate review conducted by~~
14 ~~the state board of tax commissioners under IC 6-1.1-20-7.~~
15 SECTION 2. IC 5-1-16-42 IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 42. (a) When the
2 authority, the board of trustees or board of managers of the hospital, the
3 board of commissioners of the county, and a majority of the county
4 council have agreed upon the terms and conditions of any lease
5 proposed to be entered into under section 38 or 39 of this chapter, and
6 before the final execution of the lease, the county auditor shall give
7 notice by publication of a public hearing to be held in the county by the
8 board of commissioners. The hearing shall take place on a day not
9 earlier than ten (10) days after the publication of the notice. The notice
10 of the hearing shall be published one (1) time in a newspaper of general
11 circulation printed in the English language and published in the county.
12 The notice shall do the following:

- 13 (1) Name the day, place, and hour of the hearing.
- 14 (2) Set forth a brief summary of the principal terms of the lease
15 agreed upon, including the character and location of the property
16 to be leased, the lease rental to be paid, and the number of years
17 the contract is to be in effect.
- 18 (3) State a location where the proposed lease, drawings, plans,
19 specifications, and estimates may be examined.

20 The proposed lease and the drawings, plans, specifications, and
21 estimates of construction cost for the building shall be open to
22 inspection by the public during the ten (10) day period and at the
23 hearing. All interested persons shall have a right to be heard at the
24 hearing on the necessity for the execution of the lease and whether the
25 lease rental under the lease is fair and reasonable. The hearing may be
26 adjourned to a later date with the place of the hearing fixed prior to
27 adjournment. Following the hearing, the board of commissioners may
28 either authorize the execution of the lease as originally agreed upon or
29 may make modifications that are agreed upon by the authority, the
30 board of trustees or board of managers of the hospital, and the county
31 council. The authorization shall be by an order that is entered in the
32 official records of the board of commissioners. The lease contract shall
33 be executed on behalf of the county by the board of commissioners.

34 (b) If the execution of the lease as originally agreed upon or as
35 modified by agreement is authorized, notice of the signing of the lease
36 shall be given on behalf of the county by publication one (1) time in a
37 newspaper of general circulation printed in the English language and
38 published in the county. Except as provided in subsection (d), ten (10)
39 or more taxpayers in the county whose tax rate will be affected by the
40 proposed lease and who may be of the opinion that no necessity exists
41 for the execution of the lease or that the lease rental under the lease is
42 not fair and reasonable may file a petition in the office of the county

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1 auditor within thirty (30) days after publication of notice of the
 2 execution of the lease that sets forth the taxpayers' objections and facts
 3 supporting those objections. Upon the filing of a petition, the county
 4 auditor shall immediately certify a copy of the petition together with
 5 such other data as may be necessary in order to present the questions
 6 involved to the state board of tax commissioners. Upon receipt of the
 7 certified petition and information, the state board of tax commissioners
 8 shall fix a time and place in the affected county for the hearing of the
 9 matter that is not less than five (5) or more than fifteen (15) days after
 10 receipt. Notice of the hearing shall be given by the state board of tax
 11 commissioners to the board of county commissioners and to the first
 12 ten (10) taxpayer petitioners upon the petition by certified mail sent to
 13 the addresses listed on the petition at least five (5) days before the date
 14 of the hearing.

15 (c) No action to contest the validity of the lease or to enjoin the
 16 performance of any of the terms and conditions of the lease shall be
 17 instituted at any time later than thirty (30) days after publication of
 18 notice of the execution of the lease, or if an appeal has been taken to
 19 the state board of tax commissioners, then within thirty (30) days after
 20 the decision of that board.

21 (d) The authority for taxpayers to object to a proposed lease under
 22 subsection (b) does not apply if the authority complies with the
 23 procedures for the issuance of bonds and other evidences of
 24 indebtedness described in IC 6-1.1-20-3.1. ~~and IC 6-1.1-20-3.2.~~

25 SECTION 3. IC 5-3-1-2 IS AMENDED TO READ AS FOLLOWS
 26 [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) This section applies only
 27 when notice of an event is required to be given by publication in
 28 accordance with IC 5-3-1.

29 (b) If the event is a public hearing or meeting concerning any matter
 30 not specifically mentioned in subsection (c), (d), (e), (f), **or** (g) ~~or (h)~~
 31 notice shall be published one (1) time, at least ten (10) days before the
 32 date of the hearing or meeting.

33 (c) If the event is an election, notice shall be published one (1) time,
 34 at least ten (10) days before the date of the election.

35 (d) If the event is a sale of bonds, notes, or warrants, notice shall be
 36 published two (2) times, at least one (1) week apart, with:

37 (1) the first publication made at least fifteen (15) days before the
 38 date of the sale; and

39 (2) the second publication made at least three (3) days before the
 40 date of the sale.

41 (e) If the event is the receiving of bids, notice shall be published two
 42 (2) times, at least one (1) week apart, with the second publication made



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1 at least ten (10) days before the date the bids will be received.

2 (f) If the event is the establishment of a cumulative or sinking fund,
3 notice of the proposal and of the public hearing that is required to be
4 held by the political subdivision shall be published two (2) times, at
5 least one (1) week apart, with the second publication made at least
6 three (3) days before the date of the hearing.

7 ~~(g) If the event is the submission of a proposal adopted by a political~~
8 ~~subdivision for a cumulative or sinking fund for the approval of the~~
9 ~~state board of tax commissioners, the notice of the submission shall be~~
10 ~~published one (1) time. The political subdivision shall publish the~~
11 ~~notice when directed to do so by the state board of tax commissioners.~~

12 ~~(h)~~ (g) If the event is the required publication of an ordinance,
13 notice of the passage of the ordinance shall be published one (1) time
14 within thirty (30) days after the passage of the ordinance.

15 ~~(i)~~ (h) If the event is one about which notice is required to be
16 published after the event, notice shall be published one (1) time within
17 thirty (30) days after the date of the event.

18 ~~(j)~~ (i) If the event is anything else, notice shall be published two (2)
19 times, at least one (1) week apart, with the second publication made at
20 least three (3) days before the event.

21 ~~(k)~~ (j) In case any officer charged with the duty of publishing any
22 notice required by law is unable to procure advertisement at the price
23 fixed by law, or the newspaper refuses to publish the advertisement, it
24 is sufficient for the officer to post printed notices in three (3) prominent
25 places in the political subdivision, instead of advertisement in
26 newspapers.

27 ~~(l)~~ (k) If a notice of budget estimates for a political subdivision is
28 published as required in IC 6-1.1-17-3, and the published notice
29 contains an error due to the fault of a newspaper, the notice as
30 presented for publication is a valid notice under this chapter.

31 ~~(m)~~ (l) Notwithstanding subsection ~~(j)~~; (i), if a notice of budget
32 estimates for a political subdivision is published as required in
33 IC 6-1.1-17-3, and if the notice is not published at least ten (10) days
34 before the date fixed for the public hearing on the budget estimate due
35 to the fault of a newspaper, the notice is a valid notice under this
36 chapter if it is published one (1) time at least three (3) days before the
37 hearing.

38 SECTION 4. IC 6-1.1-17-3 IS AMENDED TO READ AS
39 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) The proper
40 officers of a political subdivision shall formulate its estimated budget
41 and its proposed tax rate and tax levy on the form prescribed by the
42 state board of tax commissioners and approved by the state board of



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1 accounts. The political subdivision shall give notice by publication to
2 taxpayers of:

- 3 (1) the estimated budget;
- 4 (2) the estimated maximum permissible levy;
- 5 (3) the current and proposed tax levies of each fund; and
- 6 (4) the amounts of excessive levy appeals to be requested.

7 In the notice, the political subdivision shall also state the time and
8 place at which a public hearing will be held on these items. The notice
9 shall be published twice in accordance with IC 5-3-1 with the first
10 publication at least ten (10) days before the date fixed for the public
11 hearing. **If a petition that satisfies the requirements of IC 6-1.1-17.5**
12 **has been filed to reverse a county property tax control board's**
13 **decision under IC 6-1.1-17.5 with respect to a political subdivision,**
14 **the political subdivision shall publish the information required by**
15 **this subsection for each of the tax rates that would be permitted if**
16 **the voters reject the tax rate increase or approve the tax rate**
17 **increase.**

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

- 19 (1) estimate the amount necessary to meet the cost of poor relief
- 20 in the township for the ensuing calendar year; and
- 21 (2) publish with the township budget a tax rate sufficient to meet
- 22 the estimated cost of poor relief.

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

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

- 28 (1) in any county of the solid waste management district; and
- 29 (2) in accordance with the annual notice of meetings published
- 30 under IC 13-21-5-2.

31 SECTION 5. IC 6-1.1-17-5 IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) The officers of
33 political subdivisions shall meet each year to fix the budget, tax rate,
34 and tax levy of their respective subdivisions for the ensuing budget
35 year as follows:

- 36 (1) The fiscal body of a consolidated city and county, not later
- 37 than the last meeting of the fiscal body in September.
- 38 (2) The fiscal body of a second class city, not later than
- 39 September 30.
- 40 (3) The board of school trustees or board of school commissioners
- 41 of a school city or town, not later than the time required in section
- 42 5.1 of this chapter.



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1 (4) The proper officers of all other political subdivisions, not later
2 than September 20.

3 Except in a consolidated city and county and in a second class city, the
4 public hearing required by section 3 of this chapter must be completed
5 at least ten (10) days before the proper officers of the political
6 subdivision meet to fix the budget, tax rate, and tax levy. In a
7 consolidated city and county and in a second class city, that public
8 hearing, by any committee or by the entire fiscal body, may be held at
9 any time after introduction of the budget.

10 (b) Ten (10) or more taxpayers may object to a budget, tax rate, or
11 tax levy of a political subdivision fixed under subsection (a) by filing
12 an objection petition with the proper officers of the political
13 subdivision not more than seven (7) days after the hearing. The
14 objection petition must specifically identify the provisions of the
15 budget, tax rate, and tax levy to which the taxpayers object.

16 (c) If a petition is filed under subsection (b), the fiscal body of the
17 political subdivision shall adopt with its budget a finding concerning
18 the objections in the petition and any testimony presented at the
19 adoption hearing.

20 (d) This subsection does not apply to a school corporation. Each
21 year ~~at least two (2) days before the first meeting of the county board~~
22 ~~of tax adjustment held under IC 6-1.1-29-4, second Monday in~~
23 **September**, a political subdivision shall file with the county auditor:

- 24 (1) a statement of the tax rate and levy fixed by the political
25 subdivision for the ensuing budget year;
26 (2) two (2) copies of the budget adopted by the political
27 subdivision for the ensuing budget year; and
28 (3) two (2) copies of any findings adopted under subsection (c).

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

31 (e) In a consolidated city and county and in a second class city, the
32 clerk of the fiscal body shall, notwithstanding subsection (d), file the
33 adopted budget and tax ordinances with the county ~~board of tax~~
34 ~~adjustment auditor~~ within two (2) days after the ordinances are signed
35 by the executive, or within two (2) days after action is taken by the
36 fiscal body to override a veto of the ordinances, whichever is later.

37 **(f) If a petition that satisfies the requirements of IC 6-1.1-17.5**
38 **has been filed to reverse a county property tax control board's**
39 **decision under IC 6-1.1-17.5 with respect to a political subdivision,**
40 **the political subdivision shall adopt a budget, tax rate, and tax levy**
41 **for each of the tax rates that would be permitted if the voters:**

- 42 (1) **reject the tax rate increase; or**



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1 **(2) approve the tax rate increase.**

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

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

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

13 (d) Each year ~~at least two (2) days~~ before the ~~first meeting of the~~
14 ~~county board of tax adjustment held under IC 6-1.1-29-4~~, **second**
15 **Monday in September**, a school corporation shall file with the county
16 auditor:

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

19 (2) two (2) copies of the budget adopted by the school corporation
20 for the ensuing budget year; and

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

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

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

34 **(f) If a petition that satisfies the requirements of IC 6-1.1-17.5**
35 **has been filed to reverse a county property tax control board's**
36 **decision under IC 6-1.1-17.5 with respect to a school corporation,**
37 **the school corporation shall adopt a budget, tax rate, and tax levy**
38 **for each of the tax rates that would be permitted if the voters:**

39 **(1) reject the tax rate increase; or**

40 **(2) approve the tax rate increase.**

41 SECTION 7. IC 6-1.1-17-12 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 12. ~~As soon as the~~

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1 budgets, tax rates, and tax levies are approved or modified by the
 2 county board of tax adjustment; **Not more than five (5) business days**
 3 **after the review by the state board of tax commissioners is**
 4 **completed under section 16 of this chapter**, the county auditor shall
 5 **within fifteen (15) days** prepare a notice of the tax rates to be charged
 6 on each one hundred dollars (\$100) of assessed valuation for the
 7 various funds in each taxing district. ~~The notice shall also inform the~~
 8 ~~taxpayers of the manner in which they may initiate an appeal of the~~
 9 ~~county board's action.~~ The county auditor shall post the notice at the
 10 county courthouse and publish it in two (2) newspapers which
 11 represent different political parties and which have a general
 12 circulation in the county.

13 SECTION 8. IC 6-1.1-17-16 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 16. (a) ~~Subject to the~~
 15 ~~limitations and requirements prescribed in this section;~~ **The state**
 16 **board of tax commissioners shall review the budget, tax rate, and**
 17 **tax levy for each taxing unit to ensure that the budget, tax rate, and**
 18 **tax levy comply with the requirements of this article.** The state
 19 board of tax commissioners may **not** revise, reduce, or increase a
 20 political subdivision's budget, tax rate, or tax levy which the board
 21 reviews ~~under section 8 or 10 of this chapter;~~ **unless the revision,**
 22 **reduction, or increase is necessary for the budget, tax rate, or tax**
 23 **levy to comply with this article.** **The state board of tax**
 24 **commissioners shall correct any mathematical errors in data that**
 25 **affect the determination of a political subdivision's property tax**
 26 **rate or levy.**

27 (b) ~~Subject to the limitations and requirements prescribed in this~~
 28 ~~section;~~ the state board of tax commissioners may review, revise,
 29 reduce, or increase the budget, tax rate, or tax levy of any of the
 30 political subdivisions whose tax rates compose the aggregate tax rate
 31 within a political subdivision whose budget, tax rate, or tax levy is the
 32 subject of an appeal initiated under this chapter.

33 (c) ~~Except as provided in subsection (i);~~ before the state board of tax
 34 commissioners reviews, revises, reduces, or increases a political
 35 subdivision's budget, tax rate, or tax levy under this section; the board
 36 must hold a public hearing on the budget, tax rate, and tax levy. The
 37 board shall hold the hearing in the county in which the political
 38 subdivision is located. The board may consider the budgets, tax rates,
 39 and tax levies of several political subdivisions at the same public
 40 hearing. At least five (5) days before the date fixed for a public hearing,
 41 the board shall give notice of the time and place of the hearing and of
 42 the budgets, levies, and tax rates to be considered at the hearing. The



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1 board shall publish the notice in two (2) newspapers of general
 2 circulation published in the county. However, if only one (1)
 3 newspaper of general circulation is published in the county, the board
 4 shall publish the notice in that newspaper.

5 (d) Except as provided in subsection (h), IC 6-1.1-19, or
 6 IC 6-1.1-18.5, the state board of tax commissioners may not increase
 7 a political subdivision's budget, tax rate, or tax levy to an amount which
 8 exceeds the amount originally fixed by the political subdivision. The
 9 state board of tax commissioners shall give the political subdivision
 10 written notification specifying any revision, reduction, or increase the
 11 state board of tax commissioners proposes in a political subdivision's
 12 tax levy or tax rate. The political subdivision has one (1) week from the
 13 date the political subdivision receives the notice to provide a written
 14 response to the state board of tax commissioners' Indianapolis office
 15 specifying how to make the required reductions in the amount budgeted
 16 for each office or department. The state board of tax commissioners
 17 shall make reductions as specified in the political subdivision's
 18 response if the response is provided as required by this subsection and
 19 sufficiently specifies all necessary reductions. The state board of tax
 20 commissioners may make a revision, a reduction, or an increase in a
 21 political subdivision's budget only in the total amounts budgeted for
 22 each office or department within each of the major budget
 23 classifications prescribed by the state board of accounts.

24 (e) The state board of tax commissioners may not approve a levy for
 25 lease payments by a city, town, county, library, or school corporation
 26 if the lease payments are payable to a building corporation for use by
 27 the building corporation for debt service on bonds and if:

- 28 (1) no bonds of the building corporation are outstanding; or
- 29 (2) the building corporation has enough legally available funds on
 30 hand to redeem all outstanding bonds payable from the particular
 31 lease rental levy requested.

32 (f) (b) The action of the state board of tax commissioners on a
 33 budget, tax rate, or tax levy is final. The board shall certify its action to

- 34 (1) the county auditor, and
- 35 (2) the political subdivision if the state board acts pursuant to an
 36 appeal initiated by the political subdivision.

37 (g) (c) The state board of tax commissioners is expressly directed to
 38 complete the duties assigned to it under this section not later than
 39 February 15th of each year for taxes to be collected during that year.

40 (h) Subject to the provisions of all applicable statutes, the state
 41 board of tax commissioners may increase a political subdivision's tax
 42 levy to an amount that exceeds the amount originally fixed by the

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1 political subdivision if the increase is:

2 (1) requested in writing by the officers of the political
3 subdivision;

4 (2) either:

5 (A) based on information first obtained by the political
6 subdivision after the public hearing under section 3 of this
7 chapter; or

8 (B) results from an inadvertent mathematical error made in
9 determining the levy; and

10 (3) published by the political subdivision according to a notice
11 provided by the state board of tax commissioners.

12 (i) The state board of tax commissioners shall annually review the
13 budget of each school corporation not later than April 1. The state
14 board of tax commissioners shall give the school corporation written
15 notification specifying any revision, reduction, or increase the state
16 board of tax commissioners proposes in the school corporation's
17 budget. A public hearing is not required in connection with this review
18 of the budget.

19 SECTION 9. IC 6-1.1-17-19 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 19. If there is a conflict
21 between the provisions of this chapter and the provisions of
22 **IC 6-1.1-17.5**, IC 6-1.1-19, or IC 6-1.1-18.5, the provisions of the latter
23 ~~two (2)~~ **three (3)** chapters control with respect to the adoption of,
24 review of, and limitations on budgets, tax rates, and tax levies.

25 SECTION 10. IC 6-1.1-17.5 IS ADDED TO THE INDIANA CODE
26 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
27 JULY 1, 1999]:

28 **Chapter 17.5. County Property Tax Control Board**

29 **Sec. 1. This chapter applies to all taxing units, including school**
30 **corporations.**

31 **Sec. 2. (a) There is established in each county a county property**
32 **tax control board (referred to in this chapter as "the board"). Each**
33 **member of the board must be an elected official serving on the**
34 **fiscal body of the unit or the group of units that the member**
35 **represents. Each board consists of nine (9) members. All members**
36 **are voting members. However, the county auditor is entitled to vote**
37 **only to break a tie vote among the other members.**

38 **(b) For a county having at least two (2) cities, at least two (2)**
39 **towns, and at least two (2) school corporations, the members are as**
40 **follows:**

41 **(1) Two (2) individuals from the county fiscal body.**

42 **(2) One (1) individual from the fiscal body of the municipality**

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- that has the greatest taxable assessed valuation.
- (3) One (1) individual from the fiscal body of the school corporation that has the greatest taxable assessed valuation.
- (4) One (1) individual from the fiscal bodies of the cities within the county, excluding a municipality described by subdivision (2).
- (5) One (1) individual from the fiscal bodies of the school corporations within the county, excluding a school corporation described by subdivision (3).
- (6) One (1) individual from the fiscal bodies of the towns within the county, excluding a town described by subdivision (2).
- (7) One (1) individual from the fiscal bodies of the townships within the county.
- (8) The county auditor, who may vote only to break a tie vote by the board.

(c) For a county not described by subsection (b), the members are as follows:

- (1) Two (2) individuals from the county fiscal body.
- (2) One (1) individual from the fiscal body of the municipality that has the greatest taxable assessed valuation.
- (3) One (1) individual from the fiscal body of the school corporation that has the greatest taxable assessed valuation.
- (4) One (1) individual from the fiscal bodies of the cities within the county, or towns within the county in the case of a county not having any cities. However, a municipality described by subdivision (2) is excluded.
- (5) One (1) individual from the fiscal bodies of the school corporations within the county, excluding the school corporation described by subdivision (3), unless that school corporation is the only school corporation within the county.
- (6) One (1) individual from the fiscal bodies of the towns within the county. However, a town described by subdivision (2) and a town described by subdivision (4) are excluded.
- (7) One (1) individual from the fiscal bodies of the townships within the county.
- (8) The county auditor, who may vote only to break a tie vote by the board.

However, if the county has less than three (3) municipalities, subsection (d) rather than subdivisions (2), (4), and (6), governs the selection of members.

(d) If the county has:

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1 (1) two (2) municipalities, the members are two (2) individuals
 2 from the fiscal body of the municipality that has the greatest
 3 taxable assessed valuation and one (1) individual from the
 4 fiscal body of the other municipality; or
 5 (2) one (1) municipality, the members are three (3) individuals
 6 from the fiscal body of the municipality.

7 (e) Members of the board shall be selected as provided in section
 8 3 of this chapter.

9 Sec. 3. (a) The fiscal bodies shall select the members of the
 10 board before March 1 of each year. The term for each member
 11 ends on December 31 of the year in which the member is selected.
 12 A vacancy shall be filled by the fiscal body or bodies that appointed
 13 the original member.

14 (b) If a member is to be selected by one (1) fiscal body, the
 15 selection must be made by a majority vote of the fiscal body in
 16 official session. If a member is to be selected by more than one (1)
 17 fiscal body, the selection must be made by a majority vote of the
 18 total members of the fiscal bodies taken in joint session.

19 (c) If a fiscal body, or fiscal bodies in the case of joint selections,
 20 fail to select a member by March 1, the executive of the county
 21 shall select the member of the board before March 15.

22 Sec. 4. The board has the following powers:

23 (1) To approve or disapprove, but not modify, a proposed
 24 increase in a taxing unit's tax property tax rate that is greater
 25 than the rate permitted by IC 6-1.1-18.5.

26 (2) To approve or disapprove, but not modify, a proposed
 27 increase in a taxing unit's property tax rate that is greater
 28 than the rate permitted by IC 6-1.1-18.6.

29 (3) To approve or disapprove, but not modify, a proposed
 30 increase in a school corporation's property tax rate that is
 31 greater than the rate permitted by IC 6-1.1-19.

32 (4) To approve or disapprove, but not modify, a proposed
 33 increase in a school corporation's property tax rate that is
 34 greater than the rate permitted by IC 21-2-15.

35 (5) To approve or disapprove, but not modify, a proposed
 36 bond issue or lease agreement of a taxing unit, if the payments
 37 to retire the bonds or the lease payments will be made from
 38 the taxing unit's debt service fund.

39 A decision is made by the board only if a majority of the members
 40 appointed to the board vote in favor of the decision.

41 Sec. 5. (a) A majority of all the appointed members of the board
 42 constitutes a quorum.

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1 (b) The board may adopt rules for the transaction of business at
2 its meetings.

3 (c) The county auditor is the clerk of the board and shall:
4 (1) preserve the board's records in the auditor's office;
5 (2) keep an accurate record of the board's proceedings; and
6 (3) record each vote of the board.

7 (d) Within a reasonable time after an action is voted upon, the
8 county auditor shall record the action. The record must include the
9 signature of the board members, including the attestation of the
10 auditor. The record or a certified copy of the record is presumptive
11 evidence that the action was taken.

12 Sec. 6. (a) Except as provided in this chapter, a taxing unit may
13 not use a property tax rate that is greater than the rate permitted
14 by:

- 15 (1) IC 6-1.1-18.5 for the combination of all funds other than
- 16 the taxing unit's social service funds, debt service fund, and
- 17 cumulative or capital development funds;
- 18 (2) IC 6-1.1-18.5 for the taxing unit's cumulative and capital
- 19 development funds;
- 20 (3) IC 6-1.1-18.5 for the taxing unit's social service funds;
- 21 (4) IC 6-1.1-19 for the school corporation's general fund; or
- 22 (5) IC 21-2-15 for the school corporation's capital projects
- 23 fund.

24 (b) A taxing unit desiring to use a greater rate than the
25 maximum permitted rate must file a petition with the board of
26 each county in which the unit is located requesting permission to
27 increase the taxing unit's tax rate above the permitted rate.

28 Sec. 7. A taxing unit may not issue bonds or enter into a lease
29 agreement if the payments to retire the bonds or make the lease
30 payments will be made from the unit's debt service fund, unless the
31 taxing unit receives the approval of the board of each county in
32 which the unit is located. A taxing unit desiring to issue bonds or
33 enter into a lease agreement must file a petition with the board of
34 each county in which the unit is located requesting permission to
35 issue bonds or enter into a lease agreement.

36 Sec. 8. (a) Petitions by a taxing unit must be filed before May 1
37 of a year.

38 (b) The board shall hold a public hearing to hear testimony on
39 and discuss each petition filed by a taxing unit under this chapter.
40 The board shall make a decision on each petition filed by a taxing
41 unit. The board shall publish a notice of the public hearing at least
42 ten (10) days before the date of the hearing as provided in IC 5-3-1.

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1 After a decision is made by the board, the board shall publish a
 2 notice describing each question and the board's decision. The
 3 notice must include each member's vote on the question. Before
 4 June 1, the board shall publish the notice of each question and
 5 decision as provided in IC 5-3-1, except that the notice must be:

- 6 (1) in at least 12 point bold typeface; and
- 7 (2) signed by all members of the board.

8 (c) If a taxing unit is located in more than one (1) county and if
 9 one (1) of the boards rejects a tax rate increase, bond issue, or lease
 10 agreement, the taxing unit's proposal is considered rejected for
 11 purposes of this chapter.

12 **Sec. 9.** (a) Except as provided in section 14 of this chapter, a
 13 decision of the board may be reversed only if more resident
 14 registered voters sign a petition to reverse the board's decision
 15 than sign a petition to uphold the board's decision. A resident
 16 registered voter is an individual who:

- 17 (1) resides within the taxing unit regardless of the individual's
 18 resident county; and
- 19 (2) is registered to vote.

20 (b) To reverse the board's decision, resident registered voters
 21 may file a remonstrance petition with the county auditor of each
 22 county in which the taxing unit is located. The remonstrance
 23 petition must:

- 24 (1) be filed by the end of normal business hours on July 15 of
 25 the same year that the board publishes the notice required by
 26 section 8 of this chapter; and
- 27 (2) identify each petitioner with sufficient detail so that the
 28 circuit court clerk can identify the validity of the petitioner.

29 (c) Each county auditor shall immediately deliver a certified
 30 copy of the remonstrance petition to the circuit court clerk of each
 31 county in which the taxing unit is located. Before August 16 of that
 32 year, each circuit court clerk shall:

- 33 (1) certify whether the remonstrance petition satisfies the
 34 requirements of subsection (d); and
- 35 (2) publish a notice that includes the form of the remonstrance
 36 petition being filed and whether the remonstrance petition
 37 satisfies the requirements of subsection (d).

38 If the remonstrance petition satisfies the requirements of
 39 subsection (d), the notice must include the number of valid
 40 remonstrators and the last date on which a counter petition may be
 41 filed under section 10 of this chapter.

- 42 (d) If the remonstrance petition is signed by the lesser of:



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- 1 (1) ten percent (10%) of the resident registered voters,
- 2 determined by using the number of resident voters who voted
- 3 for the office of secretary of state in the most recent general
- 4 election; or
- 5 (2) seven thousand five hundred (7,500) resident registered
- 6 voters;

7 the board's decision is stayed until each circuit court clerk certifies
 8 whether the board's decision is reversed or upheld.

9 (e) If the remonstrance petition does not satisfy the
 10 requirements of subsection (d), the board's action becomes
 11 effective upon the certification and publication that the petition
 12 does not satisfy the requirements of subsection (d). The published
 13 notice must include a statement that the board's action takes effect.

14 **Sec. 10. (a)** If a remonstrance petition satisfies the requirements
 15 of section 9 of this chapter, resident registered voters may file a
 16 counter petition with the county auditor of each county in which
 17 the taxing unit is located. The counter petition must:

- 18 (1) be filed by the end of normal business hours forty-five (45)
- 19 days after the date the notice is published under section 9 of
- 20 this chapter; and
- 21 (2) identify each petitioner with sufficient detail so that the
- 22 circuit court clerk can identify the validity of the petitioner.

23 (b) Not more than fifteen (15) days after the last date for
 24 submitting counter petitions, the circuit court clerk of each county
 25 shall:

- 26 (1) certify the number of valid signatures on the counter
- 27 petition and whether the number of counter petitioners is
- 28 greater than the number of remonstrators; and
- 29 (2) publish a notice that includes a description of the issue on
- 30 which petitions were filed, the number of voters signing the
- 31 remonstrance petition and counter petition, and the voters'
- 32 decision on the issue.

33 If more resident registered voters sign the remonstrance petition
 34 than sign the counter petition, the board's decision is reversed. If
 35 more resident registered voters sign the counter petition than sign
 36 the remonstrance petition, the board's decision takes effect.

37 **Sec. 11. (a)** This section applies to the form of a remonstrance
 38 petition to reverse a board's action. If more than one (1) question
 39 was decided upon by the board, a separate remonstrance petition
 40 must be used for each question.

41 (b) In the case of a request to increase a taxing unit's maximum
 42 tax rate and the board's approval of the increase, the remonstrance

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1 petition must read as follows:

2 "Should the _____ (insert the name of the taxing
3 unit) not be permitted to increase its property tax rate from
4 _____ (insert current rate) to _____ (insert
5 requested rate)? Signing this remonstrance petition means the
6 maximum property tax rate for _____ (insert name of
7 taxing unit) will not be increased."

8 (c) In the case of a request to increase a taxing unit's maximum
9 tax rate and the board's rejection of the increase, the remonstrance
10 petition must read as follows:

11 "Should the _____ (insert the name of the taxing
12 unit) be permitted to increase its property tax rate from
13 _____ (insert current rate) to _____ (insert
14 requested rate)? Signing this remonstrance petition means the
15 maximum property tax rate for _____ (insert name of
16 taxing unit) will be increased."

17 (d) In the case of a request to issue bonds and the board's
18 approval of the issuance, the remonstrance petition must read as
19 follows:

20 "Should the _____ (insert the name of the taxing unit)
21 not be permitted to issue bonds for the purpose of financing
22 _____ (insert description of project)? Signing this
23 remonstrance petition means _____ (insert name of
24 taxing unit) will not be permitted to issue the bonds."

25 (e) In the case of a request to issue bonds and the board's
26 rejection of the issuance, the remonstrance petition must read as
27 follows:

28 "Should the _____ (insert the name of the taxing unit)
29 be permitted to issue bonds for the purpose of financing
30 _____ (insert description of project)? Signing this
31 remonstrance petition means _____ (insert name of
32 taxing unit) will be permitted to issue the bonds."

33 (f) In the case of a request to enter into a lease and the board's
34 approval of the request, the remonstrance petition must read as
35 follows:

36 "Should the _____ (insert the name of the taxing unit)
37 not be permitted to enter into a lease for _____ (insert
38 description of project)? Signing this remonstrance petition
39 means _____ (insert name of taxing unit) will not be
40 permitted to enter into the lease."

41 (g) In the case of a request to enter into a lease and the board's
42 rejection of the request, the remonstrance petition must read as

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follows:

"Should the _____ (insert the name of the taxing unit) be permitted to enter into a lease for _____ (insert description of project)? Signing this remonstrance petition means _____ (insert name of taxing unit) will be permitted to enter into the lease."

Sec. 12. (a) This section applies to the form of a counter petition in response to a remonstrance petition. If more than one (1) remonstrance petition is filed, a separate counter petition must be used in response to each remonstrance petition.

(b) In the case of a request to increase a taxing unit's maximum tax rate and the board's approval of the increase, the counter petition must read as follows:

"The county property tax control board approved a property tax rate increase for _____ (insert name of taxing unit). A remonstrance petition has been filed to prevent the tax rate increase. Should the _____ (insert the name of the taxing unit) be permitted to increase its property tax rate from _____ (insert current rate) to _____ (insert requested rate)? Signing this counter petition means the maximum property tax rate for _____ (insert name of taxing unit) will be increased."

(c) In the case of a request to increase a taxing unit's maximum tax rate and the board's rejection of the increase, the counter petition must read as follows:

"The county property tax control board rejected a property tax rate increase for _____ (insert name of taxing unit). A remonstrance petition has been filed to permit the tax rate increase. Should the _____ (insert the name of the taxing unit) not be permitted to increase its property tax rate from _____ (insert current rate) to _____ (insert requested rate)? Signing this counter petition means the maximum property tax rate for _____ (insert name of taxing unit) will not be increased."

(d) In the case of a request to issue bonds and the board's approval of the bond issue, the counter petition must read as follows:

"The county property tax control board approved a bond issue for _____ (insert name of taxing unit). A remonstrance petition has been filed to prevent the bond issue. Should the _____ (insert the name of the taxing unit) be permitted to issue bonds for the purpose of financing

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1 _____ (insert description of project)? Signing this
2 counter petition means _____ (insert name of taxing
3 unit) will be permitted to issue the bonds."

4 (e) In the case of a request to issue bonds and the board's
5 rejection of the bond issue, the counter petition must read as
6 follows:

7 "The county property tax control board rejected a bond issue
8 for _____ (insert name of taxing unit). A remonstrance
9 petition has been filed to permit the bond issue. Should the
10 _____ (insert the name of the taxing unit) not be
11 permitted to issue bonds for the purpose of financing
12 _____ (insert description of project)? Signing this
13 counter petition means _____ (insert name of taxing
14 unit) will not be permitted to issue the bonds."

15 (f) In the case of a request to enter into a lease and the board's
16 approval of the request, the counter petition must read as follows:

17 "The county property tax control board approved a lease
18 agreement for _____ (insert name of taxing unit). A
19 remonstrance petition has been filed to prevent the lease
20 agreement. Should the _____ (insert the name of the
21 taxing unit) be permitted to enter into a lease for _____
22 (insert description of project)? Signing this counter petition
23 means _____ (insert name of taxing unit) will be
24 permitted to enter into the lease."

25 (g) In the case of a request to enter into a lease and the board's
26 rejection of the request, the counter petition must read as follows:

27 "The county property tax control board rejected a lease
28 agreement for _____ (insert name of taxing unit). A
29 remonstrance petition has been filed to permit the lease
30 agreement. Should the _____ (insert the name of the
31 taxing unit) not be permitted to enter into a lease for
32 _____ (insert description of project)? Signing this
33 counter petition means _____ (insert name of taxing
34 unit) will not be permitted to enter into the lease."

35 **Sec. 13. If the board's decision is to permit a taxing unit to use
36 a property tax rate that is greater than the taxing unit's maximum
37 permitted rate for the previous year and the decision is not
38 reversed by the petition procedure prescribed by this chapter, the
39 new rate becomes the permitted maximum tax rate.**

40 **Sec. 14. An appeal may be made to the Indiana tax court
41 alleging that the county control board did not follow the procedure
42 set forth in this chapter. The appeal must state the procedural**

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1 **error and comply with any other requirements of the court. The**
 2 **tax court shall give priority to appeals filed under this section over**
 3 **other cases before the court.**

4 SECTION 11. IC 6-1.1-18-1 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. **Except as provided**
 6 **in IC 6-1.1-17.5**, when fixing a budget, tax rate, and tax levy under
 7 IC 6-1.1-17-5, the officers of a political subdivision may not fix a
 8 budget or tax levy which exceeds the amount published by the political
 9 subdivision. **Except as provided in IC 6-1.1-17.5**, the portion of a
 10 budget or tax levy which exceeds the published amount is void.

11 SECTION 12. IC 6-1.1-18-2 (CURRENT VERSION) IS
 12 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
 13 Sec. 2. The state may not impose a tax rate on tangible property in
 14 excess of one cent (\$.01) on each one hundred dollars (\$100) of
 15 assessed valuation. The state tax rate is not subject to review by ~~county~~
 16 ~~boards of tax adjustment or~~ county auditors. This section does not
 17 apply to political subdivisions of the state.

18 SECTION 13. IC 6-1.1-18-2 (DELAYED VERSION) IS
 19 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 20 2001]: Sec. 2. The state may not impose a tax rate on tangible property
 21 in excess of thirty-three hundredths of one cent (\$0.0033) on each one
 22 hundred dollars (\$100) of assessed valuation. The state tax rate is not
 23 subject to review by ~~county boards of tax adjustment or~~ county
 24 auditors. This section does not apply to political subdivisions of the
 25 state.

26 SECTION 14. IC 6-1.1-18-5 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) If the proper
 28 officers of a political subdivision desire to appropriate more money for
 29 a particular year than the amount prescribed in the budget for that year
 30 as finally determined under this article, they shall give notice of their
 31 proposed additional appropriation. The notice shall state the time and
 32 place at which a public hearing will be held on the proposal. The notice
 33 shall be given once in accordance with IC 5-3-1-2(b).

34 (b) If the additional appropriation by the political subdivision is
 35 made from a fund that receives:

36 (1) distributions from the motor vehicle highway account
 37 established under ~~IC 8-14-1-1~~ or the local road and street account
 38 established under ~~IC 8-14-2-4~~; or

39 (2) revenue from property taxes levied under IC 6-1.1;
 40 the political subdivision must report the additional appropriation to the
 41 state board of tax commissioners. If the additional appropriation is
 42 made from a fund described under this subsection; subsections (f); (g);



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1 (h), and (i) apply to the political subdivision.

2 (c) However, if the additional appropriation is not made from a fund
3 described under subsection (b), subsections (f), (g), (h), and (i) do not
4 apply to the political subdivision. Subsections (f), (g), (h), and (i) do
5 not apply to an additional appropriation made from the cumulative
6 bridge fund if the appropriation meets the requirements under
7 IC 8-16-3-3(c).

8 (d) A political subdivision may make an additional appropriation
9 without approval of the state board of tax commissioners if the
10 additional appropriation is made from a fund that is not described
11 under subsection (b). However, the fiscal officer of the political
12 subdivision shall report the additional appropriation to the state board
13 of tax commissioners.

14 (e) After the public hearing, the proper officers of the political
15 subdivision shall file a certified copy of their final proposal and any
16 other relevant information to the state board of tax commissioners.

17 (f) When the state board of tax commissioners receives a certified
18 copy of a proposal for an additional appropriation under subsection (e),
19 the board shall determine whether sufficient funds are available or will
20 be available for the proposal. The determination shall be made in
21 writing and sent to the political subdivision not more than fifteen (15)
22 days after the board receives the proposal.

23 (g) In making the determination under subsection (f), the board shall
24 limit the amount of the additional appropriation to revenues available,
25 or to be made available, which have not been previously appropriated.

26 (h) If the state board of tax commissioners disapproves an additional
27 appropriation under subsection (f), the state board of tax
28 commissioners shall specify the reason for its disapproval on the
29 determination sent to the political subdivision.

30 (i) A political subdivision may request a reconsideration of a
31 determination of the state board of tax commissioners under this
32 section by filing a written request for reconsideration. A request for
33 reconsideration must:

34 (1) be filed with the state board of tax commissioners within
35 fifteen (15) days of the receipt of the determination by the
36 political subdivision; and

37 (2) state with reasonable specificity the reason for the request.

38 The state board of tax commissioners must act on a request for
39 reconsideration within fifteen (15) days of receiving the request.

40 SECTION 15. IC 6-1.1-18-11 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 11. If there is a conflict
42 between the provisions of this chapter and the provisions of

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1 **IC 6-1.1-17.5**, IC 6-1.1-19, or IC 6-1.1-18.5, the provisions of the latter
 2 ~~two (2)~~ **three (3)** chapters control with respect to the adoption of,
 3 review of, and limitations on budgets, tax rates, and tax levies.

4 SECTION 16. IC 6-1.1-18.5-1 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this
 6 chapter:

7 "Ad valorem property tax levy for an ensuing calendar year" means
 8 the total property taxes imposed by a civil taxing unit for current
 9 property taxes collectible in that ensuing calendar year.

10 "Adopting county" means any county in which the county adjusted
 11 gross income tax is in effect.

12 "Civil taxing unit" means any taxing unit except a school
 13 corporation.

14 "~~Maximum permissible ad valorem property tax levy for the~~
 15 ~~preceding calendar year~~" means the greater of:

16 (1) the civil taxing unit's maximum permissible ad valorem
 17 property tax levy for the calendar year immediately preceding the
 18 ensuing calendar year; as that levy was determined under section
 19 3 of this chapter; or

20 (2) the civil taxing unit's ad valorem property tax levy for the
 21 calendar year immediately preceding the ensuing calendar year;
 22 as that levy was determined by the state board of tax
 23 commissioners in fixing the civil taxing unit's budget, levy, and
 24 rate for that preceding calendar year under IC 6-1.1-17;

25 "**Maximum permissible property tax rate**" means the tax rate
 26 **determined under section 3 of this chapter.**

27 "Taxable property" means all tangible property that is subject to the
 28 tax imposed by this article and is not exempt from the tax under
 29 IC 6-1.1-10 or any other law. For purposes of sections 2 and 3 of this
 30 chapter, the term "taxable property" is further defined in section 6 of
 31 this chapter.

32 SECTION 17. IC 6-1.1-18.5-3 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) Except as
 34 ~~otherwise provided in this chapter; subsection (b) and IC 6-1.1-17.5,~~
 35 a civil taxing unit ~~that is treated as not being located in an adopting~~
 36 ~~county under section 4 of this chapter~~ may not impose ~~use~~ an ad
 37 valorem property tax ~~levy rate~~ for an ensuing calendar year that
 38 exceeds the amount determined in the last STEP of the following
 39 STEPS:

40 STEP ONE: Add the civil taxing unit's maximum permissible ad
 41 valorem property tax levy for the preceding calendar year to the
 42 part of the civil taxing unit's certified share; if any; that was used



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1 to reduce the civil taxing unit's ad valorem property tax levy under
 2 STEP EIGHT of subsection (b) for that preceding calendar year.
 3 STEP TWO: Multiply the amount determined in STEP ONE by
 4 the amount determined in the last STEP of section 2 of this
 5 chapter.
 6 STEP THREE: Determine the lesser of one and fifteen hundredths
 7 (1.15) or the quotient (rounded to the nearest ten-thousandth); of
 8 the assessed value of all taxable property subject to the civil
 9 taxing unit's ad valorem property tax levy for the ensuing calendar
 10 year, divided by the assessed value of all taxable property that is
 11 subject to the civil taxing unit's ad valorem property tax levy for
 12 the ensuing calendar year and that is contained within the
 13 geographic area that was subject to the civil taxing unit's ad
 14 valorem property tax levy in the preceding calendar year.
 15 STEP FOUR: Determine the greater of the amount determined in
 16 STEP THREE or one (1).
 17 STEP FIVE: Multiply the amount determined in STEP TWO by
 18 the amount determined in STEP FOUR.
 19 STEP SIX: Add the amount determined under STEP TWO to the
 20 amount determined under subsection (c).
 21 STEP SEVEN: Determine the greater of the amount determined
 22 under STEP FIVE or the amount determined under STEP SIX.
 23 (b) Except as otherwise provided in this chapter, a civil taxing unit
 24 that is treated as being located in an adopting county under section 4 of
 25 this chapter may not impose an ad valorem property tax levy for an
 26 ensuing calendar year that exceeds the amount determined in the last
 27 STEP of the following STEPS:
 28 STEP ONE: Add the civil taxing unit's maximum permissible ad
 29 valorem property tax levy for the preceding calendar year to the
 30 part of the civil taxing unit's certified share, if any, used to reduce
 31 the civil taxing unit's ad valorem property tax levy under STEP
 32 EIGHT of this subsection for that preceding calendar year.
 33 STEP TWO: Multiply the amount determined in STEP ONE by
 34 the amount determined in the last STEP of section 2 of this
 35 chapter.
 36 STEP THREE: Determine the lesser of one and fifteen hundredths
 37 (1.15) or the quotient of the assessed value of all taxable property
 38 subject to the civil taxing unit's ad valorem property tax levy for
 39 the ensuing calendar year divided by the assessed value of all
 40 taxable property that is subject to the civil taxing unit's ad
 41 valorem property tax levy for the ensuing calendar year and that
 42 is contained within the geographic area that was subject to the

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- 1 civil taxing unit's ad valorem property tax levy in the preceding
 2 calendar year.
- 3 STEP FOUR: Determine the greater of the amount determined in
 4 STEP THREE or one (1).
- 5 STEP FIVE: Multiply the amount determined in STEP TWO by
 6 the amount determined in STEP FOUR.
- 7 STEP SIX: Add the amount determined under STEP TWO to the
 8 amount determined under subsection (c).
- 9 STEP SEVEN: Determine the greater of the amount determined
 10 under STEP FIVE or the amount determined under STEP SIX.
- 11 STEP EIGHT: Subtract the amount determined under STEP FIVE
 12 of subsection (c) from the amount determined under STEP
 13 SEVEN of this subsection.
- 14 (c) If a civil taxing unit in the immediately preceding calendar year
 15 provided an area outside its boundaries with services on a contractual
 16 basis and in the ensuing calendar year that area has been annexed by
 17 the civil taxing unit, the amount to be entered under STEP SIX of
 18 subsection (a) or STEP SIX of subsection (b), as the case may be,
 19 equals the amount paid by the annexed area during the immediately
 20 preceding calendar year for services that the civil taxing unit must
 21 provide to that area during the ensuing calendar year as a result of the
 22 annexation. In all other cases, the amount to be entered under STEP
 23 SIX of subsection (a) or STEP SIX of subsection (b), as the case may
 24 be, equals zero (0).
- 25 (d) This subsection applies only to civil taxing units located in a
 26 county having a county adjusted gross income tax rate for resident
 27 county taxpayers (as defined in IC-6-3.5-1.1-1) of one percent (1%) as
 28 of January 1 of the ensuing calendar year. For each civil taxing unit, the
 29 amount to be added to the amount determined in subsection (c), STEP
 30 FOUR, is determined using the following formula:
- 31 STEP ONE: Multiply the civil taxing unit's maximum permissible
 32 ad valorem property tax levy for the preceding calendar year by
 33 two percent (2%).
- 34 STEP TWO: For the determination year, the amount to be used as
 35 the STEP TWO amount is the amount determined in subsection
 36 (f) for the civil taxing unit. For each year following the
 37 determination year the STEP TWO amount is the lesser of:
- 38 (A) the amount determined in STEP ONE; or
 39 (B) the amount determined in subsection (f) for the civil taxing
 40 unit.
- 41 STEP THREE: Determine the greater of:
 42 (A) zero (0); or

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- 1 (B) the civil taxing unit's certified share for the ensuing
 2 calendar year minus the greater of:
 3 (i) the civil taxing unit's certified share for the calendar year
 4 that immediately precedes the ensuing calendar year; or
 5 (ii) the civil taxing unit's base year certified share.
 6 STEP FOUR: Determine the greater of:
 7 (A) zero (0); or
 8 (B) the amount determined in STEP TWO minus the amount
 9 determined in STEP THREE.
 10 Add the amount determined in STEP FOUR to the amount determined
 11 in subsection (e); STEP THREE; as provided in subsection (e); STEP
 12 FOUR:
 13 (e) For each civil taxing unit, the amount to be subtracted under
 14 subsection (b); STEP EIGHT; is determined using the following
 15 formula:
 16 STEP ONE: Determine the lesser of the civil taxing unit's base
 17 year certified share for the ensuing calendar year; as determined
 18 under section 5 of this chapter; or the civil taxing unit's certified
 19 share for the ensuing calendar year.
 20 STEP TWO: Determine the greater of:
 21 (A) zero (0); or
 22 (B) the remainder of:
 23 (i) the amount of federal revenue sharing money that was
 24 received by the civil taxing unit in 1985; minus
 25 (ii) the amount of federal revenue sharing money that will be
 26 received by the civil taxing unit in the year preceding the
 27 ensuing calendar year.
 28 STEP THREE: Determine the lesser of:
 29 (A) the amount determined in STEP TWO; or
 30 (B) the amount determined in subsection (f) for the civil taxing
 31 unit.
 32 STEP FOUR: Add the amount determined in subsection (d);
 33 STEP FOUR; to the amount determined in STEP THREE.
 34 STEP FIVE: Subtract the amount determined in STEP FOUR
 35 from the amount determined in STEP ONE.
 36 (f) As used in this section, a taxing unit's "determination year"
 37 means the latest of:
 38 (1) calendar year 1987; if the taxing unit is treated as being
 39 located in an adopting county for calendar year 1987 under
 40 section 4 of this chapter;
 41 (2) the taxing unit's base year; as defined in section 5 of this
 42 chapter; if the taxing unit is treated as not being located in an

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1 adopting county for calendar year 1987 under section 4 of this
 2 chapter; or
 3 (3) the ensuing calendar year following the first year that the
 4 taxing unit is located in a county that has a county adjusted gross
 5 income tax rate of more than one-half percent (0.5%) on July 1 of
 6 that year.

7 The amount to be used in subsections (d) and (e) for a taxing unit
 8 depends upon the taxing unit's certified share for the ensuing calendar
 9 year, the taxing unit's determination year, and the county adjusted gross
 10 income tax rate for resident county taxpayers (as defined in
 11 IC-6-3.5-1.1-1) that is in effect in the taxing unit's county on July 1 of
 12 the year preceding the ensuing calendar year. For the determination
 13 year and the ensuing calendar years following the taxing unit's
 14 determination year, the amount is the taxing unit's certified share for
 15 the ensuing calendar year multiplied by the appropriate factor
 16 prescribed in the following table:

17 COUNTRIES WITH A TAX RATE OF 1/2%

	Subsection (e)
Year	Factor
For the determination year and each en-	
19 suing calendar year following the deter-	
20 mination year	0

21 COUNTRIES WITH A TAX RATE OF 3/4%

	Subsection (e)
Year	Factor
For the determination year and each en-	
26 suing calendar year following the deter-	
27 mination year	1/2

28 COUNTRIES WITH A TAX RATE OF 1.0%

	Subsection (d)	Subsection (e)
Year	Factor	Factor
For the determination year	1/6	1/3
For the ensuing calendar		
33 year following the determi-		
34 nation year	1/4	1/3
For the ensuing calendar		
36 year following the determi-		
37 nation year by two (2) years	1/3	1/3

38 the rate used by the civil taxing unit for property taxes first due
 39 and payable in 1999 for the following funds:

- 40 (1) The rate used by the civil taxing unit for the combination
 41 of all funds other than the civil taxing unit's social service
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1 funds, debt service fund, and cumulative or capital
 2 development funds, and excluding the money needed to meet
 3 the unit's obligations for the 1925 police pension fund (IC
 4 36-8-6), the 1937 firefighters' pension fund (IC 36-8-7), and
 5 the 1953 police pension fund (IC 36-8-7.5).

6 (2) The rate used by the civil taxing unit for its cumulative
 7 and capital development funds.

8 (3) The rate used by the civil taxing unit for its social service
 9 funds. Social service funds include property taxes levied
 10 under the authority of the following:

11 (A) IC 12-13-8-5.

12 (B) IC 12-16-14-3.

13 (C) IC 12-19-3, IC 12-19-4, and IC 12-19-5.

14 (D) IC 12-20, excluding IC 12-20-23.

15 (E) IC 16-35-3-3.

16 (b) If a statewide general reassessment of real property first
 17 becomes effective for the ensuing calendar year, the maximum
 18 permissible property tax rate shall be adjusted to equal the
 19 quotient of:

20 (1) the maximum permissible rate for the year preceding the
 21 ensuing calendar year; divided by

22 (2) the tax rate adjustment.

23 As used in this subsection, the tax rate adjustment is one (1) plus
 24 the percentage increase in the implicit price deflator for
 25 construction costs, as published by the Bureau of Census, or a
 26 similar index if the implicit price deflator is no longer published.
 27 The state board of tax commissioners shall determine the tax rate
 28 adjustment. To determine the adjustment, the state board of tax
 29 commissioners shall use the change in the implicit price deflator
 30 from the last quarter of the year immediately preceding the last
 31 year that precedes by two (2) years the year in which a general
 32 reassessment of real property first became effective to the last
 33 quarter of the year that precedes the ensuing calendar year by two
 34 (2) years. The state board of tax commissioners shall publish the
 35 tax rate adjustment in the Indiana Register before March 1 of the
 36 year preceding the ensuing calendar year. The tax rate after the
 37 adjustment becomes the unit's maximum permissible tax rate.

38 SECTION 18. IC 6-1.1-18.5-7 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) A civil taxing
 40 unit is not subject to the **levy rate** limits imposed by ~~section 3~~
 41 chapter for an ensuing calendar year if the civil taxing unit did not
 42 adopt an ad valorem property tax levy for the immediately preceding



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1 calendar year.

2 (b) If under subsection (a) a civil taxing unit is not subject to the
 3 ~~levy rate~~ limits imposed under ~~section 3~~ of this chapter for a calendar
 4 year, the civil taxing unit shall refer its proposed ~~budget, ad valorem~~
 5 ~~property tax levy, and~~ property tax rate for that calendar year to the
 6 ~~local government~~ **appropriate county property tax** control board
 7 established by ~~section 11~~ of this chapter **IC 6-1.1-17.5** before the
 8 ~~budget, tax levy, is and tax rate are~~ advertised. The ~~local government~~
 9 **county property** tax control board shall then review and ~~make a~~
 10 ~~recommendation to the state board of tax commissioners on~~ set
 11 the civil taxing unit's ~~budget, ad valorem property tax levy, and~~ property
 12 tax rate for that calendar year. ~~The state board of tax commissioners~~
 13 ~~shall make a final determination of the civil taxing unit's budget, ad~~
 14 ~~valorem property tax levy, and property tax rate for that calendar year.~~
 15 However, a civil taxing unit may not impose a property tax levy for a
 16 year if the unit did not exist as of March 1 of the preceding year.

17 SECTION 19. IC 6-1.1-18.5-8 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) The ~~ad valorem~~
 19 ~~property tax levy~~ limits imposed by section 3 of this chapter do not
 20 apply to ad valorem property taxes imposed by a civil taxing unit if the
 21 civil taxing unit is committed to levy the taxes to pay or fund either:

22 (1) bonded indebtedness; or

23 (2) lease rentals under a lease with an original term of at least five
 24 (5) years:

25 **tax rate attributable to the portion of a civil taxing unit's levy that**
 26 **is used to pay:**

27 (1) **the bonded indebtedness and leases with an original term**
 28 **of longer than five (5) years may not exceed the tax rate**
 29 **necessary to pay the bonded indebtedness and leases with an**
 30 **original term of longer than five (5) years that existed on June**
 31 **30, 1999, and that are not paid when the rate is determined;**
 32 **plus**

33 (2) **any bonded indebtedness and leases with an original term**
 34 **of longer than five (5) years that are approved by the county**
 35 **property tax control board under IC 6-1.1-17.5 after June 30,**
 36 **1999.**

37 (b) Before a civil taxing unit may incur bonded indebtedness or
 38 enter into a lease with an original term of at least five (5) years, the
 39 civil taxing unit must request and obtain approval from the ~~state board~~
 40 ~~of tax commissioners~~ **appropriate county property tax control board**
 41 to incur the bonded indebtedness or execute the lease. ~~The state board~~
 42 ~~of tax commissioners may seek recommendations from the local~~



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1 government tax control board established by section 11 of this chapter
 2 when determining whether to authorize incurring the bonded
 3 indebtedness or the execution of the lease.

4 (c) The state board of tax commissioners shall render a decision
 5 within three (3) months after the date it receives a request for approval
 6 under subsection (b). However, the state board of tax commissioners
 7 may extend this three (3) month period by an additional three (3)
 8 months if, at least ten (10) days before the end of the original three (3)
 9 month period, the board sends notice of the extension to the executive
 10 officer of the civil taxing unit.

11 (d) (c) A civil taxing unit does not need approval under subsection
 12 (b) to obtain temporary loans made in anticipation of and to be paid
 13 from current revenues of the civil taxing unit actually levied and in the
 14 course of collection for the fiscal year in which the loans are made.

15 (e) (d) For purposes of computing the ad valorem property tax **levy**
 16 **rate** limits imposed on a civil taxing unit by section 3 of this chapter,
 17 the civil taxing unit's ad valorem property tax **levy rate** for a calendar
 18 year does not include that part of its **levy property tax rate** that is
 19 committed to fund or pay bond indebtedness or lease rentals with an
 20 original term of five (5) years in subsection (a).

21 SECTION 20. IC 6-1.1-19-1 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this
 23 chapter, the following terms have the following meanings, unless the
 24 context clearly requires otherwise:

25 (a) "School year" means the period of time from July 1 of each year
 26 until June 30 of the following year.

27 (b) "ADA" means, as to any school corporation, the average number
 28 of pupils in daily attendance in the school corporation, determined in
 29 accordance with the rules and regulations established by the Indiana
 30 state board of education.

31 (c) "Current ADA" means the most recently determined ADA for
 32 the school corporation in question.

33 (d) ~~With the exception provided for in section 6(b) of this chapter;~~
 34 "ADA ratio" means, as to any school corporation, the quotient resulting
 35 from a division of that school corporation's current ADA by that school
 36 corporation's ADA for the school year ending in 1973. However, in any
 37 case in which the quotient is less than one (1), the ADA ratio for the
 38 school corporation is one (1).

39 (e) "General fund" means the fund that the governing body of each
 40 school corporation is required to establish by IC 21-2-11-2.

41 (f) With the exceptions provided for in ~~sections~~ **section** 4.4(a)(4)
 42 ~~4.5(c); 6(b); and 6(c)~~ of this chapter, "base tax levy" means the total

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1 dollar amount of the ad valorem tax levy for its general fund that was
 2 levied by a school corporation for taxes collectible in 1973, assuming
 3 one hundred percent (100%) tax collection.

4 (g) "Excessive tax levy" means a school corporation's general fund
 5 ad valorem property tax levy for a calendar year which exceeds the
 6 maximum general fund ad valorem property tax levy permitted under
 7 section 4.5 of this chapter.

8 (h) "Normal tax levy" means the total dollar amount of any general
 9 fund ad valorem property tax levy that is made by a school corporation
 10 for a calendar year, and that is not an excessive tax levy.

11 (i) "Tax control board" means the school property tax control board
 12 established by section 4.1 of this chapter.

13 SECTION 21. IC 6-1.1-19-1.4 IS ADDED TO THE INDIANA
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 1999]: **Sec. 1.4. (a) Except as otherwise**
 16 **provided in IC 6-1.1-17.5 and subsection (b), a school corporation**
 17 **may not, for an ensuing calendar year, impose a general fund ad**
 18 **valorem property tax rate that exceeds the rate used by the school**
 19 **corporation for property taxes first due and payable in 1999 for**
 20 **the school's general fund and transportation fund.**

21 (b) If a statewide general reassessment of real property first
 22 becomes effective for the ensuing calendar year, the maximum
 23 permissible property tax rate shall be adjusted to equal the
 24 quotient of:

- 25 (1) the maximum permissible rate for the year preceding the
 26 ensuing calendar year; divided by
 27 (2) the tax rate adjustment used under IC 6-1.1-18.5-3.

28 **The tax rate after the adjustment becomes the unit's maximum**
 29 **permissible tax rate.**

30 SECTION 22. IC 6-1.1-19-5.3 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 5.3. (a) The tax control**
 32 **board may recommend to The state board of tax commissioners a**
 33 **correction of mathematical errors in data that affect the determination**
 34 **of:**

- 35 (1) a school corporation's adjusted base levy;
 36 (2) a school corporation's excessive tax levy; or
 37 (3) a school corporation's normal tax levy.

38 (b) The state board of tax commissioners **may shall** correct
 39 mathematical errors in data for any school corporation **that affect the**
 40 **determination of a school corporation's property tax rate or levy.**

41 SECTION 23. IC 6-1.1-19-6 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 6. (a) A school**

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1 corporation that did not impose a general fund tax levy for the
 2 preceding calendar year may not collect a general fund tax levy for the
 3 ensuing calendar year until **that the proposed** general fund tax levy
 4 (and the related budget, appropriations, and general fund tax rate); after
 5 being adopted and advertised and considered by the proper county
 6 board of tax adjustment as provided by law; is reviewed by the tax
 7 control board which shall make its recommendations in respect thereof
 8 to the state board of tax commissioners, and is approved by the state
 9 board of tax commissioners:

10 (b) For all purposes relevant to this chapter:

11 (i) the adjusted base levy for a school corporation that must have
 12 its levy approved under subsection (a) is the total dollar amount
 13 of the ad valorem tax levy for its general fund that, after being
 14 approved, is made by the school corporation for taxes collectible
 15 in the first full calendar year after the approval; and

16 (ii) the ADA ratio for a school corporation that must have its levy
 17 approved under subsection (a) is the quotient resulting from a
 18 division of the school corporation's current ADA by the ADA first
 19 determined after the approval for the school corporation in
 20 accordance with the rules and regulations established by the state
 21 board of education:

22 (c) For purposes of this chapter:

23 (i) where territory is transferred from one (1) school corporation
 24 to another after April 4, 1973; under IC 20-4-4 or IC 20-3-14;
 25 ADA, current ADA, and ADA ratio shall be interpreted; insofar
 26 as possible; as though the pupils in the territory had been
 27 transferred in the school year ending in 1973; and

28 (ii) where territory is transferred for one (1) school corporation to
 29 another after June 1, 1978; under IC 20-4-4 or IC 20-3-14;
 30 adjusted base levy; normal tax levy; and the other terms used in
 31 this chapter shall be interpreted; insofar as possible; as though the
 32 assessed valuation of the territory had been transferred prior to
 33 March 1, 1977; in accordance with rules and a final determination
 34 by the state board of tax commissioners:

35 **rate is referred to the appropriate county property tax control**
 36 **board established under IC 6-1.1-17.5 before the budget, levy, and**
 37 **rate are advertised. The county property tax control board shall**
 38 **then review and set the school corporation's property tax rate for**
 39 **that calendar year, subject to IC 6-1.1-17.5.**

40 SECTION 24. IC 6-1.1-19-8 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) A school
 42 corporation may not, **after June 30, 1999**, incur bond indebtedness,



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1 enter into a lease rental agreement, or repay from the debt service fund
 2 loans made for the purchase of school buses under IC 20-9.1-6-5 **that**
 3 **will cause the school corporation to exceed the maximum property**
 4 **tax rate under this chapter** unless the school corporation has first
 5 obtained the ~~state board of tax commissioners'~~ **county property tax**
 6 **control board's** approval of the lease rental agreement, bond issue or
 7 school bus purchase loan. This restriction does not apply to ad valorem
 8 property taxes which a school corporation levies to pay or fund bond
 9 or lease rental indebtedness created or incurred before ~~July 1, 1974.~~
 10 **July 1, 1999.**

11 (b) The state board of tax commissioners may either approve;
 12 disapprove; or modify then approve a school corporation's proposed
 13 lease rental agreement; bond issue or school bus purchase loan. Before
 14 it approves or disapproves a proposed lease rental agreement; bond
 15 issue or school bus purchase loan; the state board of tax commissioners
 16 may seek the recommendation of the tax control board:

17 (c) The state board of tax commissioners shall render a decision not
 18 more than three (3) months after the date it receives a request for
 19 approval under subsection (a). However, the state board of tax
 20 commissioners may extend this three (3) month period by an additional
 21 three (3) months if, at least ten (10) days before the end of the original
 22 three (3) month period; the board sends notice of the extension to the
 23 executive officer of the school corporation:

24 (d) After ~~December 31, 1995;~~ the state board of tax commissioners
 25 may not approve a school corporation's proposed lease rental
 26 agreement or bond issue to finance the construction of additional
 27 classrooms unless the school corporation first:

- 28 (1) establishes that additional classroom space is necessary; and
- 29 (2) conducts a feasibility study; holds public hearings; and hears
 30 public testimony on using a twelve (12) month school term
 31 (instead of the nine (9) month school term (as defined in
 32 IC 20-10.1-2-2)) rather than expanding classroom space:

33 (e) This section does not apply to school bus purchase loans made
 34 by a school corporation which will be repaid solely from the general
 35 fund of the school corporation:

36 SECTION 25. IC 6-1.1-20-9 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 9. (a) When the proper
 38 officers of a political subdivision decide to issue bonds payable from
 39 property taxes to finance a public improvement, they shall adopt an
 40 ordinance or resolution which sets forth their determination to issue the
 41 bonds. Except as provided in subsection (b) of this section, the political
 42 subdivision may not advertise for or receive bids for the construction



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1 of the improvement until the expiration of the latter of:

2 (1) the time period within which taxpayers may file a petition for
3 review of or a ~~remonstrance against~~ **may oppose** the proposed
4 issue **under IC 6-1.1-17.5**; or

5 (2) the time period during which a petition for review of the
6 proposed issue is pending before the ~~state board of tax~~
7 ~~commissioners~~ **county property tax control board**.

8 (b) When a petition for review of a proposed issue is pending before
9 the ~~state board of tax commissioners~~ **county property tax control**
10 **board**, the board may order the political subdivision to advertise for
11 and receive bids for the construction of the public improvement. When
12 the board issues such an order, the political subdivision shall file a bid
13 report with the ~~state board of tax commissioners~~ **county property tax**
14 **control board** within five (5) days after the bids are received, and the
15 board shall render a final decision on the proposed issue within fifteen
16 (15) days after it receives the bid report. Notwithstanding the
17 provisions of this subsection, a political subdivision may not enter into
18 a contract for the construction of a public improvement while a petition
19 for review of the bond issue which is to finance the improvement is
20 pending before the ~~state board of tax commissioners~~ **county property**
21 **tax control board**.

22 SECTION 26. IC 6-1.1-21-2 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. As used in this
24 chapter:

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

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

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

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

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

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

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



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- 1 (1) the remainder of:
 2 (A) the aggregate levy of all taxes for all taxing units in a
 3 county which are to be paid in the county for a stated
 4 assessment year as reflected by the auditor's abstract for the
 5 assessment year, adjusted, however, for any postabstract
 6 adjustments which change the amount of the aggregate levy;
 7 minus
 8 (B) the sum of any increases in property tax levies of taxing
 9 units of the county that result from appeals described in:
 10 (i) IC 6-1.1-18.5-13(5) (**repealed**) and IC 6-1.1-18.5-13(6)
 11 (**repealed**) filed after December 31, 1982; plus
 12 (ii) the sum of any increases in property tax levies of taxing
 13 units of the county that result from any other appeals
 14 described in IC 6-1.1-18.5-13 (**repealed**) filed after
 15 December 31, 1983; plus
 16 (iii) IC 6-1.1-18.6-3 (children in need of services and
 17 delinquent children who are wards of the county); minus
 18 (C) the total amount of property taxes imposed for the stated
 19 assessment year by the taxing units of the county under the
 20 authority of IC 12-1-11.5 (repealed), IC 12-2-4.5 (repealed),
 21 IC 12-19-5, or IC 12-20-24; minus
 22 (D) the total amount of property taxes to be paid during the
 23 stated assessment year that will be used to pay for interest or
 24 principal due on debt that:
 25 (i) is entered into after December 31, 1983;
 26 (ii) is not debt that is issued under IC 5-1-5 to refund debt
 27 incurred before January 1, 1984; and
 28 (iii) does not constitute debt entered into for the purpose of
 29 building, repairing, or altering school buildings for which
 30 the requirements of IC 20-5-52 were satisfied prior to
 31 January 1, 1984; minus
 32 (E) the amount of property taxes imposed in the county for the
 33 stated assessment year under the authority of IC 21-2-6
 34 (**repealed**) or any citation listed in IC 6-1.1-18.5-9.8
 35 (**repealed**) for a cumulative building fund whose property tax
 36 rate was initially established or reestablished for a stated
 37 assessment year that succeeds the 1983 stated assessment year;
 38 minus
 39 (F) the remainder of:
 40 (i) the total property taxes imposed in the county for the
 41 stated assessment year under authority of IC 21-2-6
 42 (**repealed**) or any citation listed in IC 6-1.1-18.5-9.8

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- 1 **(repealed)** for a cumulative building fund whose property
 2 tax rate was not initially established or reestablished for a
 3 stated assessment year that succeeds the 1983 stated
 4 assessment year; minus
 5 (ii) the total property taxes imposed in the county for the
 6 1984 stated assessment year under the authority of IC 21-2-6
 7 **(repealed)** or any citation listed in IC 6-1.1-18.5-9.8
 8 **(repealed)** for a cumulative building fund whose property
 9 tax rate was not initially established or reestablished for a
 10 stated assessment year that succeeds the 1983 stated
 11 assessment year; minus
 12 (G) the amount of property taxes imposed in the county for the
 13 stated assessment year under:
 14 (i) IC 21-2-15 for a capital projects fund; plus
 15 (ii) IC 6-1.1-19-10 for a racial balance fund; plus
 16 (iii) IC 20-14-13 for a library capital projects fund; plus
 17 (iv) IC 20-5-17.5-3 for an art association fund; plus
 18 (v) IC 21-2-17 for a special education preschool fund; plus
 19 (vi) an appeal filed under IC 6-1.1-19-5.1 **(before its**
 20 **repeal)** for an increase in a school corporation's maximum
 21 permissible general fund levy for certain transfer tuition
 22 costs; plus
 23 (vii) an appeal filed under IC 6-1.1-19-5.4 for an increase in
 24 a school corporation's maximum permissible general fund
 25 levy for transportation operating costs; minus
 26 (H) the amount of property taxes imposed by a school
 27 corporation that is attributable to the passage, after 1983, of a
 28 referendum for an excessive tax levy under IC 6-1.1-19,
 29 including any increases in these property taxes that are
 30 attributable to the adjustment set forth in IC 6-1.1-19-1.5(a)
 31 STEP ONE **(before its repeal)** or any other law; minus
 32 (I) for each township in the county, the lesser of:
 33 (i) the sum of the amount determined in IC 6-1.1-18.5-19(a)
 34 STEP THREE **(repealed)** or IC 6-1.1-18.5-19(b) STEP
 35 THREE **(repealed)**, whichever is applicable, plus the part,
 36 if any, of the township's ad valorem property tax levy for
 37 calendar year 1989 that represents increases in that levy that
 38 resulted from an appeal described in IC 6-1.1-18.5-13(5)
 39 **(repealed)** filed after December 31, 1982; or
 40 (ii) the amount of property taxes imposed in the township for
 41 the stated assessment year under the authority of
 42 IC 36-8-13-4; minus

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1 (J) for each participating unit in a fire protection territory
 2 established under IC 36-8-19-1, the amount of property taxes
 3 levied by each participating unit under IC 36-8-19-8 and
 4 IC 36-8-19-8.5 less the maximum levy limit for each of the
 5 participating units that would have otherwise been available
 6 for fire protection services under IC 6-1.1-18.5-3 and
 7 IC 6-1.1-18.5-19 for that same year; minus
 8 (K) for each county, the sum of:
 9 (i) the amount of property taxes imposed in the county for
 10 the repayment of loans under IC 12-19-5-6 that is included
 11 in the amount determined under IC 12-19-7-4(a) STEP
 12 SEVEN for property taxes payable in 1995, or for property
 13 taxes payable in each year after 1995, the amount
 14 determined under IC 12-19-7-4(b); and
 15 (ii) the amount of property taxes imposed in the county
 16 attributable to appeals granted under IC 6-1.1-18.6-3 that is
 17 included in the amount determined under IC 12-19-7-4(a)
 18 STEP SEVEN for property taxes payable in 1995, or the
 19 amount determined under IC 12-19-7-4(b) for property taxes
 20 payable in each year after 1995; plus
 21 (2) all taxes to be paid in the county in respect to mobile home
 22 assessments currently assessed for the year in which the taxes
 23 stated in the abstract are to be paid; plus
 24 (3) the amounts, if any, of county adjusted gross income taxes that
 25 were applied by the taxing units in the county as property tax
 26 replacement credits to reduce the individual levies of the taxing
 27 units for the assessment year, as provided in IC 6-3.5-1.1; plus
 28 (4) the amounts, if any, by which the maximum permissible ad
 29 valorem property tax levies of the taxing units of the county were
 30 reduced under IC 6-1.1-18.5-3(b) STEP EIGHT (**as in effect July**
 31 **1, 1999**) for the stated assessment year; plus
 32 (5) the difference between:
 33 (A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR;
 34 minus
 35 (B) the amount the civil taxing units' levies were increased
 36 because of the reduction in the civil taxing units' base year
 37 certified shares under IC 6-1.1-18.5-3(e);
 38 **as determined under IC 6-1.1-18.5-3(e) as in effect before July 1,**
 39 **1999.**
 40 (h) "December settlement sheet" means the certificate of settlement
 41 filed by the county auditor with the auditor of state, as required under
 42 IC 6-1.1-27-3.

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

4 SECTION 27. IC 6-1.1-21.5-6 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) Except as
6 specifically provided in subsection (c); the receipt by the qualified
7 taxing unit of either the loan proceeds or any payment of delinquent tax
8 owed by a taxpayer in bankruptcy; or both; is not considered to be part
9 of the ad valorem property tax levy actually collected by the qualified
10 taxing unit for taxes first due and payable during a particular calendar
11 year for the purpose of calculating the levy excess under
12 IC 6-1.1-18.5-17 and IC 6-1.1-19-1.7.

13 (b) (a) The loan proceeds and any payment of delinquent tax may
14 be expended by the qualified taxing unit only to pay debts of the
15 qualified taxing unit that have been incurred pursuant to duly adopted
16 appropriations approved by the state board of tax commissioners for
17 operating expenses.

18 (c) In the event the sum of the receipts of the qualified taxing unit
19 that are attributable to:

20 (1) the loan proceeds; and
21 (2) the payment of property taxes owed by a taxpayer in a
22 bankruptcy proceeding initially filed in 1986 and payable in
23 respect to the second installment of taxes due and payable in
24 November 1986; and in respect to taxes due and payable in 1987;
25 exceeds eleven million nine hundred thousand dollars (\$11,900,000);
26 the excess as received during any calendar year or years shall be set
27 aside and treated for the calendar year when received as a levy excess
28 subject to IC 6-1.1-18.5-17 or IC 6-1.1-19-1.7. In calculating the
29 payment of property taxes as provided in subdivision (2); the amount
30 of property tax credit finally allowed under IC 6-1.1-21-5 in respect
31 to such taxes is deemed to be a payment of such property taxes.

32 (d) (b) As used in this section, "delinquent tax" means any tax owed
33 by a taxpayer in a bankruptcy proceeding initially filed in 1986 and that
34 is not paid during the calendar year for which it was first due and
35 payable.

36 SECTION 28. IC 6-1.1-21.7-6 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) A taxing unit may
38 apply for a loan under this chapter.

39 (b) A taxing unit qualifies for a loan under this chapter for a fund if:

40 (1) the United States Congress limits or terminates its
41 authorization for a taxing unit to impose a property tax on a
42 taxpayer;



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1 (2) the lost revenue for at least one (1) fund, as determined under
 2 section 10, STEP THREE of this chapter, is at least five percent
 3 (5%) of the property tax revenues for the fund that the taxing unit
 4 would have received in the current year if the United States
 5 Congress had not limited or terminated payments from the
 6 taxpayer to the taxing unit, as determined under section 10, STEP
 7 TWO of this chapter; and

8 (3) the taxing unit appeals to the state board of tax commissioners
 9 for emergency financial relief under this chapter. ~~in the same~~
 10 ~~manner as an appeal for emergency relief under IC 6-1.1-18.5-12~~
 11 ~~or IC 6-1.1-19-4.1.~~

12 However, the appeal required under subdivision (3) may be filed at any
 13 time.

14 (c) A taxing unit may receive a loan to replace lost revenue only for
 15 the first five (5) years in which the taxing unit loses revenue as a result
 16 of an act of the United States Congress described in subsection (b)(1).

17 SECTION 29. IC 6-1.1-33-7 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) The division of
 19 tax review shall annually determine the variance between:

20 (1) the total assessed valuation of the property within each
 21 assessing district; and

22 (2) the total true tax value that the state board of tax
 23 commissioners determines would result if the property within the
 24 assessing district were valued in the manner provided by law.

25 The division's determination must be based on a statistically valid
 26 assessment ratio study. The division shall compute and publish the
 27 coefficient of dispersion for each assessing district. The coefficient of
 28 dispersion shall be published one (1) time. ~~in accordance with~~
 29 ~~IC 5-3-1-2(g) at the direction of the state board of tax commissioners.~~

30 (b) If part or all of the property in an assessing district is not
 31 substantially valued at true tax value, the state board of tax
 32 commissioners shall take action under IC 6-1.1-4-9, IC 6-1.1-14-5, or
 33 IC 6-1.1-35-13 to correct the misvaluation of property.

34 SECTION 30. IC 6-1.1-37-1 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. An officer of state or
 36 local government who recklessly violates or fails to perform a duty
 37 imposed on him under:

38 (1) IC 6-1.1-10-1(b);

39 (2) IC 6-1.1-12-6;

40 (3) IC 6-1.1-12-7;

41 (4) IC 6-1.1-12-8;

42 (5) IC 6-1.1-17-1;



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- 1 (6) IC 6-1.1-17-3(a);
- 2 (7) IC 6-1.1-17-5(d)(1);
- 3 ~~(8) IC 6-1.1-18-1;~~
- 4 ~~(9) (8) IC 6-1.1-18-5;~~
- 5 ~~(10) (9) IC 6-1.1-18-6;~~
- 6 ~~(11) IC 6-1.1-20-5;~~
- 7 ~~(12) IC 6-1.1-20-6;~~
- 8 ~~(13) IC 6-1.1-20-7;~~
- 9 ~~(14) (10) IC 6-1.1-30-5;~~
- 10 ~~(15) (11) IC 6-1.1-30-14; or~~
- 11 ~~(16) (12) IC 6-1.1-36-13;~~

12 commits a Class A misdemeanor. In addition, the officer is liable for
 13 the damages sustained by a person as a result of the officer's violation
 14 of the provision or the officer's failure to perform the duty.

15 SECTION 31. IC 6-1.1-41-2 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) In addition to
 17 complying with the budget, tax rate, and tax levy requirements
 18 applicable to other tax levies, a political subdivision may, **subject to**
 19 **IC 6-1.1-18.5:**

- 20 (1) establish a cumulative fund and impose a property tax for the
- 21 cumulative fund; or
- 22 (2) increase the tax rate for a cumulative fund;
- 23 only after the proposal is adopted and approved in compliance with this
- 24 chapter.

25 (b) If an action described in this section is not adopted or approved
 26 in conformity with this chapter, the political subdivision may not levy
 27 a tax for the fund in the ensuing year.

28 SECTION 32. IC 6-1.1-41-3 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) A political
 30 subdivision that decides to establish a fund under this chapter must:

- 31 (1) give notice of the proposal to the affected taxpayers; and
- 32 (2) hold a public hearing on the proposal;
- 33 before ~~presenting the proposal to the state board of tax commissioners~~
 34 ~~for approval.~~ **establishing the fund.**

35 (b) Notice of the proposal and of the public hearing shall be given
 36 by publication in accordance with IC 5-3-1.

37 (c) For a cumulative fund authorized under IC 3-11-6 or
 38 IC 8-10-5-17, the political subdivision imposing a property tax levy
 39 shall post a notice of the proposal and the public hearing in three (3)
 40 public places in the political subdivision.

41 (d) A notice required by this section must describe the tax levy
 42 that will be imposed for the fund.

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1 SECTION 33. IC 6-1.1-41-4 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. A political
 3 subdivision that in any year adopts a proposal under this chapter must
 4 **submit the proposal to the state board of tax commissioners hold the**
 5 **public hearing and adopt the proposal** before August 2 of that year.

6 SECTION 34. IC 6-1.1-41-5 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. ~~The state board of~~
 8 ~~tax commissioners shall require that~~ a Notice of submission **required**
 9 under section 3 of this chapter be given to the taxpayers of the county.
 10 The notice shall be published in one (1) publication and posted in the
 11 same manner as required by section 3 of this chapter.

12 SECTION 35. IC 6-1.1-41-10 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. To provide for a
 14 fund, a political subdivision may, **subject to IC 6-1.1-18.5**, levy a tax
 15 on all taxable property within the jurisdiction authorized to establish
 16 the fund. The tax may not exceed the tax rate specified in the statute
 17 authorizing the fund.

18 SECTION 36. IC 6-1.1-41-14 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 14. The tax collected
 20 for a fund must be held in the fund for which the tax was levied. The
 21 fund may not be expended for any purpose other than the purposes
 22 specified by statute authorizing the fund. Except to the extent that
 23 ~~IC 8-16-3-3(c); IC 14-27-6-48(c); IC 36-9-14.5-8(c); IC 36-9-15.5-8(c)~~,
 24 or another statute specifically provides a different procedure,
 25 expenditures may be made from the fund only after an appropriation
 26 has been made in the manner provided by law for making other
 27 appropriations.

28 SECTION 37. IC 6-3.5-1.1-15 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 15. (a) As used in this
 30 section, "attributed levy" of a civil taxing unit means the sum of:

31 (1) the ad valorem property tax levy of the civil taxing unit that
 32 is currently being collected at the time the allocation is made;
 33 plus

34 (2) the current ad valorem property tax levy of any special taxing
 35 district, authority, board, or other entity formed to discharge
 36 governmental services or functions on behalf of or ordinarily
 37 attributable to the civil taxing unit; plus

38 (3) the amount of federal revenue sharing funds and certified
 39 shares that were used by the civil taxing unit (or any special
 40 taxing district, authority, board, or other entity formed to
 41 discharge governmental services or functions on behalf of or
 42 ordinarily attributable to the civil taxing unit) to reduce its ad

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1 valorem property tax ~~levies~~ **rate** below the limits imposed by
2 IC 6-1.1-18.5.

3 (b) The part of a county's certified distribution that is to be used as
4 certified shares shall be allocated only among the county's civil taxing
5 units. Each civil taxing unit of a county is entitled to receive a
6 percentage of the certified shares to be distributed in the county equal
7 to the ratio of its attributed levy to the total attributed levies of all civil
8 taxing units of the county.

9 (c) The ~~local government tax control board established by~~
10 ~~IC 6-1.1-18.5-11~~ **state board of tax commissioners** shall determine
11 the attributed levies of civil taxing units that are entitled to receive
12 certified shares during a calendar year. If the ad valorem property tax
13 levy of any special taxing district, authority, board, or other entity is
14 attributed to another civil taxing unit under subsection (b)(2), then the
15 special taxing district, authority, board, or other entity shall not be
16 treated as having an attributed levy of its own. The ~~local government~~
17 ~~tax control board~~ **state board of tax commissioners** shall certify the
18 attributed levy amounts to the appropriate county auditor. The county
19 auditor shall then allocate the certified shares among the civil taxing
20 units of his county.

21 (d) Certified shares received by a civil taxing unit shall be treated
22 as additional revenue for the purpose of fixing its budget for the
23 calendar year during which the certified shares will be received. The
24 certified shares may be allocated to or appropriated for any purpose,
25 including property tax relief or a transfer of funds to another civil
26 taxing unit whose levy was attributed to the civil taxing unit in the
27 determination of its attributed levy.

28 SECTION 38. IC 6-3.5-6-18 IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 18. (a) The revenue a
30 county auditor receives under this chapter shall be used to:

- 31 (1) replace the amount, if any, of property tax revenue lost due
32 to the allowance of an increased homestead credit within the
33 county;
- 34 (2) fund the operation of a public communications system and
35 computer facilities district as provided in an election, if any,
36 made by the county fiscal body under IC 36-8-15-19(b);
- 37 (3) fund the operation of a public transportation corporation as
38 provided in an election, if any, made by the county fiscal body
39 under IC 36-9-4-42;
- 40 (4) make payments permitted under IC 36-7-15.1-17.5;
- 41 (5) make payments permitted under subsection (i); and
- 42 (6) make distributions of distributive shares to the civil taxing



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1 units of a county.

2 (b) The county auditor shall retain from the payments of the
3 county's certified distribution, an amount equal to the revenue lost, if
4 any, due to the increase of the homestead credit within the county. This
5 money shall be distributed to the civil taxing units and school
6 corporations of the county as though they were property tax collections
7 and in such a manner that no civil taxing unit or school corporation
8 shall suffer a net revenue loss due to the allowance of an increased
9 homestead credit.

10 (c) The county auditor shall retain the amount, if any, specified by
11 the county fiscal body for a particular calendar year under subsection
12 (i), IC 36-7-15.1-17.5, IC 36-8-15-19(b), and IC 36-9-4-42 from the
13 county's certified distribution for that same calendar year. The county
14 auditor shall distribute amounts retained under this subsection to the
15 county.

16 (d) All certified distribution revenues that are not retained and
17 distributed under subsections (b) and (c) shall be distributed to the civil
18 taxing units of the county as distributive shares.

19 (e) The amount of distributive shares that each civil taxing unit in
20 a county is entitled to receive during a month equals the product of:

21 (1) the amount of revenue that is to be distributed as distributive
22 shares during that month; multiplied by

23 (2) a fraction. The numerator of the fraction equals ~~the total~~
24 ~~property taxes that are first due and payable to the civil taxing~~
25 ~~unit during the calendar year in which the month falls: unit's~~
26 **property tax levy that would result from using the maximum**
27 **permissible ad valorem property tax rate for the year**
28 **specified in this subsection.** The denominator of the fraction
29 equals the ~~total property taxes that are first due and payable to~~
30 **sum of the numerators for all civil taxing units of the county.**
31 ~~during the calendar year in which the month falls:~~

32 **The year to be used in subdivision (2) is 1999 for all civil taxing**
33 **units that were permitted to levy ad valorem property taxes during**
34 **1999. For a new civil taxing unit in the county that is permitted to**
35 **levy ad valorem property taxes for the first time after 1999, the**
36 **year to be used for the new civil taxing unit is the maximum**
37 **permissible rate for the first year the unit is permitted to levy an**
38 **ad valorem property tax.**

39 (f) The state board of tax commissioners shall provide each county
40 auditor with the fractional amount of distributive shares that each civil
41 taxing unit in the auditor's county is entitled to receive monthly under
42 this section.



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1 (g) Notwithstanding subsection (e), if a civil taxing unit of an
 2 adopting county does not impose a property tax levy that is first due
 3 and payable in a calendar year in which distributive shares are being
 4 distributed under this section, that civil taxing unit is entitled to receive
 5 a part of the revenue to be distributed as distributive shares under this
 6 section within the county. The fractional amount such a civil taxing
 7 unit is entitled to receive each month during that calendar year equals
 8 the product of:

9 (1) the amount to be distributed as distributive shares during that
 10 month; multiplied by

11 (2) a fraction. The numerator of the fraction equals the budget of
 12 that civil taxing unit for that calendar year. The denominator of
 13 the fraction equals the aggregate budgets of all civil taxing units
 14 of that county for that calendar year.

15 (h) If for a calendar year a civil taxing unit is allocated a part of a
 16 county's distributive shares by subsection (g), then the formula used in
 17 subsection (e) to determine all other civil taxing units' distributive
 18 shares shall be changed each month for that same year by reducing the
 19 amount to be distributed as distributive shares under subsection (e) by
 20 the amount of distributive shares allocated under subsection (g) for that
 21 same month. The state board of tax commissioners shall make any
 22 adjustments required by this subsection and provide them to the
 23 appropriate county auditors.

24 (i) Notwithstanding any other law, a county fiscal body may
 25 pledge revenues received under this chapter to the payment of bonds
 26 or lease rentals to finance a qualified economic development tax
 27 project under IC 36-7-27 in that county or in any other county if the
 28 county fiscal body determines that the project will promote significant
 29 opportunities for the gainful employment or retention of employment
 30 of the county's residents.

31 SECTION 39. IC 6-3.5-7-13.1 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 13.1. (a) The fiscal
 33 officer of each county, city, or town for a county in which the county
 34 economic development tax is imposed shall establish an economic
 35 development income tax fund. The revenue received by a county, city,
 36 or town under this chapter shall be deposited in the unit's economic
 37 development income tax fund.

38 (b) Except as provided in section 15 of this chapter, revenues from
 39 the county economic development income tax may be used as follows:

40 (1) By a county, city, or town for economic development
 41 projects, for paying, notwithstanding any other law, under a
 42 written agreement all or a part of the interest owed by a private

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1 developer or user on a loan extended by a financial institution or
 2 other lender to the developer or user if the proceeds of the loan
 3 are or are to be used to finance an economic development
 4 project, for the retirement of bonds under section 14 of this
 5 chapter for economic development projects, for leases under
 6 section 21 of this chapter, or for leases or bonds entered into or
 7 issued prior to the date the economic development income tax
 8 was imposed if the purpose of the lease or bonds would have
 9 qualified as a purpose under this chapter at the time the lease
 10 was entered into or the bonds were issued.

11 (2) By a county, city, or town for:

12 (A) the construction or acquisition of, or remedial action
 13 with respect to, a capital project for which the unit is
 14 empowered to issue general obligation bonds or establish a
 15 fund; ~~under any statute listed in IC 6-1-1-18.5-9.8;~~

16 (B) the retirement of bonds issued under any provision of
 17 Indiana law for a capital project;

18 (C) the payment of lease rentals under any statute for a
 19 capital project;

20 (D) contract payments to a nonprofit corporation whose
 21 primary corporate purpose is to assist government in
 22 planning and implementing economic development
 23 projects;

24 (E) operating expenses of a governmental entity that plans
 25 or implements economic development projects;

26 (F) to the extent not otherwise allowed under this chapter,
 27 funding substance removal or remedial action in a
 28 designated unit; or

29 (G) funding of a revolving fund established under
 30 IC 5-1-14-14.

31 (c) As used in this section, an economic development project is
 32 any project that:

33 (1) the county, city, or town determines will:

34 (A) promote significant opportunities for the gainful
 35 employment of its citizens;

36 (B) attract a major new business enterprise to the unit; or

37 (C) retain or expand a significant business enterprise within
 38 the unit; and

39 (2) involves an expenditure for:

40 (A) the acquisition of land;

41 (B) interests in land;

42 (C) site improvements;

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- 1 (D) infrastructure improvements;
 2 (E) buildings;
 3 (F) structures;
 4 (G) rehabilitation, renovation, and enlargement of buildings
 5 and structures;
 6 (H) machinery;
 7 (I) equipment;
 8 (J) furnishings;
 9 (K) facilities;
 10 (L) administrative expenses associated with such a project,
 11 including contract payments authorized under subsection
 12 (b)(2)(D);
 13 (M) operating expenses authorized under subsection
 14 (b)(2)(E); or
 15 (N) to the extent not otherwise allowed under this chapter,
 16 substance removal or remedial action in a designated unit;
 17 or any combination of these.

18 SECTION 40. IC 8-10-5-17 (CURRENT VERSION) IS
 19 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
 20 Sec. 17. (a) The board of directors of any port authority may, by
 21 resolution, recommend to any municipal corporation or county that a
 22 cumulative channel maintenance fund be established under IC 6-1.1-41
 23 to provide funds for dredging channels, cleaning channels and shores
 24 of debris and any other pollutants, and providing or repairing of
 25 bulkheads, pilings, docks, and wharves, and the purchase and
 26 development of land adjoining channels within the jurisdiction of the
 27 port authority and which land is necessary to the fulfillment of the plan
 28 adopted by the port authority for the future development, construction,
 29 and improvement of its facilities. The purchased and developed land
 30 shall be available to the residents of the taxing district without further
 31 charge.

32 (b) To provide for the cumulative channel maintenance fund, a
 33 county, city, or town fiscal body may, **subject to IC 6-1.1-18.5**, levy a
 34 tax in compliance with IC 6-1.1-41 not to exceed ten cents (\$0.10) on
 35 each one hundred dollars (\$100) on all taxable property within the
 36 county, town, or city.

37 (c) The tax, when collected, shall be held in a special fund to be
 38 known as the cumulative channel maintenance fund.

39 SECTION 41. IC 8-10-5-17 (DELAYED VERSION) IS
 40 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 41 2001]: Sec. 17. (a) The board of directors of any port authority may, by
 42 resolution, recommend to any municipal corporation or county that a



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1 cumulative channel maintenance fund be established under IC 6-1.1-41
 2 to provide funds for dredging channels, cleaning channels and shores
 3 of debris and any other pollutants, and providing or repairing of
 4 bulkheads, pilings, docks, and wharves, and the purchase and
 5 development of land adjoining channels within the jurisdiction of the
 6 port authority and which land is necessary to the fulfillment of the plan
 7 adopted by the port authority for the future development, construction,
 8 and improvement of its facilities. The purchased and developed land
 9 shall be available to the residents of the taxing district without further
 10 charge.

11 (b) To provide for the cumulative channel maintenance fund, a
 12 county, city, or town fiscal body may, **subject to IC 6-1.1-18.5**, levy a
 13 tax in compliance with IC 6-1.1-41 not to exceed three and thirty-three
 14 hundredths cents (\$0.0333) on each one hundred dollars (\$100) on all
 15 taxable property within the county, town, or city.

16 (c) The tax, when collected, shall be held in a special fund to be
 17 known as the cumulative channel maintenance fund.

18 SECTION 42. IC 8-14-9-12 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 12. All bonds and
 20 interest on bonds issued under this chapter are exempt from taxation as
 21 provided under IC 6-8-5-1. All general laws relating to:

22 (1) the filing of a petition **by the issuer** requesting the issuance
 23 of bonds;

24 (2) the right of taxpayers to ~~remonstrate against~~ **oppose** the
 25 issuance of bonds;

26 **(3) the right of voters to file petitions regarding a property**
 27 **tax control board's decision under IC 6-1.1-17.5;**

28 ~~(4) the appropriation of the proceeds of the bonds; and the~~
 29 ~~approval of the appropriation by the state board of tax~~
 30 ~~commissioners; and~~

31 ~~(5) the sale of bonds at public sale for not less than par value;~~
 32 are applicable to proceedings under this chapter.

33 SECTION 43. IC 8-16-3-3 (CURRENT VERSION) IS
 34 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
 35 Sec. 3. (a) To provide for the cumulative bridge fund, county
 36 executives and municipal legislative bodies may, **subject to**
 37 **IC 6-1.1-18.5**, levy a tax in compliance with IC 6-1.1-41 not to exceed
 38 thirty cents (\$0.30) on each one hundred dollars (\$100) assessed
 39 valuation of all taxable personal and real property within the county or
 40 municipality.

41 (b) The tax, when collected, shall be held in a special fund to be
 42 known as the bridge fund.



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1 (c) An appropriation from the bridge fund may be made without
2 the approval of the state board of tax commissioners if:

- 3 (1) the county executive requests the appropriation; and
4 (2) the appropriation is for the purpose of constructing,
5 maintaining, or repairing bridges, approaches, or grade
6 separations.

7 SECTION 44. IC 8-16-3-3 (DELAYED VERSION) IS
8 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
9 2001]: Sec. 3. (a) To provide for the cumulative bridge fund, county
10 executives and municipal legislative bodies may, **subject to**
11 **IC 6-1.1-18.5**, levy a tax in compliance with IC 6-1.1-41 not to exceed
12 ten cents (\$0.10) on each one hundred dollars (\$100) assessed
13 valuation of all taxable personal and real property within the county or
14 municipality.

15 (b) The tax, when collected, shall be held in a special fund to be
16 known as the bridge fund.

17 (c) An appropriation from the bridge fund may be made without
18 the approval of the state board of tax commissioners if:

- 19 (1) the county executive requests the appropriation; and
20 (2) the appropriation is for the purpose of constructing,
21 maintaining, or repairing bridges, approaches, or grade
22 separations.

23 SECTION 45. IC 8-16-3.1-4 IS AMENDED TO READ AS
24 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) The executive of
25 any eligible county may provide a major bridge fund in compliance
26 with IC 6-1.1-41 to make available funding for the construction of
27 major bridges.

28 (b) **Subject to IC 6-1.1-18.5**, the executive of any eligible county
29 may levy a tax in compliance with IC 6-1.1-41 not to exceed ten cents
30 (\$0.10) on each one hundred dollars (\$100) assessed valuation of all
31 taxable personal and real property within the county to provide for the
32 major bridge fund.

33 SECTION 46. IC 8-18-21-13 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 13. The annual
35 operating budget of a toll road authority is subject to **IC 6-1.1-17.5 and**
36 **review by the county board of tax adjustment and then** by the state
37 board of tax commissioners as in the case of other political
38 subdivisions.

39 SECTION 47. IC 8-22-3-16 IS AMENDED TO READ AS
40 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 16. (a) The board may
41 issue general obligation bonds of the authority for the purpose of
42 procuring funds to pay the cost of acquiring real property, or



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1 constructing, enlarging, improving, remodeling, repairing, or equipping
 2 buildings, structures, runways, or other facilities, for use as or in
 3 connection with or for administrative purposes of the airport. The
 4 issuance of the bonds must be authorized by ordinance of the board
 5 providing for the amount, terms, and tenor of the bonds and for the
 6 time and character of notice and the mode of making sale. If one (1)
 7 airport is owned by the authority, an ordinance authorizing the issuance
 8 of bonds for a separate second airport is subject to approval as provided
 9 in this section. The bonds bear interest and are payable at the times and
 10 places that the board determines but running not more than twenty-five
 11 (25) years after the date of their issuance, and they must be executed in
 12 the name of the authority by the president of the board and attested by
 13 the secretary who shall affix to each of the bonds the official seal of the
 14 authority. The interest coupons attached to the bonds may be executed
 15 by placing on them the facsimile signature of the president of the
 16 board.

17 (b) The issuance of general obligation bonds must be approved by
 18 resolution of the following body:

19 (1) When the authority is established by an eligible entity, by its
 20 fiscal body.

21 (2) When the authority is established by two (2) or more eligible
 22 entities acting jointly, by the fiscal body of each of those entities.

23 (3) When the authority was established under IC 19-6-2, by the
 24 mayor of the consolidated city, and if a second airport is to be
 25 funded, also by the city-county council.

26 (4) When the authority was established under IC 19-6-3, by the
 27 county council.

28 (c) The airport director shall manage and supervise the
 29 preparation, advertisement, and sale of the bonds, subject to the
 30 authorizing ordinance. Before the sale of the bonds, the airport director
 31 shall cause notice of the sale to be published once each week for two
 32 (2) consecutive weeks in two (2) newspapers of general circulation
 33 published in the district, setting out the time and place where bids will
 34 be received, the amount and maturity dates of the issue, the maximum
 35 interest rate, and the terms and conditions of sale and delivery of the
 36 bonds. The bonds shall be sold to the highest bidder, in accordance
 37 with the procedures for selling public bonds. After the bonds have been
 38 properly sold and executed, the airport director shall deliver them to the
 39 treasurer of the authority and take his receipt for them, and shall certify
 40 to the treasurer the amount which the purchaser is to pay for them,
 41 together with the name and address of the purchaser. On payment of
 42 the purchase price the treasurer shall deliver the bonds to the



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1 purchaser, and the treasurer and airport director or superintendent shall
2 report their actions to the board.

3 (d) The provisions of **IC 6-1.1-17.5**, IC 6-1.1-20, and IC 5-1
4 relating to the filing of a petition **by the issuer** requesting the issuance
5 of bonds and giving notice of them, the giving of notice of
6 determination to issue bonds, the giving of notice of hearing on the
7 appropriation of the proceeds of bonds and the right of taxpayers to
8 appeal and be heard on the proposed appropriation, ~~the approval of the~~
9 ~~appropriation by the state board of tax commissioners~~, the right of
10 taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds, **the**
11 **right of voters to file petitions regarding a property tax control**
12 **board's decision under IC 6-1.1-17.5**, and the sale of bonds at public
13 sale for not less than par value are applicable to proceedings under this
14 chapter for the issuance of general obligation bonds.

15 (e) Bonds issued under this chapter are not a corporate obligation
16 or indebtedness of any eligible entity but are an indebtedness of the
17 authority as a municipal corporation. An action to question the validity
18 of the bonds issued or to prevent their issue must be instituted not later
19 than the date set for sale of the bonds, and all of the bonds after that
20 date are incontestable.

21 SECTION 48. IC 8-22-3-25 (CURRENT VERSION) IS
22 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
23 Sec. 25. (a) The board may provide a cumulative building fund in
24 compliance with IC 6-1.1-41 to provide for the acquisition of real
25 property, and the construction, enlarging, improving, remodeling,
26 repairing, or equipping of buildings, structures, runways, or other
27 facilities for use in connection with the airport, and needed to carry out
28 this chapter.

29 (b) **Subject to IC 6-1.1-18.5**, the board may levy in compliance
30 with IC 6-1.1-41 a tax not to exceed:

31 (1) one cent (\$0.01) on each one hundred dollars (\$100) of
32 assessed value of taxable property within the district, if an
33 eligible entity other than a city established the district or if the
34 district was established jointly with an eligible entity that is not
35 a city;

36 (2) four cents (\$0.04) on each one hundred dollars (\$100) of
37 assessed value of taxable property within the district, if the
38 authority was established under IC 19-6-3 (before its repeal on
39 April 1, 1980); and

40 (3) for any other district not described in subdivision (1) or (2),
41 the following:

42 Total Assessed Rate Per

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1	Property Valuation	\$100 Of
2		Assessed
3		Valuation
4	\$100 million or less	\$0.05
5	More than \$100 million	\$0.04
6	but not more than \$150 million	
7	More than \$150 million	\$0.03
8	but not more than \$200 million	
9	More than \$200 million	\$0.02
10	but not more than \$300 million	
11	More than \$300 million	\$0.01

12 As the tax is collected it may be invested in negotiable United States
 13 bonds or other securities that the federal government has the direct
 14 obligation to pay. Any of the funds collected that are not invested in
 15 government obligations shall be deposited in accordance with
 16 IC 5-13-6 and shall be withdrawn in the same manner as money is
 17 regularly withdrawn from the general fund but without further or
 18 additional appropriation. The levy authorized by this section is in
 19 addition to the levies authorized by section 11 and section 23 of this
 20 chapter.

21 SECTION 49. IC 8-22-3-25 (DELAYED VERSION) IS
 22 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 23 2001]: Sec. 25. (a) The board may provide a cumulative building fund
 24 in compliance with IC 6-1.1-41 to provide for the acquisition of real
 25 property, and the construction, enlarging, improving, remodeling,
 26 repairing, or equipping of buildings, structures, runways, or other
 27 facilities for use in connection with the airport, and needed to carry out
 28 this chapter.

29 (b) **Subject to IC 6-1.1-18.5**, the board may levy in compliance
 30 with IC 6-1.1-41 a tax not to exceed:

- 31 (1) thirty-three hundredths of one cent (\$0.0033) on each one
- 32 hundred dollars (\$100) of assessed value of taxable property
- 33 within the district, if an eligible entity other than a city
- 34 established the district or if the district was established jointly
- 35 with an eligible entity that is not a city;
- 36 (2) one and thirty-three hundredths cents (\$0.0133) on each one
- 37 hundred dollars (\$100) of assessed value of taxable property
- 38 within the district, if the authority was established under
- 39 IC 19-6-3 (before its repeal on April 1, 1980); and
- 40 (3) for any other district not described in subdivision (1) or (2),
- 41 the following:

42	Total Assessed	Rate Per
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1	Property Valuation	\$100 Of
2		Assessed
3		Valuation
4	\$300 million or less	\$0.0167
5	More than \$300 million	\$0.0133
6	but not more than \$450 million	
7	More than \$450 million	\$0.01
8	but not more than \$600 million	
9	More than \$600 million	\$0.0067
10	but not more than \$900 million	
11	More than \$900 million	\$0.0033

12 As the tax is collected it may be invested in negotiable United States
 13 bonds or other securities that the federal government has the direct
 14 obligation to pay. Any of the funds collected that are not invested in
 15 government obligations shall be deposited in accordance with
 16 IC 5-13-6 and shall be withdrawn in the same manner as money is
 17 regularly withdrawn from the general fund but without further or
 18 additional appropriation. The levy authorized by this section is in
 19 addition to the levies authorized by section 11 and section 23 of this
 20 chapter.

21 SECTION 50. IC 8-23-7-10 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. Whenever the
 23 department purchases real property by agreement with the owner of the
 24 real property as to purchase price, the department shall, in accordance
 25 with ~~IC 5-3-1-2(i)~~; **IC 5-3-1-2(h)**, publish a list of the following:

- 26 (1) The owners from whom the property was purchased.
- 27 (2) The number of acres in each property purchased.
- 28 (3) The purchase price of each property.

29 SECTION 51. IC 12-13-8-5 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. For taxes first due
 31 and payable in each year after 1990, **subject to the county's**
 32 **maximum permissible social service property tax rate under**
 33 **IC 6-1.1-18.5**, each county shall impose a medical assistance property
 34 tax levy. ~~equal to the product of:~~

- 35 ~~(1) the medical assistance property tax levy imposed for taxes~~
- 36 ~~first due and payable in the preceding year. multiplied by~~
- 37 ~~(2) the statewide average assessed value growth quotient, using~~
- 38 ~~all the county assessed value growth quotients determined under~~
- 39 ~~IC 6-1.1-18.5-2 for the year in which the tax levy under this~~
- 40 ~~section will be first due and payable.~~

41 SECTION 52. IC 12-16-14-3 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. **Subject to the**

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1 **county's maximum permissible social service property tax rate**
 2 **under IC 6-1.1-18.5**, each county shall impose a hospital care for the
 3 indigent property tax levy. ~~equal to the product of:~~

4 ~~(1) the hospital care for the indigent property tax levy imposed~~
 5 ~~for taxes first due and payable in the preceding year; multiplied~~
 6 ~~by~~

7 ~~(2) the statewide average assessed value growth quotient; using~~
 8 ~~all the county assessed value growth quotients determined under~~
 9 ~~IC 6-1.1-18.5-2 for the year in which the tax levy under this~~
 10 ~~section will be first due and payable.~~

11 SECTION 53. IC 12-19-3-2 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) A county welfare
 13 fund is established in each county. The fund shall be raised by a
 14 separate tax levy (the county welfare property tax levy) that:

15 (1) is in addition to all other tax levies authorized; and

16 (2) **subject to IC 6-1.1-18.5**, shall be levied annually by the
 17 county fiscal body on all taxable property in the county in the
 18 amount necessary to raise the part of the fund that the county
 19 must raise to pay the items, awards, claims, allowances,
 20 assistance, and other expenses set forth in the annual budget
 21 under section 3 of this chapter.

22 (b) The tax imposed under this section shall be collected as other
 23 state and county ad valorem taxes are collected.

24 (c) The following shall be paid into the county treasury and
 25 constitute the county welfare fund:

26 (1) All receipts from the tax imposed under this section.

27 (2) All grants-in-aid, whether received from the federal
 28 government or state government.

29 (3) Any other money required by law to be placed in the fund.

30 (d) The county welfare fund is available for the purposes of paying
 31 expenses and obligations set forth in the annual budget that is
 32 submitted and approved.

33 SECTION 54. IC 12-19-3-5 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. The division may do
 35 the following after examining a budget submitted by the county office:

36 (1) Increase or decrease the amount of the budget or an item of
 37 the budget.

38 (2) Approve the budget as compiled by the county director.

39 (3) **Subject to IC 6-1.1-18.5**, recommend the increase or
 40 decrease of the tax levy.

41 (4) Approve the tax levy as recommended by the county director.

42 SECTION 55. IC 12-19-3-8 IS AMENDED TO READ AS



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1 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. In September of each
 2 year, at the time provided by law, the county fiscal body shall do the
 3 following:

4 (1) Make the appropriations out of the county welfare fund that
 5 are:

6 (A) based on the budget as submitted; and

7 (B) necessary to maintain the welfare services of the county
 8 for the next fiscal year.

9 (2) **Subject to IC 6-1.1-18.5**, levy a tax in an amount necessary
 10 to produce the appropriated money.

11 SECTION 56. IC 12-19-3-10 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. (a) The county
 13 director on the county director's own initiative may appeal to the state
 14 board of tax commissioners a decision by the county fiscal body ~~or the~~
 15 ~~county board of tax adjustment~~ that:

16 (1) reduces the county welfare budget or an item of the county
 17 welfare budget that is:

18 (A) submitted by the county director; and

19 (B) certified by the division to the county office; or

20 (2) reduces the tax levy that is:

21 (A) recommended by the county director; and

22 (B) certified by the division to the county office;

23 ~~if the county director or the division determines that the reduction will~~
 24 ~~not provide sufficient money to maintain adequately the county welfare~~
 25 ~~services: the reduction causes the welfare fund portion of the~~
 26 ~~county's social service property tax rate to be less than the welfare~~
 27 ~~portion of the county's maximum social service property tax rate~~
 28 ~~for 1999.~~

29 (b) The county director shall appeal to the state board of tax
 30 commissioners a decision by the county fiscal body ~~or the county board~~
 31 ~~of tax adjustment~~ that is described in subsection (a) if the division
 32 requests in writing that the county director make the appeal.

33 (c) An appeal under this section shall be taken and heard ~~in the~~
 34 ~~same manner and within the same time prescribed by law for appeals~~
 35 ~~taken by taxpayers or municipal corporations: before October 1 of the~~
 36 ~~year the appeal is filed. The state board of tax commissioners shall~~
 37 ~~make a decision on the appeal before November 1 of that year.~~ The
 38 notice of the hearing shall be given to the county auditor and to the
 39 county office.

40 SECTION 57. IC 12-19-3-11 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 11. (a) Except as
 42 provided in subsections (c) and (d), after a hearing under section 10 of



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1 this chapter the state board of tax commissioners may do the following:

2 (1) Increase or decrease the amount of the tax levy or the budget
3 or an item of the budget.

4 (2) Affirm the levy and budget adopted by the county ~~board of~~
5 **tax adjustment fiscal body** and approved by the division.

6 (b) The state board of tax commissioners may not increase the
7 aggregate amount of the county's part of the budget or tax levy to an
8 amount greater than the amount originally fixed or recommended by
9 the county director or the division.

10 (c) A proposed tax levy to provide money for a proposed county
11 welfare budget may not be reduced unless the budget item or items
12 affected by the reduction are adjusted accordingly.

13 (d) The order of the state board of tax commissioners under this
14 section is final and the levy fixed by the state board of tax
15 commissioners is the only levy or rate upon which the taxes may be
16 collected.

17 SECTION 58. IC 12-19-4-3 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) The tax required
19 by section 2(1) of this chapter shall be imposed annually by the county
20 fiscal body on all of the taxable property of the county.

21 ~~(b) The total tax levy that a county shall impose equals the amount~~
22 ~~determined under section 4 of this chapter:~~

23 ~~(c)~~ (b) The tax shall be collected as other state and county ad
24 valorem property taxes are collected.

25 SECTION 59. IC 12-19-4-4 IS AMENDED TO READ AS
26 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. ~~(a)~~ **Subject to a**
27 **county's maximum permissible social service property tax rate**
28 **under IC 6-1.1-18.5**, each county shall impose a welfare
29 administration property tax levy. ~~equal to the product of:~~

30 ~~(1) the welfare administration property tax levy imposed for~~
31 ~~taxes first due and payable in the preceding year; multiplied by~~

32 ~~(2) the greatest of:~~

33 ~~(A) the quotient of:~~

34 ~~(i) the assessed value of all taxable property in the state~~
35 ~~for the year preceding the year that the property tax~~
36 ~~levy will be first due and payable; divided by~~

37 ~~(ii) the assessed value of all taxable property in the~~
38 ~~state in the year preceding the year used in item (i); or~~

39 ~~(B) the quotient of:~~

40 ~~(i) the assessed value of all taxable property in the~~
41 ~~county in the year preceding the year that the property~~
42 ~~tax levy will be first due and payable; divided by~~



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1 (ii) the assessed value of all taxable property in the
 2 county in the year preceding the year used in item (i);
 3 or
 4 (C) one (1):

5 (b) If a year in which a statewide general reassessment of real
 6 property first becomes effective is the year preceding the year that the
 7 property tax levy under this section will be first due and payable, the
 8 amount to be used in subsection (a)(2) equals the average of the
 9 amounts used in determining the two (2) most recent adjustments in the
 10 county's levy under this section.

11 (c) The state board of tax commissioners shall review each
 12 county's property tax levy under this section and shall enforce the
 13 requirements of this section with respect to that levy.

14 SECTION 60. IC 12-19-7-4 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) For taxes first
 16 due and payable in 1995, each county must impose a county family and
 17 children property tax levy equal to the amount determined using the
 18 following formula:

19 STEP ONE: Determine the sum of the amounts that were paid by
 20 the county minus the amounts reimbursed by the state (including
 21 reimbursements made with federal money); as determined by the
 22 state board of accounts, in 1991, 1992, and 1993 for the
 23 following:

24 (A) Payments for administrative expenses of the county
 25 office of family and children in administering the provision
 26 of child services:

27 (B) Payments for the services described in section 1 of this
 28 chapter that were made on behalf of the children described
 29 in section 1 of this chapter and for which payment was
 30 made from the county welfare fund:

31 (C) Payment for the facilities, supplies, and equipment
 32 needed for the provision of child services as operated by the
 33 county office of family and children:

34 (D) Payment of all other expenses incurred in providing
 35 child services that were paid by the county office of family
 36 and children:

37 STEP TWO: Subtract from the amount determined in STEP
 38 ONE the sum of the miscellaneous taxes that were allocated to:

39 (A) the county welfare administration fund and used to pay
 40 expenses for administration, facilities, supplies, and
 41 equipment for the provision of child services in 1991, 1992,
 42 and 1993; and

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(B) the county welfare fund, the county general fund, or the county welfare loan fund (whichever of the funds applies) and used to pay the costs of providing child services in 1991, 1992, and 1993.

STEP THREE: Divide the amount determined in STEP TWO by three (3).

STEP FOUR: Calculate the STEP ONE amount and the STEP TWO amount for 1993 expenses only.

STEP FIVE: Adjust the amounts determined in STEP THREE and STEP FOUR by the amount determined by the state board of tax commissioners under subsection (c).

STEP SIX: Determine whether the amount calculated in STEP THREE, as adjusted in STEP FIVE, or the amount calculated in STEP FOUR, as adjusted in STEP FIVE, is greater. Multiply the greater amount by the greater of:

(A) the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the county for property taxes first due and payable in 1995; or

(B) the statewide average assessed value growth quotient using the county assessed value growth quotients determined under IC 6-1.1-18.5-2 for property taxes first due and payable in 1995.

STEP SEVEN: Multiply the amount determined in STEP SIX by the county's assessed value growth quotient for property taxes first due and payable in 1995, as determined under IC 6-1.1-18.5-2.

(b) For taxes first due and payable in each year after 1995, **1999, and subject to the county's maximum permissible social service property tax rate under IC 6-1.1-18.5**, each county shall impose a county family and children property tax levy. equal to the product of:

(1) the county family and children property tax levy imposed for taxes first due and payable in the preceding year; multiplied by

(2) the greater of:

(A) the county's assessed value growth quotient for the ensuing calendar year, as determined under IC 6-1.1-18.5-2;

or

(B) one (1).

When a year in which a statewide general reassessment of real property first becomes effective is the year preceding the year that the property tax levy under this subsection will be first due and payable, the amount to be used in subdivision (2) equals the average of the amounts used in determining the two (2) most recent adjustments in the county's levy

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1 under this section:

2 (c) For taxes first due and payable in 1995 and in 1996, the state
3 board of tax commissioners shall adjust the levy for each county to
4 reflect the county's actual child services expenses incurred in providing
5 child services in 1991, 1992, and 1993. In making this adjustment, the
6 state board of tax commissioners may consider all relevant information,
7 including the county's use of bond and loan proceeds to pay these
8 expenses:

9 (d) The state board of tax commissioners shall review each
10 county's property tax levy under this section and shall enforce the
11 requirements of this section with respect to that levy:

12 SECTION 61. IC 12-29-1-5 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. All general Indiana
14 statutes relating to the following apply to the issuance of county bonds
15 under this chapter:

16 (1) The filing of a petition **by the issuer** requesting the issuance
17 of bonds.

18 (2) The giving of notice of the following:

19 (A) The filing of the petition requesting the issuance of the
20 bonds.

21 (B) The determination to issue bonds.

22 (C) A hearing on the appropriation of the proceeds of the
23 bonds.

24 (3) The right of taxpayers to appear and be heard on the
25 proposed appropriation.

26 ~~(4) The approval of the appropriation by the state board of tax~~
27 ~~commissioners:~~

28 ~~(5) (4) The right of taxpayers to remonstrate against oppose~~ the
29 issuance of bonds.

30 **(5) The right of voters to file petitions regarding a property**
31 **tax control board's decision under IC 6-1.1-17.5.**

32 SECTION 62. IC 12-29-2-13 (CURRENT VERSION) IS
33 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
34 Sec. 13. (a) This section applies to a county having a population of not
35 less than four hundred thousand (400,000) but not more than seven
36 hundred thousand (700,000).

37 (b) In addition to any other appropriation under this article, a
38 county annually may, **subject to IC 6-1.1-18.5**, fund each center
39 serving the county from the county's general fund in an amount not
40 exceeding the amount that would be raised by a tax rate of three cents
41 (\$0.03) on each one hundred dollars (\$100) of taxable property within
42 the county.



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1 (c) The receipts from the tax levied under this section shall be
 2 used for the leasing, purchasing, constructing, or operating of
 3 community residential facilities for the chronically mentally ill (as
 4 defined in IC 12-7-2-167).

5 (d) Money appropriated under this section must be:

6 (1) budgeted under IC 6-1.1-17; and

7 (2) included in the center's budget submitted to the division of
 8 mental health.

9 (e) ~~Permission for a levy increase in excess of the levy limitations~~
 10 ~~may be ordered under IC 6-1.1-18.5-15 only if the levy increase is~~
 11 ~~approved by the division of mental health for a community mental~~
 12 ~~health center.~~

13 SECTION 63. IC 12-29-2-13 (DELAYED VERSION) IS
 14 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 15 2001]: Sec. 13. (a) This section applies to a county having a population
 16 of not less than four hundred thousand (400,000) but not more than
 17 seven hundred thousand (700,000).

18 (b) In addition to any other appropriation under this article, a
 19 county annually may, **subject to IC 6-1.1-18.5**, fund each center
 20 serving the county from the county's general fund in an amount not
 21 exceeding the amount that would be raised by a tax rate of three cents
 22 (\$0.03) on each one hundred dollars (\$100) of taxable property within
 23 the county.

24 (c) The receipts from the tax levied under this section shall be
 25 used for the leasing, purchasing, constructing, or operating of
 26 community residential facilities for the chronically mentally ill (as
 27 defined in IC 12-7-2-167).

28 (d) Money appropriated under this section must be:

29 (1) budgeted under IC 6-1.1-17; and

30 (2) included in the center's budget submitted to the division of
 31 mental health.

32 (e) ~~Permission for a levy increase in excess of the levy limitations~~
 33 ~~may be ordered under IC 6-1.1-18.5-15 only if the levy increase is~~
 34 ~~approved by the division of mental health for a community mental~~
 35 ~~health center.~~

36 SECTION 64. IC 14-25-11-11 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 11. (a) The legislative
 38 body of an eligible entity receiving a loan under this chapter or
 39 IC 13-3-7 (before its repeal) may, **subject to IC 6-1.1-18.5**, levy a
 40 special annual tax on all taxable property located within the geographic
 41 boundaries of the entity. The tax:

42 (1) is in addition to any other tax authorized by statute; and

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1 (2) must be levied at rates that will produce sufficient revenue to
2 pay the annual installment of principal and interest.

3 The tax at the rate authorized may be in addition to the maximum
4 annual rates prescribed by law.

5 (b) The proceeds of the special tax shall be kept and maintained
6 in a separate and special fund for the payment of principal and interest
7 only.

8 (c) Other statutes providing for petitions, notices, and
9 remonstrances before incurring debt do not apply to the following:

10 (1) The loan.

11 (2) The tax rate necessary to make payments.

12 SECTION 65. IC 14-27-6-48 (CURRENT VERSION) IS
13 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
14 Sec. 48. (a) The board may provide a cumulative building fund in
15 compliance with IC 6-1.1-41 to provide for the erection of:

16 (1) levees, gates, and pumping stations; or

17 (2) other facilities or the addition to or improvement of the
18 facilities on the levees;

19 needed to carry out this chapter.

20 (b) In compliance with IC 6-1.1-41, the board may, **subject to**
21 **IC 6-1.1-18.5**, levy a property tax not to exceed two cents (\$0.02) on
22 each one hundred dollars (\$100) of taxable property within the district.
23 As the tax is collected, the tax may be invested in negotiable United
24 States bonds or other securities that the federal government has the
25 direct obligation to pay.

26 (c) Any money of the cumulative building fund not invested in
27 government obligations shall be withdrawn from the cumulative
28 building fund in the same manner as money is regularly withdrawn
29 from a general fund but without further or additional appropriation.

30 SECTION 66. IC 14-27-6-48 (DELAYED VERSION) IS
31 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
32 2001]: Sec. 48. (a) The board may provide a cumulative building fund
33 in compliance with IC 6-1.1-41 to provide for the erection of:

34 (1) levees, gates, and pumping stations; or

35 (2) other facilities or the addition to or improvement of the
36 facilities on the levees;

37 needed to carry out this chapter.

38 (b) In compliance with IC 6-1.1-41, the board may, **subject to**
39 **IC 6-1.1-18.5**, levy a property tax not to exceed sixty-seven hundredths
40 of one cent (\$0.0067) on each one hundred dollars (\$100) of taxable
41 property within the district. As the tax is collected, the tax may be
42 invested in negotiable United States bonds or other securities that the



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1 federal government has the direct obligation to pay.

2 (c) Any money of the cumulative building fund not invested in
3 government obligations shall be withdrawn from the cumulative
4 building fund in the same manner as money is regularly withdrawn
5 from a general fund but without further or additional appropriation.

6 SECTION 67. IC 14-33-11-8 IS AMENDED TO READ AS
7 FOLLOWS: Sec. 8. (a) Before offering bonds for sale, the board shall
8 give notice in the same manner as is provided for the sale of bonds by
9 municipal corporations.

10 (b) Persons affected are entitled to ~~remonstrate against issuance~~
11 **oppose the issuance of the bonds as provided in IC 6-1.1-17.5 and to**
12 **cause the holding of a referendum.** An action to question the validity
13 of the bonds may not be instituted after the date fixed for sale, and the
14 bonds are incontestable after that time.

15 SECTION 68. IC 14-33-11-9 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 9. If the board is denied
17 the right to issue bonds **by the county property tax control board or**
18 as a result of ~~remonstrance proceedings: a referendum under~~
19 **IC 6-1.1-17.5:**

20 (1) all contracts let by the board for work to be paid from the sale
21 of bonds are void; and

22 (2) no liability accrues to the district or to the board.

23 SECTION 69. IC 16-22-5-4 (CURRENT VERSION) IS
24 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
25 Sec. 4. To provide for the cumulative building fund, a tax on all taxable
26 property within the county may, **subject to IC 6-1.1-18.5**, be levied
27 annually for not more than twelve (12) years and may not exceed
28 thirty-five cents (\$0.35) on each one hundred dollars (\$100) of assessed
29 valuation of property in the county.

30 SECTION 70. IC 16-22-5-4 (DELAYED VERSION) IS
31 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
32 2001]: Sec. 4. To provide for the cumulative building fund, a tax on all
33 taxable property within the county may, **subject to IC 6-1.1-18.5**, be
34 levied annually for not more than twelve (12) years and may not exceed
35 eleven and sixty-seven hundredths cents (\$0.1167) on each one
36 hundred dollars (\$100) of assessed valuation of property in the county.

37 SECTION 71. IC 16-22-5-12 IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 12. If a tax levy is
39 approved, ~~by the state board of tax commissioners~~, the following shall
40 occur:

41 (1) The county auditor shall include the levy in the annual
42 budget and tax levies of the county for the term fixed in the order



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1 of the ~~state board of tax commissioners.~~ **county fiscal body.**

2 (2) The county fiscal body shall annually levy the tax.

3 SECTION 72. IC 16-22-8-41 (CURRENT VERSION) IS
4 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
5 Sec. 41. (a) The board may provide a cumulative building fund under
6 IC 6-1.1-41 to erect hospital buildings, additions, or other buildings,
7 remodel buildings, or acquire equipment needed to carry out this
8 chapter. The cumulative building fund may be funded by a property tax
9 levy under subsection (b), a transfer into the fund of other revenues of
10 the hospital, or a combination of these two (2) methods.

11 (b) The board may, **subject to IC 6-1.1-18.5**, levy a tax in
12 compliance with IC 6-1.1-41 on all taxable property within the county
13 where the corporation is established. However, the levy may not exceed
14 twenty cents (\$0.20) on each one hundred dollars (\$100) of taxable
15 property.

16 (c) All money in the cumulative building fund may be invested or
17 reinvested in the following:

18 (1) Securities backed by the full faith and credit of the United
19 States Treasury, including direct obligations of the United States
20 government and obligations of a federal agency or a federal
21 instrumentality that are fully guaranteed by the United States
22 government.

23 (2) Participation in loans under the conditions and in the manner
24 set forth in IC 5-13-10.5-12.

25 (d) The treasurer of the corporation may lend any securities in the
26 cumulative building fund under the conditions and in the manner set
27 forth in IC 5-13-10.5-12. Money collected and not invested in
28 government obligations shall be deposited and withdrawn in the
29 manner authorized by law for the deposit, withdrawal, and safekeeping
30 of the general funds of municipalities.

31 SECTION 73. IC 16-22-8-41 (DELAYED VERSION) IS
32 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
33 2001]: Sec. 41. (a) The board may provide a cumulative building fund
34 under IC 6-1.1-41 to erect hospital buildings, additions, or other
35 buildings, remodel buildings, or acquire equipment needed to carry out
36 this chapter. The cumulative building fund may be funded by a
37 property tax levy under subsection (b), a transfer into the fund of other
38 revenues of the hospital, or a combination of these two (2) methods.

39 (b) The board may, **subject to IC 6-1.1-18.5**, levy a tax in
40 compliance with IC 6-1.1-41 on all taxable property within the county
41 where the corporation is established. However, the levy may not exceed
42 six and sixty-seven hundredths cents (\$0.0667) on each one hundred

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1 dollars (\$100) of taxable property.
 2 (c) All money in the cumulative building fund may be invested or
 3 reinvested in the following:
 4 (1) Securities backed by the full faith and credit of the United
 5 States Treasury, including direct obligations of the United States
 6 government and obligations of a federal agency or a federal
 7 instrumentality that are fully guaranteed by the United States
 8 government.
 9 (2) Participation in loans under the conditions and in the manner
 10 set forth in IC 5-13-10.5-12.
 11 (d) The treasurer of the corporation may lend any securities in the
 12 cumulative building fund under the conditions and in the manner set
 13 forth in IC 5-13-10.5-12. Money collected and not invested in
 14 government obligations shall be deposited and withdrawn in the
 15 manner authorized by law for the deposit, withdrawal, and safekeeping
 16 of the general funds of municipalities.
 17 SECTION 74. IC 16-22-8-43 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 43. (a) The board may
 19 issue general obligation bonds of the corporation to procure funds to
 20 pay the cost of acquiring real property or constructing, enlarging,
 21 improving, remodeling, repairing, or equipping buildings and other
 22 structures for use as or in connection with hospitals, clinics, health
 23 centers, dispensaries, or for administrative purposes. The issuance of
 24 the bonds shall be authorized by ordinance of the board providing for
 25 the amount, terms, and tenor of the bonds, for the time and character of
 26 notice, and the mode of making the sale. The bonds shall be payable
 27 not more than forty (40) years after the date of issuance and shall be
 28 executed in the name of the corporation by the chairman of the board
 29 and attested by the executive director, who shall affix to each of the
 30 bonds the official seal of the corporation. The interest coupons attached
 31 to the bonds may be executed by facsimile signature of the chairman
 32 of the board.
 33 (b) The executive director shall manage and supervise the
 34 preparation, advertisement, and sale of bonds, subject to the provisions
 35 of the authorizing ordinance. Before the sale of the bonds, the
 36 executive director shall publish notice of the sale in accordance with
 37 IC 5-3-1, setting out the time and place where bids will be received, the
 38 amount and maturity dates of the issue, the maximum interest rate, and
 39 the terms and conditions of sale and delivery of the bonds. The bonds
 40 shall be sold to the highest and best bidder. After the bonds have been
 41 sold and executed, the executive director shall deliver the bonds to the
 42 treasurer of the corporation and take the treasurer's receipt, and shall

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1 certify to the treasurer the amount that the purchaser is to pay, together
 2 with the name and address of the purchaser. On payment of the
 3 purchase price, the treasurer shall deliver the bonds to the purchaser,
 4 and the treasurer and executive director shall report the actions to the
 5 board.

6 (c) IC 5-1, **IC 6-1.1-17.5**, and IC 6-1.1-20 apply to the following
 7 proceedings:

8 (1) Notice and filing of the petition requesting the issuance of
 9 the bonds.

10 (2) Notice of determination to issue bonds.

11 (3) Notice of hearing on the appropriation of the proceeds of the
 12 bonds and the right of taxpayers to appeal and be heard.

13 ~~(4) Approval by the state board of tax commissioners:~~

14 ~~(5) (4) The right to remonstrate of taxpayers to oppose the~~
 15 **issuance of the bonds.**

16 ~~(6) (5) Sale of bonds at public sale for not less than the par~~
 17 value.

18 (d) The bonds are the direct general obligations of the corporation
 19 and are payable out of unlimited ad valorem taxes levied and collected
 20 on all the taxable property within the county of the corporation. All
 21 officials and bodies having to do with the levying of taxes for the
 22 corporation shall see that sufficient levies are made to meet the
 23 principal and interest on the bonds at the time fixed for payment.

24 (e) The bonds are exempt from taxation for all purposes including
 25 the gross income tax but the interest is subject to gross income tax.

26 SECTION 75. IC 16-22-8-55 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 55. (a) The corporation
 28 may borrow money on promissory notes issued in the corporation's
 29 name, as a municipal corporation, from recognized lending institutions,
 30 and pledge as security unlimited ad valorem taxes levied by the
 31 corporation and collected on all taxable property within the jurisdiction
 32 of the corporation. It is the duty of all officials and bodies with control
 33 or discretion over the levying of taxes for the corporation to see that
 34 sufficient levies are made to meet the principal and interest on
 35 promissory notes. The promissory notes issued under this section shall
 36 be treated for taxation purposes the same as bonds issued by a
 37 municipal corporation in accordance with IC 6-8-5-1.

38 (b) Funds obtained by the method provided in this section shall be
 39 limited in use to the payment of lease rental for medical, surgical, and
 40 related equipment used by the corporation when the board determines
 41 that leasing the equipment is more practical and economical than
 42 purchasing. The decision to lease rather than purchase is within the



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1 sole discretion of the board.

2 (c) The length, terms, and conditions of promissory notes issued
3 under this section are subject to negotiation between the board or the
4 board's representative and the lending institutions bidding. Before
5 entering into negotiations for the loan, the board of trustees shall
6 publish a notice one (1) time in a newspaper of general circulation in
7 the health and hospital corporation naming a date not less than seven
8 (7) days after the publication of notice on which the board will receive
9 and consider proposals from lending institutions for the making of the
10 loan.

11 (d) After determination of the board to borrow and to issue
12 promissory notes, and after a determination of the best proposal
13 submitted by lending institutions, the board shall give notice of the
14 board's determination to borrow and to issue promissory notes in the
15 manner provided by IC 6-1.1-20. The taxpayers have the right to ~~appeal~~
16 ~~the determination to the state board of tax commissioners in the manner~~
17 ~~and within the time provided in IC 6-1.1-20:~~ **oppose the issuance of**
18 **the bonds and cause the holding of a referendum as specified under**
19 **IC 6-1.1-17.5.**

20 SECTION 76. IC 16-23-1-40 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 40. (a) The governing
22 board may request a cumulative hospital building fund and a tax rate
23 upon all taxable property in the county in which the hospital is located
24 to finance the fund. If a resolution is approved by majority vote of all
25 members at a regular or special board meeting, the resolution shall be
26 certified to the county auditor, who shall submit the resolution to the
27 county executive for preliminary approval and recommendation. Upon
28 the approval of the county executive, the county auditor shall publish
29 notice of a public hearing before the county council on the
30 establishment of a cumulative hospital building fund and tax rate in
31 each year.

32 (b) The cumulative building tax rate begins in any calendar year
33 when all proceedings to establish the tax rate have been completed
34 before August 2 in that year. The rate is levied on each one hundred
35 dollars (\$100) of taxable property for that year, payable in the next
36 year, and continues each year for a term not exceeding twelve (12)
37 years. The resolution of the board must specify the following:

- 38 (1) The number of years.
39 (2) The effective date when the tax levy begins.
40 (3) **Subject to IC 6-1.1-18.5**, the amount of rate on each one
41 hundred dollars (\$100) of taxable property.
42 (4) Any other pertinent facts considered advisable by the board.



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1 (e) Except as provided in subsections (f) through (i), the rate on
 2 each one hundred dollars (\$100) may be reduced but not increased by
 3 the state board of tax commissioners in approving a cumulative
 4 building tax rate. The rate as finally fixed by the state board of tax
 5 commissioners is final. However, The county fiscal body, by
 6 three-fourths (3/4) affirmative vote of the county fiscal body's
 7 members, may reduce the rate in any given year or years to meet an
 8 emergency existing in the county, but the temporary reduction affects
 9 the rate only in the year when the action is taken. The rate is
 10 automatically restored to the rate's original amount in each succeeding
 11 year of the established period except in any other year when another
 12 emergency reduction is made. The rate is subject to review each year
 13 by the county fiscal body. ~~but the county tax adjustment board and state~~
 14 ~~board of tax commissioners may not reduce the rate below the original~~
 15 ~~rate established and approved by vote of the county fiscal body unless~~
 16 ~~the county fiscal body reduces the rate.~~

17 (d) The county fiscal body ~~or city fiscal body county tax~~
 18 ~~adjustment board, or state board of tax commissioners~~ does not have
 19 power or jurisdiction over the annual budget and appropriations,
 20 additional appropriations, or transfer of money unless the action
 21 involves the expenditure or raising of money derived from property
 22 taxes. If the cumulative building fund is the only hospital fund raised
 23 by taxation, section 31 of this chapter controls.

24 (e) The cumulative building fund raised may be properly and
 25 safely invested or reinvested by the board to produce an income until
 26 there is an immediate need for the fund's use. The fund and any income
 27 derived from investment or reinvestment of the fund may be used as
 28 follows:

- 29 (1) To purchase real property and grounds for hospital purposes.
- 30 (2) To remodel or make major repairs on any hospital building.
- 31 (3) To erect and construct hospital buildings or additions or
 32 extensions to the buildings.
- 33 (4) For any other major capital improvements, but not for current
 34 operating expenses or to meet a deficiency in operating funds.

35 (f) ~~Not later than August 1 of any year, ten (10) or more taxpayers~~
 36 ~~in the county may file with the county auditor of the county in which~~
 37 ~~the hospital is located a petition for reduction or rescission of the~~
 38 ~~cumulative building tax rate. The petition must set forth the taxpayers'~~
 39 ~~objections to the tax rate. The petition shall be certified to the state~~
 40 ~~board of tax commissioners.~~

41 (g) Upon receipt of a petition under subsection (f), the state board
 42 of tax commissioners shall within a reasonable time fix a date for a

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1 hearing on the petition. The hearing must be held in the county in
 2 which the hospital is located. Notice of the hearing shall be given to the
 3 county fiscal body and to the first ten (10) taxpayers whose names
 4 appear on the petition. The notice must be in the form of a letter signed
 5 by the secretary or any member of the state board of tax
 6 commissioners; sent by mail with full prepaid postage to the county
 7 fiscal body and to the taxpayers at their usual places of residence at
 8 least five (5) days before the date fixed for the hearing:

9 (h) After the hearing under subsection (g); the state board of tax
 10 commissioners shall approve, disapprove, or modify the request for
 11 reduction or rescission of the tax rate and shall certify that decision to
 12 the county auditor of the county in which the hospital is located

13 SECTION 77. IC 16-35-3-3 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) For taxes first
 15 due and payable in 1992, each county must impose a children with
 16 special health care needs property tax levy equal to the amount
 17 determined using the following formula:

18 STEP ONE: Determine the sum of the amounts that were paid by
 19 the county minus the amounts reimbursed by the state (including
 20 reimbursements made with federal money); as determined by the
 21 state board of accounts, in 1988, 1989, and 1990 for the
 22 following:

23 (A) Payments for administrative expenses of the county
 24 office of family and children in the administration of the
 25 children with special health care needs program:

26 (B) Payment for the facilities, supplies, and equipment
 27 needed for the children with special health care needs
 28 program as operated by the county office of family and
 29 children:

30 (C) Payment of all other expenses under the children with
 31 special health care needs program that were paid by the
 32 county office of family and children:

33 STEP TWO: Subtract from the amount determined in STEP
 34 ONE the sum of the miscellaneous taxes that were allocated to:

35 (A) the county welfare administration fund and used to pay
 36 expenses for administration, facilities, supplies, and
 37 equipment for the children with special health care needs
 38 program in 1988, 1989, and 1990; and

39 (B) the county welfare fund and used to pay all other costs
 40 of the children with special health care needs program in
 41 1988, 1989, and 1990:

42 STEP THREE: Divide the amount determined in STEP TWO by



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- 1 three (3):
- 2 STEP FOUR: Calculate the STEP ONE amount and the STEP
- 3 TWO amount for 1990 expenses only.
- 4 STEP FIVE: Adjust the amounts determined in STEP THREE
- 5 and STEP FOUR by the amount determined by the state board
- 6 of tax commissioners under subsection (c).
- 7 STEP SIX: Determine whether the amount calculated in STEP
- 8 THREE, as adjusted in STEP FIVE; or the amount calculated in
- 9 STEP FOUR, as adjusted in STEP FIVE; is greater. Multiply the
- 10 greater amount by the greater of:
- 11 (A) the assessed value growth quotient determined under
- 12 IC 6-1.1-18.5-2 for the county for property taxes first due
- 13 and payable in 1992; or
- 14 (B) the statewide average assessed value growth quotient
- 15 using the county assessed value growth quotients
- 16 determined under IC 6-1.1-18.5-2 for property taxes first
- 17 due and payable in 1992.
- 18 STEP SEVEN: Multiply the amount determined in STEP SIX by
- 19 the county's assessed value growth quotient for property taxes
- 20 first due and payable in 1992; as determined under
- 21 IC 6-1.1-18.5-2.
- 22 (b) For taxes first due and payable in each year after 1992; **1999,**
- 23 **and subject to a county's maximum permissible social service**
- 24 **property tax rate under IC 6-1.1-18.5,** each county shall impose a
- 25 children with special health care needs property tax levy. ~~equal to the~~
- 26 ~~product of:~~
- 27 (1) the children with special health care needs property tax levy
- 28 imposed for taxes first due and payable in the preceding year;
- 29 multiplied by
- 30 (2) the greater of:
- 31 (A) the county's assessed value growth quotient for the
- 32 ensuing calendar year; as determined under IC 6-1.1-18.5-2;
- 33 or
- 34 (B) one (1):
- 35 When a year in which a statewide general reassessment of real property
- 36 first becomes effective is the year preceding the year that the property
- 37 tax levy under this subsection will be first due and payable, the amount
- 38 to be used in subdivision (2) equals the average of the amounts used in
- 39 determining the two (2) most recent adjustments in the county's levy
- 40 under this section.
- 41 (c) For taxes first due and payable in 1992 and in 1993; the state
- 42 board of tax commissioners shall adjust the levy for each county to



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1 reflect the county's actual welfare expenses for administration,
 2 facilities, supplies, equipment, and all other costs for the children with
 3 special health care needs program in 1988, 1989, and 1990. In making
 4 this adjustment, the state board of tax commissioners may consider all
 5 relevant information. This includes the county's use of bond and loan
 6 proceeds to pay these expenses.

7 (d) The state board of tax commissioners shall review each
 8 county's property tax levy under this section and shall enforce the
 9 requirements of this section with respect to that levy.

10 SECTION 78. IC 20-1-1.3-8 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) A public school
 12 that receives a monetary award under this chapter may expend that
 13 award for any educational purpose for that school, except:

- 14 (1) athletics;
 15 (2) salaries for school personnel; or
 16 (3) salary bonuses for school personnel.

17 (b) A monetary award may not be used to determine

- 18 ~~(1) the maximum permissible general fund ad valorem property~~
 19 ~~tax levy under IC 6-1.1-19-1.5; or~~
 20 ~~(2) the tuition support under IC 21-3-1.6~~

21 of the school corporation of which the school receiving the monetary
 22 award is a part.

23 SECTION 79. IC 20-3.1-15-1 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. To provide the board
 25 with the necessary flexibility and resources to carry out this article, the
 26 following apply:

27 (1) The board may eliminate or modify existing policies and
 28 create new policies, and alter policies from time to time, subject
 29 to this article and the plan developed under IC 20-3.1-7.

30 (2) IC 20-7.5 does not apply to matters set forth in this article.
 31 The matters set forth in this article may not be the subject of
 32 collective bargaining or discussion under IC 20-7.5.

33 (3) An exclusive representative certified under IC 20-7.5 to
 34 represent certified employees of the school city, or any other
 35 entity voluntarily recognized by the board as a representative of
 36 employees providing educational services in the schools, may
 37 bargain collectively only concerning salary, wages, and salary
 38 and wage related fringe benefits. The exclusive representative
 39 may not bargain collectively or discuss performance awards
 40 under IC 20-3.1-12.

41 (4) The board of school commissioners may waive the following
 42 statutes and rules for any school in the school city without the

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- 1 need for administrative, regulatory, or legislative approval:
- 2 (A) The following rules concerning curriculum and
- 3 instructional time:
- 4 511 IAC 6.1-3-4
- 5 511 IAC 6.1-5-0.5
- 6 511 IAC 6.1-5-1
- 7 511 IAC 6.1-5-2.5
- 8 511 IAC 6.1-5-3.5
- 9 511 IAC 6.1-5-4
- 10 (B) The following rules concerning pupil/teacher ratios:
- 11 511 IAC 6-2-1(b)(2)
- 12 511 IAC 6.1-4-1
- 13 (C) The following statutes and rules concerning textbooks,
- 14 and rules adopted under the statutes:
- 15 IC 20-10.1-9-1
- 16 IC 20-10.1-9-18
- 17 IC 20-10.1-9-21
- 18 IC 20-10.1-9-23
- 19 IC 20-10.1-9-27
- 20 IC 20-10.1-10-1
- 21 IC 20-10.1-10-2
- 22 511 IAC 6.1-5-5
- 23 (D) The following rules concerning school principals:
- 24 511 IAC 6-2-1(c)(4)
- 25 511 IAC 6.1-4-2
- 26 (E) 511 IAC 2-2, concerning school construction and
- 27 remodeling.
- 28 (5) Notwithstanding any other law, a school city may do the
- 29 following:
- 30 (A) Lease school transportation equipment to others for
- 31 nonschool use when the equipment is not in use for a school
- 32 city purpose.
- 33 (B) Establish a professional development and technology
- 34 fund to be used for:
- 35 (i) professional development; or
- 36 (ii) technology, including video distance learning.
- 37 (C) Transfer funds obtained from sources other than state or
- 38 local government taxation among any account of the school
- 39 corporation, including a professional development and
- 40 technology fund established under clause (B).
- 41 (6) Transfer funds obtained from property taxation among the
- 42 general fund (established under IC 21-2-11), ~~and the school~~

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1 transportation fund (established under IC 21-2-11.5), subject to
2 the following:

3 (A) The sum of the property tax rates for the general fund
4 and the school transportation fund after a transfer occurs
5 under this subdivision may not exceed the sum of the
6 property tax rates for the general fund and the school
7 transportation fund before a transfer occurs under this
8 clause.

9 (B) This clause does not allow a school corporation to
10 transfer to any other fund money from the debt service fund
11 (established under IC 21-2-4).

12 SECTION 80. IC 20-5-17.5-2 (CURRENT VERSION) IS
13 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
14 Sec. 2. (a) This subsection does not apply to a school corporation in a
15 county having a population of more than two hundred thousand
16 (200,000) but less than three hundred thousand (300,000). The
17 governing body of a school corporation may annually appropriate, from
18 its general fund, a sum of not more than one and one-half cents
19 (\$0.015) on each one hundred dollars (\$100) of assessed valuation in
20 the school corporation to be paid to a historical society, subject to
21 subsection (c).

22 (b) This subsection applies only to a school corporation in a
23 county having a population of more than two hundred thousand
24 (200,000) but less than three hundred thousand (300,000). To provide
25 funding for a historical society under this section, the governing body
26 of a school corporation may, **subject to IC 6-1.1-19**, impose a tax of
27 not more than one and one-half cents (\$0.015) on each one hundred
28 dollars (\$100) of assessed valuation in the school corporation. ~~This tax~~
29 ~~is not subject to the tax levy limitations imposed on the school~~
30 ~~corporation by IC 6-1.1-19-1.5 or the provisions of IC 21-2-11-8.~~ The
31 school corporation shall deposit the proceeds of the tax in a fund to be
32 known as the historical society fund. The historical society fund is
33 separate and distinct from the school corporation's general fund and
34 may be used only for the purpose of providing funds for a historical
35 society under this section. Subject to subsection (c), the governing body
36 of the school corporation may annually appropriate the money in the
37 fund to be paid in semiannual installments to a historical society having
38 facilities in the county.

39 (c) Before a historical society may receive payments under this
40 section, its governing board must adopt a resolution that entitles:

41 (1) the governing body of the school corporation to appoint its
42 superintendent and one (1) of its history teachers as visitors, with



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- 1 the privilege of attending all meetings of the society's governing
- 2 board;
- 3 (2) the governing body of the school corporation to nominate two
- 4 (2) persons for membership on the society's governing board;
- 5 (3) the school corporation to use any of the society's facilities
- 6 and equipment for educational purposes consistent with the
- 7 society's purposes;
- 8 (4) the students and teachers of the school corporation to tour the
- 9 society's museum, if any, free of charge; and
- 10 (5) the school corporation to borrow artifacts from the society's
- 11 collection, if any, for temporary exhibit in the schools.

12 SECTION 81. IC 20-5-17.5-2 (DELAYED VERSION) IS
 13 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 14 2001]: Sec. 2. (a) This subsection does not apply to a school
 15 corporation in a county having a population of more than two hundred
 16 thousand (200,000) but less than three hundred thousand (300,000).
 17 The governing body of a school corporation may annually appropriate,
 18 from its general fund, a sum of not more than five-tenths of one cent
 19 (\$0.005) on each one hundred dollars (\$100) of assessed valuation in
 20 the school corporation to be paid to a historical society, subject to
 21 subsection (c).

22 (b) This subsection applies only to a school corporation in a
 23 county having a population of more than two hundred thousand
 24 (200,000) but less than three hundred thousand (300,000). To provide
 25 funding for a historical society under this section, the governing body
 26 of a school corporation may, **subject to IC 6-1.1-19**, impose a tax of
 27 not more than five-tenths of one cent (\$0.005) on each one hundred
 28 dollars (\$100) of assessed valuation in the school corporation. ~~This tax~~
 29 ~~is not subject to the tax levy limitations imposed on the school~~
 30 ~~corporation by IC 6-1.1-19-1.5 or the provisions of IC 21-2-11-8.~~ The
 31 school corporation shall deposit the proceeds of the tax in a fund to be
 32 known as the historical society fund. The historical society fund is
 33 separate and distinct from the school corporation's general fund and
 34 may be used only for the purpose of providing funds for a historical
 35 society under this section. Subject to subsection (c), the governing body
 36 of the school corporation may annually appropriate the money in the
 37 fund to be paid in semiannual installments to a historical society having
 38 facilities in the county.

39 (c) Before a historical society may receive payments under this
 40 section, its governing board must adopt a resolution that entitles:

- 41 (1) the governing body of the school corporation to appoint its
- 42 superintendent and one (1) of its history teachers as visitors, with

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- 1 the privilege of attending all meetings of the society's governing
 2 board;
 3 (2) the governing body of the school corporation to nominate two
 4 (2) persons for membership on the society's governing board;
 5 (3) the school corporation to use any of the society's facilities
 6 and equipment for educational purposes consistent with the
 7 society's purposes;
 8 (4) the students and teachers of the school corporation to tour the
 9 society's museum, if any, free of charge; and
 10 (5) the school corporation to borrow artifacts from the society's
 11 collection, if any, for temporary exhibit in the schools.

12 SECTION 82. IC 20-5-17.5-3 (CURRENT VERSION) IS
 13 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
 14 Sec. 3. (a) This section applies to school corporations in a county
 15 containing a city having a population of:

- 16 (1) more than one hundred fifty thousand (150,000) but less than
 17 five hundred thousand (500,000);
 18 (2) more than one hundred twenty thousand (120,000) but less
 19 than one hundred fifty thousand (150,000);
 20 (3) more than one hundred ten thousand (110,000) but less than
 21 one hundred twenty thousand (120,000);
 22 (4) more than ninety thousand (90,000) but less than one
 23 hundred ten thousand (110,000); or
 24 (5) more than seventy-five thousand (75,000) but less than
 25 ninety thousand (90,000).

26 (b) In order to provide funding for an art association under this
 27 section, the governing body of a school corporation may, **subject to**
 28 **IC 6-1.1-19**, impose a tax of not more than one and one-half cents
 29 (\$0.015) on each one hundred dollars (\$100) of assessed valuation in
 30 the school corporation. This tax is not subject to ~~the tax levy limitations~~
 31 ~~imposed on the school corporation by IC 6-1.1-19-1.5~~ or the provisions
 32 of IC 21-2-11-8.

33 (c) The school corporation shall deposit the proceeds of the tax
 34 imposed under subsection (b) in a fund to be known as the art
 35 association fund. The art association fund is separate and distinct from
 36 the school corporation's general fund and may be used only for the
 37 purpose of providing funds for an art association under this section.
 38 The governing body of the school corporation may annually
 39 appropriate the money in the fund to be paid in semiannual installments
 40 to an art association having facilities in a city that is listed in subsection
 41 (a), subject to subsection (d).

42 (d) Before an art association may receive payments under this



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1 section, its governing board must adopt a resolution that entitles:

2 (1) the governing body of the school corporation to appoint its
3 superintendent and its director of art instruction as visitors, with
4 the privilege of attending all meetings of the association's
5 governing board;

6 (2) the governing body of the school corporation to nominate
7 persons for membership on the association's governing board,
8 with at least two (2) of the nominees to be elected;

9 (3) the school corporation to use any of the association's facilities
10 and equipment for educational purposes consistent with the
11 association's purposes;

12 (4) the students and teachers of the school corporation to tour the
13 association's museum and galleries free of charge;

14 (5) the school corporation to borrow materials from the
15 association for temporary exhibit in the schools;

16 (6) the teachers of the school corporation to receive normal
17 instruction in the fine and applied arts at half the regular rates
18 charged by the association; and

19 (7) the school corporation to expect such exhibits in the
20 association's museum as will supplement the work of the
21 students and teachers of the corporation.

22 A copy of the resolution, certified by the president and secretary of the
23 association, must be filed in the office of the school corporation before
24 payments may be received.

25 (e) A resolution filed under subsection (d) need not be renewed
26 from year to year but continues in effect until rescinded. An art
27 association that complies with this section is entitled to continue to
28 receive payments under this section as long as it so complies.

29 (f) Whenever more than one (1) art association in a city that is
30 listed in subsection (a) qualifies to receive payments under this section,
31 the governing body of the school corporation shall select the one (1) art
32 association best qualified to perform the services described by
33 subsection (c). A school corporation may select only one (1) art
34 association to receive payments under this section.

35 SECTION 83. IC 20-5-17.5-3 (DELAYED VERSION) IS
36 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
37 2001]: Sec. 3. (a) This section applies to school corporations in a
38 county containing a city having a population of:

39 (1) more than one hundred fifty thousand (150,000) but less than
40 five hundred thousand (500,000);

41 (2) more than one hundred twenty thousand (120,000) but less
42 than one hundred fifty thousand (150,000);



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- 1 (3) more than one hundred ten thousand (110,000) but less than
 2 one hundred twenty thousand (120,000);
 3 (4) more than ninety thousand (90,000) but less than one
 4 hundred ten thousand (110,000); or
 5 (5) more than seventy-five thousand (75,000) but less than
 6 ninety thousand (90,000).
- 7 (b) In order to provide funding for an art association under this
 8 section, the governing body of a school corporation may, **subject to**
 9 **IC 6-1.1-19**, impose a tax of not more than five-tenths of one cent
 10 (\$0.005) on each one hundred dollars (\$100) of assessed valuation in
 11 the school corporation. This tax is not subject to ~~the tax levy limitations~~
 12 ~~imposed on the school corporation by IC 6-1.1-19-1.5~~ or the provisions
 13 of IC 21-2-11-8.
- 14 (c) The school corporation shall deposit the proceeds of the tax
 15 imposed under subsection (b) in a fund to be known as the art
 16 association fund. The art association fund is separate and distinct from
 17 the school corporation's general fund and may be used only for the
 18 purpose of providing funds for an art association under this section.
 19 The governing body of the school corporation may annually
 20 appropriate the money in the fund to be paid in semiannual installments
 21 to an art association having facilities in a city that is listed in subsection
 22 (a), subject to subsection (d).
- 23 (d) Before an art association may receive payments under this
 24 section, its governing board must adopt a resolution that entitles:
- 25 (1) the governing body of the school corporation to appoint its
 26 superintendent and its director of art instruction as visitors, with
 27 the privilege of attending all meetings of the association's
 28 governing board;
 - 29 (2) the governing body of the school corporation to nominate
 30 persons for membership on the association's governing board,
 31 with at least two (2) of the nominees to be elected;
 - 32 (3) the school corporation to use any of the association's facilities
 33 and equipment for educational purposes consistent with the
 34 association's purposes;
 - 35 (4) the students and teachers of the school corporation to tour the
 36 association's museum and galleries free of charge;
 - 37 (5) the school corporation to borrow materials from the
 38 association for temporary exhibit in the schools;
 - 39 (6) the teachers of the school corporation to receive normal
 40 instruction in the fine and applied arts at half the regular rates
 41 charged by the association; and
 - 42 (7) the school corporation to expect such exhibits in the

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1 association's museum as will supplement the work of the
2 students and teachers of the corporation.

3 A copy of the resolution, certified by the president and secretary of the
4 association, must be filed in the office of the school corporation before
5 payments may be received.

6 (e) A resolution filed under subsection (d) need not be renewed
7 from year to year but continues in effect until rescinded. An art
8 association that complies with this section is entitled to continue to
9 receive payments under this section as long as it so complies.

10 (f) Whenever more than one (1) art association in a city that is
11 listed in subsection (a) qualifies to receive payments under this section,
12 the governing body of the school corporation shall select the one (1) art
13 association best qualified to perform the services described by
14 subsection (c). A school corporation may select only one (1) art
15 association to receive payments under this section.

16 SECTION 84. IC 20-5-28-1 IS AMENDED TO READ AS
17 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) A school
18 corporation in Indiana may purchase buildings, lands, or lands and
19 buildings for school purposes, and for that purpose improve the
20 buildings or land.

21 (b) An existing building, other than a building obtained under
22 IC 5-17-2 (before its repeal) or IC 4-13-1.7, permitting the purchase of
23 suitable surplus government buildings, may not be purchased for use
24 as a school building unless the building was originally constructed for
25 use by the school corporation and used for that purpose for a period of
26 five (5) years or more next preceding the acquisition as provided in this
27 chapter.

28 (c) Notwithstanding any provisions in this chapter limiting the
29 purchase of school buildings, a school corporation may purchase
30 suitable buildings, lands, or lands and suitable buildings adjacent to
31 school property for school purposes, and for that purpose improve the
32 buildings or land after giving notice to the taxpayers of the intention of
33 the school corporation to purchase. The taxpayers of the school
34 corporation have the same right of appeal to the ~~state board of tax~~
35 ~~commissioners under the same procedure as provided for in~~
36 ~~IC 6-1.1-20-5 through IC 6-1.1-20-6.~~ **appropriate county property**
37 **tax control board.**

38 SECTION 85. IC 20-5-62-6 IS AMENDED TO READ AS
39 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. Except as provided
40 in this chapter and notwithstanding any other law, a freeway school
41 corporation or a freeway school may do the following during the
42 contract period:



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- 1 (1) Disregard the observance of any statute or rule that is listed
 2 in the contract.
- 3 (2) Lease school transportation equipment to others for
 4 nonschool use when the equipment is not in use for a school
 5 corporation purpose, if the lessee has not received a bid from a
 6 private entity to provide transportation equipment or services for
 7 the same purpose.
- 8 (3) Replace the budget and accounting system that is required by
 9 law with a budget or accounting system that is frequently used
 10 in the private business community. The state board of accounts
 11 may not go beyond the requirements imposed upon the state
 12 board of accounts by statute in reviewing the budget and
 13 accounting system used by a freeway school corporation or a
 14 freeway school.
- 15 (4) Establish a professional development and technology fund to
 16 be used for:
- 17 (A) professional development; or
 18 (B) technology, including video distance learning.
- 19 (5) Transfer funds obtained from sources other than state or local
 20 government taxation among any accounts of the school
 21 corporation, including a professional development and
 22 technology fund established under subdivision (4).
- 23 (6) Transfer funds obtained from property taxation and from
 24 state distributions among the general fund (established under
 25 IC 21-2-11), ~~and the school transportation fund (established~~
 26 ~~under IC 21-2-11.5)~~; subject to the following:
- 27 (A) The sum of the property tax rates for the general fund
 28 and the school transportation fund after a transfer occurs
 29 under this subdivision may not exceed the sum of the
 30 property tax rates for the general fund and the school
 31 transportation fund before a transfer occurs under this
 32 subdivision.
- 33 (B) This subdivision does not allow a school corporation to
 34 transfer to any other fund money from the:
- 35 (i) capital projects fund (established under
 36 IC 21-2-15); or
 37 (ii) debt service fund (established under IC 21-2-4).
- 38 (7) Establish a locally adopted assessment program to replace
 39 the assessment of students under the ISTEP program established
 40 under IC 20-10.1-16-8, subject to the following:
- 41 (A) A locally adopted assessment program must be
 42 established by the governing body and approved by the

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- department.
- (B) A locally adopted assessment program may use a locally developed test or a nationally developed test.
- (C) Results of assessments under a locally adopted assessment program are subject to the same reporting requirements as results under the ISTEP program.
- (D) Each student who completes a locally adopted assessment program and the student's parent or guardian has the same rights to inspection and rescoring as are set forth in IC 20-10.1-16-7(d).

SECTION 86. IC 20-8.1-6.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) Where a transfer is ordered to commence in a school year, where the transferor corporation has net additional costs over savings (on account of any transfer ordered) allocable to the calendar year in which the school year begins, and where the transferee corporation has no budgeted funds for such net additional costs, they may be recovered by one (1) or more of the following methods in addition to any other methods provided by applicable law:

- (1) An emergency loan made pursuant to IC 20-5-4-6 to be paid, however, out of the debt service levy and fund, or a loan from any state fund made available therefor.
- (2) An advance in such calendar year of state funds, which would otherwise become payable to the transferee corporation after such calendar year pursuant to applicable law.
- ~~(3) A grant or grants in such calendar year from any funds of the state made available therefor.~~

(b) The net additional costs shall be certified by the state board of tax commissioners. ~~and any grant shall be made solely after affirmative recommendation of the tax control board created by IC 6-1.1-19-4.1. Repayment of any advance or loan from the state shall be made in accordance with IC 6-1.1-19-4.5(d). The use of any of the methods enumerated above shall not subject the transferor corporation to the provisions of IC 6-1.1-19-4.7. the terms and conditions established by the state board of tax commissioners.~~

SECTION 87. IC 20-14-3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. (a) **Subject to IC 6-1.1-18.5**, the library board shall determine the rate of taxation for the library district that is necessary for the proper operation of the library. The library board shall certify the rate to the county auditor, and the county auditor shall certify the tax rate to the county tax adjustment board in the manner provided in IC 6-1.1. An additional

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1 rate may be levied under section 8(5) of this chapter.

2 (b) If the library board fails to:

- 3 (1) give published notice to its taxpayers of its proposed budget
4 and tax levy for the ensuing year at least twenty-one (21) days
5 before the second Monday in September; or
6 (2) finally adopt the budget and fix the tax levy at least two (2)
7 days before the second Monday in September;

8 then the last preceding annual appropriation made for the public library
9 is renewed for the ensuing year, and the last preceding annual tax levy
10 is continued. In this case, the treasurer of the library board shall report
11 the continued tax levy to the county auditor, no later than two (2) days
12 before the second Monday in September.

13 SECTION 88. IC 20-14-7-6 (CURRENT VERSION) IS
14 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
15 Sec. 6. (a) For any public library established:

- 16 (1) by private donation;
17 (2) in a city having a population of more than one hundred
18 twenty thousand (120,000) but less than one hundred fifty
19 thousand (150,000);
20 (3) that contains at least twenty-five thousand (25,000) volumes;
21 (4) that has real property valued at at least one hundred thousand
22 dollars (\$100,000); and
23 (5) that is open and free to the residents of the city;

24 a tax shall be levied and collected annually by the city according to
25 IC 6-1.1.

26 (b) **Subject to IC 6-1.1-18.5**, the city legislative body shall levy
27 the tax required under subsection (a) in an amount not less than two
28 cents (\$0.02) nor more than five cents (\$0.05) upon each one hundred
29 dollars (\$100) of the assessed valuation of all the real and personal
30 property in the city. ~~When the city levies this tax, it shall be treated as~~
31 ~~if it was a public library for purposes of IC 6-1.1-18.5-13; and it may~~
32 ~~increase its levy to the same extent as a public library under that~~
33 ~~section.~~

34 (c) The tax shall be paid to the trustees of the library, and the
35 trustees shall expend the tax for the support, operation, and
36 maintenance of the library. The trustees shall keep the tax separate
37 from all other funds. The trustees shall record the amount of taxes
38 received, to whom and when paid out, and for what purpose in a book
39 kept by them. The trustees shall make an annual report of these matters
40 to the legislative body of the city.

41 SECTION 89. IC 20-14-7-6 (DELAYED VERSION) IS
42 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,



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1 2001]: Sec. 6. (a) For any public library established:

2 (1) by private donation;

3 (2) in a city having a population of more than one hundred
4 twenty thousand (120,000) but less than one hundred fifty
5 thousand (150,000);

6 (3) that contains at least twenty-five thousand (25,000) volumes;

7 (4) that has real property valued at at least one hundred thousand
8 dollars (\$100,000); and

9 (5) that is open and free to the residents of the city;

10 a tax shall be levied and collected annually by the city according to
11 IC 6-1.1.

12 (b) **Subject to IC 6-1.1-18.5**, the city legislative body shall levy
13 the tax required under subsection (a) in an amount not less than
14 sixty-seven hundredths of one cent (\$0.0067) nor more than one and
15 sixty-seven hundredths cents (\$0.0167) upon each one hundred dollars
16 (\$100) of the assessed valuation of all the real and personal property in
17 the city. ~~When the city levies this tax, it shall be treated as if it was a~~
18 ~~public library for purposes of IC 6-1.1-18.5-13, and it may increase its~~
19 ~~levy to the same extent as a public library under that section.~~

20 (c) The tax shall be paid to the trustees of the library, and the
21 trustees shall expend the tax for the support, operation, and
22 maintenance of the library. The trustees shall keep the tax separate
23 from all other funds. The trustees shall record the amount of taxes
24 received, to whom and when paid out, and for what purpose in a book
25 kept by them. The trustees shall make an annual report of these matters
26 to the legislative body of the city.

27 SECTION 90. IC 21-1-11-2 (CURRENT VERSION) IS
28 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
29 Sec. 2. (a) The state board of education is authorized, subject to the
30 provisions of this chapter, to order and direct the auditor of state to
31 divert and make an advancement periodically from the state school
32 tuition fund for the construction, remodeling, or repair of school
33 buildings to any school corporation or school organized and existing
34 under and pursuant to any law of the state of Indiana for the operation
35 of a public school which is a part of the common school system of the
36 state. An advancement to any school or school corporation under
37 section 3 of this chapter shall not be in excess of two hundred fifty
38 thousand dollars (\$250,000). However, this dollar limitation is waived
39 if:

40 (1) the school corporation has an adjusted assessed valuation per
41 pupil ADA of less than eight thousand four hundred dollars
42 (\$8,400);



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1 (2) the school corporation's debt service tax rate would exceed
 2 three dollars (\$3) for each one hundred dollars (\$100) of
 3 assessed valuation without a waiver of the dollar limitation; and
 4 (3) the ~~school property tax control state~~ **board of tax**
 5 **commissioners** recommends a waiver of the limitation.

6 (b) All advancements shall be made by the state board of
 7 education only as set forth in this chapter. In no instance shall an
 8 advancement be made for any purpose other than the construction,
 9 remodeling, or repairing of school buildings and classrooms and shall
 10 not be made for gymnasiums, auditoriums, or any athletic facilities.

11 SECTION 91. IC 21-1-11-2 (DELAYED VERSION) IS
 12 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 13 2001]: Sec. 2. (a) The state board of education is authorized, subject to
 14 the provisions of this chapter, to order and direct the auditor of state to
 15 divert and make an advancement periodically from the state school
 16 tuition fund for the construction, remodeling, or repair of school
 17 buildings to any school corporation or school organized and existing
 18 under and pursuant to any law of the state of Indiana for the operation
 19 of a public school which is a part of the common school system of the
 20 state. An advancement to any school or school corporation under
 21 section 3 of this chapter shall not be in excess of two hundred fifty
 22 thousand dollars (\$250,000). However, this dollar limitation is waived
 23 if:

24 (1) the school corporation has an adjusted assessed valuation per
 25 pupil ADA of less than eight thousand four hundred dollars
 26 (\$8,400);

27 (2) the school corporation's debt service tax rate would exceed
 28 one dollar (\$1) for each one hundred dollars (\$100) of assessed
 29 valuation without a waiver of the dollar limitation; and

30 (3) the ~~school property tax control state~~ **board of tax**
 31 **commissioners** recommends a waiver of the limitation.

32 (b) All advancements shall be made by the state board of
 33 education only as set forth in this chapter. In no instance shall an
 34 advancement be made for any purpose other than the construction,
 35 remodeling, or repairing of school buildings and classrooms and shall
 36 not be made for gymnasiums, auditoriums, or any athletic facilities.

37 SECTION 92. IC 21-2-11-2 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) The governing
 39 body of each school corporation in the state of Indiana shall establish
 40 a general fund for the operation and maintenance of local schools **and**
 41 **for the transportation of students** and levy a tax therefor. ~~All receipts~~
 42 ~~and disbursements heretofore authorized by law for school funds and~~



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1 tax levies for the tuition fund; special school fund; special fund;
 2 vocational fund; recreation fund; compulsory education fund; school
 3 library fund; high school library fund; public employee's retirement
 4 fund; operating fund; transportation tax and county wide school tax
 5 shall; on and after January 1, 1968; be received in and disbursed from
 6 the general fund. The tax levy and rate for the general fund shall be
 7 established by the governing body of each school corporation, for the
 8 1968 calendar year and all succeeding calendar years. Any balances of
 9 all the aforesaid funds on January 1, 1968 shall be transferred to the
 10 general fund; subject to the limitations set forth in IC 6-1.1-17.5 and
 11 IC 6-1.1-19.

12 (b) Beginning in 2000, each school corporation shall establish
 13 a separate account in its general fund for transportation
 14 expenditures. The balance remaining in the school corporation's
 15 transportation fund on January 1, 2000, shall be transferred to the
 16 transportation account of the school corporation's general fund.

17 SECTION 93. IC 21-2-15-6 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) The governing
 19 body shall publish a notice of the adoption of the plan in accordance
 20 with IC 5-3-1-2(b). This publication must be made no later than twenty
 21 (20) days after the county auditor posts and publishes the notice of the
 22 school corporation's tax rate for the ensuing calendar year.

23 (b) In the first year that a plan is proposed; ten (10) or more
 24 taxpayers who will be affected by the adopted plan may file a petition
 25 with the county auditor of a county in which the school corporation is
 26 located not later than ten (10) days after the publication; setting forth
 27 their objections to the proposed plan. After the first year a plan is
 28 proposed; ten (10) or more taxpayers who will be affected by the
 29 adopted plan may file a petition with the county auditor of a county in
 30 which the school corporation is located not later than ten (10) days
 31 after the publication; setting forth their objections to any item in the
 32 proposed plan that does not concern a construction project that had
 33 previously been included in an adopted capital project fund plan. The
 34 county auditor shall immediately certify the petition to the state board
 35 of tax commissioners.

36 SECTION 94. IC 21-2-15-9 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 9. The state board of
 38 tax commissioners A school corporation may approve make
 39 appropriations from the capital projects fund only if they conform to a
 40 plan that has been adopted in compliance with this chapter.

41 SECTION 95. IC 21-2-15-10 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. (a) A governing

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1 body may amend a plan adopted under section 5 of this chapter to:
 2 (1) provide money for the purposes described in section 4 of this
 3 chapter; or
 4 (2) supplement money accumulated in the capital projects fund
 5 for those purposes.
 6 (b) When an amendment to a plan is required by reason other than
 7 the occurrence of an emergency, the governing body must hold a public
 8 hearing on the proposed amendment. At this hearing, the governing
 9 body must declare the nature of and the need for the amendment and
 10 then pass a resolution to adopt the amendment to the plan. The plan, as
 11 proposed to be amended, must comply with the requirements for a plan
 12 under section 5(b) of this chapter, and the governing body must publish
 13 the proposed amendment to the plan and notice of the hearing in
 14 accordance with IC 5-3-1-2(b). This amendment to the plan is not
 15 subject to the deadline for adoption described in section 5(a) of this
 16 chapter. ~~However, the amendment to the plan must be submitted to the~~
 17 ~~state board of tax commissioners for its consideration and is subject to~~
 18 ~~approval, disapproval, or modification in accordance with the~~
 19 ~~procedures for adopting a plan set forth in sections 6 through 8 of this~~
 20 ~~chapter.~~
 21 (c) When an emergency arises that results in costs that exceed the
 22 amount accumulated in the fund for the purposes described in section
 23 4(b)(4) of this chapter, the governing body is not required to comply
 24 with subsection (b), but instead must immediately apply to the state
 25 board of tax commissioners for a determination that an emergency
 26 exists. If the board determines that an emergency exists, the governing
 27 body may adopt a resolution to amend the plan. The amendment is not
 28 subject to the deadline and the procedures for adoption described in
 29 section 5 of this chapter. However, the amendment is subject to
 30 modification by the state board of tax commissioners.
 31 (d) An amendment adopted under this section may require the
 32 payment of eligible costs from:
 33 (1) money accumulated in the capital projects fund for other
 34 purposes; or
 35 (2) money to be borrowed from other funds of the school
 36 corporation or from a financial institution. The amendment may
 37 also require an increase in the property tax rate for the capital
 38 projects fund to restore money to the fund or to pay principal and
 39 interest on a loan. Any increase to the property tax rate for the
 40 capital projects fund is effective for property taxes first due and
 41 payable for the year next certified by the state board of tax
 42 commissioners under IC 6-1.1-17-16. However, the property tax

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1 rate may not exceed the maximum rate established under section
2 11 of this chapter.

3 SECTION 96. IC 21-2-15-11 (CURRENT VERSION) IS
4 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
5 Sec. 11. (a) To provide for the capital projects fund, the governing body
6 may, for each year in which a plan adopted under section 5 of this
7 chapter is in effect, impose a property tax rate that does not exceed **the**
8 **lesser of:**

- 9 (1) one dollar and twenty-five cents (\$1.25) on each one hundred
10 dollars (\$100) of assessed valuation of the school corporation; **or**
11 **(2) the property tax rate used by the unit for property taxes**
12 **first due and payable in 1999 for the fund, as adjusted under**
13 **subsections (b) and (c).**

14 This actual rate must be advertised in the same manner as other
15 property tax rates.

16 (b) The maximum property tax rate levied by each school
17 corporation must be adjusted each time a general reassessment of
18 property takes effect.

19 (c) The new maximum rate under this section is the tax rate
20 determined under STEP SEVEN of the following formula:

21 STEP ONE: Determine the maximum rate for the school
22 corporation for the year preceding the year in which the general
23 reassessment takes effect.

24 STEP TWO: Determine the actual percentage increase (rounded
25 to the nearest one-hundredth percent (0.01%)) in the assessed
26 value of the taxable property from the year preceding the year
27 the general reassessment takes effect to the year that the general
28 reassessment is effective.

29 STEP THREE: Determine the three (3) calendar years that
30 immediately precede the ensuing calendar year and in which a
31 statewide general reassessment of real property does not first
32 become effective.

33 STEP FOUR: Compute separately, for each of the calendar years
34 determined in STEP THREE, the actual percentage increase
35 (rounded to the nearest one-hundredth percent (0.01%)) in the
36 assessed value of the taxable property from the preceding year.

37 STEP FIVE: Divide the sum of the three (3) quotients computed
38 in STEP FOUR by three (3).

39 STEP SIX: Determine the greater of the following:

- 40 (A) Zero (0).
41 (B) The result of the STEP TWO percentage minus the
42 STEP FIVE percentage.



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1 STEP SEVEN: Determine the quotient of the STEP ONE tax rate
2 divided by the sum of one (1) plus the STEP SIX percentage
3 increase.

4 (d) The state board of tax commissioners shall compute the
5 maximum rate allowed under subsection (c) and provide the rate to
6 each school corporation.

7 SECTION 97. IC 21-2-15-11 (DELAYED VERSION) IS
8 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
9 2001]: Sec. 11. (a) To provide for the capital projects fund, the
10 governing body may, for each year in which a plan adopted under
11 section 5 of this chapter is in effect, impose a property tax rate that
12 does not exceed **the lesser of:**

13 (1) forty-one and sixty-seven hundredths cents (\$0.4167) on each
14 one hundred dollars (\$100) of assessed valuation of the school
15 corporation; **or**

16 (2) **the property tax rate used by the unit for property taxes**
17 **first due and payable in 1999 for the fund, as adjusted under**
18 **subsections (b) and (c).**

19 This actual rate must be advertised in the same manner as other
20 property tax rates.

21 (b) The maximum property tax rate levied by each school
22 corporation must be adjusted each time a general reassessment of
23 property takes effect.

24 (c) The new maximum rate under this section is the tax rate
25 determined under STEP SEVEN of the following formula:

26 STEP ONE: Determine the maximum rate for the school
27 corporation for the year preceding the year in which the general
28 reassessment takes effect.

29 STEP TWO: Determine the actual percentage increase (rounded
30 to the nearest one-hundredth percent (0.01%)) in the assessed
31 value of the taxable property from the year preceding the year
32 the general reassessment takes effect to the year that the general
33 reassessment is effective.

34 STEP THREE: Determine the three (3) calendar years that
35 immediately precede the ensuing calendar year and in which a
36 statewide general reassessment of real property does not first
37 become effective.

38 STEP FOUR: Compute separately, for each of the calendar years
39 determined in STEP THREE, the actual percentage increase
40 (rounded to the nearest one-hundredth percent (0.01%)) in the
41 assessed value of the taxable property from the preceding year.

42 STEP FIVE: Divide the sum of the three (3) quotients computed

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- 1 in STEP FOUR by three (3).
 2 STEP SIX: Determine the greater of the following:
 3 (A) Zero (0).
 4 (B) The result of the STEP TWO percentage minus the
 5 STEP FIVE percentage.
 6 STEP SEVEN: Determine the quotient of the STEP ONE tax rate
 7 divided by the sum of one (1) plus the STEP SIX percentage
 8 increase.

9 (d) The state board of tax commissioners shall compute the
 10 maximum rate allowed under subsection (c) and provide the rate to
 11 each school corporation.

12 SECTION 98. IC 21-3-1.7-5 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. As used in this
 14 chapter, "tuition support levy" means with respect to a school
 15 corporation for a year the ~~maximum~~ general fund ad valorem property
 16 tax levy for the school corporation ~~determined under IC 6-1.1-19-1.5~~
 17 **based on the maximum property tax rate for the school**
 18 **corporation**, reduced by the following:

- 19 (1) An amount equal to the annual decrease in federal aid to
 20 impacted areas from the year preceding the ensuing calendar
 21 year by three (3) years to the year preceding the ensuing calendar
 22 year by two (2) years.
 23 (2) The original amount of any excessive tax levy the school
 24 corporation imposed as a result of the passage, during the
 25 preceding year, of a referendum under IC 6-1.1-19-4(e)(1)(bb)
 26 ~~or IC 6-1.1-19-4.5(e)~~ for taxes first due and payable during the
 27 year.
 28 (3) The portion of the maximum general fund levy for the year
 29 that equals the original amount of the levy imposed by the school
 30 corporation to cover the costs of opening a new school facility
 31 during the preceding year.

32 SECTION 99. IC 21-3-1.7-8 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. Notwithstanding
 34 IC 21-3-1.6 and subject to section 9 of this chapter, the state
 35 distribution for a calendar year for tuition support for basic programs
 36 for each school corporation equals the result determined using the
 37 following formula:

- 38 STEP ONE: Determine the greater of the following:
 39 (A) The product of:
 40 (i) the school corporation's target revenue per ADM;
 41 multiplied by
 42 ~~(B)~~ (ii) the school corporation's adjusted current ADM.



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- 1 (B) The product of:
 2 (i) the school corporation's previous year revenue;
 3 multiplied by
 4 (ii) one and three-hundredths (1.03).
 5 STEP TWO: Determine the remainder of:
 6 (A) the STEP ONE amount; minus
 7 (B) the sum of:
 8 (i) the school corporation's tuition support levy; plus
 9 (ii) the school corporation's excise tax revenue for the
 10 year that precedes the current year by one (1) year.

11 If the state tuition support determined for a school corporation under
 12 this section is negative, the school corporation is not entitled to any
 13 state tuition support. In addition, the school corporation's maximum
 14 general fund levy under ~~IC 6-1.1-19-1.5~~ **IC 6-1.1-19** shall be reduced
 15 by the amount of the negative result.

16 SECTION 100. IC 36-3-5-8 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) This section
 18 applies whenever a special taxing district of the consolidated city has
 19 the power to issue bonds, notes, or warrants.

20 (b) Before any bonds, notes, or warrants of a special taxing district
 21 may be issued, the issue must be approved by resolution of the
 22 legislative body of the consolidated city.

23 (c) Any bonds of a special taxing district must be issued in the
 24 manner prescribed by statute for that district, and the board of the
 25 department having jurisdiction over the district shall:

- 26 (1) hold all required hearings;
 27 (2) adopt all necessary resolutions; and
 28 (3) appropriate the proceeds of the bonds;

29 in that manner. However, the legislative body shall levy each year the
 30 special tax required to pay the principal of and interest on the bonds
 31 and any bank paying charges.

32 (d) Notwithstanding any other statute, bonds of a special taxing
 33 district may:

- 34 (1) be dated;
 35 (2) be issued in any denomination;
 36 (3) mature at any time or times not exceeding fifty (50) years
 37 after their date; and
 38 (4) be payable at any bank or banks;

39 as determined by the board. The interest rate or rates that the bonds will
 40 bear must be determined by bidding, notwithstanding IC 5-1-11-3.

41 (e) Bonds of a special taxing district are subject to the provisions
 42 of IC 5-1, **IC 6-1.1-17.5**, and IC 6-1.1-20 relating to the filing of a



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1 petition requesting the issuance of bonds and giving notice of the
 2 petition, the giving of notice of a hearing on the appropriation of the
 3 proceeds of bonds, the right of taxpayers to appear and be heard on the
 4 proposed appropriation, ~~the approval of the appropriation by the state~~
 5 ~~board of tax commissioners~~; the right of taxpayers to ~~remonstrate~~
 6 ~~against oppose~~ the issuance of bonds, **the right of voters to file**
 7 **petitions regarding a property tax control board's decision under**
 8 **IC 6-1.1-17.5**, and the sale of bonds at public sale.

9 SECTION 101. IC 36-5-2-11 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 11. (a) The legislative
 11 body may issue bonds for the purpose of procuring money to be used
 12 in the exercise of the powers of the town and for the payment of town
 13 debts. However, a town may not issue bonds to procure money to pay
 14 current expenses.

15 (b) Bonds issued under this section are payable in the amounts and
 16 at the times determined by the legislative body.

17 (c) Bonds issued under this section are subject to the provisions of
 18 IC 5-1, **IC 6-1.1-17.5**, and IC 6-1.1-20 relating to the filing of a petition
 19 requesting the issuance of bonds and giving notice of the petition, the
 20 giving of notice of a hearing on the appropriation of the proceeds of
 21 bonds, the right of taxpayers to appear and be heard on the proposed
 22 appropriation, ~~the approval of the appropriation by the state board of~~
 23 ~~tax commissioners~~; the right of taxpayers to ~~remonstrate against oppose~~
 24 the issuance of bonds, **the right of voters to file petitions regarding**
 25 **a property tax control board's decision under IC 6-1.1-17.5**, and the
 26 sale of bonds at public sale for not less than their par value.

27 (d) The legislative body may, by ordinance, make loans of money
 28 for not more than five (5) years and issue notes for the purpose of
 29 refunding those loans. The loans may be made only for the purpose of
 30 procuring money to be used in the exercise of the powers of the town,
 31 and the total amount of outstanding loans under this subsection may not
 32 exceed five percent (5%) of the town's total tax levy in the current year
 33 (excluding amounts levied to pay debt service and lease rentals). Loans
 34 under this subsection shall be made as follows:

35 (1) The ordinance authorizing the loans must pledge to their
 36 payment a sufficient amount of tax revenues over the ensuing
 37 five (5) years to provide for refunding the loans.

38 (2) The loans must be evidenced by notes of the town in terms
 39 designating the nature of the consideration, the time and place
 40 payable, and the revenues out of which they will be payable.

41 (3) The interest accruing on the notes to the date of maturity may
 42 be added to and included in their face value or be made payable



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1 periodically, as provided in the ordinance.
 2 Notes issued under this subsection are not bonded indebtedness for
 3 purposes of **IC 6-1.1-17.5 and IC 6-1.1-18.5**.

4 SECTION 102. IC 36-7-14-27.5 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 27.5. (a) The
 6 redevelopment commission may borrow money in anticipation of
 7 receipt of the proceeds of taxes levied for the redevelopment district
 8 bond fund and not yet collected, and may evidence this borrowing by
 9 issuing warrants of the redevelopment district. However, the aggregate
 10 principal amount of warrants issued in anticipation of and payable from
 11 the same tax levy or levies may not exceed an amount equal to eighty
 12 percent (80%) of that tax levy or levies, as certified by the state board
 13 of tax commissioners, or as determined by multiplying the rate of tax
 14 as finally approved **by the redevelopment commission** by the total
 15 assessed valuation (after deducting all mortgage deductions) within the
 16 redevelopment district, as most recently certified by the county auditor.

17 (b) The warrants may be authorized and issued at any time after
 18 the tax or taxes in anticipation of which they are issued have been
 19 levied by the redevelopment commission. For purposes of this section,
 20 taxes for any year are considered to be levied upon adoption by the
 21 commission of a resolution prescribing the tax levies for the year.
 22 However, the warrants may not be delivered and paid for before final
 23 approval of the tax levy or levies **by the county board of tax adjustment**
 24 **or, if appealed, by the state board of tax commissioners. unless the**
 25 **issuance of the warrants has been approved by the state board of tax**
 26 **commissioners.**

27 (c) All action that this section requires or authorizes the
 28 redevelopment commission to take may be taken by resolution, which
 29 need not be published or posted. The resolution takes effect
 30 immediately upon its adoption by the redevelopment commission. An
 31 action to contest the validity of tax anticipation warrants may not be
 32 brought later than ten (10) days after the sale date.

33 (d) In their resolution authorizing the warrants, the redevelopment
 34 commission must provide that the warrants mature at a time or times
 35 not later than December 31 after the year in which the taxes in
 36 anticipation of which the warrants are issued are due and payable.

37 (e) In their resolution authorizing the warrants, the redevelopment
 38 commission may provide:

- 39 (1) the date of the warrants;
 40 (2) the interest rate of the warrants;
 41 (3) the time of interest payments on the warrants;
 42 (4) the denomination of the warrants;



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- 1 (5) the form either registered or payable to bearer, of the
- 2 warrants;
- 3 (6) the place or places of payment of the warrants, either inside
- 4 or outside the state;
- 5 (7) the medium of payment of the warrants;
- 6 (8) the terms of redemption, if any, of the warrants, at a price not
- 7 exceeding par value and accrued interest;
- 8 (9) the manner of execution of the warrants; and
- 9 (10) that all costs incurred in connection with the issuance of the
- 10 warrants may be paid from the proceeds of the warrants.

11 (f) The warrants shall be sold for not less than par value, after
 12 notice inviting bids has been published under IC 5-3-1. The
 13 redevelopment commission may also publish the notice in other
 14 newspapers or financial journals.

15 (g) Warrants and the interest on them are not subject to any
 16 limitation contained in section 25.1 of this chapter, and are payable
 17 solely from the proceeds of the tax levy or levies in anticipation of
 18 which the warrants were issued. The authorizing resolution must
 19 pledge a sufficient amount of the proceeds of the tax levy or levies to
 20 the payment of the warrants and the interest.

21 SECTION 103. IC 36-7-15.1-17 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 17. (a) In addition to
 23 other methods of raising money for property acquisition or
 24 redevelopment in a blighted, deteriorated, or deteriorating area, and in
 25 anticipation of the special tax to be levied under section 19 of this
 26 chapter, the taxes allocated under section 26 of this chapter, or other
 27 revenues of the redevelopment district, the commission may, by
 28 resolution, issue the bonds of the redevelopment district in the name of
 29 the consolidated city and in accordance with IC 36-3-5-8. The amount
 30 of the bonds may not exceed the total, as estimated by the commission,
 31 of all expenses reasonably incurred in connection with the acquisition
 32 and redevelopment of the property, including:

- 33 (1) the total cost of all land, rights-of-way, and other property to
- 34 be acquired and redeveloped;
- 35 (2) all reasonable and necessary architectural, engineering, legal,
- 36 financing, accounting, advertising, bond discount, and
- 37 supervisory expenses related to the acquisition and
- 38 redevelopment of the property or the issuance of bonds;
- 39 (3) capitalized interest permitted in this chapter and a debt
- 40 service reserve for the bonds, to the extent that the
- 41 redevelopment commission determines that a reserve is
- 42 reasonably required;

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1 (4) the total cost of all clearing and construction work provided
 2 for in the resolution; and
 3 (5) expenses that the commission is required or permitted to pay
 4 under IC 8-23-17.

5 (b) If the commission plans to acquire different parcels of land or
 6 let different contracts for redevelopment work at approximately the
 7 same time, whether under one (1) or more resolutions, the commission
 8 may provide for the total cost in one (1) issue of bonds.

9 (c) The bonds must be dated as set forth in the bond resolution and
 10 negotiable subject to the requirements of the bond resolution for the
 11 registration of the bonds. The resolution authorizing the bonds must
 12 state:

13 (1) the denominations of the bonds;
 14 (2) the place or places at which the bonds are payable; and
 15 (3) the term of the bonds, which may not exceed fifty (50) years.

16 The resolution may also state that the bonds are redeemable before
 17 maturity with or without a premium, as determined by the commission.

18 (d) The commission shall certify a copy of the resolution
 19 authorizing the bonds to the fiscal officer of the consolidated city, who
 20 shall then prepare the bonds. The seal of the unit must be impressed on
 21 the bonds, or a facsimile of the seal must be printed on the bonds.

22 (e) The bonds shall be executed by the city executive and attested
 23 by the fiscal officer. The interest coupons, if any, shall be executed by
 24 the facsimile signature of the fiscal officer.

25 (f) The bonds are exempt from taxation as provided by IC 6-8-5.

26 (g) The city fiscal officer shall sell the bonds according to law.
 27 Notwithstanding IC 36-3-5-8, bonds payable solely or in part from tax
 28 proceeds allocated under section 26(b)(2) of this chapter or other
 29 revenues of the district may be sold at private negotiated sale and at a
 30 price or prices not less than ninety-seven percent (97%) of the par
 31 value.

32 (h) The bonds are not a corporate obligation of the city but are an
 33 indebtedness of the redevelopment district. The bonds and interest are
 34 payable:

35 (1) from a special tax levied upon all of the property in the
 36 redevelopment district, as provided by section 19 of this chapter;
 37 (2) from the tax proceeds allocated under section 26(b)(2) of this
 38 chapter;
 39 (3) from other revenues available to the commission; or
 40 (4) from a combination of the methods stated in subdivisions (1)
 41 through (3);
 42 and from any revenues of the designated project. If the bonds are

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1 payable solely from the tax proceeds allocated under section 26(b)(2)
2 of this chapter, other revenues of the redevelopment commission, or
3 any combination of these sources, they may be issued in any amount
4 without limitation.

5 (i) Proceeds from the sale of the bonds may be used to pay the cost
6 of interest on the bonds for a period not to exceed five (5) years from
7 the date of issue.

8 (j) Notwithstanding IC 36-3-5-8, the laws relating to the filing of
9 petitions requesting the issuance of bonds and the right of taxpayers to
10 ~~remonstrate against~~ **oppose** the issuance of bonds applicable to bonds
11 issued under this chapter **and the holding of a referendum**, do not
12 apply to bonds payable solely ~~or in part~~ from ~~tax proceeds allocated~~
13 ~~under section 26(b)(2) of this chapter~~; other revenues of the
14 commission. ~~or any combination of these sources~~.

15 (k) If bonds are issued under this chapter that are payable solely
16 ~~or in part~~ from revenues to the commission from a project or projects,
17 the commission may adopt a resolution or trust indenture or enter into
18 covenants as is customary in the issuance of revenue bonds. The
19 resolution or trust indenture may pledge or assign the revenues from
20 the project or projects, but may not convey or mortgage any project or
21 parts of a project. The resolution or trust indenture may also contain
22 any provisions for protecting and enforcing the rights and remedies of
23 the bond owners as may be reasonable and proper and not in violation
24 of law, including covenants setting forth the duties of the commission.
25 The commission may establish fees and charges for the use of any
26 project and covenant with the owners of any bonds to set those fees and
27 charges at a rate sufficient to protect the interest of the owners of the
28 bonds. Any revenue bonds issued by the commission that are payable
29 solely from revenues of the commission must contain a statement to
30 that effect in the form of bond.

31 SECTION 104. IC 36-7-15.1-26.9 IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 26.9. (a) The
33 definitions set forth in section 26.5 of this chapter apply to this section.

34 (b) The fiscal officer of the consolidated city shall publish in the
35 newspaper in the county with the largest circulation all determinations
36 made under section 26.5 or 26.7 of this chapter that result in the
37 allowance or disallowance of credits. The publication of a
38 determination made under section 26.5 of this chapter shall be made
39 not later than June 20 of the year in which the determination is made.
40 The publication of a determination made under section 26.7 of this
41 chapter shall be made not later than December 5 of the year in which
42 the determination is made.

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1 (c) If credits are granted under section 26.5(g) or 26.5(h) of this
 2 chapter, whether in whole or in part, property taxes on personal
 3 property (as defined in IC 6-1.1-1-11) that are equal to the aggregate
 4 amounts of the credits for all taxpayers in the allocation area under
 5 section 26.5(g) and 26.5(h) of this chapter shall be:

- 6 (1) allocated to the redevelopment district;
 7 (2) paid into the special fund for that allocation area; and
 8 (3) used for the purposes specified in section 26 of this chapter.

9 (d) The county auditor shall adjust the estimate of assessed
 10 valuation that the auditor certifies under IC 6-1.1-17-1 for all taxing
 11 units in which the allocation area is located. The county auditor may
 12 amend this adjustment at any time before the earliest date a taxing unit
 13 must publish the unit's proposed property tax rate under IC 6-1.1-17-3
 14 in the year preceding the year in which the credits under section
 15 26.5(g) or 26.5(h) of this chapter are paid. The auditor's adjustment to
 16 the assessed valuation shall be:

- 17 (1) calculated to produce an estimated assessed valuation that
 18 will offset the effect that paying personal property taxes into the
 19 allocation area special fund under subsection (c) would
 20 otherwise have on the ability of a taxing unit to achieve the
 21 taxing unit's tax levy in the following year; and
 22 (2) used by the county ~~board of tax adjustment~~, **property tax**
 23 **control board**, the state board of tax commissioners, and each
 24 taxing unit in determining each taxing unit's tax rate and tax levy
 25 in the following year.

26 (e) The amount by which a taxing unit's levy is adjusted as a result
 27 of the county auditor's adjustment of assessed valuation under
 28 subsection (d), and the amount of the levy that is used to make direct
 29 payments to taxpayers under section 26.5(h) of this chapter, is not part
 30 of the total county tax levy under IC 6-1.1-21-2(g) and is not subject to
 31 IC 6-1.1-20.

32 (f) The ad valorem property tax ~~levy rate~~ limits imposed by
 33 IC 6-1.1-18.5-3 and ~~IC 6-1.1-19-1.5~~ **IC 6-1.1-19-1.4** do not apply to ad
 34 valorem property taxes imposed that are used to offset the effect of
 35 paying personal property taxes into an allocation area special fund
 36 during the taxable year under subsection (d) or to make direct payments
 37 to taxpayers under section 26.5(h) of this chapter. For purposes of
 38 computing the ad valorem property tax ~~levy rate~~ limits imposed under
 39 IC 6-1.1-18.5-3 and ~~IC 6-1.1-19-1.5~~, **IC 6-1.1-19-1.4**, a taxing unit's ad
 40 valorem property tax ~~levy rate~~ for a particular calendar year does not
 41 include that part of the ~~levy rate~~ imposed to offset the effect of paying
 42 personal property taxes into an allocation area special fund under

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1 subsection (d) or to make direct payments to taxpayers under section
2 26.5(h) of this chapter.

3 (g) Property taxes on personal property that are deposited in the
4 allocation area special fund:

5 (1) are subject to any pledge of allocated property tax proceeds
6 made by the redevelopment district under section 26(d) of this
7 chapter, including but not limited to any pledge made to owners
8 of outstanding bonds of the redevelopment district of allocated
9 taxes from that area; and

10 (2) may not be treated as property taxes used to pay interest or
11 principal due on debt under IC 6-1.1-21-2(g)(1)(D).

12 SECTION 105. IC 36-7-29-16 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 16. (a) District bonds
14 may be issued by a board under this chapter without following any
15 procedures set forth in any other statute except that the board must:

16 (1) adopt a bond resolution after a public hearing following
17 public notice of the hearing published in accordance with
18 IC 5-3-1;

19 (2) publish notice of the determination to issue district bonds; ~~in~~
20 ~~accordance with IC 6-1.1-20-5;~~

21 (3) obtain the approval for the appropriation of the proceeds of
22 the district bonds as set forth in IC 6-1.1-18-5 if the
23 appropriation is an additional appropriation; and

24 (4) obtain the approval of the state board of tax commissioners
25 for a tax levy under IC 6-1.1-18.5-8.

26 (b) The bond resolution must contain a finding that substance
27 removal or remedial action at the qualified site will be of public utility
28 and benefit because the conditions at the qualified site are detrimental
29 to the social and economic interests of the district.

30 SECTION 106. IC 36-8-6-5 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) If the local board
32 determines that the total amount of money available for a year will be
33 insufficient to pay the benefits, pensions, and retirement allowances the
34 local board is obligated to pay under this chapter, the local board shall,
35 before the date on which the budget of the municipality is adopted,
36 prepare an itemized estimate in the form prescribed by the state board
37 of accounts of the amount of money that will be receipted into and
38 disbursed from the 1925 fund during the next fiscal year. The estimated
39 receipts consist of the items enumerated in section 4(a) of this chapter.
40 The estimated disbursements consist of an estimate of the amount of
41 money that will be needed by the local board during the next fiscal year
42 to defray the expenses and obligations incurred and that will be



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1 incurred by the local board in making the payments prescribed by this
 2 chapter to retired members, to members who are eligible to and expect
 3 to retire during the ensuing fiscal year, and to the dependents of
 4 deceased members.

5 (b) The local board may provide in its annual budget and pay all
 6 necessary expenses of operating the 1925 fund, including the payment
 7 of all costs of litigation and attorney fees arising in connection with the
 8 fund, as well as the payment of benefits and pensions. Notwithstanding
 9 any other law, neither the municipal legislative body ~~the county board~~
 10 ~~of tax adjustment~~, nor the state board of tax commissioners may reduce
 11 an item of expenditure.

12 (c) At the time when the estimates are prepared and submitted, the
 13 local board shall also prepare and submit a certified statement showing:

14 (1) the name, age, and date of retirement of each retired member
 15 and the monthly and yearly amount of the payment to which the
 16 retired member is entitled;

17 (2) the name and age of each member who is eligible to and
 18 expects to retire during the next fiscal year, the date on which the
 19 member expects to retire, and the monthly and yearly amount of
 20 the payment that the member will be entitled to receive; and

21 (3) the name and age of each dependent, the date on which the
 22 dependent became a dependent, the date on which the dependent
 23 will cease to be a dependent by reason of his attaining the age at
 24 which dependents cease to be dependents, and the monthly and
 25 yearly amount of the payment to which the dependent is entitled.

26 (d) The total receipts shall be deducted from the total expenditures
 27 stated in the itemized estimate and the amount of the excess of the
 28 estimated expenditures over the estimated receipts shall be paid by the
 29 municipality in the same manner as other expenses of the municipality
 30 are paid. A tax levy shall be made annually for this purpose, as
 31 provided in subsection (e). The estimates submitted shall be prepared
 32 and filed in the same manner and form and at the same time that
 33 estimates of other municipal offices and departments are prepared and
 34 filed.

35 (e) The municipal legislative body shall levy an annual tax in the
 36 amount and at the rate that are necessary to produce the revenue to pay
 37 that part of the police pensions that the municipality is obligated to pay.
 38 All money derived from the levy is for the exclusive use of the police
 39 pensions and benefits. The amounts in the estimated disbursements, if
 40 found to be correct and in conformity with the data submitted in the
 41 certified statement, are a binding obligation upon the municipality. The
 42 legislative body shall make a levy for them that will yield an amount



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1 equal to the estimated disbursements, less the amount of the estimated
2 receipts. Notwithstanding any other law, ~~neither the county board of tax~~
3 ~~adjustment nor~~ the state board of tax commissioners may **not** reduce
4 the levy.

5 SECTION 107. IC 36-8-7-14 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 14. (a) The local board
7 shall meet annually and prepare an itemized estimate, in the form
8 prescribed by the state board of accounts, of the amount of money that
9 will be receipted into and disbursed from the 1937 fund during the next
10 fiscal year. The estimated receipts consist of the items enumerated in
11 section 8 of this chapter. The estimated disbursements must be divided
12 into two (2) parts, designated as part 1 and part 2.

13 (b) Part 1 of the estimated disbursements consists of an estimate
14 of the amount of money that will be needed by the local board during
15 the next fiscal year to defray the expenses and obligations incurred and
16 that will be incurred by the local board in making the payments
17 prescribed by this chapter to retired members, to members who are
18 eligible to and expect to retire during the next fiscal year, and to the
19 dependents of deceased members. Part 2 of the estimated
20 disbursements consists of an estimate of the amount of money that will
21 be needed to pay death benefits and other expenditures that are
22 authorized or required by this chapter.

23 (c) At the time when the estimates are prepared and submitted, the
24 local board shall also prepare and submit a certified statement showing
25 the following:

- 26 (1) The name, age, and date of retirement of each retired
27 member and the monthly and yearly amount of the payment to
28 which the retired member is entitled.
- 29 (2) The name and age of each member who is eligible to and
30 expects to retire during the next fiscal year, the date on which the
31 member expects to retire, and the monthly and yearly amount of
32 the payment that the member will be entitled to receive.
- 33 (3) The name and the age of each dependent, the date on which
34 the dependent became a dependent, the date on which the
35 dependent will cease to be a dependent by reason of attaining the
36 age at which dependents cease to be dependents, and the
37 monthly and yearly amount of the payment to which the
38 dependent is entitled.
- 39 (4) The amount that would be required for the next fiscal year to
40 maintain level cost funding during the active fund members'
41 employment on an actuarial basis.
- 42 (5) The amount that would be required for the next fiscal year to

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1 amortize accrued liability for active members, retired members,
2 and dependents over a period determined by the local board, but
3 not to exceed forty (40) years.

4 (d) The total receipts shall be deducted from the total expenditures
5 as listed in the itemized estimate. The amount of the excess of the
6 estimated expenditures over the estimated receipts shall be paid by the
7 unit in the same manner as other expenses of the unit are paid, and an
8 appropriation shall be made annually for that purpose. The estimates
9 submitted shall be prepared and filed in the same manner and form and
10 at the same time that estimates of other offices and departments of the
11 unit are prepared and filed.

12 (e) The estimates shall be made a part of the annual budget of the
13 unit. When revising the estimates, the executive, the fiscal officer, and
14 other fiduciary officers may not reduce the items in part 1 of the
15 estimated disbursements.

16 (f) The unit's fiscal body shall make the appropriations necessary
17 to pay that proportion of the budget of the 1937 fund that the unit is
18 obligated to pay under subsection (d). In addition, the fiscal body may
19 make appropriations for purposes of subsection (c)(4), (c)(5), or both.
20 All appropriations shall be made to the local board for the exclusive
21 use of the 1937 fund. The amounts listed in part 1 of the estimated
22 disbursements, if found to be correct and in conformity with the data
23 submitted in the certified statement, are a binding obligation upon the
24 unit. Notwithstanding any other law, ~~neither the county board of tax~~
25 ~~adjustment nor~~ the state board of tax commissioners may **not** reduce
26 the appropriations made to pay the amount equal to estimated
27 disbursements minus estimated receipts.

28 SECTION 108. IC 36-8-7-22 IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 22. The 1937 fund may
30 not be, either before or after an order for distribution to members of the
31 fire department or to the surviving spouses or guardians of a child or
32 children of a deceased, disabled, or retired member, held, seized, taken,
33 subjected to, detained, or levied on by virtue of an attachment,
34 execution, judgment, writ, interlocutory or other order, decree, or
35 process, or proceedings of any nature issued out of or by a court in any
36 state for the payment or satisfaction, in whole or in part, of a debt,
37 damages, demand, claim, judgment, fine, or amercement of the
38 member or his surviving spouse or children. The 1937 fund shall be
39 kept and distributed only for the purpose of pensioning the persons
40 named in this chapter. The local board may, however, annually expend
41 an amount from the 1937 fund that it considers proper for the necessary
42 expenses connected with the fund. Notwithstanding any other law,



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1 neither the fiscal body ~~the county board of tax adjustment~~, nor the state
2 board of tax commissioners may reduce these expenditures.

3 SECTION 109. IC 36-8-7.5-10 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. (a) If the local
5 board determines that the total amount of money available for a year
6 will be insufficient to pay the benefits, pensions, and retirement
7 allowances the local board is obligated to pay under this chapter, the
8 local board shall, before the date on which the budget of the police
9 special service district is adopted, prepare an itemized estimate in the
10 form prescribed by the state board of accounts of the amount of money
11 that will be received into and disbursed from the 1953 fund during the
12 next fiscal year. The estimated receipts consist of the items enumerated
13 in section 8 of this chapter. The estimated disbursements consist of an
14 estimate of the amount of money that will be needed by the local board
15 during the next fiscal year to defray the expenses and obligations
16 incurred and that will be incurred by the local board in making the
17 payments prescribed by this chapter to retired members, to members
18 who are eligible and expect to retire during the ensuing fiscal year, and
19 to the dependents of deceased members.

20 (b) At the time when the estimates are prepared and submitted, the
21 local board shall also prepare and submit a certified statement showing:

22 (1) the estimated number of beneficiaries from the 1953 fund
23 during the ensuing fiscal year in each of the various
24 classifications of beneficiaries as prescribed in this chapter, and
25 the names and amount of benefits being paid to those actively on
26 the list of beneficiaries at that time;

27 (2) the name, age, and length of service of each member of the
28 police department who is eligible to and expects to retire during
29 the ensuing fiscal year, and the monthly and yearly amounts of
30 the payment that the member will be entitled to receive;

31 (3) the name and age of each dependent of a member of the
32 police department who is then receiving benefits, the date on
33 which the dependent commenced drawing benefits, and the date
34 on which the dependent will cease to be a dependent by reason
35 of his attaining the age limit prescribed by this chapter, and the
36 monthly and yearly amounts of the payments to which each of
37 the dependents is entitled.

38 (c) After the amounts of receipts and disbursements shown in the
39 itemized estimate are fixed and approved by the executive, fiscal
40 officer, legislative body and other bodies, as provided by law for other
41 municipal funds, the total receipts shall be deducted from the total
42 expenditures stated in the itemized estimate, and the amount of the



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1 excess shall be paid by the police special service district in the same
 2 manner as other expenses of the district are paid. The legislative body
 3 shall levy a tax and the money derived from the levy shall, when
 4 collected, be credited exclusively to the 1953 fund. The tax shall be
 5 levied in the amount and at the rate that is necessary to produce
 6 sufficient revenue to equal the deficit. Notwithstanding any other law,
 7 ~~neither the county board of tax adjustment nor~~ the state board of tax
 8 commissioners may **not** reduce the tax levy.

9 SECTION 110. IC 36-8-11-18 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 18. (a) The board shall
 11 annually budget the necessary money to meet the expenses of operation
 12 and maintenance of the district, including repairs, fees, salaries,
 13 depreciation on all depreciable assets, rents, supplies, contingencies,
 14 bond redemption, and all other expenses lawfully incurred by the
 15 district. **Subject to IC 6-1.1-17.5 and IC 6-1.1-18.5**, after estimating
 16 expenses and receipts of money, the board shall establish the tax levy
 17 required to fund the estimated budget

18 (b) The budget must be approved by the fiscal body of the county
 19 ~~the county board of tax adjustment~~, and **reviewed by** the state board of
 20 tax commissioners.

21 (c) ~~Upon approval~~ **After final review** by the state board of tax
 22 commissioners, the board shall certify the approved tax levy to the
 23 auditor of the county having land within the district. The auditor shall
 24 have the levy entered on the county treasurer's tax records for
 25 collection. After collection of the taxes the auditor shall issue his
 26 warrant on the treasurer to transfer the revenues collected to the board,
 27 as provided by statute.

28 SECTION 111. IC 36-8-11-23 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 23. (a) Any fire
 30 protection district may merge with one (1) or more protection districts
 31 to form a single district if at least one-eighth (1/8) of the aggregate
 32 external boundaries of the districts coincide.

33 (b) The legislative body of the county where at least two (2)
 34 districts are located (or if the districts are located in more than one (1)
 35 county, the legislative body of each county) shall, if petitioned by
 36 freeholders in the two (2) districts, adopt an ordinance merging the
 37 districts into a single fire protection district.

38 (c) Freeholders who desire the merger of at least two (2) fire
 39 protection districts must initiate proceedings by filing a petition in the
 40 office of the county auditor of each county where a district is located.
 41 The petition must be signed:

42 (1) by at least twenty percent (20%), with a minimum of five



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1 hundred (500) from each district, of the freeholders owning land
2 within the district; or

3 (2) by a majority of the freeholders from the districts;
4 whichever is less.

5 (d) The petition described in subsection (c) must state the same
6 items listed in section 7 of this chapter. Sections 6, 8, and 9 of this
7 chapter apply to the petition and to the legislative body of each county
8 in the proposed district.

9 (e) The board of fire trustees for each district shall form a single
10 board, which shall continue to be appointed as prescribed by section 12
11 of this chapter. In addition, sections 13, 14, and 15 of this chapter
12 relating to the board of fire trustees apply to the board of the merged
13 district, except that if the merged district lies in more than one (1)
14 county, the county legislative bodies serving the combined district shall
15 jointly decide where the board shall locate (or approve relocation of)
16 its office.

17 (f) Sections 16, 17, 18, 19, and 21 of this chapter relating to the
18 taxing district, bonds, annual budget, tax levies, and disbanding of fire
19 departments apply to a merged district. However, the budget must be
20 approved by the county fiscal body **and county board of tax adjustment**
21 in each county in the merged district. In addition, the auditor of each
22 county in the district shall perform the duties described in section 18(c)
23 of this chapter.

24 SECTION 112. IC 36-8-13-4 IS AMENDED TO READ AS
25 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) Each township
26 shall annually establish a township firefighting fund which is to be the
27 exclusive fund used by the township for the payment of costs
28 attributable to providing fire protection or emergency services under
29 the methods prescribed in section 3 of this chapter and for no other
30 purposes. The money in the fund may be paid out by the township
31 executive with the consent of the township legislative body.

32 (b) Each township may levy, for each year, a tax for the township
33 firefighting fund. Other than a township providing fire protection or
34 emergency services or both to municipalities in the township under
35 section 3(b) or 3(c) of this chapter, the tax levy is on all taxable real
36 and personal property in the township outside the corporate boundaries
37 of municipalities. Subject to the ~~levy rate~~ limitations contained in
38 **IC 6-1.1-17.5 and IC 6-1.1-18.5**, the township levy is to be in an
39 amount sufficient to pay all costs attributable to fire protection and
40 emergency services that are not paid from other revenues available to
41 the fund. The tax rate and levy shall be established in accordance with
42 the procedures set forth in IC 6-1.1-17 **and IC 6-1.1-17.5**.



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1 (c) In addition to the tax levy and service charges received under
 2 IC 36-8-12-13 and IC 36-8-12-16, the executive may accept donations
 3 to the township for the purpose of firefighting and other emergency
 4 services and shall place them in the fund, keeping an accurate record
 5 of the sums received. A person may also donate partial payment of any
 6 purchase of firefighting or other emergency services equipment made
 7 by the township.

8 SECTION 113. IC 36-8-14-4 (CURRENT VERSION) IS
 9 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
 10 Sec. 4. (a) To provide for the cumulative building and equipment fund
 11 established under this chapter, the legislative body may, **subject to**
 12 **IC 6-1.1-18.5**, levy a tax on all taxable property within the taxing
 13 district in compliance with IC 6-1.1-41. The tax rate may not exceed
 14 ten cents (\$0.10) on each one hundred dollars (\$100) of assessed
 15 valuation of property in the taxing district.

16 (b) As the tax is collected, it shall be deposited in a qualified
 17 public depository or depositories and held in a special fund to be
 18 known as the "building or remodeling, firefighting, and police radio
 19 equipment fund" in the case of a municipality or as the "building or
 20 remodeling and fire equipment fund" in the case of a township or fire
 21 protection district.

22 SECTION 114. IC 36-8-14-4 (DELAYED VERSION) IS
 23 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 24 2001]: Sec. 4. (a) To provide for the cumulative building and
 25 equipment fund established under this chapter, the legislative body
 26 may, **subject to IC 6-1.1-18.5**, levy a tax on all taxable property within
 27 the taxing district in compliance with IC 6-1.1-41. The tax rate may not
 28 exceed three and thirty-three hundredths cents (\$0.0333) on each one
 29 hundred dollars (\$100) of assessed valuation of property in the taxing
 30 district.

31 (b) As the tax is collected, it shall be deposited in a qualified
 32 public depository or depositories and held in a special fund to be
 33 known as the "building or remodeling, firefighting, and police radio
 34 equipment fund" in the case of a municipality or as the "building or
 35 remodeling and fire equipment fund" in the case of a township or fire
 36 protection district.

37 SECTION 115. IC 36-8-15-19 (CURRENT VERSION) IS
 38 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
 39 Sec. 19. (a) This subsection applies to a county not having a
 40 consolidated city. For the purpose of raising money to fund the
 41 operation of the district, the county fiscal body may impose, for
 42 property taxes first due and payable during each year after the adoption



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1 of an ordinance establishing the district, an ad valorem property tax
 2 levy on property within the district. **Subject to IC 6-1.1-18.5**, the
 3 property tax rate for that levy may not exceed fifteen cents (\$0.15) on
 4 each one hundred dollars (\$100) of assessed valuation.

5 (b) This subsection applies to a county having a consolidated city.
 6 The county fiscal body may elect to fund the operation of the district
 7 from part of the certified distribution, if any, that the county is to
 8 receive during a particular calendar year under IC 6-3.5-6-17. To make
 9 such an election, the county fiscal body must adopt an ordinance before
 10 September 1 of the immediately preceding calendar year. The county
 11 fiscal body must specify in the ordinance the amount of the certified
 12 distribution that is to be used to fund the operation of the district. If the
 13 county fiscal body adopts such an ordinance, it shall immediately send
 14 a copy of the ordinance to the county auditor.

15 (c) Subject to subsections (d), (e), and (f), if an ordinance or a
 16 resolution is adopted changing the territory covered by the district or
 17 the number of public agencies served by the district, the ~~local~~
 18 ~~government tax control board~~ **state board of tax commissioners** shall,
 19 for property taxes first due and payable during the year after the
 20 adoption of the ordinance, adjust the maximum permissible ad valorem
 21 property tax ~~levy rate~~ limits of the district and the units participating
 22 in the district.

23 (d) If a unit by ordinance or resolution joins the district or elects
 24 to have its public safety agencies served by the district, the ~~local~~
 25 ~~government tax control board~~ **state board of tax commissioners** shall
 26 reduce the maximum permissible ad valorem property tax ~~levy rate~~ of
 27 the unit for property taxes first due and payable during the year after
 28 the adoption of the ordinance or resolution. The reduction shall be
 29 based on the amount budgeted by the unit for public safety
 30 communication services in the year in which the ordinance was
 31 adopted. If such an ordinance or a resolution is adopted, the district
 32 shall refer its proposed ~~budget, ad valorem property tax levy, and~~
 33 ~~property tax rate~~ for the following year to the **appropriate county**
 34 **property tax control** board, which shall review and ~~set approve~~ the
 35 ~~budget, levy, and rate~~ as though the district were covered by
 36 IC 6-1.1-18.5-7.

37 (e) If a unit by ordinance or resolution withdraws from the district
 38 or rescinds its election to have its public safety agencies served by the
 39 district, the ~~local government tax control board~~ **state board of tax**
 40 **commissioners** shall reduce the maximum permissible ad valorem
 41 property tax ~~levy rate~~ of the district for property taxes first due and
 42 payable during the year after the adoption of the ordinance or



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1 resolution. The reduction shall be based on the amounts being levied
 2 by the district within that unit. If such an ordinance or a resolution is
 3 adopted, the unit shall refer its proposed ~~budget, ad valorem property~~
 4 ~~tax levy, and~~ property tax rate for public safety communication services
 5 to the **appropriate county property tax control** board, which shall
 6 review and ~~set approve~~ the ~~budget, levy, and~~ rate as though the unit
 7 were covered by IC 6-1.1-18.5-7.

8 (f) The adjustments provided for in subsections (c), (d), and (e) do
 9 not apply to a district or unit located in a particular county if the county
 10 fiscal body of that county does not impose an ad valorem property tax
 11 levy under subsection (a) to fund the operation of the district.

12 SECTION 116. IC 36-8-15-19 (DELAYED VERSION) IS
 13 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 14 2001]: Sec. 19. (a) This subsection applies to a county not having a
 15 consolidated city. For the purpose of raising money to fund the
 16 operation of the district, the county fiscal body may impose, for
 17 property taxes first due and payable during each year after the adoption
 18 of an ordinance establishing the district, an ad valorem property tax
 19 levy on property within the district. **Subject to IC 6-1.1-18.5**, the
 20 property tax rate for that levy may not exceed five cents (\$0.05) on
 21 each one hundred dollars (\$100) of assessed valuation.

22 (b) This subsection applies to a county having a consolidated city.
 23 The county fiscal body may elect to fund the operation of the district
 24 from part of the certified distribution, if any, that the county is to
 25 receive during a particular calendar year under IC 6-3.5-6-17. To make
 26 such an election, the county fiscal body must adopt an ordinance before
 27 September 1 of the immediately preceding calendar year. The county
 28 fiscal body must specify in the ordinance the amount of the certified
 29 distribution that is to be used to fund the operation of the district. If the
 30 county fiscal body adopts such an ordinance, it shall immediately send
 31 a copy of the ordinance to the county auditor.

32 (c) Subject to subsections (d), (e), and (f), if an ordinance or
 33 resolution is adopted changing the territory covered by the district or
 34 the number of public agencies served by the district, the ~~local~~
 35 **government tax control state board of tax commissioners** shall, for
 36 property taxes first due and payable during the year after the adoption
 37 of the ordinance, adjust the maximum permissible ad valorem property
 38 tax ~~levy limits~~ **rate** of the district and the units participating in the
 39 district.

40 (d) If a unit by ordinance or resolution joins the district or elects
 41 to have its public safety agencies served by the district, the ~~local~~
 42 **government tax control state board of tax commissioners** shall reduce

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1 the maximum permissible ad valorem property tax ~~levy rate~~ of the unit
 2 for property taxes first due and payable during the year after the
 3 adoption of the ordinance or resolution. The reduction shall be based
 4 on the amount budgeted by the unit for public safety communication
 5 services in the year in which the ordinance was adopted. If such an
 6 ordinance or a resolution is adopted, the district shall refer its ~~proposed~~
 7 ~~budget, ad valorem property tax levy, and~~ property tax rate for the
 8 following year to the **appropriate county property tax control** board,
 9 which shall review ~~and set the budget, levy, and~~ rate as though the
 10 district were covered by IC 6-1.1-18.5-7.

11 (e) If a unit by ordinance or resolution withdraws from the district
 12 or rescinds its election to have its public safety agencies served by the
 13 district, the ~~local government tax control state board of tax~~
 14 **commissioners** shall reduce the maximum permissible ad valorem
 15 property tax ~~levy rate~~ of the district for property taxes first due and
 16 payable during the year after the adoption of the ordinance or
 17 resolution. The reduction shall be based on the amounts being levied
 18 by the district within that unit. If such an ordinance or a resolution is
 19 adopted, the unit shall refer its proposed ~~budget, ad valorem property~~
 20 ~~tax levy, and~~ property tax rate for public safety communication services
 21 to the **appropriate county property tax control** board, which shall
 22 review ~~and set the budget, levy, and~~ rate as though the unit were
 23 covered by IC 6-1.1-18.5-7.

24 (f) The adjustments provided for in subsections (c), (d), and (e) do
 25 not apply to a district or unit located in a particular county if the county
 26 fiscal body of that county does not impose an ad valorem property tax
 27 levy under subsection (a) to fund the operation of the district.

28 SECTION 117. IC 36-9-3-29 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 29. The board shall
 30 prepare an annual budget for the authority's operating and maintenance
 31 expenditures and necessary capital expenditures. Each annual budget
 32 is subject to review ~~and modification~~ by the ~~county board of tax~~
 33 ~~adjustment and the~~ state board of tax commissioners under IC 6-1.1-17.

34 SECTION 118. IC 36-9-3-31 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 31. (a) This section
 36 applies to an authority that includes a county having a population of
 37 more than four hundred thousand (400,000) but less than seven
 38 hundred thousand (700,000).

39 (b) The authority may issue revenue or general obligation bonds
 40 under this section.

41 (c) The board may issue revenue bonds of the authority for the
 42 purpose of procuring money to pay the cost of acquiring real or

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1 personal property for the purpose of this chapter. The issuance of bonds
 2 must be authorized by resolution of the board and approved by the
 3 county fiscal bodies of the counties in the authority before issuance.
 4 The resolution must provide for the amount, terms, and tenor of the
 5 bonds, and for the time and character of notice and mode of making
 6 sale of the bonds.

7 (d) The bonds are payable at the times and places determined by
 8 the board, but they may not run more than thirty (30) years after the
 9 date of their issuance and must be executed in the name of the authority
 10 by an authorized officer of the board and attested by the secretary. The
 11 interest coupons attached to the bonds may be executed by placing on
 12 them the facsimile signature of the authorized officer of the board.

13 (e) The president of the authority shall manage and supervise the
 14 preparation, advertisement, and sale of the bonds, subject to the
 15 authorizing ordinance. Before the sale of bonds, the president shall
 16 cause notice of the sale to be published in accordance with IC 5-3-1,
 17 setting out the time and place where bids will be received, the amount
 18 and maturity dates of the issue, the maximum interest rate, and the
 19 terms and conditions of sale and delivery of the bonds. The bonds shall
 20 be sold in accordance with IC 5-1-11. After the bonds have been
 21 properly sold and executed, the executive director or president shall
 22 deliver them to the controller of the authority and take his receipt for
 23 them, and shall certify to the treasurer the amount that the purchaser is
 24 to pay, together with the name and address of the purchaser. On
 25 payment of the purchase price the controller shall deliver the bonds to
 26 the purchaser, and the controller and executive director or president
 27 shall report their actions to the board.

28 (f) General obligation bonds issued under this section are subject
 29 to the provisions of IC 5-1, **IC 6-1.1-17.5**, and IC 6-1.1-20 relating to
 30 the filing of a petition requesting the issuance of bonds, the
 31 appropriation of the proceeds of bonds, the right of taxpayers to appeal
 32 and be heard on the proposed appropriation, ~~the approval of the~~
 33 ~~appropriation by the state board of tax commissioners~~, the right of
 34 taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds, **the**
 35 **holding of a referendum**, and the sale of bonds for not less than their
 36 par value.

37 (g) Notice of the filing of a petition requesting the issuance of
 38 bonds, notice of determination to issue bonds, and notice of the
 39 appropriation of the proceeds of the bonds shall be given by posting in
 40 the offices of the authority for a period of one (1) week and by
 41 publication in accordance with IC 5-3-1.

42 (h) The bonds are not a corporate indebtedness of any unit, but are

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1 an indebtedness of the authority as a municipal corporation. A suit to
 2 question the validity of the bonds issued or to prevent their issuance
 3 may not be instituted after the date set for sale of the bonds, and after
 4 that date the bonds may not be contested for any cause.

5 (i) The bonds issued under this section and the interest on them are
 6 exempt from taxation for all purposes except the financial institutions
 7 tax imposed under IC 6-5.5 or a state inheritance tax imposed under
 8 IC 6-4.1.

9 SECTION 119. IC 36-9-4-47 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 47. (a) The board of
 11 directors of a public transportation corporation may:

12 (1) borrow money in anticipation of receipt of the proceeds of
 13 taxes that have been levied by the board and have not yet been
 14 collected; and

15 (2) evidence this borrowing by issuing warrants of the
 16 corporation.

17 The money that is borrowed may be used by the corporation for
 18 payment of principal and interest on its bonds or for payment of current
 19 operating expenses.

20 (b) The warrants:

21 (1) bear the date or dates;

22 (2) mature at the time or times on or before December 31
 23 following the year in which the taxes in anticipation of which the
 24 warrants are issued are due and payable;

25 (3) bear interest at the rate or rates and are payable at the time or
 26 times;

27 (4) may be in the denominations;

28 (5) may be in the forms, either registered or payable to bearer;

29 (6) are payable at the place or places, either inside or outside
 30 Indiana;

31 (7) are payable in the medium of payment;

32 (8) are subject to redemption upon the terms, including a price
 33 not exceeding par and accrued interest; and

34 (9) may be executed by the officers of the corporation in the
 35 manner;

36 provided by resolution of the board of directors. The resolution may
 37 also authorize the board to pay from the proceeds of the warrants all
 38 costs incurred in connection with the issuance of the warrants.

39 (c) The warrants may be authorized and issued at any time after
 40 the board of directors levies the tax or taxes in anticipation of which the
 41 warrants are issued.

42 (d) The warrants may be sold for not less than par value after

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1 notice inviting bids has been published in accordance with IC 5-3-1.
 2 The board of directors may also publish the notice inviting bids in other
 3 newspapers or financial journals.

4 (e) After the warrants are sold, they may be delivered and paid for
 5 at one (1) time or in installments.

6 (f) The aggregate principal amount of warrants issued in
 7 anticipation of and payable from the same tax levy or levies may not
 8 exceed eighty percent (80%) of the levy or levies, as the amount of the
 9 levy or levies is certified by the state board of tax commissioners, or as
 10 is determined by multiplying the rate of tax as finally approved by the
 11 total assessed valuation of taxable property within the taxing district of
 12 the public transportation corporation as most recently certified by the
 13 county auditor.

14 (g) For purposes of this section, taxes for any year are considered
 15 to be levied when the board of directors adopts the ordinance
 16 prescribing the tax levies for the year. However, warrants may not be
 17 delivered and paid for before final approval of a tax levy or levies by
 18 ~~the county board of tax adjustment (or, if appealed, by the state board~~
 19 ~~of tax commissioners. unless the issuance of the warrants has been~~
 20 ~~approved by the state board of tax commissioners.~~

21 (h) The warrants and the interest on them are not subject to
 22 sections 43 and 44 of this chapter and are payable solely from the
 23 proceeds of the tax levy or levies in anticipation of which the warrants
 24 were issued. The authorizing resolution must pledge a sufficient
 25 amount of the proceeds of the tax levy or levies to the payment of the
 26 warrants and the interest.

27 (i) All actions of the board of directors under this section may be
 28 taken by resolution, which need not be published or posted. The
 29 resolution takes effect immediately upon its adoption by a majority of
 30 the members of the board of directors.

31 (j) An action to contest the validity of any tax anticipation warrants
 32 may not be brought later than ten (10) days after the sale date.

33 SECTION 120. IC 36-9-4-48 (CURRENT VERSION) IS
 34 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]
 35 Sec. 48. (a) A cumulative transportation fund to provide money for the
 36 acquisition of buses and for the planning, establishment, and
 37 maintenance of routes and schedules to assist in implementing this
 38 chapter may be established under IC 6-1.1-41 by:

39 (1) the legislative body of a municipality that:

40 (A) is making grants to an urban mass transportation
 41 system; or

42 (B) has purchased buses for operation under lease by an

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- 1 urban mass transportation system; or
 2 (2) the board of directors of a public transportation corporation.
 3 (b) In addition to other notices required under IC 6-1.1-41, notices
 4 of hearings under IC 6-1.1-41 must be given to the following:
 5 (1) the municipal executive, for a tax levy by a municipality; and
 6 (2) the chairman of the board of directors, for a tax levy by a
 7 public transportation corporation.
 8 (c) A tax levy to finance the cumulative transportation fund may
 9 be levied in compliance with IC 6-1.1-41. **Subject to IC 6-1.1-18.5**, the
 10 tax levied under this section may not exceed twenty cents (\$0.20) on
 11 each one hundred dollars (\$100) of taxable property within the
 12 corporate boundaries of the municipality or the taxing district of the
 13 public transportation corporation, as the case may be.
 14 SECTION 121. IC 36-9-4-48 (DELAYED VERSION) IS
 15 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 16 2001]: Sec. 48. (a) A cumulative transportation fund to provide money
 17 for the acquisition of buses and for the planning, establishment, and
 18 maintenance of routes and schedules to assist in implementing this
 19 chapter may be established under IC 6-1.1-41 by:
 20 (1) the legislative body of a municipality that:
 21 (A) is making grants to an urban mass transportation
 22 system; or
 23 (B) has purchased buses for operation under lease by an
 24 urban mass transportation system; or
 25 (2) the board of directors of a public transportation corporation.
 26 (b) In addition to other notices required under IC 6-1.1-41, notices
 27 of hearings under IC 6-1.1-41 must be given to the following:
 28 (1) the municipal executive, for a tax levy by a municipality; and
 29 (2) the chairman of the board of directors, for a tax levy by a
 30 public transportation corporation.
 31 (c) A tax levy to finance the cumulative transportation fund may
 32 be levied in compliance with IC 6-1.1-41. **Subject to IC 6-1.1-18.5**, the
 33 tax levied under this section may not exceed six and sixty-seven
 34 hundredths cents (\$0.0667) on each one hundred dollars (\$100) of
 35 taxable property within the corporate boundaries of the municipality or
 36 the taxing district of the public transportation corporation, as the case
 37 may be.
 38 SECTION 122. IC 36-9-13-35 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 35. The annual
 40 operating budget of a building authority is subject to review by **the**
 41 **county board of tax adjustment and then by** the state board of tax
 42 commissioners as in the case of other political subdivisions.



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1 SECTION 123. IC 36-9-14-5 (CURRENT VERSION) IS
 2 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
 3 Sec. 5. **Subject to IC 6-1.1-18.5**, the county fiscal body may provide
 4 money for the cumulative building fund by levying a tax in compliance
 5 with IC 6-1.1-41 of not more than fifty cents (\$0.50) on each one
 6 hundred dollars (\$100) of taxable property in the county.

7 SECTION 124. IC 36-9-14-5 (DELAYED VERSION) IS
 8 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 9 2001]: Sec. 5. **Subject to IC 6-1.1-18.5**, the county fiscal body may
 10 provide money for the cumulative building fund by levying a tax in
 11 compliance with IC 6-1.1-41 of not more than sixteen and sixty-seven
 12 hundredths cents (\$.1667) on each one hundred dollars (\$100) of
 13 taxable property in the county.

14 SECTION 125. IC 36-9-14.5-6 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) Except as
 16 provided in subsection (c), the county fiscal body may provide money
 17 for the cumulative capital development fund by levying a tax in
 18 compliance with IC 6-1.1-41 on the taxable property in the county.

19 (b) **Subject to IC 6-1.1-18.5**, the maximum property tax rate that
 20 may be imposed for property taxes first due and payable during a
 21 particular year in a county in which the county option income tax or the
 22 county adjusted gross income tax is in effect on January 1 of that year,
 23 depends upon the number of years the county has previously imposed
 24 a tax under this chapter and is determined under the following table:

25 NUMBER	TAX RATE PER \$100
26 OF YEARS	27 OF ASSESSED
	28 VALUATION
29 0	\$0.05
1 or more	\$0.10

30 (c) **Subject to IC 6-1.1-18.5**, the maximum property tax rate that
 31 may be imposed for property taxes first due and payable during a
 32 particular year in a county in which neither the county option income
 33 tax nor the county adjusted gross income tax is in effect on January 1
 34 of that year, depends upon the number of years the county has
 35 previously imposed a tax under this chapter and is determined under
 36 the following table:

37 NUMBER	TAX RATE PER \$100
38 OF YEARS	39 OF ASSESSED
	40 VALUATION
41 0	\$0.04
1 or more	\$0.07

42 SECTION 126. IC 36-9-15.5-6 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) Except as
 2 provided in subsection (c) **and subject to IC 6-1.1-18.5**, the municipal
 3 fiscal body may provide money for the cumulative capital development
 4 fund by levying a tax on the taxable property in the municipality.

5 (b) **Subject to IC 6-1.1-18.5**, the maximum property tax rate that
 6 may be imposed for property taxes first due and payable during a
 7 particular year in a municipality that is either wholly or partially
 8 located in a county in which the county option income tax or the county
 9 adjusted gross income tax is in effect on January 1 of that year depends
 10 upon the number of years the municipality has previously imposed a
 11 tax under this chapter and is determined under the following table:

12 NUMBER 13 OF YEARS	TAX RATE PER \$100 OF ASSESSED 14 VALUATION
15 0	\$0.05
16 1	\$0.10
17 2 or more	\$0.15

18 (c) **Subject to IC 6-1.1-18.5**, the maximum property tax rate that
 19 may be imposed for property taxes first due and payable during a
 20 particular year in a municipality that is wholly located in a county in
 21 which neither the county option income tax nor the county adjusted
 22 gross income tax is in effect on January 1 of that year depends upon the
 23 number of years the municipality has previously imposed a tax under
 24 this chapter and is determined under the following table:

25 NUMBER 26 OF YEARS	TAX RATE PER \$100 OF ASSESSED 27 VALUATION
28 0	\$0.04
29 1	\$0.08
30 2 or more	\$0.12

31 (d) Beginning with the first annual tax levy after ~~the state board of~~
 32 ~~tax commissioners approves the tax rate, establishing the fund~~, the
 33 municipal fiscal body may levy the tax annually for any period not
 34 exceeding three (3) years. A tax levy under this section must be
 35 advertised annually in the same manner as other tax levies.

36 (e) After a tax levy has been imposed under this chapter for the
 37 period ~~approved by the state board of tax commissioners, adopted by~~
 38 **the municipal fiscal body**, a new tax levy may not be imposed under
 39 the authority of this chapter until the municipality has complied with
 40 the hearing and notice requirements provided by this chapter for the
 41 establishment of a cumulative capital development fund.

42 SECTION 127. IC 36-9-16-4 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) A cumulative
 2 building fund or cumulative capital improvement fund may be
 3 established by a resolution that is

4 ~~(1) adopted by the unit's legislative body. and~~

5 ~~(2) approved by the state board of tax commissioners.~~

6 (b) Notice of the proposed levy to provide money for the cumulative
 7 building fund or cumulative capital improvement fund shall be given
 8 to all taxpayers in the unit before the proposed action is ~~presented to~~
 9 ~~the state board of tax commissioners for approval.~~ **adopted.** Notice
 10 shall be given by publication of the proposal in accordance with
 11 IC 5-3-1.

12 ~~(c) If, after the public hearing, the proposed action is submitted for~~
 13 ~~approval to the state board of tax commissioners, the board shall~~
 14 ~~require notice of that submission to be given to the taxing district~~
 15 ~~involved in the manner prescribed by subsection (b):~~

16 ~~(d) Fifty (50) or more taxpayers in the taxing district who will be~~
 17 ~~affected by the tax rate may, not later than ten (10) days after the~~
 18 ~~publication of the notice, file with the county auditor a petition setting~~
 19 ~~forth their objections to the proposed levy. The county auditor shall~~
 20 ~~immediately certify the petition to the state board of tax commissioners;~~
 21 ~~which, within a reasonable time, shall fix a date for a hearing on the~~
 22 ~~petition. The hearing shall be held in the county in which the unit is~~
 23 ~~located. Notice of the hearing shall be given to the executive of the unit~~
 24 ~~and to the first ten (10) taxpayers whose names appear upon the~~
 25 ~~petition, by a letter signed by the secretary or any member of the board~~
 26 ~~and sent by mail to the executive and the taxpayers at their usual place~~
 27 ~~of residence at least five (5) days before the date fixed for the hearing.~~

28 ~~(e) After a hearing upon the proposal, the state board of tax~~
 29 ~~commissioners shall certify its approval, disapproval, or modification~~
 30 ~~of the proposed tax levy to the auditor of the county in which the unit~~
 31 ~~is located. The action of the board with respect to the proposed levy is~~
 32 ~~final and conclusive.~~

33 SECTION 128. IC 36-9-16-6 (CURRENT VERSION) IS
 34 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
 35 Sec. 6. (a) **Subject to IC 6-1.1-18.5**, the unit's fiscal body may levy a
 36 tax not to exceed one dollar (\$1) on each one hundred dollars (\$100)
 37 of taxable property within the taxing district to provide for a
 38 cumulative capital improvement fund. The tax may be levied annually
 39 for any period not to exceed ten (10) years and may be decreased or
 40 increased from year to year. ~~except that the tax may not be increased~~
 41 ~~above the levy approved by the state board of tax commissioners.~~

42 (b) Surplus money in other accounts of the unit, or other sources,



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1 and money acquired from other activities of the unit, or other sources,
 2 may, by resolution of the legislative body, ~~and with the approval of the~~
 3 ~~state board of tax commissioners~~; be added to the cumulative capital
 4 improvement fund.

5 (c) Appropriations may be made:

6 (1) as provided by law from the cumulative capital improvement
 7 fund for purposes of this chapter; or

8 (2) for a contribution to an authority established under
 9 IC 36-7-23.

10 SECTION 129. IC 36-9-16-6 (DELAYED VERSION) IS
 11 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 12 2001]: Sec. 6. (a) **Subject to IC 6-1.1-18.5**, the unit's fiscal body may
 13 levy a tax not to exceed thirty-three cents (\$0.33) on each one hundred
 14 dollars (\$100) of taxable property within the taxing district to provide
 15 for a cumulative capital improvement fund. The tax may be levied
 16 annually for any period not to exceed ten (10) years and may be
 17 decreased or increased from year to year. ~~except that the tax may not~~
 18 ~~be increased above the levy approved by the state board of tax~~
 19 ~~commissioners.~~

20 (b) Surplus money in other accounts of the unit, or other sources,
 21 and money acquired from other activities of the unit, or other sources,
 22 may, by resolution of the legislative body, ~~and with the approval of the~~
 23 ~~state board of tax commissioners~~; be added to the cumulative capital
 24 improvement fund.

25 (c) Appropriations may be made:

26 (1) as provided by law from the cumulative capital improvement
 27 fund for purposes of this chapter; or

28 (2) for a contribution to an authority established under
 29 IC 36-7-23.

30 SECTION 130. IC 36-9-27-100 (CURRENT VERSION) IS
 31 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
 32 Sec. 100. To provide money for a cumulative drainage fund established
 33 under section 99 of this chapter, the fiscal body may, **subject to**
 34 **IC 6-1.1-18.5**, levy a tax in compliance with IC 6-1.1-41 not to exceed
 35 fifteen cents (\$0.15) on each one hundred dollars (\$100) of assessed
 36 valuation of all taxable personal and real property:

37 (1) within the corporate boundaries, in the case of a municipality;
 38 or

39 (2) within the county but outside the corporate boundaries of all
 40 municipalities, in the case of a county.

41 SECTION 131. IC 36-9-27-100 (DELAYED VERSION) IS
 42 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,



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1 2001]. To provide money for a cumulative drainage fund established
 2 under section 99 of this chapter, the fiscal body may, **subject to**
 3 **IC 6-1.1-18.5**, levy a tax in compliance with IC 6-1.1-41 not to exceed
 4 five cents (\$0.05) on each one hundred dollars (\$100) of assessed
 5 valuation of all taxable personal and real property:

- 6 (1) within the corporate boundaries, in the case of a municipality;
 7 or
 8 (2) within the county but outside the corporate boundaries of all
 9 municipalities, in the case of a county.

10 SECTION 132. IC 36-10-3-21 (CURRENT VERSION) IS
 11 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
 12 Sec. 21. (a) The board may establish a cumulative building fund under
 13 IC 6-1.1-41 to provide money for:

- 14 (1) building, remodeling, and repair of park and recreation
 15 facilities; or
 16 (2) purchase of land for park and recreation purposes.

17 In addition to the requirements of IC 6-1.1-41, before a fund may be
 18 established, the proposed action must be approved by the fiscal body
 19 of the unit.

20 (b) To provide for the cumulative building fund, the unit's fiscal
 21 body may, **subject to IC 6-1.1-18.5**, levy a tax in compliance with
 22 IC 6-1.1-41 not to exceed five cents (\$0.05) on each one hundred
 23 dollars (\$100) of assessed valuation of taxable property within the unit.

24 (c) The tax shall be collected and held in a special fund known as
 25 the unit's park and recreation cumulative building fund.

26 SECTION 133. IC 36-10-3-21 (DELAYED VERSION) IS
 27 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 28 2001]: Sec. 21. (a) The board may establish a cumulative building fund
 29 under IC 6-1.1-41 to provide money for:

- 30 (1) building, remodeling, and repair of park and recreation
 31 facilities; or
 32 (2) purchase of land for park and recreation purposes.

33 In addition to the requirements of IC 6-1.1-41, before a fund may be
 34 established, the proposed action must be approved by the fiscal body
 35 of the unit.

36 (b) To provide for the cumulative building fund, the unit's fiscal
 37 body may, **subject to IC 6-1.1-18.5**, levy a tax in compliance with
 38 IC 6-1.1-41 not to exceed one and sixty-seven hundredths cents
 39 (\$0.0167) on each one hundred dollars (\$100) of assessed valuation of
 40 taxable property within the unit.

41 (c) The tax shall be collected and held in a special fund known as
 42 the unit's park and recreation cumulative building fund.



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1 SECTION 134. IC 36-10-3-24 (CURRENT VERSION) IS
2 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

3 Sec. 24. (a) In order to raise money to pay for land to be acquired for
4 any of the purposes named in this chapter, to pay for an improvement
5 authorized by this chapter, or both, and in anticipation of the special
6 benefit tax to be levied as provided in this chapter, the board shall
7 cause to be issued, in the name of the unit, the bonds of the district. The
8 bonds may not exceed in amount the total cost of all land to be
9 acquired and all improvements described in the resolution, including
10 all expenses necessarily incurred in connection with the proceedings,
11 together with a sum sufficient to pay the costs of supervision and
12 inspection during the period of construction of a work. The expenses
13 to be covered in the bond issue include all expenses of every kind
14 actually incurred preliminary to acquiring the land and the construction
15 of the work, such as the cost of the necessary record, engineering
16 expenses, publication of notices, preparation of bonds, and other
17 necessary expenses. If more than one (1) resolution or proceeding of
18 the board under section 23 of this chapter is confirmed whereby
19 different parcels of land are to be acquired, or more than one (1)
20 contract for work is let by the board at approximately the same time,
21 the cost involved under all of the resolutions and proceedings may be
22 included in one (1) issue of bonds.

23 (b) The bonds may be issued in any denomination not less than one
24 thousand dollars (\$1,000) each, in not less than five (5) nor more than
25 forty (40) annual series. The bonds are payable one (1) series each
26 year, beginning at a date after the receipt of taxes from a levy made for
27 that purpose. The bonds are negotiable. The bonds may bear interest at
28 any rate, payable semiannually. After adopting a resolution ordering
29 bonds, the board shall certify a copy of the resolution to the unit's fiscal
30 officer. The fiscal officer shall prepare the bonds and the unit's
31 executive shall execute them, attested by the fiscal officer.

32 (c) The bonds and the interest on them are exempt from taxation as
33 prescribed by IC 6-8-5-1. Bonds issued under this section are subject
34 to the provisions of IC 5-1, **IC 6-1.1-17.5**, and IC 6-1.1-20 relating to
35 the filing of a petition requesting the issuance of bonds, the right of
36 taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds, ~~the~~
37 ~~appropriation of the proceeds of the bonds and approval by the state~~
38 ~~board of tax commissioners; the right of voters to file petitions~~
39 **regarding a property tax control board's decision under**
40 **IC 6-1.1-17.5**, and the sale of bonds at public sale for not less than
41 their par value.

42 (d) The board may not have bonds of the district issued under this



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1 section that are payable by special taxation when the total issue for that
 2 purpose, including the bonds already issued or to be issued, exceeds
 3 two percent (2%) of the total assessed valuation of the property in the
 4 district. All bonds or obligations issued in violation of this subsection
 5 are void. The bonds are not obligations or indebtedness of the unit, but
 6 constitute an indebtedness of the district as a special taxing district.
 7 The bonds and interest are payable only out of a special tax levied upon
 8 all the property of the district as prescribed by this chapter. The bonds
 9 must recite the terms upon their face, together with the purposes for
 10 which they are issued.

11 SECTION 135. IC 36-10-3-24 (DELAYED VERSION) IS
 12 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 13 2001]: Sec. 24. (a) In order to raise money to pay for land to be
 14 acquired for any of the purposes named in this chapter, to pay for an
 15 improvement authorized by this chapter, or both, and in anticipation of
 16 the special benefit tax to be levied as provided in this chapter, the
 17 board shall cause to be issued, in the name of the unit, the bonds of the
 18 district. The bonds may not exceed in amount the total cost of all land
 19 to be acquired and all improvements described in the resolution,
 20 including all expenses necessarily incurred in connection with the
 21 proceedings, together with a sum sufficient to pay the costs of
 22 supervision and inspection during the period of construction of a work.
 23 The expenses to be covered in the bond issue include all expenses of
 24 every kind actually incurred preliminary to acquiring the land and the
 25 construction of the work, such as the cost of the necessary record,
 26 engineering expenses, publication of notices, preparation of bonds, and
 27 other necessary expenses. If more than one (1) resolution or proceeding
 28 of the board under section 23 of this chapter is confirmed whereby
 29 different parcels of land are to be acquired, or more than one (1)
 30 contract for work is let by the board at approximately the same time,
 31 the cost involved under all of the resolutions and proceedings may be
 32 included in one (1) issue of bonds.

33 (b) The bonds may be issued in any denomination not less than one
 34 thousand dollars (\$1,000) each, in not less than five (5) nor more than
 35 forty (40) annual series. The bonds are payable one (1) series each
 36 year, beginning at a date after the receipt of taxes from a levy made for
 37 that purpose. The bonds are negotiable. The bonds may bear interest at
 38 any rate, payable semiannually. After adopting a resolution ordering
 39 bonds, the board shall certify a copy of the resolution to the unit's fiscal
 40 officer. The fiscal officer shall prepare the bonds and the unit's
 41 executive shall execute them, attested by the fiscal officer.

42 (c) The bonds and the interest on them are exempt from taxation as

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1 prescribed by IC 6-8-5-1. Bonds issued under this section are subject
 2 to the provisions of IC 5-1, **IC 6-1.1-17.5**, and IC 6-1.1-20 relating to
 3 the filing of a petition requesting the issuance of bonds, the right of
 4 taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds, ~~the~~
 5 ~~appropriation of the proceeds of the bonds and approval by the state~~
 6 ~~board of tax commissioners; the holding of a referendum~~, and the sale
 7 of bonds at public sale for not less than their par value.

8 (d) The board may not have bonds of the district issued under this
 9 section that are payable by special taxation when the total issue for that
 10 purpose, including the bonds already issued or to be issued, exceeds
 11 two percent (2%) of the adjusted value of the taxable property in the
 12 district as determined under IC 36-1-15. All bonds or obligations
 13 issued in violation of this subsection are void. The bonds are not
 14 obligations or indebtedness of the unit, but constitute an indebtedness
 15 of the district as a special taxing district. The bonds and interest are
 16 payable only out of a special tax levied upon all the property of the
 17 district as prescribed by this chapter. The bonds must recite the terms
 18 upon their face, together with the purposes for which they are issued.

19 SECTION 136. IC 36-10-3-42 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 42. (a) The board shall
 21 hold a hearing as required by section 25 of this chapter. The board shall
 22 appropriate the proceeds of the bonds as required by law for special
 23 taxing district bonds.

24 (b) **IC 6-1.1-17.5**, IC 6-1.1-20-1, **and** IC 6-1.1-20-2 ~~and~~
 25 ~~IC 6-1.1-20-5~~ apply to the issuance of the bonds.

26 (c) The bonds may be sold at public sale in accordance with
 27 IC 5-1-11 or may be sold at a negotiated sale.

28 SECTION 137. IC 36-10-4-35 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 35. (a) In order to pay
 30 for:

- 31 (1) land to be acquired for any of the purposes of this chapter;
- 32 (2) an improvement authorized by this chapter; or
- 33 (3) both;

34 the board shall issue the bonds of the district in the name of the city in
 35 anticipation of the special benefits tax to be levied under this chapter.
 36 The amount of the bonds may not exceed the estimated cost of all land
 37 to be acquired and the estimated cost of all improvements provided in
 38 the resolution, including all expenses necessarily incurred in the
 39 proceedings and a sum sufficient to pay the estimated costs of
 40 supervision and inspection during the period of construction. Expenses
 41 include all expenses actually incurred preliminary to acquisition of the
 42 land and the construction work, such as the estimated cost of the



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1 necessary record, engineering expenses, publication of notices,
2 preparation of bonds, and other expenses necessary to letting the
3 contract and selling the bonds.

4 (b) The total amount of any benefits that have been assessed by the
5 board and confirmed against lots and parcels of land, exclusive of
6 improvements, lying within two thousand (2,000) feet on either side of
7 the land to be acquired or of the improvement, however, shall be
8 deducted from the estimated cost.

9 (c) If more than one (1) resolution or proceeding of the board under
10 section 25 of this chapter is confirmed whereby different parcels of
11 land are to be acquired or more than one (1) contract for work is let by
12 the board at approximately the same time, the estimated cost involved
13 under all of the resolutions and proceedings may be contained in one
14 (1) issue of bonds.

15 (d) The bonds shall be issued in any denomination up to five
16 thousand dollars (\$5,000) each. The bonds are negotiable instruments
17 and bear interest at a rate established by the board and approved by the
18 city legislative body.

19 (e) After adopting a resolution ordering the bonds, the board shall
20 certify a copy of the resolution to the fiscal officer of the city. The
21 fiscal officer shall then prepare the bonds, which shall be executed by
22 the city executive and attested by the fiscal officer. The bonds are
23 exempt from taxation for all purposes and are subject to **IC 6-1.1-17.5**
24 **and IC 6-1.1-20** concerning the filing of a petition requesting the
25 issuance of bonds, ~~and the right of taxpayers to remonstrate against~~
26 **oppose** the issuance of bonds, **and the right of voters to file petitions**
27 **regarding a property tax control board's decision under**
28 **IC 6-1.1-17.5.**

29 (f) All bonds shall be sold at not less than par value plus accrued
30 interest to date of delivery by the city fiscal officer to the highest bidder
31 after giving notice of the sale of the bonds by publication in accordance
32 with IC 5-3-1.

33 (g) The bonds are subject to approval by the city legislative body,
34 in the manner it prescribes by ordinance or resolution.

35 (h) The bonds are not corporate obligations or indebtedness of the
36 city, but are an indebtedness of the district as a special taxing district.
37 The bonds and interest are payable only out of a special tax levied upon
38 all property of the district. The bonds must recite these terms upon their
39 face, together with the purposes for which they are issued.

40 (i) An action to question the validity of bonds of the district or to
41 prevent their issue may not be brought after the date set for the sale of
42 the bonds.

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1 (j) The board may, instead of selling the bonds in series, sell the
 2 bonds to run for a period of five (5) years from the date of issue for the
 3 purposes of this chapter at any rate of interest payable semiannually,
 4 also exempt from taxation for all purposes. The board may sell bonds
 5 in series to refund the five (5) year bonds.

6 SECTION 138. IC 36-10-4-36 (CURRENT VERSION) IS
 7 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
 8 Sec. 36. (a) To raise money for any of the purposes for which bonds
 9 may be issued under section 35 of this chapter, the board may request
 10 that the city legislative body adopt an ordinance establishing a
 11 cumulative building and sinking fund. The legislative body may
 12 establish a cumulative building and sinking fund under IC 6-1.1-41.
 13 The tax may not exceed ten cents (\$.10) on each one hundred dollars
 14 (\$100) of taxable personal and real property in the district.

15 (b) **Subject to IC 6-1.1-18.5**, the tax, when collected, shall be held
 16 in a public depository in a special fund to be known as the park district
 17 cumulative building and sinking fund.

18 SECTION 139. IC 36-10-4-36 (DELAYED VERSION) IS
 19 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 20 2001]: Sec. 36. (a) To raise money for any of the purposes for which
 21 bonds may be issued under section 35 of this chapter, the board may
 22 request that the city legislative body adopt an ordinance establishing a
 23 cumulative building and sinking fund. The legislative body may
 24 establish a cumulative building and sinking fund under IC 6-1.1-41.
 25 **Subject to IC 6-1.1-18.5**, the tax may not exceed three and thirty-three
 26 hundredths cents (\$.0333) on each one hundred dollars (\$100) of
 27 taxable personal and real property in the district.

28 (b) The tax, when collected, shall be held in a public depository in
 29 a special fund to be known as the park district cumulative building and
 30 sinking fund.

31 SECTION 140. IC 36-10-7.5-19 (CURRENT VERSION) IS
 32 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
 33 Sec. 19. (a) The fiscal body may establish a cumulative building fund
 34 under IC 6-1.1-41 to provide money for:

- 35 (1) building, remodeling, and repair of park and recreation
 36 facilities; or
 37 (2) purchase of land for park and recreation purposes.

38 (b) To provide for the cumulative building fund, the township fiscal
 39 body may, **subject to IC 6-1.1-18.5**, levy a tax in compliance with
 40 IC 6-1.1-41 not greater than five cents (\$.05) on each one hundred
 41 dollars (\$100) of assessed valuation of taxable property within the
 42 township.



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1 (c) The tax shall be collected and held in a special fund known as
2 the township park and recreation cumulative building fund.

3 SECTION 141. IC 36-10-7.5-19 (DELAYED VERSION) IS
4 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
5 2001]: Sec. 19. (a) The fiscal body may establish a cumulative building
6 fund under IC 6-1.1-41 to provide money for:

7 (1) building, remodeling, and repair of park and recreation
8 facilities; or

9 (2) purchase of land for park and recreation purposes.

10 (b) To provide for the cumulative building fund, the township fiscal
11 body may, **subject to IC 6-1.1-18.5**, levy a tax in compliance with
12 IC 6-1.1-41 not greater than one and sixty-seven hundredths cents
13 (\$0.0167) on each one hundred dollars (\$100) of assessed valuation of
14 taxable property within the township.

15 (c) The tax shall be collected and held in a special fund known as
16 the township park and recreation cumulative building fund.

17 SECTION 142. IC 36-10-7.5-22 (CURRENT VERSION) IS
18 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
19 Sec. 22. (a) To raise money to pay for land to be acquired for any of the
20 purposes named in this chapter or to pay for an improvement
21 authorized by this chapter and in anticipation of the special benefit tax
22 to be levied as provided in this chapter, the legislative body shall issue
23 in the name of the township the bonds of the district. The bonds may
24 not exceed in amount the total cost of all land to be acquired and all
25 improvements described in the resolution, including all expenses
26 necessarily incurred in connection with the proceedings, together with
27 a sum sufficient to pay the costs of supervision and inspection during
28 the period of construction of a work. The expenses to be covered in the
29 bond issue include all expenses of every kind actually incurred
30 preliminary to acquiring the land and the construction of the work, such
31 as the cost of the necessary record, engineering expenses, publication
32 of notices, preparation of bonds, and other necessary expenses. If more
33 than one (1) resolution or proceeding of the legislative body under this
34 chapter is confirmed whereby different parcels of land are to be
35 acquired or more than one (1) contract for work is let by the executive
36 at approximately the same time, the cost involved under all of the
37 resolutions and proceedings may be included in one (1) issue of bonds.

38 (b) The bonds may be issued in any denomination not less than one
39 thousand dollars (\$1,000) each, in not less than five (5) nor more than
40 forty (40) annual series. The bonds are payable one (1) series each
41 year, beginning at a date after the receipt of taxes from a levy made for
42 that purpose. The bonds are negotiable. The bonds may bear interest at

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1 any rate, payable semiannually. After adopting a resolution ordering
 2 bonds, the legislative body shall certify a copy of the resolution to the
 3 township's fiscal officer. The fiscal officer shall prepare the bonds and
 4 the executive shall execute the bonds, attested by the fiscal officer.

5 (c) The bonds and the interest on the bonds are exempt from
 6 taxation as prescribed by IC 6-8-5-1. Bonds issued under this section
 7 are subject to the provisions of IC 5-1, **IC 6-1.1-17.5**, and IC 6-1.1-20
 8 relating to the filing of a petition requesting the issuance of bonds, the
 9 right of taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds,
 10 ~~the appropriation of the proceeds of the bonds with the approval of the~~
 11 ~~state board of tax commissioners;~~ **the right of voters to file petitions**
 12 **regarding a property tax control board's decision under**
 13 **IC 6-1.1-17.5**, and the sale of bonds at public sale for not less than the
 14 par value of the bonds.

15 (d) The legislative body may not have bonds of the district issued
 16 under this section that are payable by special taxation when the total
 17 issue for that purpose, including the bonds already issued or to be
 18 issued, exceeds two percent (2%) of the total assessed valuation of the
 19 property in the district. All bonds or obligations issued in violation of
 20 this subsection are void. The bonds are not obligations or indebtedness
 21 of the township but constitute an indebtedness of the district as a
 22 special taxing district. The bonds and interest are payable only out of
 23 a special tax levied upon all the property of the district as prescribed by
 24 this chapter. A bond must recite the terms upon the face of the bond,
 25 together with the purposes for which the bond is issued.

26 SECTION 143. IC 36-10-7.5-22 (DELAYED VERSION) IS
 27 AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,
 28 2001]: Sec. 22. (a) To raise money to pay for land to be acquired for
 29 any of the purposes named in this chapter or to pay for an improvement
 30 authorized by this chapter and in anticipation of the special benefit tax
 31 to be levied as provided in this chapter, the legislative body shall issue
 32 in the name of the township the bonds of the district. The bonds may
 33 not exceed in amount the total cost of all land to be acquired and all
 34 improvements described in the resolution, including all expenses
 35 necessarily incurred in connection with the proceedings, together with
 36 a sum sufficient to pay the costs of supervision and inspection during
 37 the period of construction of a work. The expenses to be covered in the
 38 bond issue include all expenses of every kind actually incurred
 39 preliminary to acquiring the land and the construction of the work, such
 40 as the cost of the necessary record, engineering expenses, publication
 41 of notices, preparation of bonds, and other necessary expenses. If more
 42 than one (1) resolution or proceeding of the legislative body under this



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1 chapter is confirmed whereby different parcels of land are to be
 2 acquired or more than one (1) contract for work is let by the executive
 3 at approximately the same time, the cost involved under all of the
 4 resolutions and proceedings may be included in one (1) issue of bonds.

5 (b) The bonds may be issued in any denomination not less than one
 6 thousand dollars (\$1,000) each, in not less than five (5) nor more than
 7 forty (40) annual series. The bonds are payable one (1) series each
 8 year, beginning at a date after the receipt of taxes from a levy made for
 9 that purpose. The bonds are negotiable. The bonds may bear interest at
 10 any rate, payable semiannually. After adopting a resolution ordering
 11 bonds, the legislative body shall certify a copy of the resolution to the
 12 township's fiscal officer. The fiscal officer shall prepare the bonds and
 13 the executive shall execute the bonds, attested by the fiscal officer.

14 (c) The bonds and the interest on the bonds are exempt from
 15 taxation as prescribed by IC 6-8-5-1. Bonds issued under this section
 16 are subject to the provisions of IC 5-1, **IC 6-1.1-17.5**, and IC 6-1.1-20
 17 relating to the filing of a petition requesting the issuance of bonds, the
 18 right of taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds,
 19 ~~the appropriation of the proceeds of the bonds with the approval of the~~
 20 ~~state board of tax commissioners; the holding of a referendum,~~ and
 21 the sale of bonds at public sale for not less than the par value of the
 22 bonds.

23 (d) The legislative body may not have bonds of the district issued
 24 under this section that are payable by special taxation when the total
 25 issue for that purpose, including the bonds already issued or to be
 26 issued, exceeds two percent (2%) of the total adjusted value of the
 27 taxable property in the district as determined under IC 36-1-15. All
 28 bonds or obligations issued in violation of this subsection are void. The
 29 bonds are not obligations or indebtedness of the township but constitute
 30 an indebtedness of the district as a special taxing district. The bonds
 31 and interest are payable only out of a special tax levied upon all the
 32 property of the district as prescribed by this chapter. A bond must
 33 recite the terms upon the face of the bond, together with the purposes
 34 for which the bond is issued.

35 SECTION 144. IC 36-10-8-16 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 16. (a) A capital
 37 improvement may be financed in whole or in part by the issuance of
 38 general obligation bonds of the county or, if the authority was created
 39 under IC 18-7-18 (before its repeal on February 24, 1982), also of the
 40 city, if the board determines that the estimated annual net income of the
 41 capital improvement, plus the estimated annual tax revenues to be
 42 derived from any tax revenues made available for this purpose, will not



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1 be sufficient to satisfy and pay the principal of and interest on all bonds
 2 issued under this chapter, including the bonds then proposed to be
 3 issued.

4 (b) If the board desires to finance a capital improvement in whole
 5 or in part as provided in this section, it shall have prepared a resolution
 6 to be adopted by the county executive authorizing the issuance of
 7 general obligation bonds, or, if the authority was created under
 8 IC 18-7-18 (before its repeal on February 24, 1982), by the fiscal body
 9 of the city authorizing the issuance of general obligation bonds. The
 10 resolution must set forth an itemization of the funds and assets received
 11 by the board, together with the board's valuation and certification of the
 12 cost. The resolution must state the date or dates on which the principal
 13 of the bonds is payable, the maximum interest rate to be paid, and the
 14 other terms upon which the bonds shall be issued. The board shall
 15 submit the proposed resolution to the proper officers, together with a
 16 certificate to the effect that the issuance of bonds in accordance with
 17 the resolution will be in compliance with this section. The certificate
 18 must also state the estimated annual net income of the capital
 19 improvement to be financed by the bonds, the estimated annual tax
 20 revenues, and the maximum amount payable in any year as principal
 21 and interest on the bonds issued under this chapter, including the bonds
 22 proposed to be issued, as the maximum interest rate set forth in the
 23 resolution. The bonds issued may mature over a period not exceeding
 24 forty (40) years from the date of issue.

25 (c) Upon receipt of the resolution and certificate the proper officers
 26 may adopt them and take all action necessary to issue the bonds in
 27 accordance with the resolution. An action to contest the validity of
 28 bonds issued under this section may not be brought after the fifteenth
 29 day following the receipt of bids for the bonds.

30 (d) The provisions of all general statutes relating to:

- 31 (1) the filing of a petition requesting the issuance of bonds and
 32 giving notice;
 33 (2) the right of taxpayers to ~~remonstrate against~~ **oppose** the
 34 issuance of bonds;
 35 (3) the giving of notice of the determination to issue bonds;
 36 (4) the giving of notice of a hearing on the appropriation of the
 37 proceeds of bonds;
 38 (5) the right of taxpayers to appear and be heard on the proposed
 39 appropriation;
 40 ~~(6) the approval of the appropriation by the state board of tax~~
 41 ~~commissioners; and~~
 42 ~~(7) (6) the sale of bonds at public sale; and~~



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1 **(7) the right of voters to file petitions regarding a property tax**
 2 **control board's decision under IC 6-1.1-17.5;**
 3 apply to the issuance of bonds under this section.

4 SECTION 145. IC 36-10-9-15 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 15. (a) A capital
 6 improvement may be financed in whole or in part by the issuance of
 7 general obligation bonds of the county.

8 (b) If the board desires to finance a capital improvement in whole
 9 or in part as provided in this section, it shall have prepared a resolution
 10 to be adopted by the board of commissioners of the county authorizing
 11 the issuance of general obligation bonds. The resolution must state the
 12 date or dates on which the principal of the bonds is payable, the
 13 maximum interest rate to be paid, and the other terms upon which the
 14 bonds shall be issued. The board shall submit the proposed resolution
 15 to the board of commissioners of the county, together with a certificate
 16 to the effect that the issuance of bonds in accordance with the
 17 resolution will be in compliance with this section. The certificate must
 18 also state the estimated annual net income of the capital improvement
 19 to be financed by the bonds, the estimated annual tax revenues, and the
 20 maximum amount payable in any year as principal and interest on the
 21 bonds issued under this chapter, including the bonds proposed to be
 22 issued, at the maximum interest rate set forth in the resolution. The
 23 bonds issued may mature over a period not exceeding forty (40) years
 24 from the date of issue.

25 (c) Upon receipt of the resolution and certificate, the board of
 26 commissioners of the county may adopt them and take all action
 27 necessary to issue the bonds in accordance with the resolution. An
 28 action to contest the validity of bonds issued under this section may not
 29 be brought after the fifteenth day following the receipt of bids for the
 30 bonds.

31 (d) The provisions of all general statutes relating to:

- 32 (1) the filing of a petition requesting the issuance of bonds and
- 33 giving notice;
- 34 (2) the right of taxpayers to remonstrate against the issuance of
- 35 bonds;
- 36 (3) the giving of notice of the determination to issue bonds;
- 37 (4) the giving of notice of a hearing on the appropriation of the
- 38 proceeds of bonds;
- 39 (5) the right of taxpayers to appear and be heard on the proposed
- 40 appropriation;
- 41 (6) ~~the approval of the appropriation by the state board of tax~~
- 42 ~~commissioners; and~~



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1 ~~(7)~~ the sale of bonds at public sale for not less than par value; and
 2 **(7) the right of voters to file petitions regarding a property tax**
 3 **control board's decision under IC 6-1.1-17.5;**

4 are applicable to the issuance of bonds under this section.

5 SECTION 146. THE FOLLOWING ARE REPEALED
 6 [EFFECTIVE JULY 1, 1999]: IC 6-1.1-17-6; IC 6-1.1-17-7;
 7 IC 6-1.1-17-8; IC 6-1.1-17-9; IC 6-1.1-17-10; IC 6-1.1-17-11;
 8 IC 6-1.1-17-13; IC 6-1.1-17-14; IC 6-1.1-17-15; IC 6-1.1-17-16.5;
 9 IC 6-1.1-18-3; IC 6-1.1-18.5-2; IC 6-1.1-18.5-4; IC 6-1.1-18.5-6;
 10 IC 6-1.1-18.5-9; IC 6-1.1-18.5-9.5; IC 6-1.1-18.5-9.8; IC 6-1.1-18.5-10;
 11 IC 6-1.1-18.5-10.1; IC 6-1.1-18.5-10.2; IC 6-1.1-18.5-10.3;
 12 IC 6-1.1-18.5-10.4; IC 6-1.1-18.5-11; IC 6-1.1-18.5-12;
 13 IC 6-1.1-18.5-13; IC 6-1.1-18.5-13.5; IC 6-1.1-18.5-15;
 14 IC 6-1.1-18.5-16; IC 6-1.1-18.5-18; IC 6-1.1-18.5-19;
 15 IC 6-1.1-18.5-19.1; IC 6-1.1-19-1.5; IC 6-1.1-19-2; IC 6-1.1-19-3;
 16 IC 6-1.1-19-4.1; IC 6-1.1-19-4.5; IC 6-1.1-19-4.7; IC 6-1.1-19-4.9;
 17 IC 6-1.1-19-5.1; IC 6-1.1-19-5.4; IC 6-1.1-19-7; IC 6-1.1-19-11;
 18 IC 6-1.1-20-3.1; IC 6-1.1-20-3.2; IC 6-1.1-20-5; IC 6-1.1-20-6;
 19 IC 6-1.1-20-7; IC 6-1.1-21.7-14; IC 6-1.1-29; IC 6-1.1-41-6;
 20 IC 6-1.1-41-7; IC 6-1.1-41-8; IC 6-1.1-41-9; IC 6-1.1-41-12;
 21 IC 12-13-8-4; IC 12-19-3-21; IC 16-22-5-7; IC 16-22-5-8;
 22 IC 16-22-5-9; IC 16-22-5-10; IC 16-22-5-11; IC 21-2-5.5-3;
 23 IC 21-2-5.5-4; IC 21-2-11.5; IC 21-2-14; IC 21-2-15-7; IC 21-2-15-8;
 24 IC 21-3-1.7-6.8.

25 SECTION 147. [EFFECTIVE JULY 1, 1999] (a) Notwithstanding
 26 **IC 6-1.1-17.5-3, as added by this act, the fiscal bodies required to**
 27 **select members for a county property tax control board under**
 28 **IC 6-1.1-17.5-3, as added by this act, shall select the members of**
 29 **the board before July 15, 1999.**

30 (b) If a fiscal body described in subsection (a), or fiscal bodies
 31 in the case of joint selections, fail to select a member for a county
 32 property tax control board under IC 6-1.1-17.5-3, as added by this
 33 act, before July 15, 1999, the executive of the county shall select the
 34 member of the board before August 1, 1999.

35 (c) Notwithstanding IC 6-1.1-17.5-8, as added by this act, a
 36 taxing unit desiring to issue bonds or enter into a lease agreement
 37 must file a petition with the property tax control board of each
 38 county in which the unit is located requesting permission to issue
 39 bonds or enter into a lease agreement. Petitions by a taxing unit
 40 must be filed before August 1, 1999.

41 (d) Notwithstanding IC 6-1.1-17.5-9, as added by this act, a
 42 remonstrance petition to reverse a county property tax control



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1 **board's decisions in 1999 must be filed before August 15, 1999.**
2 **(e) Notwithstanding IC 6-1.1-17.5-9, as added by this act, each**
3 **circuit court clerk shall before August 31, 1999, make any**
4 **certifications and notices required by IC 6-1.1-17.5-9.**
5 **(f) This SECTION expires January 1, 2000.**
6 **SECTION 148. [EFFECTIVE JULY 1, 1999] This act applies only**
7 **to property taxes first due and payable after December 31, 1999.**

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