

Adopted Rejected

COMMITTEE REPORT

YES: **24**
 1

Your Ways and Means to which was referred _____,
had the same under consideration and begs leave to report the same back to the House with
*the recommendation that said bill **be amended** as follows:*

- 1 Page 2, between lines 34 and 35, begin a new paragraph and insert:
- 2 "SECTION 2. IC 4-33-12-6 IS AMENDED TO READ AS
- 3 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The
- 4 department shall place in the state general fund the tax revenue
- 5 collected under this chapter.
- 6 (b) Except as provided by subsection (c), the treasurer of state shall
- 7 quarterly pay the following amounts:
- 8 (1) One dollar (\$1) of the admissions tax collected by the licensed
- 9 owner for each person embarking on a riverboat during the
- 10 quarter shall be paid to:
- 11 (A) the city in which the riverboat is docked, if the city:
- 12 (i) is described in IC 4-33-6-1(a)(1) through
- 13 IC 4-33-6-1(a)(4) or in IC 4-33-6-1(b); or
- 14 (ii) is contiguous to the Ohio River and is the largest city in

- 1 the county; and
- 2 (B) the county in which the riverboat is docked, if the
- 3 riverboat is not docked in a city described in clause (A).
- 4 (2) One dollar (\$1) of the admissions tax collected by the licensed
- 5 owner for each person embarking on a riverboat during the
- 6 quarter shall be paid to the county in which the riverboat is
- 7 docked. In the case of a county described in subdivision (1)(B),
- 8 this one dollar (\$1) is in addition to the one dollar (\$1) received
- 9 under subdivision (1)(B).
- 10 (3) Ten cents (\$0.10) of the admissions tax collected by the
- 11 licensed owner for each person embarking on a riverboat during
- 12 the quarter shall be paid to the county convention and visitors
- 13 bureau or promotion fund for the county in which the riverboat is
- 14 docked.
- 15 (4) Fifteen cents (\$0.15) of the admissions tax collected by the
- 16 licensed owner for each person embarking on a riverboat during
- 17 a quarter shall be paid to the state fair commission, for use in any
- 18 activity that the commission is authorized to carry out under
- 19 IC 15-1.5-3.
- 20 (5) Ten cents (\$0.10) of the admissions tax collected by the
- 21 licensed owner for each person embarking on a riverboat during
- 22 the quarter shall be paid to the division of mental health. The
- 23 division shall allocate at least twenty-five percent (25%) of the
- 24 funds derived from the admissions tax to the prevention and
- 25 treatment of compulsive gambling.
- 26 (6) Sixty-five cents (\$0.65) of the admissions tax collected by the
- 27 licensed owner for each person embarking on a riverboat during
- 28 the quarter shall be paid to the Indiana horse racing commission
- 29 to be distributed as follows, in amounts determined by the Indiana
- 30 horse racing commission, for the promotion and operation of
- 31 horse racing in Indiana:
- 32 (A) To one (1) or more breed development funds established
- 33 by the Indiana horse racing commission under IC 4-31-11-10.
- 34 (B) To a racetrack that was approved by the Indiana horse
- 35 racing commission under IC 4-31. The commission may make
- 36 a grant under this clause only for purses, promotions, and
- 37 routine operations of the racetrack. No grants shall be made
- 38 for long term capital investment or construction and no grants

1 shall be made before the racetrack becomes operational and is
2 offering a racing schedule.

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

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

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

15 (3) The resource conservation and development program that:

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

17 (B) serves the Patoka Lake area;

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

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

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

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

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

34 (2) may not be used to reduce the unit's **calculated** maximum ~~or~~
35 ~~actual~~ levy under IC 6-1.1-18.5 **but may be used at the**
36 **discretion of the unit to reduce the property tax levy of the**
37 **unit for a particular year without it being considered**
38 **additional revenue in subsequent years; and**

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

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

6 (1) deposited in:

- 7 (A) the county convention and visitor promotion fund; or
- 8 (B) the county's general fund if the county does not have a
9 convention and visitor promotion fund; and

10 (2) used only for the tourism promotion, advertising, and
11 economic development activities of the county and community.

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

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

25 SECTION 3. IC 4-33-13-6 IS AMENDED TO READ AS
26 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Money paid
27 to a unit of local government under this chapter:

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

31 (2) may not be used to reduce the unit's **calculated** maximum ~~or~~
32 ~~actual~~ levy under IC 6-1.1-18.5 **but may be used at the**
33 **discretion of the unit to reduce the property tax levy of the**
34 **unit for a particular year without it being considered**
35 **additional revenue in subsequent years;** and

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

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

5 Page 3, between lines 36 and 37, begin a new paragraph and insert:

6 "SECTION 5. IC 6-1.1-18.5-2 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) For purposes
 8 of determining a civil taxing unit's maximum permissible ad valorem
 9 property tax levy for an ensuing calendar year, the civil taxing unit
 10 shall use the assessed value growth quotient determined in the last
 11 STEP of the following STEPS:

12 STEP ONE: Determine the three (3) calendar years that most
 13 immediately precede the ensuing calendar year and in which a
 14 statewide general reassessment of real property does not first
 15 become effective.

16 STEP TWO: Compute separately, for each of the calendar years
 17 determined in STEP ONE, the quotient (rounded to the nearest
 18 ten-thousandth) of the civil taxing unit's total assessed value of all
 19 taxable property in the particular calendar year, divided by the
 20 civil taxing unit's total assessed value of all taxable property in the
 21 calendar year immediately preceding the particular calendar year.

22 STEP THREE: Divide the sum of the three (3) quotients
 23 computed in STEP TWO by three (3).

24 STEP FOUR: Determine the greater of the result computed in
 25 STEP THREE or one and ~~five-hundredths (1.05):~~
 26 **four-hundredths (1.04).**

27 STEP FIVE: Determine the lesser of the result computed in STEP
 28 FOUR or one and ~~one-tenth (1.1):~~ **eight-hundredths (1.08).**

29 (b) If the assessed values of taxable property used in determining a
 30 civil taxing unit's property taxes that are first due and payable in a
 31 particular calendar year are significantly increased over the assessed
 32 values used for the immediately preceding calendar year's property
 33 taxes due to the settlement of litigation concerning the general
 34 reassessment of that civil taxing unit's real property, then for purposes
 35 of determining that civil taxing unit's assessed value growth quotient
 36 for an ensuing calendar year, the state board of tax commissioners shall
 37 replace the quotient described in STEP TWO of subsection (a) for that
 38 particular calendar year. The state board of tax commissioners shall

1 replace that quotient with one that as accurately as possible will reflect
 2 the actual growth in the civil taxing unit's assessed values of real
 3 property from the immediately preceding calendar year to that
 4 particular calendar year.

5 SECTION 6. IC 6-1.1-18.5-3 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Except as
 7 otherwise provided in this chapter, a civil taxing unit that is treated as
 8 not being located in an adopting county under section 4 of this chapter
 9 may not impose an ad valorem property tax levy for an ensuing
 10 calendar year that exceeds the amount determined in the last STEP of
 11 the following STEPS:

12 STEP ONE: Add the civil taxing unit's maximum permissible ad
 13 valorem property tax levy for the preceding calendar year to the
 14 part of the civil taxing unit's certified share, if any, that was used
 15 to reduce the civil taxing unit's ad valorem property tax levy under
 16 STEP EIGHT of subsection (b) for that preceding calendar year.

17 STEP TWO: Multiply the amount determined in STEP ONE by
 18 the amount determined in the last STEP of section 2 of this
 19 chapter.

20 STEP THREE: Determine the lesser of one and fifteen hundredths
 21 (1.15) or the quotient (rounded to the nearest ten-thousandth), of
 22 the assessed value of all taxable property subject to the civil
 23 taxing unit's ad valorem property tax levy for the ensuing calendar
 24 year, divided by the assessed value of all taxable property that is
 25 subject to the civil taxing unit's ad valorem property tax levy for
 26 the ensuing calendar year and that is contained within the
 27 geographic area that was subject to the civil taxing unit's ad
 28 valorem property tax levy in the preceding calendar year.

29 STEP FOUR: Determine the greater of the amount determined in
 30 STEP THREE or one (1).

31 STEP FIVE: Multiply the amount determined in STEP TWO by
 32 the amount determined in STEP FOUR.

33 STEP SIX: Add the amount determined under STEP TWO to the
 34 amount determined under subsection (c).

35 STEP SEVEN: Determine the greater of the amount determined
 36 under STEP FIVE or the amount determined under STEP SIX.

37 (b) Except as otherwise provided in this chapter **and**
 38 **IC 6-3.5-1.1-11.5**, a civil taxing unit that is treated as being located in

1 an adopting county under section 4 of this chapter may not impose an
 2 ad valorem property tax levy for an ensuing calendar year that exceeds
 3 the amount determined in the last STEP of the following STEPS:

4 STEP ONE: Add the civil taxing unit's maximum permissible ad
 5 valorem property tax levy for the preceding calendar year to the
 6 part of the civil taxing unit's certified share, if any, used to reduce
 7 the civil taxing unit's ad valorem property tax levy under STEP
 8 EIGHT of this subsection for that preceding calendar year.

9 STEP TWO: Multiply the amount determined in STEP ONE by
 10 the amount determined in the last STEP of section 2 of this
 11 chapter.

12 STEP THREE: Determine the lesser of one and fifteen hundredths
 13 (1.15) or the quotient of the assessed value of all taxable property
 14 subject to the civil taxing unit's ad valorem property tax levy for
 15 the ensuing calendar year divided by the assessed value of all
 16 taxable property that is subject to the civil taxing unit's ad
 17 valorem property tax levy for the ensuing calendar year and that
 18 is contained within the geographic area that was subject to the
 19 civil taxing unit's ad valorem property tax levy in the preceding
 20 calendar year.

21 STEP FOUR: Determine the greater of the amount determined in
 22 STEP THREE or one (1).

23 STEP FIVE: Multiply the amount determined in STEP TWO by
 24 the amount determined in STEP FOUR.

25 STEP SIX: Add the amount determined under STEP TWO to the
 26 amount determined under subsection (c).

27 STEP SEVEN: Determine the greater of the amount determined
 28 under STEP FIVE or the amount determined under STEP SIX.

29 STEP EIGHT: Subtract the amount determined under STEP FIVE
 30 of subsection (e) from the amount determined under STEP
 31 SEVEN of this subsection. **For a county that has adopted an**
 32 **ordinance under IC 6-3.5-1.1-11.5, subtract the amount**
 33 **specified as base year certified shares by the civil taxing unit**
 34 **under IC 6-3.5-1.1-11.5(c).**

35 (c) If a civil taxing unit in the immediately preceding calendar year
 36 provided an area outside its boundaries with services on a contractual
 37 basis and in the ensuing calendar year that area has been annexed by
 38 the civil taxing unit, the amount to be entered under STEP SIX of

1 subsection (a) or STEP SIX of subsection (b), as the case may be,
 2 equals the amount paid by the annexed area during the immediately
 3 preceding calendar year for services that the civil taxing unit must
 4 provide to that area during the ensuing calendar year as a result of the
 5 annexation. In all other cases, the amount to be entered under STEP
 6 SIX of subsection (a) or STEP SIX of subsection (b), as the case may
 7 be, equals zero (0).

8 **(d) This subsection does not apply to a civil taxing unit located**
 9 **in a county that has adopted an ordinance under IC 6-3.5-1.1-11.5.**

10 This subsection applies only to civil taxing units located in a county
 11 having a county adjusted gross income tax rate for resident county
 12 taxpayers (as defined in IC 6-3.5-1.1-1) of one percent (1%) as of
 13 January 1 of the ensuing calendar year. For each civil taxing unit, the
 14 amount to be added to the amount determined in subsection (e), STEP
 15 FOUR, is determined using the following formula:

16 STEP ONE: Multiply the civil taxing unit's maximum permissible
 17 ad valorem property tax levy for the preceding calendar year by
 18 two percent (2%).

19 STEP TWO: For the determination year, the amount to be used as
 20 the STEP TWO amount is the amount determined in subsection
 21 (f) for the civil taxing unit. For each year following the
 22 determination year the STEP TWO amount is the lesser of:

23 (A) the amount determined in STEP ONE; or

24 (B) the amount determined in subsection (f) for the civil taxing
 25 unit.

26 STEP THREE: Determine the greater of:

27 (A) zero (0); or

28 (B) the civil taxing unit's certified share for the ensuing
 29 calendar year minus the greater of:

30 (i) the civil taxing unit's certified share for the calendar year
 31 that immediately precedes the ensuing calendar year; or

32 (ii) the civil taxing unit's base year certified share.

33 STEP FOUR: Determine the greater of:

34 (A) zero (0); or

35 (B) the amount determined in STEP TWO minus the amount
 36 determined in STEP THREE.

37 Add the amount determined in STEP FOUR to the amount determined
 38 in subsection (e), STEP THREE, as provided in subsection (e), STEP

1 FOUR.

2 (e) **This subsection does not apply to a civil taxing unit located**
 3 **in a county that has adopted an ordinance under IC 6-3.5-1.1-11.5.**

4 For each civil taxing unit, the amount to be subtracted under subsection
 5 (b), STEP EIGHT, is determined using the following formula:

6 STEP ONE: Determine the lesser of the civil taxing unit's base
 7 year certified share for the ensuing calendar year, as determined
 8 under section 5 of this chapter, or the civil taxing unit's certified
 9 share for the ensuing calendar year.

10 STEP TWO: Determine the greater of:

11 (A) zero (0); or

12 (B) the remainder of:

13 (i) the amount of federal revenue sharing money that was
 14 received by the civil taxing unit in 1985; minus

15 (ii) the amount of federal revenue sharing money that will be
 16 received by the civil taxing unit in the year preceding the
 17 ensuing calendar year.

18 STEP THREE: Determine the lesser of:

19 (A) the amount determined in STEP TWO; or

20 (B) the amount determined in subsection (f) for the civil taxing
 21 unit.

22 STEP FOUR: Add the amount determined in subsection (d),
 23 STEP FOUR, to the amount determined in STEP THREE.

24 STEP FIVE: Subtract the amount determined in STEP FOUR
 25 from the amount determined in STEP ONE.

26 (f) **This subsection does not apply to a civil taxing unit located**
 27 **in a county that has adopted an ordinance under IC 6-3.5-1.1-11.5.**

28 As used in this section, a taxing unit's "determination year" means the
 29 latest of:

30 (1) calendar year 1987, if the taxing unit is treated as being
 31 located in an adopting county for calendar year 1987 under
 32 section 4 of this chapter;

33 (2) the taxing unit's base year, as defined in section 5 of this
 34 chapter, if the taxing unit is treated as not being located in an
 35 adopting county for calendar year 1987 under section 4 of this
 36 chapter; or

37 (3) the ensuing calendar year following the first year that the
 38 taxing unit is located in a county that has a county adjusted gross

1 income tax rate of more than one-half percent (0.5%) on July 1 of
 2 that year.

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

13 COUNTYIES WITH A TAX RATE OF 1/2%

| | |
|--|----------------|
| | Subsection (e) |
| Year | Factor |
| For the determination year and each en- 16 suing calendar year following the deter- 17 mination year | 0 |

19 COUNTYIES WITH A TAX RATE OF 3/4%

| | |
|--|----------------|
| | Subsection (e) |
| Year | Factor |
| For the determination year and each en- 23 suing calendar year following the deter- 24 mination year | 1/2 |

25 COUNTYIES 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 30 year following the determi- 31 nation year | 1/4 | 1/3 |
| For the ensuing calendar 33 year following the determi- 34 nation year by two (2) years | 1/3 | 1/3 |

35 SECTION 7. IC 6-1.1-18.5-5 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) As used in
 37 this section, "base year" for a civil taxing unit means the most recent
 38 calendar year:

- 1 (1) in which the civil taxing unit is located in an adopting
- 2 county, as determined under section 4 of this chapter; and
- 3 (2) that is immediately preceded by a calendar year in which the
- 4 civil taxing unit either:
 - 5 (A) was not located in an adopting county, as determined
 - 6 under section 4 of this chapter; or
 - 7 (B) did not impose an ad valorem property tax levy.

8 If the civil taxing unit was located in an adopting county in calendar
 9 year 1979, as determined under section 4 of this chapter, the civil
 10 taxing unit's base year is calendar year 1979 or the year determined
 11 above, whichever is later.

12 (b) If the county adjusted gross income tax was not in effect on
 13 January 1 of the calendar year immediately preceding the ensuing
 14 calendar year in the county in which a particular civil taxing unit is
 15 located, then the civil taxing unit's base year certified share is the
 16 amount of certified shares to be received by the civil taxing unit during
 17 its base year.

18 (c) If the county adjusted gross income tax was in effect on
 19 January 1 of the calendar year immediately preceding the ensuing
 20 calendar year in the county in which a particular civil taxing unit is
 21 located, then the civil taxing unit's base year certified share is the
 22 amount of certified shares received by the civil taxing unit in its base
 23 year, multiplied by a fraction:

24 (1) The numerator of the fraction equals the remainder of the
 25 county adjusted gross income tax rate of the county in which the
 26 civil taxing unit is located and that is imposed on January 1 of
 27 the ensuing calendar year minus one quarter of one percent
 28 (1/4%).

29 (2) The denominator of the fraction equals the remainder of the
 30 county adjusted gross income tax rate of the county in which the
 31 civil taxing unit is located and that is imposed on January 1 of
 32 the civil taxing unit's base year minus one quarter of one percent
 33 (1/4%).

34 **(d) For a civil taxing unit located in a county that has adopted**
 35 **an ordinance under IC 6-3.5-1.1-11.5, base year certified shares**
 36 **shall be the amount specified by the civil taxing unit in the**
 37 **ordinance adopted under IC 6-3.5-1.1-11.5."**

38 Page 8, between lines 5 and 6, begin a new paragraph and insert:

1 "SECTION 12. IC 6-3.5-1.1-11 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) Except for
 3 revenue that:

- 4 (1) must be used to pay the costs of operating a jail and juvenile
 5 detention center under section 2.5(d) of this chapter or revenue
 6 that must be used to pay the costs of operating and maintaining
 7 a jail and justice center under section 3.5(d) of this chapter; **or**
 8 **(2) has been dedicated to property tax relief by the county**
 9 **under section 11.5 of this chapter;**

10 the certified distribution received by a county treasurer shall, in the
 11 manner prescribed in this section, be allocated, distributed, and used
 12 by the civil taxing units and school corporations of the county as
 13 certified shares and property tax replacement credits.

14 (b) Before August 2 of each calendar year, each county auditor
 15 shall determine the part of the certified distribution for the next
 16 succeeding calendar year that will be allocated as property tax
 17 replacement credits and the part that will be allocated as certified
 18 shares. The percentage of a certified distribution that will be allocated
 19 as property tax replacement credits or as certified shares depends upon
 20 the county adjusted gross income tax rate for resident county taxpayers
 21 in effect on August 1 of the calendar year that precedes the year in
 22 which the certified distribution will be received. The percentages are
 23 set forth in the following table:

| COUNTY ADJUSTED GROSS INCOME TAX RATE | PROPERTY TAX REPLACEMENT CREDITS | CERTIFIED SHARES |
|---|---|---------------------|
| 0.5% | 50% | 50% |
| 0.75% | 33 1/3% | 66 2/3% |
| 1% | 25% | 75% |

31 (c) The part of a certified distribution that constitutes property tax
 32 replacement credits shall be distributed as provided under sections 12,
 33 13, and 14 of this chapter.

34 (d) The part of a certified distribution that constitutes certified
 35 shares shall be distributed as provided by section 15 of this chapter.

36 SECTION 13. IC 6-3.5-1.1-11.5 IS ADDED TO THE INDIANA
 37 CODE AS A NEW SECTION TO READ AS FOLLOWS
 38 [EFFECTIVE UPON PASSAGE]: **Sec. 11.5. (a) The county council**

1 **may adopt an ordinance to use revenue under this chapter for**
 2 **property tax relief. All or a portion of the certified distribution to**
 3 **a county under this chapter minus the amount needed to provide**
 4 **property tax replacement credits for school corporations may be**
 5 **used for property tax relief under this section. The amount of**
 6 **property tax replacement credits that shall be allocated and**
 7 **distributed to a school corporation within the county is the same**
 8 **property tax replacement credit amount the school corporation**
 9 **would have been allocated if the county had not adopted an**
 10 **ordinance under this section.**

11 **(b) The types of relief that may be provided are limited to the**
 12 **following:**

13 **(1) Providing property tax replacement credits to be**
 14 **distributed as provided in section 11.6 of this chapter.**

15 **(2) Increasing the percentage credit allowed for homesteads**
 16 **in the county under IC 6-1.1-20.9-2, as provided in section**
 17 **11.7 of this chapter.**

18 **(3) Providing a property tax reduction for low income**
 19 **individuals under section 11.8 of this chapter.**

20 **(4) A combination of the types of relief listed in subdivisions**
 21 **(1) through (3).**

22 **(c) The ordinance must specify the percentage of the total**
 23 **certified distribution that will be used for each type of relief. The**
 24 **remaining certified distribution shall be considered certified shares**
 25 **for each civil taxing unit. Before a civil taxing unit may receive the**
 26 **certified shares, it must adopt an ordinance specifying the amount**
 27 **that will be treated as base year certified shares under**
 28 **IC 6-1.1-18.5-5.**

29 **(d) An ordinance may be adopted under this section after**
 30 **January 1 but before June 1 of a calendar year. The ordinance**
 31 **remains in effect for the period specified in the ordinance or until**
 32 **it is rescinded.**

33 **(e) An ordinance adopted under this section takes effect on**
 34 **January 1 of the next succeeding calendar year.**

35 **(f) Any ordinance adopted under this section for a county is**
 36 **repealed for a year if on January 1 of that year the county adjusted**
 37 **gross income tax is not in effect.**

38 **SECTION 14. IC 6-3.5-1.1-11.6 IS ADDED TO THE INDIANA**

1 CODE AS A NEW SECTION TO READ AS FOLLOWS
2 [EFFECTIVE UPON PASSAGE]: **Sec. 11.6. (a) If an ordinance**
3 **adopted under section 11.5 of this chapter includes property tax**
4 **replacement credits, these credits shall be allocated and distributed**
5 **to civil taxing units by taking the amount dedicated to these credits**
6 **multiplied by a fraction:**

7 (1) the numerator of which equals the sum of the total
8 property taxes being collected by the civil taxing unit during
9 that calendar year; and

10 (2) the denominator of which equals the sum of the total
11 property taxes being collected by all civil taxing units.

12 (b) The state board of tax commissioners shall reduce the net
13 property tax levy of each civil taxing unit by the amount of the
14 allocation.

15 SECTION 15. IC 6-3.5-1.1-11.7 IS ADDED TO THE INDIANA
16 CODE AS A NEW SECTION TO READ AS FOLLOWS
17 [EFFECTIVE UPON PASSAGE]: **Sec. 11.7. If an ordinance adopted**
18 **under section 11.5 of this chapter includes homestead credits, the**
19 **increase of the homestead credit percentage must be uniform for**
20 **all homesteads in a county. In the ordinance that increases the**
21 **homestead credit percentage, a county council may provide for a**
22 **series of increases or decreases to take place for each of a group of**
23 **succeeding calendar years.**

24 SECTION 16. IC 6-3.5-1.1-11.8 IS ADDED TO THE INDIANA
25 CODE AS A NEW SECTION TO READ AS FOLLOWS
26 [EFFECTIVE UPON PASSAGE]: **Sec. 11.8. (a) If an ordinance**
27 **adopted under section 11.5 of this chapter includes a property tax**
28 **reduction for low income individuals, the following apply:**

29 (1) The state homestead credit must apply to the homestead.

30 (2) The combined adjusted gross income (as defined in Section
31 62 of the Internal Revenue Code) of:

32 (A) the individual and the individual's spouse; or

33 (B) the individual and all other individuals with whom:

34 (i) the individual shares ownership; or

35 (ii) the individual is purchasing the property under a
36 contract;

37 as joint tenants or tenants in common;

38 for the calendar year preceding the year in which the credit

is claimed did not exceed twenty-five thousand dollars (\$25,000).

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The ordinance must set forth the reduction amount, which be in terms of a percentage of property taxes due, a of combined adjusted gross income, or a fixed amount. the maximum property tax reduction under this section not result in the property taxes due on a homestead for a year

income referred to in subsection (a).

(c) An individual must claim the reduction in the same manner as the state homestead credit. An individual who receives a reduction in a particular year and who becomes ineligible in the following year shall notify the auditor of the county in which the is located of the ineligibility before May 10 of the year

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(d) the preceding no longer eligible for the reduction.

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SECTION 17. IC 6-3.5-1.1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) as in section 11.5 of this chapter, the part of a county's certified distribution for a calendar year that is to be used as property tax replacement credits shall be allocated by the county auditor among the civil taxing units and school corporations of the county.

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Except as provided in section 13 of this chapter, the amount of tax replacement credits that each civil taxing unit and school in a county is entitled to receive during a calendar year

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(1) to calendar year; multiplied by

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(2) a fraction: The numerator of the fraction equals the sum of the total taxes being collected by the civil taxing unit or school

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civil and certified shares received by it during that calendar year to

1 the extent that they are used to reduce its property tax levy
2 below the limit imposed by IC 6-1.1-18.5 for that same
3 calendar year.

4 (B) The denominator of the fraction equals the sum of the total
5 property taxes being collected by all civil taxing units and
6 school corporations, plus the amount of federal revenue
7 sharing funds and certified shares received by all civil taxing
8 units in the county to the extent that they are used to reduce
9 the civil taxing units' property tax levies below the limits
10 imposed by IC 6-1.1-18.5 for that same calendar year.

11 (c) The state board of tax commissioners shall provide each county
12 auditor with the amount of property tax replacement credits that each
13 civil taxing unit and school corporation in the auditor's county is
14 entitled to receive. The county auditor shall then certify to each civil
15 taxing unit and school corporation the amount of property tax
16 replacement credits it is entitled to receive (after adjustment made
17 under section 13 of this chapter) during that calendar year. The county
18 auditor shall also certify these distributions to the county treasurer.

19 SECTION 18. IC 6-3.5-1.1-14 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) **This**
21 **section applies to property tax replacement credits provided in**
22 **section 11.5 of this chapter.** In determining the amount of property tax
23 replacement credits civil taxing units and school corporations of a
24 county are entitled to receive during a calendar year, the state board of
25 tax commissioners shall consider only property taxes imposed on
26 tangible property that was assessed in that county.

27 (b) If a civil taxing unit or a school corporation is located in more
28 than one (1) county and receives property tax replacement credits from
29 one (1) or more of the counties, then the property tax replacement
30 credits received from each county shall be used only to reduce the
31 property tax rates that are imposed within the county that distributed
32 the property tax replacement credits.

33 (c) A civil taxing unit shall treat any property tax replacement
34 credits that it receives or is to receive during a particular calendar year
35 as a part of its property tax levy for that same calendar year for
36 purposes of fixing its budget and for purposes of the property tax levy
37 limits imposed by IC 6-1.1-18.5.

38 (d) A school corporation shall treat any property tax replacement

1 that the school corporation receives or is to receive during a
2 calendar year as a part of its property tax levy for its general
3 debt service fund, capital projects fund, transportation fund, and
4 to the levy for each of
5 funds for that same calendar year for purposes of fixing its budget
6 for purposes of the property tax levy limits imposed by IC 6-1.1-19.

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levy for each fund."

10 Page 9, line 8, strike "property tax relief or".
insert "**The amount of revenue used**
12 **for property tax relief under section 11.5 of this chapter shall not**
13 **for property tax relief under section 11.5 of this chapter shall not**
14 **for property tax relief under section 11.5 of this chapter shall not**
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35 **for property tax relief under section 11.5 of this chapter shall not**
36 **for property tax relief under section 11.5 of this chapter shall not**
37 **for property tax relief under section 11.5 of this chapter shall not**
38 **for property tax relief under section 11.5 of this chapter shall not**
".

9, between lines 10 and 11, begin a new paragraph and insert:
20. IC 6-3.5-6-13 IS AMENDED TO READ AS
[EFFECTIVE UPON PASSAGE]: Sec. 13. (a) A county
tax council of a county in which the county option income tax
in effect may adopt an ordinance to **increase use all or a portion of**
the certified distribution under this chapter for property tax relief.

(b) The types of relief that may be provided are limited to the
following:

Providing property tax replacement credits to be

(2) the percentage credit allowed for homesteads in its
county under IC 6-1.1-20.9-2,
chapter.

~~(b) — county income — council may — increase the ————~~
~~credit allowed — homesteads by — amount that ———— eight percent~~
~~———~~

~~(c) The ———— of the ———— credit percentage ——— be~~
~~uniform — all homesteads — a county.~~

~~— In the ———— that increases — homestead credit ————~~
~~a county ——— tax council — provi — for a ——— of increases —~~
~~decreases to — place for — of a ——— of succeeding ———~~
~~years.~~

(3) Providing a property tax reduction for low income
individuals under section 13.3 of this chapter.

A combination of the types of relief listed in subdivisions

1 **(1) through (3).**

2 **(c) The ordinance must specify the percentage of the total**
3 **certified distribution that will be used for each type of relief. The**
4 **remaining certified distribution shall be treated as it would**
5 **notwithstanding this section.**

6 **(d) An ordinance may be adopted under this section after January**
7 **1 but before June 1 of a calendar year. The ordinance remains in**
8 **effect for the period specified in the ordinance or until it is**
9 **rescinded.**

10 ~~(f)~~ **(e) An ordinance adopted under this section takes effect on**
11 **January 1 of the next succeeding calendar year.**

12 ~~(g)~~ **(f) Any ordinance adopted under this section for a county is**
13 **repealed for a year if on January 1 of that year the county option**
14 **income tax is not in effect.**

15 SECTION 21. IC 6-3.5-6-13.1 IS ADDED TO THE INDIANA
16 CODE AS A NEW SECTION TO READ AS FOLLOWS
17 [EFFECTIVE UPON PASSAGE]: **Sec. 13.1. (a) If an ordinance**
18 **adopted under section 13 of this chapter includes property tax**
19 **replacement credits, these credits shall be allocated and distributed**
20 **to civil taxing units by taking the amount dedicated to these credits**
21 **multiplied by a fraction:**

22 **(1) the numerator of which equals the sum of the total**
23 **property taxes being collected by the civil taxing unit during**
24 **that calendar year; and**

25 **(2) the denominator of which equals the sum of the total**
26 **property taxes being collected by all civil taxing units.**

27 **(b) The state board of tax commissioners shall reduce the net**
28 **property tax levy of each civil taxing unit by the amount of the**
29 **allocation.**

30 SECTION 22. IC 6-3.5-6-13.2 IS ADDED TO THE INDIANA
31 CODE AS A NEW SECTION TO READ AS FOLLOWS
32 [EFFECTIVE UPON PASSAGE]: **Sec. 13.2. If an ordinance adopted**
33 **under section 13 of this chapter includes homestead credits, the**
34 **increase of the homestead credit percentage must be uniform for**
35 **all homesteads in a county. In the ordinance that increases the**
36 **homestead credit percentage, a county council may provide for a**
37 **series of increases or decreases to take place for each of a group of**
38 **succeeding calendar years.**

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SECTION
CODE NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: **13.3. (a) If an ordinance**

under section 13 of this chapter includes a property tax

- (1) The state homestead credit must apply to the homestead.**
- (2) The combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:**

(B) the individual and all other individuals with whom:

- (i) the individual shares ownership; or**
- the individual is purchasing the property under a**

as joint tenants or tenants in common;
for the calendar year preceding the year in which the
reduction is claimed did not exceed twenty-five thousand
dollars (\$25,000).

The ordinance must set forth the reduction amount, which
percentage
maximum
in
two
to in subsection (a).

(c) An individual must claim the reduction in the same manner
as the state homestead credit. An individual who receives a
reduction in a particular year and who becomes ineligible in the
following year shall notify the auditor of the county in which the
homestead is located of the ineligibility before May 10 of the year
in which the individual becomes ineligible.

The auditor of each county shall, in a particular year, apply
reduction to each individual who received the reduction in the
year unless the auditor determines that the individual is
".

10, line 13, strike "the allowance of an increased homestead
providing property tax relief".

Page 10, line 13, delete ";" and insert "under
chapter;

1 Page 10, line 26, strike "the increase of the homestead credit" and
2 insert "**providing property tax relief**".

3 Page 10, line 26, delete "." and insert "**under section 13 of this**
4 **chapter.**".

5 Page 10, line 30, strike " an increased homestead credit." and insert
6 "**the property tax relief.**".

7 Page 14, between lines 29 and 30, begin a new paragraph and insert:
8 "SECTION 27. IC 6-3.5-6-19, AS AMENDED BY P.L.273-1999,
9 SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 UPON PASSAGE]: Sec. 19. (a) Except as provided in sections **13**,
11 17.6(d), 18(e), and 18.5(b)(3) of this chapter, in determining the
12 fractional share of distributive shares the civil taxing units of a county
13 are entitled to receive under section 18 of this chapter during a calendar
14 year, the state board of tax commissioners shall consider only property
15 taxes imposed on tangible property subject to assessment in that
16 county.

17 (b) In determining the amount of distributive shares a civil taxing
18 unit is entitled to receive under section 18(g) of this chapter, the state
19 board of tax commissioners shall consider only the percentage of the
20 civil taxing unit's budget that equals the ratio that the total assessed
21 valuation that lies within the civil taxing unit and the county that has
22 adopted the county option tax bears to the total assessed valuation that
23 lies within the civil taxing unit.

24 (c) The distributive shares to be allocated and distributed under this
25 chapter shall be treated by each civil taxing unit as additional revenue
26 for the purpose of fixing its budget for the budget year during which the
27 distributive shares is to be distributed to the civil taxing unit.

28 (d) In the case of a civil taxing unit that includes a consolidated city
29 its fiscal body may distribute any revenue it receives under this chapter
30 to any governmental entity located in its county except an excluded
31 city, a township, or a school corporation.

32 SECTION 28. IC 6-3.5-7-5 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Except as
34 provided in subsection (c), the county economic development income
35 tax may be imposed on the adjusted gross income of county taxpayers.
36 The entity that may impose the tax is:

37 (1) the county income tax council (as defined in IC 6-3.5-6-1) if
38 the county option income tax is in effect on January 1 of the year

1 the county economic development income tax is imposed;
 2 gross income tax is
 3 effect on January 1 of the year the county economic
 4
 5 (3)
 6 whichever acts
 or (2).

To impose the county economic development income tax, a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax.

11 Except as provided in subsections (c) and (g), the county

- 12 (1) one-tenth percent (0.1%);
- 14 (2) two-tenths percent (0.2%);
- 15
- (4) three-tenths percent (0.3%);
- 17 (5) thirty-five hundredths percent (0.35%);
- 18
- (7) forty-five hundredths percent (0.45%); or
- 20 (8) five-tenths percent (0.5%);

21
 22 (c)
 23 development
 24 rate,
 25 and
 26 subsection **and (j)**,
 27 the
 1 of a year may not exceed one percent (1%).

(d) To impose the county economic development income tax, the appropriate body must, after January 1 but before April 1 of a year, adopt an ordinance. The ordinance must substantially state the following:

32 _____ County _____ imposes the county economic
 33 income tax on the county taxpayers of _____
 34 tax is imposed at
 35 rate of _____ percent (____%) on the county taxpayers of the

37
 38 (e)

1 the year the ordinance is adopted.

2 (f) The auditor of a county shall record all votes taken on ordinances
3 presented for a vote under the authority of this section and immediately
4 send a certified copy of the results to the department by certified mail.

5 (g) This subsection applies to a county having a population of more
6 than one hundred twenty-nine thousand (129,000) but less than one
7 hundred thirty thousand six hundred (130,600). In addition to the rates
8 permitted by subsection (b), the:

9 (1) county economic development income tax may be imposed at
10 a rate of:

11 (A) fifteen-hundredths percent (0.15%);

12 (B) two-tenths percent (0.2%); or

13 (C) twenty-five hundredths percent (0.25%); and

14 (2) county economic development income tax rate plus the county
15 option income tax rate that are in effect on January 1 of a year
16 may equal up to one and twenty-five hundredths percent (1.25%);
17 if the county income tax council makes a determination to impose rates
18 under this subsection and section 22 of this chapter.

19 (h) For a county having a population of more than thirty-seven
20 thousand (37,000) but less than thirty-seven thousand eight hundred
21 (37,800), the county economic development income tax rate plus the
22 county adjusted gross income tax rate that are in effect on January 1 of
23 a year may not exceed one and thirty-five hundredths percent (1.35%)
24 if the county has imposed the county adjusted gross income tax at a rate
25 of one and one-tenth percent (1.1%) under IC 6-3.5-1.1-2.5.

26 (i) For a county having a population of more than twelve thousand
27 six hundred (12,600) but less than thirteen thousand (13,000), the
28 county economic development income tax rate plus the county adjusted
29 gross income tax rate that are in effect on January 1 of a year may not
30 exceed one and fifty-five hundredths percent (1.55%).

31 **(j) For a county that has adopted an ordinance under**
32 **IC 6-3.5-6-13, the county economic development income tax rate**
33 **plus the county adjusted gross income tax rate that are in effect on**
34 **January 1 of a year may not exceed one percent (1%) plus the**
35 **lesser of:**

36 **(1) twenty-five hundredths percent (0.25%); or**

37 **(2) the portion of the rate that exceeds one percent (1%) and**
38 **that is dedicated to property tax relief under the ordinance."**

1 Page 16, delete lines 20 through 42, begin a new paragraph and
2 insert:

3 "SECTION 29. IC 6-5.5-8-2, AS AMENDED BY P.L.273-1999,
4 SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 2004]: Sec. 2. (a) On or before February 1, May 1,
6 August 1, and December 1 of each year the auditor of state shall
7 transfer to each county auditor for distribution to the taxing units (as
8 defined in IC 6-1.1-1-21) in the county, an amount equal to one-fourth
9 (1/4) of the sum of the guaranteed amounts for all the taxing units of
10 the county. On or before August 1 of each year the auditor of state shall
11 transfer to each county auditor the supplemental distribution for the
12 county for the year. For purposes of determining distributions under
13 subsection (b), the state board of tax commissioners shall determine a
14 state welfare allocation for each county calculated as follows:

15 (1) For 2000 and each year thereafter, the state welfare allocation
16 for each county equals the greater of zero (0) or the amount
17 determined under the following formula:

18 STEP ONE: For:

19 (A) 1997, 1998, and 1999, determine the result of:

20 ~~(A)~~ (i) the amounts appropriated by the county in the year
21 for the county's county welfare fund and county welfare
22 administration fund; divided by

23 ~~(B)~~ (ii) the amounts appropriated by all the taxing units in
24 the county in the year; **and**

25 (B) 2001, 2002, and 2003, determine the result of:

26 (i) the amounts appropriated by the county in the year
27 for the county's county family and children's fund;
28 divided by

29 (ii) the amounts appropriated by all the taxing units in
30 the county in the year.

31 STEP TWO: Determine the sum of the results determined in
32 STEP ONE.

33 STEP THREE: Divide the STEP TWO result by three (3).

34 STEP FOUR: Determine the amount that would otherwise be
35 distributed to all the taxing units in the county under
36 subsection (b) without regard to this subdivision.

37 STEP FIVE: Determine the result of:

38 (A) the STEP FOUR amount; multiplied by

- 1 (B) the STEP THREE result.
- 2 (2) The state welfare allocation shall be deducted from the
- 3 distributions otherwise payable under subsection (b) to the taxing
- 4 unit that is a county and shall be deposited in a special account
- 5 within the state general fund.
- 6 (b) A taxing unit's guaranteed distribution for a year is the greater
- 7 of zero (0) or an amount equal to:
 - 8 (1) the amount received by the taxing unit under IC 6-5-10 and
 - 9 IC 6-5-11 in 1989; minus
 - 10 (2) the amount to be received by the taxing unit in the year of the
 - 11 distribution, as determined by the state board of tax
 - 12 commissioners, from property taxes attributable to the personal
 - 13 property of banks, exclusive of the property taxes attributable to
 - 14 personal property leased by banks as the lessor where the
 - 15 possession of the personal property is transferred to the lessee;
 - 16 minus
 - 17 (3) in the case of a taxing unit that is a county, the amount that
 - 18 would have been received by the taxing unit in the year of the
 - 19 distribution, as determined by the state board of tax
 - 20 commissioners, from property taxes that:
 - 21 (A) were calculated for the county's county welfare fund and
 - 22 county welfare administration fund for 2000 but were not
 - 23 imposed because of the repeal of IC 12-19-3 and IC 12-19-4;
 - 24 and
 - 25 (B) would have been attributable to the personal property of
 - 26 banks, exclusive of the property taxes attributable to personal
 - 27 property leased by banks as the lessor where the possession of
 - 28 the personal property is transferred to the lessee.
- 29 (c) The amount of the supplemental distribution for a county for a
- 30 year shall be determined using the following formula:
 - 31 STEP ONE: Determine the greater of zero (0) or the difference
 - 32 between:
 - 33 (A) one-half (1/2) of the taxes that the department estimates
 - 34 will be paid under this article during the year; minus
 - 35 (B) the sum of all the guaranteed distributions, before the
 - 36 subtraction of all state welfare allocations under subsection
 - 37 (a), for all taxing units in all counties plus the bank personal
 - 38 property taxes to be received by all taxing units in all counties,

- 1 as determined under subsection (b)(2) for the year.
- 2 STEP TWO: Determine the quotient of:
- 3 (A) the amount received under IC 6-5-10 and IC 6-5-11 in
- 4 1989 by all taxing units in the county; divided by
- 5 (B) the sum of the amounts received under IC 6-5-10 and
- 6 IC 6-5-11 in 1989 by all taxing units in all counties.
- 7 STEP THREE: Determine the product of:
- 8 (A) the amount determined in STEP ONE; multiplied by
- 9 (B) the amount determined in STEP TWO.
- 10 STEP FOUR: Determine the greater of zero (0) or the difference
- 11 between:
- 12 (A) the amount of supplemental distribution determined in
- 13 STEP THREE for the county; minus
- 14 (B) the amount of refunds granted under IC 6-5-10-7 that have
- 15 yet to be reimbursed to the state by the county treasurer under
- 16 IC 6-5-10-13.
- 17 For the supplemental distribution made on or before August 1 of each
- 18 year, the department shall adjust the amount of each county's
- 19 supplemental distribution to reflect the actual taxes paid under this
- 20 article for the preceding year.
- 21 (d) Except as provided in subsection (f), the amount of the
- 22 supplemental distribution for each taxing unit shall be determined
- 23 using the following formula:
- 24 STEP ONE: Determine the quotient of:
- 25 (A) the amount received by the taxing unit under IC 6-5-10
- 26 and IC 6-5-11 in 1989; divided by
- 27 (B) the sum of the amounts used in STEP ONE (A) for all
- 28 taxing units located in the county.
- 29 STEP TWO: Determine the product of:
- 30 (A) the amount determined in STEP ONE; multiplied by
- 31 (B) the supplemental distribution for the county, as determined
- 32 in subsection (c), STEP FOUR.
- 33 (e) The county auditor shall distribute the guaranteed and
- 34 supplemental distributions received under subsection (a) to the taxing
- 35 units in the county at the same time that the county auditor makes the
- 36 semiannual distribution of real property taxes to the taxing units.
- 37 (f) The amount of a supplemental distribution paid to a taxing unit
- 38 that is a county shall be reduced by an amount equal to:

- 1 (1) the amount the county would receive under subsection (d)
- 2 without regard to this subsection; minus
- 3 (2) an amount equal to:
 - 4 (A) the amount under subdivision (1); multiplied by
 - 5 (B) the result of the following:
 - 6 ~~(i)~~ (i) Determine the amounts appropriated by the county in
 - 7 1997, 1998, and 1999, from the county's county welfare fund
 - 8 and county welfare administration fund **plus the amounts**
 - 9 **appropriated by the county in 2001, 2002, and 2003,**
 - 10 **from the county's county family and children's fund,**
 - 11 divided by the total amounts appropriated by all the taxing
 - 12 units in the county in the year.
 - 13 (ii) Divide the amount determined in item ~~(i)~~ (i) by three (3).

14 SECTION 36. IC 6-6-5-10, AS AMENDED BY P.L.273-1999,
 15 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JANUARY 1, 2004]: Sec. 10. (a) The bureau shall establish procedures
 17 necessary for the collection of the tax imposed by this chapter and for
 18 the proper accounting for the same. The necessary forms and records
 19 shall be subject to approval by the state board of accounts.

20 (b) The county treasurer upon receiving the excise tax collections
 21 shall receipt such collections into a separate account for settlement
 22 thereof at the same time as property taxes are accounted for and settled
 23 in June and December of each year, with the right and duty of the
 24 treasurer and auditor to make advances prior to the time of final
 25 settlement of such property taxes in the same manner as provided in
 26 IC 5-13-6-3.

27 (c) The county auditor shall determine the total amount of excise
 28 taxes collected for each taxing unit in the county and the amount so
 29 collected (and the distributions received under section 9.5 of this
 30 chapter) shall be apportioned and distributed among the respective
 31 funds of each taxing unit in the same manner and at the same time as
 32 property taxes are apportioned and distributed. However, for purposes
 33 of determining distributions under this section for 2000 and each year
 34 thereafter, the state welfare allocation for each county equals the
 35 greater of zero (0) or the amount determined under STEP FIVE of the
 36 following STEPS:

37 STEP ONE: For:

- 38 (A) 1997, 1998, and 1999, determine the result of:

1 ⊕ (i) the amounts appropriated by the county in the year from
 2 the county's county welfare fund and county welfare
 3 administration fund; divided by
 4 (ii) the total amounts appropriated by all the taxing units in the
 5 county in the year; **and**

6 **(B) 2001, 2002, and 2003, determine the result of:**

7 **(i) the amounts appropriated by the county in the year**
 8 **from the county's county family and children's fund;**
 9 **divided by**

10 **(ii) the total amounts appropriated by all the taxing units**
 11 **in the county in the year.**

12 STEP TWO: Determine the sum of the results determined in
 13 STEP ONE.

14 STEP THREE: Divide the STEP TWO result by three (3).

15 STEP FOUR: Determine the amount that would otherwise be
 16 distributed to all the taxing units in the county under this
 17 subsection without regard to this subdivision.

18 STEP FIVE: Determine the result of:

19 ⊕ (i) the STEP FOUR amount; multiplied by

20 (ii) the STEP THREE result.

21 The state welfare allocation shall be deducted from the total amount
 22 available for apportionment and distribution to taxing units under this
 23 section before any apportionment and distribution is made. The county
 24 auditor shall remit the state welfare allocation to the treasurer of state
 25 for deposit in a special account within the state general fund.

26 (d) Such determination shall be made from copies of vehicle
 27 registration forms furnished by the bureau of motor vehicles. Prior to
 28 such determination, the county assessor of each county shall, from
 29 copies of registration forms, cause information pertaining to legal
 30 residence of persons owning taxable vehicles to be verified from his
 31 records, to the extent such verification can be so made. He shall further
 32 identify and verify from his records the several taxing units within
 33 which such persons reside.

34 (e) Such verifications shall be done by not later than thirty (30) days
 35 after receipt of vehicle registration forms by the county assessor, and
 36 the assessor shall certify such information to the county auditor for his
 37 use as soon as it is checked and completed."

38 Delete pages 17 through 18.

Page 19, delete lines 1 through 14.

Page 19, line 26, delete "[EFFECTIVE JANUARY 1, 2004]" and insert "[EFFECTIVE JULY 1, 2000]".

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"SECTION
FOLLOWS
chapter, "child services" means

(1)

are:

(+) adjudicated to be:

— (i)

(B) (ii) delinquent children; or

(2) recipients of or are eligible for:

— (i)

(B) (ii) service referral agreements; and

(C) adoption assistance;

the costs of using an institution or facility in Indiana for providing educational services as described in either 20-8.1-3-36 (if applicable) or IC 20-8.1-6.1-8 (if applicable),

and

IC 20-8.1-6.1-7.

(2) Assistance awarded by a county to a destitute child under IC 12-17-1.

".

26, line 9, delete "child" and insert "**early established by IC 31-34-24**

Page 26, line 10, delete "protection team established under IC 31-33-3".

(a)".

Page 28, between lines 22 and 23, begin a new paragraph and insert:

**"(b)
fund
payable
in
division
in
family and children's fund within each county.**

1 (c) **With the approval of the governor and the budget agency,**
2 **money appropriated to the division of family and children for**
3 **programs, services, and activities described in subsection (a) may**
4 **be augmented from the state general fund."**

5 Page 37, after line 34, begin a new paragraph and insert:
6 "SECTION 68. **An emergency is declared for this act.**"
7 Renumber all SECTIONS consecutively.
 (Reference is to HB 1006 as introduced.)

and when so amended that said bill do pass.

Representative Bauer