
SENATE BILL No. 428

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-18.5-10.4; IC 6-1.1-18.5-19.

Synopsis: Fire protection property tax levies. Provides that the property tax levy limits do not apply to property taxes imposed by a fire protection district for a cumulative firefighting building and equipment fund. Provides for a one time recomputation of township firefighting levies for 2001.

Effective: July 1, 2000; January 1, 2001.

Landske

January 10, 2000, read first time and referred to Committee on Finance.

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Second Regular Session 111th General Assembly (2000)

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 1999 General Assembly.

SENATE BILL No. 428



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

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

1 SECTION 1. IC 6-1.1-18.5-10.4 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JANUARY 1, 2001]: Sec. 10.4. (a) The ad
3 valorem property tax levy limits imposed by section 3 of this chapter
4 do not apply to ad valorem property taxes imposed by a township **or a**
5 **fire protection district** under IC 36-8-14.

6 (b) For purposes of computing the ad valorem property tax levy
7 limit imposed on a township **or a fire protection district** under section
8 3 of this chapter, the township's **or the fire protection district's** ad
9 valorem property tax levy for a particular calendar year does not
10 include that part of the levy imposed under IC 36-8-14.

11 SECTION 2. IC 6-1.1-18.5-19 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 19. ~~(a)~~ If a township
13 levied an ad valorem property tax levy for a township firefighting fund
14 under IC 36-8-13-4 for calendar year ~~1989~~, **2000**, the maximum
15 permissible ad valorem property tax levy that will apply to the
16 township's firefighting fund under section 3 of this chapter for calendar
17 year ~~1990~~ **2001** is the amount determined in STEP FIVE of the



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- 1 following STEPS:
- 2 STEP ONE: Determine the part of the township's ad valorem
- 3 property tax levy for calendar year ~~1989~~ **2000** that was dedicated
- 4 to the township firefighting fund.
- 5 STEP TWO: If the township incurred any loans or bonded
- 6 indebtedness to pay for fire protection or emergency services
- 7 during the period from January 1, ~~1987~~ **1997**, through December
- 8 31, ~~1989~~ **2000**, (excluding loans or bonded indebtedness used to
- 9 purchase firefighting apparatus or equipment or housing),
- 10 determine the number of calendar years during that period in
- 11 which the township incurred the loans or bonded indebtedness.
- 12 STEP THREE: Calculate the quotient of:
- 13 (A) the total amounts of loans or bonded indebtedness
- 14 incurred by the township for fire protection and emergency
- 15 services during the period from January 1, ~~1987~~ **1997**, through
- 16 December 31, ~~1989~~ **2000**, (excluding loans or bonded
- 17 indebtedness used to purchase firefighting apparatus or
- 18 equipment or housing); divided by
- 19 (B) the number determined in STEP TWO.
- 20 STEP FOUR: Add the result determined in STEP ONE to the
- 21 result determined in STEP THREE.
- 22 STEP FIVE: Calculate the maximum ad valorem property tax levy
- 23 that would result from making the calculations contained in
- 24 section 3 of this chapter as those calculations apply to the
- 25 township, using the result obtained in STEP FOUR for the civil
- 26 taxing unit's maximum permissible ad valorem property tax levy
- 27 for the preceding calendar year under section 3(a) or 3(b) of this
- 28 chapter, whichever applies to the township.
- 29 If the amount determined under this subsection is substantially lower
- 30 than the township's normal expenditure patterns for fire protection and
- 31 emergency services (excluding the expenditures for the purchase of
- 32 firefighting apparatus or equipment or housing), the township may
- 33 appeal to the local government tax control board for an increase in the
- 34 ~~1990~~ **2000** maximum permissible ad valorem property tax levy for its
- 35 township firefighting fund. In considering the appeal, the local
- 36 government tax control board shall consider other sources of revenue
- 37 used by the township during calendar year ~~1989~~ **2000** to fund fire
- 38 protection and emergency services that are also available for such
- 39 funding in ~~1990~~ **2001** and thereafter and the board shall also consider
- 40 any other relevant factors.
- 41 (b) If a township did not have a township firefighting fund under
- 42 ~~IC 36-8-13-4~~ for calendar year 1989; but appropriated funds for fire

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1 protection or emergency services for that calendar year, the township's
 2 maximum ad valorem property tax levy that will apply to the township's
 3 firefighting fund under section 3 of this chapter for calendar year 1990
 4 is the amount determined in STEP FIVE of the following STEPS:

5 STEP ONE: Determine the amount that the township appropriated
 6 from its general fund for fire protection and emergency services
 7 (excluding appropriations for the purchase of firefighting
 8 apparatus or equipment or housing):

9 STEP TWO: If the township incurred any loans or bonded
 10 indebtedness to pay for fire protection or emergency services
 11 during the period from January 1, 1987, through December 31,
 12 1989 (excluding loans or bonded indebtedness used to purchase
 13 firefighting apparatus or equipment or housing); determine the
 14 number of calendar years during that period in which the
 15 township incurred the loans or bonded indebtedness:

16 STEP THREE: Calculate the quotient of:

17 (A) the total amounts of loans or bonded indebtedness
 18 incurred by the township for fire protection and emergency
 19 services during the period from January 1, 1987, through
 20 December 31, 1989 (excluding loans or bonded indebtedness
 21 used to purchase firefighting apparatus or equipment or
 22 housing); divided by

23 (B) the number determined in STEP TWO.

24 STEP FOUR: Add the result of STEP ONE to the result of STEP
 25 THREE:

26 STEP FIVE: Calculate the maximum ad valorem property tax levy
 27 that would result from making the calculations contained in
 28 section 3 of this chapter, as those calculations apply to the
 29 township; using the result obtained in STEP FOUR for the civil
 30 taxing unit's maximum permissible ad valorem property tax levy
 31 for the preceding calendar year under section 3(a) or 3(b) of this
 32 chapter, whichever applies to the township:

33 If the amount determined under this subsection is substantially lower
 34 than the township's normal expenditure patterns for fire protection and
 35 emergency services (excluding the expenditures for the purchase of
 36 firefighting apparatus or equipment or housing), the township may
 37 appeal to the local government tax control board for an increase in its
 38 1990 maximum permissible levy for its township firefighting fund: In
 39 considering the appeal, the local government tax control board shall
 40 consider other sources of revenue used by the township during calendar
 41 year 1989 to fund fire protection and emergency services that are also
 42 available for such funding in 1990 and thereafter and the board shall



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1 also consider any other relevant factors.
2 (c) If for calendar year 1989:
3 (1) a township had a township firefighting fund under
4 IC 36-8-13-4 but did not have an ad valorem property tax levy for
5 that fund; or
6 (2) a township did not have a township firefighting fund and
7 appropriated no money for fire protection or emergency services;
8 the township's maximum permissible ad valorem property tax levy for
9 its township firefighting fund shall be determined under section 7 of
10 this chapter in the calendar year in which the township first establishes
11 such a levy.
12 SECTION 3. [EFFECTIVE JULY 1, 2000] IC 6-1.1-18.5-10.4 and
13 IC 6-1.1-18.5-19, both as amended by this act, apply to property
14 taxes first due and payable after December 31, 2000.

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