Adopted	Rejected

COMMITTEE REPORT

YES:	19
NO:	1

MR. SPEAKER:

Your Committee on **Ways and Means**, to which was referred House Bill 1447, has 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:

Page 1, delete lines 1 through 15, begin a new paragraph and insert:

"SECTION 1. IC 3-11-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. To provide for a cumulative fund, a county may levy a tax in compliance with IC 6-1.1-41 on all taxable property within the county. The tax may not exceed **the following:**

(1) The levy imposed for the fund in the immediately preceding year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of temporary adjustments made to the levy for the calendar year, if the taxing unit levied a property tax for the fund in the immediately preceding year.

(2) The levy imposed for the fund for the ensuing calendar

year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax for the fund in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of assessed valuation.

SECTION 2. IC 5-1-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) Any bonds, notes, or warrants, whether payable from property taxes, revenues, or any other source, are not subject to the maximum interest rate limitations contained in any law enacted before December 31, 1982, if they are issued by or in the name of any entity named in IC 5-1-1-1.

(b) After July 1, 1979, any bond, coupon, certificate of indebtedness, or installment payment payable by a city, town, or property holder for public improvements under the Barrett Law is not subject to any maximum interest rate limitation. This subsection does not apply to interest rates or penalties on delinquencies provided under the Barrett Law.

~~(c) This section does not limit an interest rate review conducted by the department of local government finance under IC 6-1.1-20-7.~~

SECTION 3. IC 5-1-16-42, AS AMENDED BY P.L.146-2008, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 42. (a) When the authority, the board of trustees or board of managers of the hospital, the board of commissioners of the county, and a majority of the county council have agreed upon the terms and conditions of any lease proposed to be entered into under section 38 or 39 of this chapter, and before the final execution of the lease, the county auditor shall give notice by publication of a public hearing to be held in the county by the board of commissioners. The hearing shall take place on a day not earlier than ten (10) days after the publication of the notice. The notice of the hearing shall be published one (1) time in a newspaper of general circulation printed in the English language and published in the county.

The notice shall do the following:

(1) Name the day, place, and hour of the hearing.

(2) Set forth a brief summary of the principal terms of the lease agreed upon, including the character and location of the property to be leased, the lease rental to be paid, and the number of years the contract is to be in effect.

(3) State a location where the proposed lease, drawings, plans, specifications, and estimates may be examined.

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

(b) If the execution of the lease as originally agreed upon or as modified by agreement is authorized, notice of the signing of the lease shall be given on behalf of the county by publication one (1) time in a newspaper of general circulation printed in the English language and published in the county. ~~Except as provided in subsection (d), ten (10) or more taxpayers in the county whose tax rate will be affected by the proposed lease and who may be of the opinion that no necessity exists for the execution of the lease or that the lease rental under the lease is not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after publication of notice of the execution of the lease that sets forth the taxpayers' objections and facts supporting those objections. Upon the filing of a petition, the county auditor shall immediately certify a copy of the petition together with such other data as may be necessary in order to present the questions involved to the department of local government finance. Upon receipt of the certified petition and information, the department of local~~

~~government finance shall fix a time and place in the affected county for the hearing of the matter that is not less than five (5) or more than fifteen (15) days after receipt. Notice of the hearing shall be given by the department of local government finance to the board of county commissioners and to the first ten (10) taxpayer petitioners upon the petition by certified mail sent to the addresses listed on the petition at least five (5) days before the date of the hearing.~~

(c) No action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease shall be instituted at any time later than thirty (30) days after publication of notice of the execution of the lease. ~~or if an appeal has been taken to the department of local government finance, then within thirty (30) days after the decision of the department.~~

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

SECTION 4. IC 6-1.1-1-3.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 3.8. "Civil taxing unit" has the meaning set forth in IC 6-1.1-18.5-1.**

SECTION 5. IC 6-1.1-1-8.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 8.2. "Homestead" has the meaning set forth in IC 6-1.1-12-37.**

SECTION 6. IC 6-1.1-1-8.4, AS ADDED BY P.L.146-2008, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8.4. **(a)** "Inventory" means:

(1) materials held for processing or for use in production;

(2) finished or partially finished goods of a manufacturer or processor; and

(3) property held for sale in the ordinary course of trade or business.

(b) The term includes:

(1) items that qualify as inventory under 50 IAC 4.2-5-1 (as effective December 31, 2008); **and**

(2) subject to subsection (c), a mobile home that:

(A) does not qualify as real property;
(B) is located in a mobile home community;
(C) is unoccupied; and
(D) is:
(i) owned and held for sale by the owner of the mobile home community; or
(ii) owned by a person other than the owner of the mobile home community and held for sale by the owner of the mobile home.

(c) Subsection (b)(2) applies regardless of whether the mobile home that is held for sale is new or was previously owned.

SECTION 7. IC 6-1.1-1-8.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 8.6. "Levy growth multiplier" refers to the levy growth multiplier determined for a county for a particular year under IC 6-1.1-18.5-2.**

SECTION 8. IC 6-1.1-1-8.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 8.8. "Mobile home community" has the meaning set forth in IC 16-41-27-5.**

SECTION 9. IC 6-1.1-3-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 22. (a) Except to the extent that it conflicts with a statute and subject to subsection (f), 50 IAC 4.2 (as in effect January 1, 2001), which was formerly incorporated by reference into this section, is reinstated as a rule.

(b) Tangible personal property within the scope of 50 IAC 4.2 (as in effect January 1, 2001) shall be assessed on the assessment dates in calendar years 2003 and thereafter in conformity with 50 IAC 4.2 (as in effect January 1, 2001).

(c) The publisher of the Indiana Administrative Code shall publish 50 IAC 4.2 (as in effect January 1, 2001) in the Indiana Administrative Code.

(d) 50 IAC 4.3 and any other rule to the extent that it conflicts with this section is void.

(e) A reference in 50 IAC 4.2 to a governmental entity that has been terminated or a statute that has been repealed or amended shall be treated as a reference to its successor.

(f) The department of local government finance may not amend or repeal the following (all as in effect January 1, 2001):

(1) 50 IAC 4.2-4-3(f).

(2) 50 IAC 4.2-4-7.

(3) 50 IAC 4.2-4-9.

~~(4) 50 IAC 4.2-5-7.~~

~~(5) 50 IAC 4.2-5-13.~~

~~(6)~~ **(4)** 50 IAC 4.2-6-1.

~~(7)~~ **(5)** 50 IAC 4.2-6-2.

~~(8)~~ **(6)** 50 IAC 4.2-8-9.

SECTION 11. IC 6-1.1-4-42 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2009 (RETROACTIVE)]: **Sec. 42. (a) This section applies to assessment dates after January 15, 2009.**

(b) As used in this section, "golf course" means an area of land and yard improvements that are predominately used to play the game of golf. A golf course consists of a series of holes, each consisting of a teeing area, fairway, rough and other hazards, and the green with the pin and cup.

(c) The true tax value of real property regularly used as a golf course is the lowest valuation determined by applying the income capitalization appraisal approach. The income capitalization approach used to determine the true tax value of a golf course must:

(1) incorporate an applicable income capitalization method and appropriate capitalization rates that are developed and used in computations that lead to an indication of value commensurate with the risks for the subject property use;

(2) provide for the uniform and equal assessment of golf courses of similar grade quality and play length; and

(3) exclude the value of personal property, intangible property, and income derived from personal or intangible property.

(d) For assessment dates after January 15, 2009, and before March 1, 2012, a township assessor (if any) or the county assessor shall gather and process information from the owner of a golf course to carry out this section in accordance with the rules adopted by the department of local government finance under

IC 4-22-2.

(e) For assessment dates after February 28, 2012, the department of local government finance shall, by rule adopted under IC 4-22-2, establish uniform income capitalization tables and procedures to be used for the assessment of golf courses. The department of local government finance may rely on analysis conducted by a state educational institution to develop the income capitalization tables and procedures required under this section. Assessing officials shall use the tables and procedures adopted by the department of local government finance to assess, reassess, and annually adjust the assessed value of golf courses.

(f) The department of local government finance may prescribe procedures, forms, and due dates for the collection from the owners or operators of golf courses of the necessary earnings, income, profits, losses, and expenditures data necessary to carry out this section. An owner or operator of a golf course shall comply with the procedures and reporting schedules prescribed by the department of local government finance.

SECTION 12. IC 6-1.1-5.5-5, AS AMENDED BY P.L.144-2008, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. (a) The department of local government finance shall prescribe a sales disclosure form for use under this chapter. The form prescribed by the department of local government finance must include at least the following information:

(1) The key number (as defined in IC 6-1.1-1-8.5) of each parcel.

(2) With respect to each parcel, whether the entire parcel is being conveyed.

(3) The address of each improved parcel.

(4) The date of the execution of the form.

(5) The date the property was transferred.

(6) Whether the transfer includes an interest in land or improvements, or both.

(7) Whether the transfer includes personal property.

(8) An estimate of the value of any personal property included in the transfer.

(9) The name, address, and telephone number of:

(A) each transferor and transferee; and

(B) the person that prepared the form.

(10) The mailing address to which the property tax bills or other official correspondence should be sent.

(11) The ownership interest transferred.

(12) The classification of the property (as residential, commercial, industrial, agricultural, vacant land, or other).

(13) Subject to subsection (c), the total price actually paid or required to be paid in exchange for the conveyance, whether in terms of money, property, a service, an agreement, or other consideration, but excluding tax payments and payments for legal and other services that are incidental to the conveyance.

(14) The terms of seller provided financing, such as interest rate, points, type of loan, amount of loan, and amortization period, and whether the borrower is personally liable for repayment of the loan.

(15) Any family or business relationship existing between the transferor and the transferee.

(16) A legal description of each parcel subject to the conveyance.

(17) Whether the transferee is using the form to claim ~~the following~~ **one (1) or more deductions under IC 6-1.1-12-44** for property taxes first due and payable in a calendar year after 2008.

~~(A) One (1) or more deductions under IC 6-1.1-12-44.~~

~~(B) The homestead credit under IC 6-1.1-20.9-3.5.~~

(18) If the transferee uses the form to claim the ~~homestead credit~~ **standard deduction** under ~~IC 6-1.1-20.9-3.5,~~ **IC 6-1.1-12-37,** the name of any other county and township in which the transferee of residential real property owns or is buying residential real property.

(19) Other information as required by the department of local government finance to carry out this chapter.

If a form under this section includes the telephone number or the Social Security number of a party, the telephone number or the Social Security number is confidential.

(b) The instructions for completing the form described in subsection (a) must include the information described in IC 6-1.1-12-43(c)(1).

(c) If the conveyance includes more than one (1) parcel as described in section 3(h) of this chapter, the form:

(1) is not required to include the price referred to in subsection (a)(13) for each of the parcels subject to the conveyance; and

(2) may state a single combined price for all of those parcels.

SECTION 13. IC 6-1.1-7-15 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **Sec. 15. (a) This section applies to a mobile home or manufactured home:**

(1) that has deteriorated to a degree that it can no longer provide suitable protection from the elements as to be used as a primary place of residence;

(2) that has little or no value as a structure to be rehabilitated for use as a primary place of residence;

(3) on which personal property tax liability has been imposed in an amount that exceeds the estimated resale value of the mobile home or manufactured home; and

(4) that has been abandoned in a mobile home community licensed under IC 16-41-27.

(b) The holder of the title of a mobile home or manufactured home described in subsection (a) may submit a written request to the county assessor for the county where the mobile home or manufactured home is located requesting that personal property tax liability imposed on the mobile home or manufactured home be waived. If the county assessor determines that the property that is the subject of the request meets the requirements in subsection (a), the county assessor shall send to the applicant a letter that waives the property taxes, special assessments, interest, penalties, and costs assessed against the property under this article, subject to compliance with subsection (c). The county assessor shall deliver a copy of the letter to the county auditor and the county treasurer.

(c) Upon receipt of a letter waiving property taxes imposed on a mobile home or manufactured home, the holder of the title of the property that is the subject of a letter issued under subsection (b) shall:

(1) deliver a signed statement to the county assessor stating that the mobile home or manufactured home:

(A) will be dismantled or destroyed either at its present site or at a remote site; and

(B) will not be used again as a dwelling or other shelter; and

(2) dismantle or destroy the mobile home or manufactured

home and not use the mobile home or manufactured home as a structure after the issuance date of the letter waiving property taxes.

(d) The county auditor shall remove from the tax duplicate the property taxes, special assessments, interest, penalties, and costs for which a waiver is granted under this section.

SECTION 14. IC 6-1.1-12-9, AS AMENDED BY P.L.144-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. (a) An individual may obtain a deduction from the assessed value of the individual's ~~real property, or mobile home or manufactured home which is not assessed as real property,~~ **homestead** if:

(1) the individual is at least sixty-five (65) years of age on or before December 31 of the calendar year **immediately** preceding the year in which the ~~deduction is claimed,~~ **property taxes are first due and payable.**

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

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

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

(i) the individual shares ownership; or

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

as joint tenants or tenants in common;

for the calendar year preceding the year in which the deduction is claimed did not exceed twenty-five thousand dollars ($25,000);

(3) the individual has owned the ~~real property, mobile home, or manufactured home~~ **homestead** for at least one (1) year before claiming the deduction; or the individual has been buying the ~~real property, mobile home, or manufactured home~~ **homestead** under a contract that provides that the individual is to pay the property taxes on the ~~real property, mobile home, or manufactured home~~ **homestead** for at least one (1) year before claiming the deduction, and the contract or a memorandum of the contract is recorded in the county recorder's office;

(4) the individual and any individuals covered by subdivision (2)(B) reside on the ~~real property, mobile home, or manufactured home,~~ **homestead;**

(5) the assessed value of the ~~real property, mobile home, or manufactured home~~ **homestead** does not exceed one hundred eighty-two thousand four hundred thirty dollars ($182,430);

(6) the individual receives no other property tax deduction for the year in which the deduction is claimed, except the deductions provided by sections 1, **26, 29, 30, 33, 34,** 37, **37.5,** and 38 of this chapter; and

(7) the person:

~~(1)~~ **(A)** owns the ~~real property, mobile home, or manufactured home,~~ **homestead;** or

~~(2)~~ **(B)** is buying the ~~real property, mobile home, or manufactured home~~ **homestead** under contract;

on the date the statement required by section 10.1 of this chapter is filed.

Subdivision (6) does not limit any credits that the person is otherwise eligible to receive under IC 6-1.1-20.6 or another law.

(b) Except as provided in subsection (h), in the case of real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the real property; or

(2) twelve thousand four hundred eighty dollars ($12,480).

(c) Except as provided in subsection (h) and section 40.5 of this chapter, in the case of a mobile home that is not assessed as real property or a manufactured home which is not assessed as real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the mobile home or manufactured home; or

(2) twelve thousand four hundred eighty dollars ($12,480).

(d) An individual may not be denied the deduction provided under this section because the individual is absent from the ~~real property, mobile home, or manufactured home~~ **homestead** while in a nursing home or hospital.

(e) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by:

(1) tenants by the entirety;

(2) joint tenants; or

(3) tenants in common;

only one (1) deduction may be allowed. However, the age requirement

is satisfied if any one (1) of the tenants is at least sixty-five (65) years of age.

(f) A surviving spouse is entitled to the deduction provided by this section if:

(1) the surviving spouse is at least sixty (60) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the surviving spouse's deceased husband or wife was at least sixty-five (65) years of age at the time of a death;

(3) the surviving spouse has not remarried; and

(4) the surviving spouse satisfies the requirements prescribed in subsection (a)(2) through (a)(7).

(g) An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property may not claim the deduction provided under this section against that real property.

(h) In the case of tenants covered by subsection (a)(2)(B), if all of the tenants are not at least sixty-five (65) years of age, the deduction allowed under this section shall be reduced by an amount equal to the deduction multiplied by a fraction. The numerator of the fraction is the number of tenants who are not at least sixty-five (65) years of age, and the denominator is the total number of tenants.".

Delete pages 2 through 4.

Page 5, delete lines 1 through 6.

Page 7, delete lines 2 through 42, begin a new paragraph and insert:

"SECTION 17. IC 6-1.1-12-37, AS AMENDED BY P.L.146-2008, SECTION 115, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 37. (a) The following definitions apply throughout this section:

(1) "Dwelling" means any of the following:

(A) Residential real property improvements that an individual uses as the individual's residence, including a house or garage.

(B) A mobile home that is not assessed as real property that an individual uses as the individual's residence.

(C) A manufactured home that is not assessed as real property that an individual uses as the individual's residence.

(2) "Homestead" means an individual's principal place of residence: ~~that:~~

(A) **that** is located in Indiana;

(B) ~~the individual.~~ **that:**

(i) **the individual** owns;

(ii) **the individual** is buying under a contract, recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the residence; ~~or~~

(iii) **the individual** is entitled to occupy as a tenant-stockholder (as defined in 26 U.S.C. 216) of a cooperative housing corporation (as defined in 26 U.S.C. 216); **or**

(iv) is a residence described in section 17.9 of this chapter that is owned by a trust in which the individual has a beneficial interest; and

(C) **that** consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

(b) Each year ~~an individual who on March 1 of a particular year or, in the case of a mobile home that is assessed as personal property, the immediately following January 15, either owns or is buying a homestead under a contract, recorded in the county recorder's office, that provides the individual is to pay property taxes on~~ the **individual or entity obligated to pay property taxes on a** homestead **for a particular assessment date** is entitled to a standard deduction from the assessed value of the homestead **for that assessment date. The deduction provided by this section applies only if the individual has an interest in the homestead described in subsection (a)(2)(B) on:**

(1) the assessment date, if section 17.8 of this chapter applies; or

(2) the date that a statement is filed under subsection (e) or section 44 of this chapter, if section 17.8 of this chapter does not apply.

Subject to subsection (c), the auditor of the county shall record and make the deduction for the ~~person~~ **individual or entity** qualifying for the deduction.

(c) ~~Except as provided in section 40.5 of this chapter,~~ The total amount of the deduction that a person may receive under this section for a particular year is the lesser of:

(1) sixty percent (60%) of the assessed value of the ~~real property,~~

~~mobile home not assessed as real property, or manufactured home not assessed as real~~ property **that constitutes the homestead;** or (2) forty-five thousand dollars ($45,000).

~~2010,~~ **If the homestead consists of a mobile home or manufactured home that is assessed as personal property, the deduction under this section shall be applied to the mobile home or manufactured home after applying other deductions to which the mobile home or manufactured home is eligible under this chapter until the maximum permissible deduction permitted under section 40.5 of this chapter is reached. If the homestead also includes real estate surrounding the mobile home or manufactured home, the excess amount of the deduction under this chapter that is not applied to the mobile home or manufactured home shall be applied to the real property until the maximum permissible deduction permitted under this section is reached.**

(d) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

(e) **Except as provided in sections 17.8 and 44 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by this section must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement must include the parcel number or key number of the property and the name of the city, town, or township in which the property is located. The statement may be filed in person or by mail. If the statement is mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the deduction is allowed. An individual who wishes to claim the deduction must list on the statement the name of any other county and township in which the individual owns or is buying residential real property. With respect to real property, the person must file the statement during the year for which the person**

desires to obtain the deduction. With respect to a mobile home that is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of the year for which the person desires to obtain the deduction. If an individual who is receiving the deduction provided by this chapter changes the use of the individual's property so that part or all of the property no longer qualifies for the deduction under this section, the individual shall file a certified statement with the auditor of the county, notifying the auditor of the change of use, not more than sixty (60) days after the date of that change. An individual who changes the use of the individual's property and fails to file the statement required by this subsection is liable for any additional taxes that would have been due on the property if the individual had filed the statement as required by this subsection. The department of local government finance shall adopt rules or guidelines concerning the application for a deduction under this section, **including any application procedures necessary to prevent an individual from simultaneously claiming more than one (1) deduction under this section.**

(f) The county auditor may not grant an individual or a married couple a deduction under this section if:

(1) the individual or married couple, for the same year, claims the deduction on two (2) or more different applications for the deduction; and

(2) the applications claim the deduction for different property.".

Delete page 8.

Page 9, delete lines 1 through 20.

Page 11, delete lines 26 through 42, begin a new paragraph and insert:

"SECTION 19. IC 6-1.1-12-44, AS ADDED BY P.L.144-2008, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 44. (a) A sales disclosure form under IC 6-1.1-5.5:

(1) that is submitted:

(A) as a paper form; or

(B) electronically;

on or before December 31 of a calendar year to the county assessor by or on behalf of the purchaser of a homestead (as

defined in ~~IC 6-1.1-20.9-1)~~ **section 37 of this chapter)** assessed as real property;

(2) that is accurate and complete;

(3) that is approved by the county assessor as eligible for filing with the county auditor; and

(4) that is filed:

(A) as a paper form; or

(B) electronically;

with the county auditor by or on behalf of the purchaser;

constitutes an application for the deductions provided by sections 26, 29, 33, ~~and~~ 34, **and 37** of this chapter with respect to property taxes first due and payable in the calendar year that immediately succeeds the calendar year referred to in subdivision (1).

(b) Except as provided in subsection (c), if:

(1) the county auditor receives ~~in a calendar year~~ a sales disclosure form that meets the requirements of subsection (a); and

(2) the homestead for which the sales disclosure form is submitted is otherwise eligible for a deduction referred to in subsection (a);

the county auditor shall apply the deduction to the homestead for property taxes first due and payable in the calendar year for which the homestead qualifies under subsection (a) and in any later year in which the homestead remains eligible for the deduction.

(c) Subsection (b) does not apply if the county auditor, after receiving a sales disclosure form from or on behalf of a purchaser under subsection (a)(4), determines that the homestead is ineligible for the deduction.".

Page 12, delete lines 1 through 18, begin a new paragraph and insert:

"SECTION 20. IC 6-1.1-16-1, AS AMENDED BY P.L.146-2008, SECTION 144, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 1. (a) **Subject to subsection (f) and** except as provided in section 2 of this chapter, an assessing official or county property tax assessment board of appeals may not change the assessed value claimed by a taxpayer on a personal property return unless the assessing official or county property tax assessment board of appeals takes the action and gives the notice required by IC 6-1.1-3-20 within the following periods:

(1) A township assessor (if any) must make a change in the

assessed value and give the notice of the change on or before the later of:

(A) September 15 of the year for which the assessment is made; or

(B) four (4) months from the date the personal property return is filed if the return is filed after May 15 of the year for which the assessment is made.

(2) A county assessor or county property tax assessment board of appeals must make a change in the assessed value, including the final determination by the board of an assessment changed by an assessing official, and give the notice of the change on or before the later of:

(A) October 30 of the year for which the assessment is made; or

(B) five (5) months from the date the personal property return is filed if the return is filed after May 15 of the year for which the assessment is made.

(3) The department of local government finance must make a preliminary change in the assessed value and give the notice of the change on or before the later of:

(A) October 1 of the year immediately following the year for which the assessment is made; or

(B) sixteen (16) months from the date the personal property return is filed if the return is filed after May 15 of the year for which the assessment is made.

(b) **Subject to subsection (f) and** except as provided in section 2 of this chapter, if an assessing official or a county property tax assessment board of appeals fails to change an assessment and give notice of the change within the time prescribed by this section, the assessed value claimed by the taxpayer on the personal property return is final.

(c) This section does not limit the authority of a county auditor to correct errors in a tax duplicate under IC 6-1.1-15-12.

(d) This section does not apply if the taxpayer:

(1) fails to file a personal property return which substantially complies with this article and the regulations of the department of local government finance; or

(2) files a fraudulent personal property return with the intent to evade the payment of property taxes.

(e) A taxpayer may appeal a preliminary determination of the department of local government finance under subsection (a)(3) to the Indiana board. An appeal under this subdivision shall be conducted in the same manner as an appeal under IC 6-1.1-15-4 through IC 6-1.1-15-8. A preliminary determination that is not appealed under this subsection is a final unappealable order of the department of local government finance.

(f) Subsections (a) and (b) do not apply to a change in the assessed value of personal property that results from the resolution of an appeal under IC 6-1.1-15.".

Page 13, delete lines 41 through 42, begin a new paragraph and insert:

"SECTION 22. IC 6-1.1-17-20, AS AMENDED BY P.L.146-2008, SECTION 163, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 20. (a) This section applies

~~(1)~~ to each governing body of a taxing unit that:

(1) is not comprised of a majority of officials who are elected to serve on the governing body; and

(2) ~~if the~~ **either:**

(A) is:

(i) a conservancy district subject to IC 14-33-9;

(ii) a solid waste management district subject to IC 13-21; or

(iii) a fire protection district subject to IC 36-8-11-18; or

(B) has a percentage increase in the proposed budget for the taxing unit for the ensuing calendar year **that** is more than the result of:

~~(A)~~ **(i)** the ~~assessed value~~ **levy** growth ~~quotient determined under IC 6-1.1-18.5-2~~ **multiplier** for the ensuing calendar year; minus

~~(B)~~ **(ii)** one (1).

For purposes of this section, an individual who qualifies to be appointed to a governing body or serves on a governing body because of the individual's status as an elected official of another taxing unit shall be treated as an official who was not elected to serve on the governing body.

(b) As used in this section, "taxing unit" has the meaning set forth

in IC 6-1.1-1-21, except that the term does not include:

(1) a school corporation; or

(2) an entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.

(c) This subsection does not apply to a public library. If:

(1) the assessed valuation of a taxing unit is entirely contained within a city or town; or

(2) the assessed valuation of a taxing unit is not entirely contained within a city or town but the taxing unit was originally established by the city or town;

the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body. The proposed budget and levy shall be submitted at least ~~fourteen (14)~~ **thirty (30)** days before the city or town fiscal body is required to hold budget approval hearings under this chapter.

(d) If subsection (c) does not apply, the governing body of the taxing unit shall submit its proposed budget and property tax levy to the county fiscal body in the county where the taxing unit has the most assessed valuation. The proposed budget and levy shall be submitted at least ~~fourteen (14)~~ **thirty (30)** days before the county fiscal body is required to hold budget approval hearings under this chapter.

(e) The fiscal body of the city, town, or county (whichever applies) shall review each budget and proposed tax levy and adopt a final budget and tax levy for the taxing unit. The fiscal body may reduce or modify but not increase the proposed budget or tax levy.

(f) If a taxing unit fails to file the information required in subsection (c) or (d), whichever applies, with the appropriate fiscal body by the time prescribed by this section, the most recent annual appropriations and annual tax levy of that taxing unit are continued for the ensuing budget year.

(g) If the appropriate fiscal body fails to complete the requirements of subsection (e) before the adoption deadline in section 5 of this chapter for any taxing unit subject to this section, the most recent annual appropriations and annual tax levy of the city, town, or county, whichever applies, are continued for the ensuing budget year.

SECTION 23. IC 6-1.1-17-20.5, AS ADDED BY P.L.146-2008, SECTION 164, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 20.5. (a) This section applies to the governing body of a taxing unit unless a majority of the governing body is comprised of officials who are elected to serve on the governing body. **For purposes of this section, an individual who qualifies to be appointed to a governing body or serves on a governing body because of the individual's status as an elected official of another taxing unit shall be treated as an official who was not elected to serve on the governing body.**

(b) As used in this section, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, except that the term does not include:

(1) a school corporation; or

(2) an entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.

(c) **This subsection does not apply to a public library.** If:

(1) the assessed valuation of a taxing unit is entirely contained within a city or town; or

(2) the assessed valuation of a taxing unit is not entirely contained within a city or town but the taxing unit was originally established by the city or town;

the governing body of the taxing unit may not issue bonds or enter into a lease payable in whole or in part from property taxes unless it obtains the approval of the city or town fiscal body.

(d) This subsection applies to a taxing unit not described in subsection (c). The governing body of the taxing unit may not issue bonds or enter into a lease payable in whole or in part from property taxes unless it obtains the approval of the county fiscal body in the county where the taxing unit has the most net assessed valuation.

SECTION 24. IC 6-1.1-18-2, AS AMENDED BY P.L.146-2008, SECTION 165, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. ~~(a) Before January 1, 2009, the state may not impose a combined ad valorem property tax rate on tangible property that exceeds the sum of the ad valorem property tax rates permitted under IC 4-9.1-1-8, IC 14-23-3-3, and IC 15-1.5-7-3 (before July 1, 2008) and IC 15-13-8-3 (after June 30, 2008, and before January 1, 2009). The state tax rate is not subject to review by county boards of tax adjustment or county auditors.~~

~~(b)~~ **(a)** Except as permitted under IC 4-9.1-1-8 to repay notes issued to meet casual deficits in state revenue, the state may not impose an ad

valorem property tax rate on tangible property after December 31, 2008.

~~(c)~~ **(b)** This section does not apply to political subdivisions of the state.

SECTION 25. IC 6-1.1-18.5-2, AS AMENDED BY P.L.1-2008, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) As used in this section, "Indiana nonfarm personal income" means the estimate of total nonfarm personal income for Indiana in a calendar year as computed by the federal Bureau of Economic Analysis using any actual data for the calendar year and any estimated data determined appropriate by the federal Bureau of Economic Analysis.

(b) Subject to subsection (c), for purposes of determining a civil taxing unit's maximum permissible ad valorem property tax levy for an ensuing calendar year, the civil taxing unit shall use the ~~assessed value~~ **levy** growth ~~quotient~~ **multiplier** determined in the last STEP of the following STEPS:

STEP ONE: For each of the six (6) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year, divide the Indiana nonfarm personal income for the calendar year by the Indiana nonfarm personal income for the calendar year immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).

STEP TWO: Determine the sum of the STEP ONE results.

STEP THREE: Divide the STEP TWO result by six (6), rounding to the nearest one-thousandth (0.001).

STEP FOUR: Determine the lesser of the following:

(A) The STEP THREE quotient.

(B) One and six-hundredths (1.06).

(c) This subsection applies only to civil taxing units in Lake County. Notwithstanding any other provision, for property taxes first due and payable after December 31, 2007, the ~~assessed value~~ **levy** growth ~~quotient~~ **multiplier** used to determine a civil taxing unit's maximum permissible ad valorem property tax levy under this chapter for a particular calendar year is one (1) unless a tax rate of one percent (1%) will be in effect under IC 6-3.5-1.1-26 or IC 6-3.5-6-32 in Lake County for that calendar year.

SECTION 26. IC 6-1.1-18.5-3, AS AMENDED BY P.L.146-2008, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) A civil taxing unit that is treated as not being located in an adopting county under section 4 of this chapter may not impose an ad valorem property tax levy for an ensuing calendar year that exceeds the amount determined in the last STEP of the following STEPS:

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

STEP TWO: Multiply the amount determined in STEP ONE by the ~~amount determined in the last STEP of section 2(b) of this chapter.~~ **levy growth multiplier.**

STEP THREE: Determine the lesser of one and fifteen hundredths (1.15) or the quotient (rounded to the nearest ten-thousandth (0.0001)), of the assessed value of all taxable property subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year, divided by the assessed value of all taxable property that is subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.

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

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

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

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

(b) Except as otherwise provided in this chapter, a civil taxing unit that is treated as being located in an adopting county under section 4 of this chapter may not impose an ad valorem property tax levy for an ensuing calendar year that exceeds the amount determined in the last STEP of the following STEPS:

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

STEP TWO: Multiply the amount determined in STEP ONE by the ~~amount determined in the last STEP of section 2(b) of this chapter.~~ **levy growth multiplier.**

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

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

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

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

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

STEP EIGHT: Subtract the amount determined under STEP FIVE of subsection (e) from the amount determined under STEP SEVEN of this subsection.

(c) The amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as applicable, equals the sum of the following:

(1) If a civil taxing unit in the immediately preceding calendar year provided an area outside its boundaries with services on a contractual basis and in the ensuing calendar year that area has been annexed by the civil taxing unit, the amount paid by the annexed area during the immediately preceding calendar year for services that the civil taxing unit must provide to that area during the ensuing calendar year as a result of the annexation.

(2) If the civil taxing unit has had an excessive levy appeal approved under section ~~13(a)(1)~~ **13(1)** of this chapter for the ensuing calendar year, an amount determined by the civil taxing unit for the ensuing calendar year that does not exceed the amount of that excessive levy.

In all other cases, the amount to be entered under STEP SIX of subsection (a) or STEP SIX of subsection (b), as the case may be, equals zero (0).

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

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

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

(A) the amount determined in STEP ONE; or

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

STEP THREE: Determine the greater of:

(A) zero (0); or

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

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

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

STEP FOUR: Determine the greater of:

(A) zero (0); or

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

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

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

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

STEP TWO: Determine the greater of:

(A) zero (0); or

(B) the remainder of:

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

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

STEP THREE: Determine the lesser of:

(A) the amount determined in STEP TWO; or

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

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

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

(f) As used in this section, a taxing unit's "determination year" means the latest of:

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

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

(3) the ensuing calendar year following the first year that the taxing unit is located in a county that has a county adjusted gross income tax rate of more than one-half percent (0.5%) on July 1 of that year.

The amount to be used in subsections (d) and (e) for a taxing unit depends upon the taxing unit's certified share for the ensuing calendar

year, the taxing unit's determination year, and the county adjusted gross income tax rate for resident county taxpayers (as defined in IC 6-3.5-1.1-1) that is in effect in the taxing unit's county on July 1 of the year preceding the ensuing calendar year. For the determination year and the ensuing calendar years following the taxing unit's determination year, the amount is the taxing unit's certified share for the ensuing calendar year multiplied by the appropriate factor prescribed in the following table:

COUNTIES WITH A TAX RATE OF 1/2%

Year	Subsection (e) Factor
For the determination year and each ensuing calendar year following the determination year	0

COUNTIES WITH A TAX RATE OF 3/4%

Year	Subsection (e) Factor
For the determination year and each ensuing calendar year following the determination year	1/2

COUNTIES WITH A TAX RATE OF 1.0%

Year	Subsection (d) Factor	Subsection (e) Factor
For the determination year	1/6	1/3
For the ensuing calendar year following the determination year	1/4	1/3
For the ensuing calendar year following the determination year by two (2) years	1/3	1/3

(g) This subsection applies only to property taxes first due and payable after December 31, 2007. This subsection applies only to a civil taxing unit that is located in a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30. Notwithstanding any provision in this section or any other section of this chapter and except as provided in subsection (h), the maximum permissible ad valorem property tax levy calculated under this section for the ensuing calendar year for a civil taxing unit subject to this section is equal to the civil taxing unit's maximum permissible ad

valorem property tax levy for the current calendar year.

(h) This subsection applies only to property taxes first due and payable after December 31, 2007. In the case of a civil taxing unit that:

(1) is partially located in a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30; and

(2) is partially located in a county that is not described in subdivision (1);

the department of local government finance shall, notwithstanding subsection (g), adjust the portion of the civil taxing unit's maximum permissible ad valorem property tax levy that is attributable (as determined by the department of local government finance) to the county or counties described in subdivision (2). The department of local government finance shall adjust this portion of the civil taxing unit's maximum permissible ad valorem property tax levy so that, notwithstanding subsection (g), this portion is allowed to increase as otherwise provided in this section. If the department of local government finance increases the civil taxing unit's maximum permissible ad valorem property tax levy under this subsection, any additional property taxes imposed by the civil taxing unit under the adjustment shall be paid only by the taxpayers in the county or counties described in subdivision (2).

SECTION 27. IC 6-1.1-18.5-8, AS AMENDED BY P.L.146-2008, SECTION 171, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8. ~~(a)~~ The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit if the civil taxing unit is committed to levy the taxes to pay or fund either:

(1) bonded indebtedness; or

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

~~(b) Except as provided by subsections (g) and (h), a civil taxing unit must file a petition requesting approval from the department of local government finance to incur bonded indebtedness or execute a lease with an original term of at least five (5) years not later than twenty-four~~

~~(24) months after the first date of publication of notice of a preliminary determination under IC 6-1.1-20-3.1(2) (as in effect before July 1, 2008), unless the civil taxing unit demonstrates that a longer period is reasonable in light of the civil taxing unit's facts and circumstances. A civil taxing unit must obtain approval from the department of local government finance before the civil taxing unit may:~~

~~(1) incur the bonded indebtedness; or~~

~~(2) enter into the lease.~~

~~The department of local government finance may seek recommendations from the local government tax control board established by section 11 of this chapter when determining whether to authorize incurring the bonded indebtedness or the execution of the lease.~~

~~(c) The department of local government finance shall render a decision within three (3) months after the date it receives a request for approval under subsection (b). However, the department of local government finance may extend this three (3) month period by an additional three (3) months if, at least ten (10) days before the end of the original three (3) month period, the department sends notice of the extension to the executive officer of the civil taxing unit. A civil taxing unit may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than forty-five (45) days after the department enters its order under this section.~~

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

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

~~(f) A taxpayer may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than thirty (30) days after the department enters its order under this section.~~

~~(g) This subsection applies only to bonds, leases, and other obligations for which a civil taxing unit:~~

~~(1) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5; or~~

~~(2) in the case of bonds, leases, or other obligations payable from ad valorem property taxes but not described in subdivision (1), adopts a resolution or ordinance authorizing the bonds, lease rental agreement, or other obligations after June 30, 2008.~~

~~Notwithstanding any other provision, review by the department of local government finance and approval by the department of local government finance is not required before a civil taxing unit may issue or enter into bonds, a lease, or any other obligation.~~

~~(h) This subsection applies after June 30, 2008. Notwithstanding any other provision, review by the department of local government finance and approval by the department of local government finance is not required before a civil taxing unit may construct, alter, or repair a capital project.~~

SECTION 28. IC 6-1.1-18.5-9.8, AS AMENDED BY P.L.219-2007, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9.8. ~~(a)~~ For purposes of determining the property tax levy limit imposed on a city, town, or county under section 3 of this chapter, the city, town, or county's ad valorem property tax levy for a particular calendar year does not include an amount equal to the lesser of:

(1) the amount of ad valorem property taxes that would be first due and payable to the city, town, or county during the ensuing calendar year if the taxing unit imposed the maximum permissible property tax rate per one hundred dollars ($100) of assessed valuation that the civil taxing unit may impose for the particular calendar year under the authority of IC 36-9-14.5 (in the case of a county) or IC 36-9-15.5 (in the case of a city or town); or

(2) the excess, if any, of:

(A) the property taxes imposed by the city, town, or county under the authority of:

IC 3-11-6-9;

IC 8-16-3;

IC 8-16-3.1;

IC 8-22-3-25;
IC 14-27-6-48;
IC 14-33-9-3;
IC 16-22-8-41;
IC 16-22-5-2 through IC 16-22-5-15;
IC 16-23-1-40;
IC 36-8-14;
IC 36-9-4-48;
IC 36-9-14;
IC 36-9-14.5;
IC 36-9-15;
IC 36-9-15.5;
IC 36-9-16;
IC 36-9-16.5;
IC 36-9-17;
IC 36-9-26;
IC 36-9-27-100;
IC 36-10-3-21; or
IC 36-10-4-36;

that are first due and payable during the ensuing calendar year; over

(B) the property taxes imposed by the city, town, or county under the authority of the citations listed in clause (A) that were first due and payable during calendar year 1984.

~~(b) The maximum property tax rate levied under the statutes listed in subsection (a) must be adjusted each year to account for the change in assessed value of real property that results from:~~

~~(1) an annual adjustment of the assessed value of real property under IC 6-1.1-4-4.5; or~~

~~(2) a general reassessment of real property under IC 6-1.1-4-4.~~

~~(c) The new maximum rate under a statute listed in subsection (a) is the tax rate determined under STEP SEVEN of the following formula:~~

~~STEP ONE: Determine the maximum rate for the political subdivision levying a property tax under the statute for the year preceding the year in which the annual adjustment or general reassessment takes effect.~~

~~STEP TWO: Determine the actual percentage increase (rounded~~

~~to the nearest one-hundredth percent (0.01%)) in the assessed value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property from the year preceding the year the annual adjustment or general reassessment takes effect to the year that the annual adjustment or general reassessment is effective.~~

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

~~STEP FOUR: Compute separately, for each of the calendar years determined in STEP THREE, the actual percentage increase (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value (before the adjustment, if any, under IC 6-1.1-4-4.5) of the taxable property from the preceding year.~~

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

~~STEP SIX: Determine the greater of the following:~~

~~(A) Zero (0).~~

~~(B) The result of the STEP TWO percentage minus the STEP FIVE percentage.~~

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

~~(d) The department of local government finance shall compute the maximum rate allowed under subsection (c) and provide the rate to each political subdivision with authority to levy a tax under a statute listed in subsection (a).~~

SECTION 29. IC 6-1.1-18.5-10, AS AMENDED BY P.L.146-2008, SECTION 174, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 10. (a) ~~Subject to subsection (d),~~ The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit to be used to fund:

(1) community mental health centers under:

(A) IC 12-29-2-1.2, for only those civil taxing units that authorized financial assistance under IC 12-29-1 before 2002 for a community mental health center as long as the tax levy under this section does not exceed the levy authorized in 2002;

(B) IC 12-29-2-2 through IC 12-29-2-5; and

(C) IC 12-29-2-13; or

(2) community mental retardation and other developmental disabilities centers under IC 12-29-1-1;

to the extent that those property taxes are attributable to any increase in the assessed value of the civil taxing unit's taxable property caused by a general reassessment of real property that took effect after February 28, 1979.

(b) ~~Subject to subsection (d),~~ For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy described in subsection (a).

~~(c) This subsection applies to property taxes first due and payable after December 31, 2008. Notwithstanding subsections (a) and (b) or any other law, any property taxes imposed by a civil taxing unit that are exempted by this section from the ad valorem property tax levy limits imposed by section 3 of this chapter may not increase annually by a percentage greater than the result of:~~

~~(1) the assessed value growth quotient determined under section 2 of this chapter; minus~~

~~(2) one (1).~~

~~(d) The exemptions under subsections (a) and (b) from the ad valorem property tax levy limits do not apply to a civil taxing unit that did not fund a community mental health center or community mental retardation and other developmental disabilities center in 2008.~~

SECTION 30. IC 6-1.1-18.5-10.5, AS AMENDED BY P.L.146-2008, SECTION 177, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10.5. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit for fire protection services within a fire protection territory under IC 36-8-19, if the civil taxing unit is a participating unit in a fire protection territory established before August 1, 2001. For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter on a civil taxing unit that is a participating unit in a fire protection territory established before August 1, 2001, the civil taxing unit's ad valorem property tax levy for a

particular calendar year does not include that part of the levy imposed under IC 36-8-19.

(b) This subsection applies to a participating unit in a fire protection territory established under IC 36-8-19 after July 31, 2001. The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit for fire protection services within a fire protection territory under IC 36-8-19 for the three (3) calendar years in which the participating unit levies a tax to support the territory. For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter for the three (3) calendar years for which the participating unit levies a tax to support the territory, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under IC 36-8-19.

(c) This subsection applies to property taxes first due and payable after December 31, 2008. **Except as provided in subsection (d),** notwithstanding subsections (a) and (b) or any other law, any property taxes imposed by a civil taxing unit that are exempted by this section from the ad valorem property tax levy limits imposed by section 3 of this chapter may not increase annually by a percentage greater than the result of:

(1) the ~~assessed value~~ **levy** growth ~~quotient determined under section 2 of this chapter;~~ **multiplier;** minus

(2) one (1).

(d) This subsection applies only to a participating unit in a fire protection territory established under IC 36-8-19 after December 31, 2005, and before January 1, 2008. A participating unit subject to this section may in 2009 appeal to the local government tax control board for an increase in the participating unit's maximum permissible property tax levy. The local government tax control board shall review and make a recommendation to the department of local government finance concerning the participating unit's appeal. The appeal shall be considered in the same manner as specified in section 12 of this chapter. The department of local government finance may grant the appeal and allow the participating unit to increase its levy in excess of the limitations established under section 3 of this chapter to meet the expenses of operation and maintenance of the fire protection services within

the fire protection territory, plus a reasonable operating balance, not to exceed twenty percent (20%) of the budgeted expenses. An increase in a participating unit's maximum permissible property tax levy granted under this subsection applies to property taxes first due and payable in 2010 and in subsequent years.

(e) For purposes of allocating any:

(1) local option income tax distributions; or

(2) excise tax distributions;

that are distributed based on the amount of a civil taxing unit's property tax levies, property taxes imposed for a fire protection territory within a civil taxing unit that is a participating unit (as defined in IC 36-8-19-2) shall be considered property taxes levied by that civil taxing unit.

SECTION 31. IC 6-1.1-18.5-13, AS AMENDED BY P.L.146-2008, SECTION 180, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 13. With respect to an appeal filed under section 12 of this chapter, the local government tax control board may recommend that a civil taxing unit receive any one (1) or more of the following types of relief:

(1) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if in the judgment of the local government tax control board the increase is reasonably necessary due to increased costs of the civil taxing unit resulting from annexation, consolidation, or other extensions of governmental services by the civil taxing unit to additional geographic areas or persons. With respect to annexation, consolidation, or other extensions of governmental services in a calendar year, if those increased costs are incurred by the civil taxing unit in that calendar year and more than one (1) immediately succeeding calendar year, the unit may appeal under section 12 of this chapter for permission to increase its levy under this subdivision based on those increased costs in any of the following:

(A) The first calendar year in which those costs are incurred.

(B) One (1) or more of the immediately succeeding four (4) calendar years.

(2) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008.

Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to meet the civil taxing unit's share of the costs of operating a court established by statute enacted after December 31, 1973. Before recommending such an increase, the local government tax control board shall consider all other revenues available to the civil taxing unit that could be applied for that purpose. The maximum aggregate levy increases that the local government tax control board may recommend for a particular court equals the civil taxing unit's estimate of the unit's share of the costs of operating a court for the first full calendar year in which it is in existence. For purposes of this subdivision, costs of operating a court include:

(A) the cost of personal services (including fringe benefits);

(B) the cost of supplies; and

(C) any other cost directly related to the operation of the court.

(3) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the quotient determined under STEP SIX of the following formula is equal to or greater than one and two-hundredths (1.02):

STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year and in which a statewide general reassessment of real property or the initial annual adjustment of the assessed value of real property under IC 6-1.1-4-4.5 does not first become effective.

STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the civil taxing unit's total assessed value of all taxable property and:

(i) for a particular calendar year before 2007, the total assessed value of property tax deductions in the unit under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar year; or

(ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-42 in 2006;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

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

STEP FOUR: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the total assessed value of all taxable property in all counties and:

(i) for a particular calendar year before 2007, the total assessed value of property tax deductions in all counties under IC 6-1.1-12-41 or IC 6-1.1-12-42 in the particular calendar year; or

(ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in all counties under IC 6-1.1-12-42 in 2006;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

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

STEP SIX: Divide the STEP THREE amount by the STEP FIVE amount.

The civil taxing unit may increase its levy by a percentage not greater than the percentage by which the STEP THREE amount exceeds the percentage by which the civil taxing unit may increase its levy under section 3 of this chapter based on the ~~assessed value~~ **levy** growth ~~quotient determined under section 2 of this chapter.~~ **multiplier.**

(4) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to pay the costs of furnishing fire protection for the civil taxing unit through a volunteer fire department. For purposes of determining a township's need for an increased levy, the local government tax control board shall not consider the

amount of money borrowed under IC 36-6-6-14 during the immediately preceding calendar year. However, any increase in the amount of the civil taxing unit's levy recommended by the local government tax control board under this subdivision for the ensuing calendar year may not exceed the lesser of:

(A) ten thousand dollars ($10,000); or

(B) twenty percent (20%) of:

(i) the amount authorized for operating expenses of a volunteer fire department in the budget of the civil taxing unit for the immediately preceding calendar year; plus

(ii) the amount of any additional appropriations authorized during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department under this chapter; minus

(iii) the amount of money borrowed under IC 36-6-6-14 during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department.

(5) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter in order to raise revenues for pension payments and contributions the civil taxing unit is required to make under IC 36-8. The maximum increase in a civil taxing unit's levy that may be recommended under this subdivision for an ensuing calendar year equals the amount, if any, by which the pension payments and contributions the civil taxing unit is required to make under IC 36-8 during the ensuing calendar year exceeds the product of one and one-tenth (1.1) multiplied by the pension payments and contributions made by the civil taxing unit under IC 36-8 during the calendar year that immediately precedes the ensuing calendar year. For purposes of this subdivision, "pension payments and contributions made by a civil taxing unit" does not include that part of the payments or contributions that are funded by distributions made to a civil taxing unit by the state.

(6) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to increase its levy in excess of the limitations

established under section 3 of this chapter if the local government tax control board finds that:

(A) the township's township assistance ad valorem property tax rate is less than one and sixty-seven hundredths cents ($0.0167) per one hundred dollars ($100) of assessed valuation; and

(B) the township needs the increase to meet the costs of providing township assistance under IC 12-20 and IC 12-30-4.

The maximum increase that the board may recommend for a township is the levy that would result from an increase in the township's township assistance ad valorem property tax rate of one and sixty-seven hundredths cents ($0.0167) per one hundred dollars ($100) of assessed valuation minus the township's ad valorem property tax rate per one hundred dollars ($100) of assessed valuation before the increase.

(7) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if:

(A) the increase has been approved by the legislative body of the municipality with the largest population where the civil taxing unit provides public transportation services; and

(B) the local government tax control board finds that the civil taxing unit needs the increase to provide adequate public transportation services.

The local government tax control board shall consider tax rates and levies in civil taxing units of comparable population, and the effect (if any) of a loss of federal or other funds to the civil taxing unit that might have been used for public transportation purposes. However, the increase that the board may recommend under this subdivision for a civil taxing unit may not exceed the revenue that would be raised by the civil taxing unit based on a property tax rate of one cent ($0.01) per one hundred dollars ($100) of assessed valuation.

(8) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase the unit's levy in excess of the limitations established under section 3 of this

chapter if the local government tax control board finds that:

(A) the civil taxing unit is:

(i) a county having a population of more than one hundred forty-eight thousand (148,000) but less than one hundred seventy thousand (170,000);

(ii) a city having a population of more than fifty-five thousand (55,000) but less than fifty-nine thousand (59,000);

(iii) a city having a population of more than twenty-eight thousand seven hundred (28,700) but less than twenty-nine thousand (29,000);

(iv) a city having a population of more than fifteen thousand four hundred (15,400) but less than sixteen thousand six hundred (16,600); or

(v) a city having a population of more than seven thousand (7,000) but less than seven thousand three hundred (7,300); and

(B) the increase is necessary to provide funding to undertake removal (as defined in IC 13-11-2-187) and remedial action (as defined in IC 13-11-2-185) relating to hazardous substances (as defined in IC 13-11-2-98) in solid waste disposal facilities or industrial sites in the civil taxing unit that have become a menace to the public health and welfare.

The maximum increase that the local government tax control board may recommend for such a civil taxing unit is the levy that would result from a property tax rate of six and sixty-seven hundredths cents ($0.0667) for each one hundred dollars ($100) of assessed valuation. For purposes of computing the ad valorem property tax levy limit imposed on a civil taxing unit under section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular year does not include that part of the levy imposed under this subdivision. In addition, a property tax increase permitted under this subdivision may be imposed for only two (2) calendar years.

(9) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission for a county:

(A) having a population of more than eighty thousand (80,000) but less than ninety thousand (90,000) to increase the county's

levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the county needs the increase to meet the county's share of the costs of operating a jail or juvenile detention center, including expansion of the facility, if the jail or juvenile detention center is opened after December 31, 1991;

(B) that operates a county jail or juvenile detention center that is subject to an order that:

(i) was issued by a federal district court; and

(ii) has not been terminated;

(C) that operates a county jail that fails to meet:

(i) American Correctional Association Jail Construction Standards; and

(ii) Indiana jail operation standards adopted by the department of correction; or

(D) that operates a juvenile detention center that fails to meet standards equivalent to the standards described in clause (C) for the operation of juvenile detention centers.

Before recommending an increase, the local government tax control board shall consider all other revenues available to the county that could be applied for that purpose. An appeal for operating funds for a jail or a juvenile detention center shall be considered individually, if a jail and juvenile detention center are both opened in one (1) county. The maximum aggregate levy increases that the local government tax control board may recommend for a county equals the county's share of the costs of operating the jail or a juvenile detention center for the first full calendar year in which the jail or juvenile detention center is in operation.

(10) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission for a township to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the township needs the increase so that the property tax rate to pay the costs of furnishing fire protection for a township, or a portion of a township, enables the township to pay a fair and reasonable amount under a contract with the municipality that is furnishing the fire protection.

However, for the first time an appeal is granted the resulting rate increase may not exceed fifty percent (50%) of the difference between the rate imposed for fire protection within the municipality that is providing the fire protection to the township and the township's rate. A township is required to appeal a second time for an increase under this subdivision if the township wants to further increase its rate. However, a township's rate may be increased to equal but may not exceed the rate that is used by the municipality. More than one (1) township served by the same municipality may use this appeal.

(11) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission for a township to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the township has been required, for the three (3) consecutive years preceding the year for which the appeal under this subdivision is to become effective, to borrow funds under IC 36-6-6-14 to furnish fire protection for the township or a part of the township. However, the maximum increase in a township's levy that may be allowed under this subdivision is the least of the amounts borrowed under IC 36-6-6-14 during the preceding three (3) calendar years. A township may elect to phase in an approved increase in its levy under this subdivision over a period not to exceed three (3) years. A particular township may appeal to increase its levy under this section not more frequently than every fourth calendar year.

(12) Permission to a city having a population of more than twenty-nine thousand (29,000) but less than thirty-one thousand (31,000) to increase its levy in excess of the limitations established under section 3 of this chapter if:

(A) an appeal was granted to the city under this section to reallocate property tax replacement credits under IC 6-3.5-1.1 in 1998, 1999, and 2000; and

(B) the increase has been approved by the legislative body of the city, and the legislative body of the city has by resolution determined that the increase is necessary to pay normal operating expenses.

The maximum amount of the increase is equal to the amount of

property tax replacement credits under IC 6-3.5-1.1 that the city petitioned under this section to have reallocated in 2001 for a purpose other than property tax relief.

(13) A levy increase may be granted under this subdivision only for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if the civil taxing unit cannot carry out its governmental functions for an ensuing calendar year under the levy limitations imposed by section 3 of this chapter due to a natural disaster, an accident, or another unanticipated emergency.

SECTION 32. IC 6-1.1-20-1.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 1.4. ~~As used in~~ **The following definitions apply throughout** this chapter:

(1) "Lease rentals" means the payments required under a lease.

(2) "Loan" refers to contract, promise to pay, or other evidence of indebtedness of a political subdivision that:

(A) is payable from property taxes; and

(B) is not a bond, lease, or obligation.".

Delete pages 14 through 15.

Page 16, delete lines 1 through 5.

Page 16, between lines 36 and 37, begin a new paragraph and insert:

"SECTION 34. IC 6-1.1-20-3.1, AS AMENDED BY P.L.146-2008, SECTION 191, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.1. (a) This section applies only to the following:

(1) A controlled project (as defined in section 1.1 of this chapter as in effect June 30, 2008) for which the proper officers of a political subdivision make a preliminary determination in the manner described in subsection (b) before July 1, 2008.

(2) An elementary school building, middle school building, or other school building for academic instruction that:

(A) is a controlled project;

(B) will be used for any combination of kindergarten through grade 8;

(C) will not be used for any combination of grade 9 through grade 12; and

(D) will not cost more than ten million dollars ($10,000,000).

(3) A high school building or other school building for academic instruction that:

(A) is a controlled project;

(B) will be used for any combination of grade 9 through grade 12;

(C) will not be used for any combination of kindergarten through grade 8; and

(D) will not cost more than twenty million dollars ($20,000,000).

(4) Any other controlled project that:

(A) is not a controlled project described in subdivision (1), (2), or (3); and

(B) will not cost the political subdivision more than the lesser of the following:

(i) Twelve million dollars ($12,000,000).

(ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that amount is at least one million dollars ($1,000,000).

(b) A political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of a political subdivision shall:

(A) publish notice in accordance with IC 5-3-1; and

(B) send notice by first class mail to any organization that delivers to the officers, before January 1 of that year, an annual written request for such notices;

of any meeting to consider adoption of a resolution or an ordinance making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on a preliminary determination before adoption of the resolution or ordinance.

(2) When the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease for a controlled project, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in subdivision (1)(B).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease for a controlled project must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that any owners of real property within the political subdivision or registered voters residing within the political subdivision who want to initiate a petition and remonstrance process against the proposed debt service or lease payments must file a petition that complies with subdivisions (4) and (5) not later than thirty (30) days after publication in accordance with IC 5-3-1.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to incur annually to operate the facility.

(G) A statement of whether the school corporation expects to appeal for a new facility adjustment (as defined in IC 20-45-1-16 before January 1, 2009) for an increased maximum permissible tuition support levy to pay the estimated costs described in clause (F).

(H) The political subdivision's current debt service levy and rate and the estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.

(4) After notice is given, a petition requesting the application of a petition and remonstrance process may be filed by the lesser of:

(A) one hundred (100) persons who are either owners of real property within the political subdivision or registered voters residing within the political subdivision; or

(B) five percent (5%) of the registered voters residing within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of real property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of real property or registered voters and may be allowed to pick up additional copies to distribute to other property owners or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of real property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as a real property owner must indicate the address of the real property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter

registration office under subdivision (7).

(7) Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. The county voter registration office shall not more than fifteen (15) business days after receiving a petition forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of real property in the political subdivision; and

(B) whether a person who signed the petition as an owner of real property within the political subdivision does in fact own real property within the political subdivision.

(9) The county voter registration office shall not more than ten (10) business days after receiving the statement from the county auditor under subdivision (8) make the final determination of the number of petitioners that are registered voters in the political subdivision and, based on the statement provided by the county auditor, the number of petitioners that own real property within the political subdivision. Whenever the name of an individual who signs a petition form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for

purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular petition and remonstrance process under this chapter, regardless of whether the person owns more than one (1) parcel of real property within the subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of real property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within ~~thirty-five (35)~~ **forty-five (45)** days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) The county voter registration office must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within thirty-five (35) business days of the filing of the petition requesting a petition and remonstrance process. The certificate must state the number of petitioners that are owners of real property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

If a sufficient petition requesting a petition and remonstrance process is not filed by owners of real property or registered voters as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

SECTION 35. IC 6-1.1-20-3.2, AS AMENDED BY P.L.146-2008, SECTION 192, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 3.2. (a) This section applies only to controlled projects described in section 3.1(a) of this chapter.

(b) If a sufficient petition requesting the application of a petition and

remonstrance process has been filed as set forth in section 3.1 of this chapter, a political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of the political subdivision shall give notice of the applicability of the petition and remonstrance process by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in section 3.1(b)(1)(B) of this chapter.

A notice under this subdivision must include a statement that any owners of real property within the political subdivision or registered voters residing within the political subdivision who want to petition in favor of or remonstrate against the proposed debt service or lease payments must file petitions and remonstrances in compliance with subdivisions (2) through (4) not earlier than thirty (30) days or later than sixty (60) days after publication in accordance with IC 5-3-1.

(2) Not earlier than thirty (30) days or later than sixty (60) days after the notice under subdivision (1) is given:

(A) petitions (described in subdivision (3)) in favor of the bonds or lease; and

(B) remonstrances (described in subdivision (3)) against the bonds or lease;

may be filed by an owner or owners of real property within the political subdivision or a registered voter residing within the political subdivision. Each signature on a petition must be dated, and the date of signature may not be before the date on which the petition and remonstrance forms may be issued under subdivision (3). A petition described in clause (A) or a remonstrance described in clause (B) must be verified in compliance with subdivision (4) before the petition or remonstrance is filed with the county voter registration office under subdivision (4).

(3) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition and remonstrance forms to be used solely in the petition and remonstrance process described in this

section. The county voter registration office shall issue to an owner or owners of real property within the political subdivision or a registered voter residing within the political subdivision the number of petition or remonstrance forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature;

(D) govern the closing date for the petition and remonstrance period; and

(E) apply to the carrier under section 10 of this chapter.

Persons requesting forms may be required to identify themselves as owners of real property or registered voters and may be allowed to pick up additional copies to distribute to other property owners or registered voters. Each person signing a petition or remonstrance must indicate whether the person is signing the petition or remonstrance as a registered voter within the political subdivision or is signing the petition or remonstrance as the owner of real property within the political subdivision. A person who signs a petition or remonstrance as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition or remonstrance as a real property owner must indicate the address of the real property owned by the person in the political subdivision. The county voter registration office may not issue a petition or remonstrance form earlier than twenty-nine (29) days after the notice is given under subdivision (1). The county voter registration office shall certify the date of issuance on each petition or remonstrance form that is distributed under this subdivision.

(4) The petitions and remonstrances must be verified in the manner prescribed by the state board of accounts and filed with the county voter registration office within the sixty (60) day period described in subdivision (2) in the manner set forth in section 3.1 of this chapter relating to requests for a petition and

remonstrance process.

(5) The county voter registration office shall determine whether each person who signed the petition or remonstrance is a registered voter. The county voter registration office shall not more than fifteen (15) business days after receiving a petition or remonstrance forward a copy of the petition or remonstrance to the county auditor. Not more than ten (10) business days after receiving the copy of the petition or remonstrance, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition or remonstrance as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of real property in the political subdivision; and

(B) whether a person who signed the petition or remonstrance as an owner of real property within the political subdivision does in fact own real property within the political subdivision.

(6) The county voter registration office shall not more than ten (10) business days after receiving the statement from the county auditor under subdivision (5) make the final determination of:

(A) the number of registered voters in the political subdivision that signed a petition and, based on the statement provided by the county auditor, the number of owners of real property within the political subdivision that signed a petition; and

(B) the number of registered voters in the political subdivision that signed a remonstrance and, based on the statement provided by the county auditor, the number of owners of real property within the political subdivision that signed a remonstrance.

Whenever the name of an individual who signs a petition or remonstrance as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition or remonstrance under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to

determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition or remonstrance only one (1) time in a particular petition and remonstrance process under this chapter, regardless of whether the person owns more than one (1) parcel of real property within the subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of real property within the political subdivision. Notwithstanding any other provision of this section, if a petition or remonstrance is presented to the county voter registration office within ~~thirty-five (35)~~ **forty-five (45)** days before an election, the county voter registration office may defer acting on the petition or remonstrance, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(7) The county voter registration office must file a certificate and the petition or remonstrance with the body of the political subdivision charged with issuing bonds or entering into leases within thirty-five (35) business days of the filing of a petition or remonstrance under subdivision (4), whichever applies, containing ten thousand (10,000) signatures or less. The county voter registration office may take an additional five (5) days to review and certify the petition or remonstrance for each additional five thousand (5,000) signatures up to a maximum of sixty (60) days. The certificate must state the number of petitioners and remonstrators that are owners of real property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

(8) If a greater number of persons who are either owners of real property within the political subdivision or registered voters residing within the political subdivision sign a remonstrance than the number that signed a petition, the bonds petitioned for may not be issued or the lease petitioned for may not be entered into. The proper officers of the political subdivision may not make a preliminary determination to issue bonds or enter into a lease for

the controlled project defeated by the petition and remonstrance process under this section or any other controlled project that is not substantially different within one (1) year after the date of the county voter registration office's certificate under subdivision (7). Withdrawal of a petition carries the same consequences as a defeat of the petition.

(9) After a political subdivision has gone through the petition and remonstrance process set forth in this section, the political subdivision is not required to follow any other remonstrance or objection procedures under any other law (including section 5 of this chapter) relating to bonds or leases designed to protect owners of real property within the political subdivision from the imposition of property taxes to pay debt service or lease rentals. ~~However, the political subdivision must still receive the approval of the department of local government finance if required by:~~

~~(A) IC 6-1.1-18.5-8; or~~

~~(B) IC 20-46-7-8, IC 20-46-7-9, and IC 20-46-7-10.~~

SECTION 36. IC 6-1.1-20-3.5, AS ADDED BY P.L.146-2008, SECTION 193, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. (a) This section applies only to a controlled project that meets the following conditions:

(1) The controlled project is described in one (1) of the following categories:

(A) An elementary school building, middle school building, or other school building for academic instruction that:

(i) will be used for any combination of kindergarten through grade 8;

(ii) will not be used for any combination of grade 9 through grade 12; and

(iii) will cost more than ten million dollars ($10,000,000).

(B) A high school building or other school building for academic instruction that:

(i) will be used for any combination of grade 9 through grade 12;

(ii) will not be used for any combination of kindergarten through grade 8; and

(iii) will cost more than twenty million dollars ($20,000,000).

(C) Any other controlled project that:

(i) is not a controlled project described in clause (A) or (B); and

(ii) will cost the political subdivision more than the lesser of twelve million dollars ($12,000,000) or an amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date (if that amount is at least one million dollars ($1,000,000)).

(2) The proper officers of the political subdivision make a preliminary determination after June 30, 2008, in the manner described in subsection (b) to issue bonds or enter into a lease for the controlled project.

(b) A political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of a political subdivision shall publish notice in accordance with IC 5-3-1 and send notice by first class mail to any organization that delivers to the officers, before January 1 of that year, an annual written request for notices of any meeting to consider the adoption of an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on the preliminary determination before adoption of the ordinance or resolution. The political subdivision must make the following information available to the public at the public hearing on the preliminary determination, in addition to any other information required by law:

(A) The result of the political subdivision's current and projected annual debt service payments divided by the net assessed value of taxable property within the political subdivision.

(B) The result of:

(i) the sum of the political subdivision's outstanding long term debt plus the outstanding long term debt of other taxing units that include any of the territory of the political subdivision; divided by

(ii) the net assessed value of taxable property within the

political subdivision.

(2) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in subdivision (1).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that the proposed debt service or lease payments must be approved in an election on a local public question held under section 3.6 of this chapter.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to annually incur to operate the facility.

(G) The political subdivision's current debt service levy and rate and the estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.

(4) After notice is given, a petition requesting the application of the local public question process under section 3.6 of this chapter may be filed by the lesser of:

(A) one hundred (100) persons who are either owners of real property within the political subdivision or registered voters residing within the political subdivision; or

(B) five percent (5%) of the registered voters residing within

the political subdivision.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of real property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of real property or registered voters and may be allowed to pick up additional copies to distribute to other property owners or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of real property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as a real property owner must indicate the address of the real property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter registration office under subdivision (7).

(7) Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. However, after the county voter registration office has determined that at least one hundred twenty-five (125) persons who signed the petition are registered voters within the political subdivision, the county voter registration office is not required to verify whether the remaining persons who signed the petition are registered voters. If the county voter registration office does not determine that at least one hundred twenty-five (125) persons who signed the petition are registered voters, the county voter registration office, not more than fifteen (15) business days after receiving a petition, shall forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of real property in the political subdivision; and

(B) whether a person who signed the petition as an owner of real property within the political subdivision does in fact own real property within the political subdivision.

(9) The county voter registration office, not more than ten (10) business days after determining that at least one hundred twenty-five (125) persons who signed the petition are registered voters or after receiving the statement from the county auditor under subdivision (8) (as applicable), shall make the final determination of whether a sufficient number of persons have signed the petition. Whenever the name of an individual who signs a petition form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of

voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular referendum process under this chapter, regardless of whether the person owns more than one (1) parcel of real property within the political subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of real property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within ~~thirty-five (35)~~ **forty-five (45)** days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) The county voter registration office must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within thirty-five (35) business days of the filing of the petition requesting the referendum process. The certificate must state the number of petitioners who are owners of real property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

(11) If a sufficient petition requesting the local public question process is not filed by owners of real property or registered voters as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

(c) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall provide to the county auditor:

(1) a copy of the notice required by subsection (b)(2); and

(2) any other information the county auditor requires to fulfill the county auditor's duties under section 3.6 of this chapter.

SECTION 37. IC 6-1.1-20-3.6, AS ADDED BY P.L.146-2008, SECTION 194, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 3.6. (a) **Except as provided in section 3.7 of this chapter,** this section applies only to a controlled project described in section 3.5(a) of this chapter.

(b) If a sufficient petition requesting the application of the local public question process has been filed as set forth in section 3.5 of this chapter, a political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project unless the political subdivision's proposed debt service or lease rental is approved in an election on a local public question held under this section.

(c) The following question shall be submitted to the voters at the election conducted under this section:

"Shall _____ (insert the name of the political subdivision) issue bonds or enter into a lease to finance _____ (insert the description of the controlled project)?".

(d) The county auditor shall certify the public question described in subsection (c) under IC 3-10-9-3 to the county election board of each county in which the political subdivision is located. **The certification must occur not later than noon:**

(1) sixty (60) days before a primary election if the public question is to be placed on the primary or municipal primary election ballot; or

(2) August 1 if the public question is to be placed on the general or municipal election ballot.

~~After the public question is certified,~~ **Subject to the certification requirements and deadlines under this subsection,** the public question shall be placed on the ballot at the next primary election, general election, or municipal election in which all voters of the political subdivision are entitled to vote. However, if a primary election, general election, or municipal election will not be held ~~in the six (6) month period after the county auditor certifies~~ **during the first year in which** the public question **is eligible to be placed on the ballot under this section,** the public question shall be placed on the ballot at a special election to be held

~~(1) not earlier than ninety (90) days; and~~

~~(2) not later than one hundred twenty (120) days;~~

~~after the public question is certified if the fiscal body of the political subdivision that wishes to issue the bonds or enter into the lease requests the public question to be voted on in a special election. However, in a year in which a general election or municipal election is held, the public question may be placed on the ballot at a special election only if the fiscal body of the political subdivision that requests the special election~~ **in May or November of the year. The certification must occur not later than noon sixty (60) days before a special election to be held in May (if the special election is to be held in May) or noon on August 1 (if the special election is to be held in November). However, a special election may be held only if the fiscal body of the political subdivision that requests the special election** agrees to pay the costs of holding the special election. ~~In a year in which a general election is not held and a municipal election is not held, the fiscal body of the political subdivision that requests the special election is not required to pay the costs of holding the special election.~~ The county election board shall give notice under IC 5-3-1 of a special election conducted under this subsection. A special election conducted under this subsection is under the direction of the county election board. The county election board shall take all steps necessary to carry out the special election.

(e) The circuit court clerk shall certify the results of the public question to the following:

(1) The county auditor of each county in which the political subdivision is located.

(2) The department of local government finance.

(f) Subject to the requirements of IC 6-1.1-18.5-8, the political subdivision may issue the proposed bonds or enter into the proposed lease rental if a majority of the voters voting on the public question vote in favor of the public question.

(g) If a majority of the voters voting on the public question vote in opposition to the public question, both of the following apply:

(1) The political subdivision may not issue the proposed bonds or enter into the proposed lease rental.

(2) Another public question under this section on the same or a substantially similar project may not be submitted to the voters

earlier than one (1) year after the date of the election.

(h) IC 3, to the extent not inconsistent with this section, applies to an election held under this section.

(i) A political subdivision may not artificially divide a capital project into multiple capital projects in order to avoid the requirements of this section and section 3.5 of this chapter.

SECTION 38. IC 6-1.1-20-3.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 3.7. (a) This section applies to the following:**

(1) The issuance of bonds or the entering into a lease for a controlled project:

(A) to which section 3.5 of this chapter applies; and

(B) for which a sufficient petition requesting the application of the local public question process under section 3.6 of this chapter has not been filed as set forth in section 3.5 of this chapter within the time required under section 3.5(b)(7) of this chapter.

(2) The issuance of bonds or the entering into a lease for a capital project:

(A) that is not a controlled project to which section 3.5 of this chapter applies; and

(B) that would, but for the application of section 1.1(6) of this chapter to the project, be a controlled project to which section 3.5 of this chapter applies.

(b) If the proper officers of a political subdivision make a preliminary determination to issue bonds described in subsection (a) or enter into a lease described in subsection (a), the fiscal body of the political subdivision may adopt a resolution specifying that the local public question process specified in section 3.6 of this chapter applies to the issuance of the bonds or the entering into the lease, notwithstanding that:

(1) a sufficient petition requesting the application of the local public question process under section 3.6 of this chapter has not been filed as set forth in section 3.5 of this chapter (in the case of bonds or a lease described in subsection (a)(1)); or

(2) because of the application of section 1.1(6) of this chapter, the bonds or lease is not considered to be issued or entered

into for a controlled project (in the case of bonds or a lease described in subsection (a)(2)).

(c) The following apply to the adoption of a resolution by the fiscal body of a political subdivision under subsection (b):

(1) In the case of bonds or a lease described in subsection (a)(1) and for which no petition requesting the application of the local public question process under section 3.6 of this chapter has been filed within the time required under section 3.5(b)(7) of this chapter, the fiscal body must adopt the resolution not more than sixty (60) days after publication of the notice of the preliminary determination to issue the bonds or enter into the lease.

(2) In the case of bonds or a lease described in subsection (a)(1) and for which a petition requesting the application of the local public question process under section 3.6 of this chapter:

(A) has been filed under section 3.5 of this chapter; and

(B) is determined to have an insufficient number of signatures to require application of the local public question process under section 3.6 of this chapter;

the fiscal body must adopt the resolution not more than thirty (30) days after the county voter registration office makes the final determination under section 3.5 of this chapter that a sufficient number of persons have not signed the petition.

(3) In the case of bonds or a lease described in subsection (a)(2), the fiscal body must adopt the resolution not more than thirty (30) days after publication of the notice of the preliminary determination to issue the bonds or enter into the lease.

(4) The fiscal body shall certify the resolution to the county election board of each county in which the political subdivision is located, and the county election board shall place the public question on the ballot as provided in section 3.6 of this chapter.

(d) Except to the extent it is inconsistent with this section, section 3.6 of this chapter applies to a local public question placed on the ballot under this section.

SECTION 39. IC 6-1.1-20-5, AS AMENDED BY P.L.146-2008,

SECTION 195, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. ~~(a)~~ When the proper officers of a political subdivision decide to issue bonds or enter into leases in a total amount which exceeds five thousand dollars ($5,000), they shall give notice of the decision by:

(1) posting; and

(2) publication once each week for two (2) weeks.

The notice required by this section shall be posted in three (3) public places in the political subdivision and published in accordance with IC 5-3-1-4. The decision to issue bonds may be a preliminary decision.

~~(b) This subsection does not apply to bonds or lease rental agreements for which a political subdivision:~~

~~(1) after June 30, 2008, makes:~~

~~(A) a preliminary determination as described in section 3.1 or 3.5 of this chapter; or~~

~~(B) a decision as described in subsection (a); or~~

~~(2) in the case of bonds or lease rental agreements not subject to section 3.1 or 3.5 of this chapter and not subject to subsection (a), adopts a resolution or ordinance authorizing the bonds or lease rental agreement after June 30, 2008.~~

~~Ten (10) or more taxpayers who will be affected by the proposed issuance of the bonds and who wish to object to the issuance on the grounds that it is unnecessary or excessive may file a petition in the office of the auditor of the county in which the political subdivision is located. The petition must be filed within fifteen (15) days after the notice required by subsection (a) is given, and it must contain the objections of the taxpayers and facts which show that the proposed issue is unnecessary or excessive. When taxpayers file a petition in the manner prescribed in this subsection, the county auditor shall immediately forward a certified copy of the petition and any other relevant information to the department of local government finance.~~

SECTION 40. IC 6-1.1-20-7.5, AS ADDED BY P.L.146-2008, SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 7.5. This section applies only to bonds, leases, and other debt for which a political subdivision:

(1) after June 30, 2008, makes a preliminary determination as described in section 3.1 or 3.5 of this chapter or a decision as

described in section 5 of this chapter; or

(2) in the case of bonds, leases, or other obligations not subject to section 3.1, 3.5, or 5 of this chapter, adopts a resolution or ordinance authorizing the bonds, lease rental agreement, or other obligations after June 30, 2008.

~~Notwithstanding any other provision,~~ **Except as expressly provided by law, a** review by the department of local government finance and approval by the department of local government finance are not required before a political subdivision may issue or enter into **a loan,** bonds, a lease, or any ~~other~~ obligations payable from ad valorem property taxes.".

Page 17, delete lines 3 through 42, begin a new paragraph and insert:

"SECTION 42. IC 6-1.1-20.6-8.5, AS ADDED BY P.L.146-2008, SECTION 225, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8.5. (a) ~~This section applies to property taxes first due and payable for a calendar year after December 31, 2008.~~ This section applies to an individual who:

(1) qualified for a standard deduction granted under IC 6-1.1-12-37 for the individual's homestead property in the immediately preceding calendar year (or was married at the time of death to a deceased spouse who qualified for a standard deduction granted under IC 6-1.1-12-37 for the individual's homestead property in the immediately preceding calendar year); ~~and~~

(2) qualifies for a standard deduction granted under IC 6-1.1-12-37 for the same homestead property in the current calendar year;

(3) is or will be at least sixty-five (65) years of age on or before December 31 of the calendar year immediately preceding the current calendar year; and

(4) had:

(A) in the case of an individual who filed a single return, adjusted gross income (as defined in Section 62 of the Internal Revenue Code) not exceeding thirty thousand dollars ($30,000); or

(B) in the case of an individual who filed a joint income tax

return with the individual's spouse, combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) not exceeding forty thousand dollars ($40,000);

for the calendar year preceding by two (2) years the calendar year in which property taxes are first due and payable.

(b) This section does not apply if the gross assessed value of the homestead on the assessment date for which property taxes are imposed is at least one hundred sixty thousand dollars ($160,000).

~~(b)~~ **(c)** An individual is entitled to an additional credit under this section for property taxes first due and payable for a calendar year on a homestead if:

(1) the **individual and the** homestead ~~qualifies as qualified homestead property~~ **qualify for the credit under subsection (a) for the calendar year;**

(2) the homestead is not disqualified for the credit under subsection (b) for the calendar year; and

(3) the filing requirements under subsection (e) are met.

~~(c)~~ **(d)** The amount of the credit is equal to the greater of zero (0) or the result of:

(1) the property tax liability first due and payable on the ~~qualified~~ homestead property for the calendar year; minus

(2) the result of:

(A) the property tax liability first due and payable on the qualified homestead property for the immediately preceding year; multiplied by

(B) one and two hundredths (1.02).

However, property tax liability imposed on any improvements to or expansion of the homestead property after the assessment date for which property tax liability described in subdivision (2) was imposed shall not be considered in determining the credit granted under this section in the current calendar year.

~~(d) The following adjusted gross income limits apply to an individual who claims a credit under this section:~~

~~(1) In the case of an individual who files a single return, the adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of the individual claiming the exemption may not exceed thirty thousand dollars ($30,000).~~

~~(2) In the case of an individual who files a joint income tax return with the individual's spouse, the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of the individual and the individual's spouse may not exceed forty thousand dollars ($40,000).~~

(e) Applications for a credit under this section shall be filed in the manner provided for an application for a deduction under IC 6-1.1-12-9. However, an individual who remains eligible for the credit in the following year is not required to file a statement to apply for the credit in the following year. An individual who receives a credit under this section in a particular year and who becomes ineligible for the credit in the following year shall notify the auditor of the county in which the homestead is located of the individual's ineligibility ~~before June 11 of the year in which~~ **not later than sixty (60) days after** the individual becomes ineligible.

(f) The auditor of each county shall, in a particular year, apply a credit provided under this section to each individual who received the credit in the preceding year unless the auditor determines that the individual is no longer eligible for the credit.

SECTION 43. IC 6-1.1-21.2-15, AS AMENDED BY P.L.146-2008, SECTION 240, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 15. (a) As the special assessment or tax imposed under this chapter is collected by the county treasurer, it shall be transferred to the governing body and accumulated and kept in the special fund for the allocation area.

(b) A special assessment or tax levied under this chapter is not subject to IC 6-1.1-20.

(c) A special assessment or tax levied under this chapter and the use of revenues from a special assessment or tax levied under this chapter by a governing body do not create a constitutional or statutory debt, pledge, or obligation of the governing body, the district, or any county, city, town, or township.

(d) The ad valorem property tax levy limits imposed by IC 6-1.1-18.5-3 or another provision of IC 6-1.1-18.5 do not apply to a special assessment or tax imposed under this chapter. For purposes of computing the ad valorem property tax levy limit imposed on a civil taxing unit under IC 6-1.1-18.5-3 or another provision of IC 6-1.1-18.5, the civil taxing unit's ad valorem

property tax levy for a particular calendar year does not include a special assessment or tax imposed under this chapter.

SECTION 44. IC 6-1.1-22-5, AS AMENDED BY P.L.146-2008, SECTION 250, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) Except as provided in subsections (b) and (c), on or before March 15 of each year, the county auditor shall prepare and deliver to the auditor of state and the county treasurer a certified copy of an abstract of the property, assessments, taxes, deductions, and exemptions for taxes payable in that year in each taxing district of the county. The county auditor shall prepare the abstract in such a manner that the information concerning property tax deductions reflects the total amount of each type of deduction. The abstract shall also contain a statement of the taxes and penalties unpaid in each taxing unit at the time of the last settlement between the county auditor and county treasurer and the status of these delinquencies. The county auditor shall prepare the abstract on the form prescribed by the state board of accounts. The auditor of state, county auditor, and county treasurer shall each keep a copy of the abstract as a public record.

(b) If the county auditor receives a copy of an appeal petition under ~~IC 6-1.1-18.5-12(d)~~ **IC 6-1.1-18.5-12(g)** before the county auditor prepares and delivers the certified copy of the abstract under subsection (a), the county auditor shall prepare and deliver the certified copy of the abstract when the appeal is resolved by the department of local government finance.

(c) If the county auditor receives a copy of an appeal petition under ~~IC 6-1.1-18.5-12(d)~~ **IC 6-1.1-18.5-12(g)** after the county auditor prepares and delivers the certified copy of the abstract under subsection (a), the county auditor shall prepare and deliver a certified copy of a revised abstract when the appeal is resolved by the department of local government finance that reflects the action of the department.

SECTION 45. IC 6-1.1-22-8.1, AS AMENDED BY P.L.3-2008, SECTION 53, AND AS AMENDED BY P.L.146-2008, SECTION 251, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8.1. (a) ~~This section applies only to property taxes and special assessments first due and payable after December 31, 2007.~~

~~(b)~~ The county treasurer shall:

(1) mail to the last known address of each person liable for any

property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book; and

(2) transmit by written, electronic, or other means to a mortgagee maintaining an escrow account for a person who is liable for any property taxes or special assessments, as shown on the tax duplicate or special assessment records;

a statement in the form required under subsection ~~(c). *However, for property taxes first due and payable in 2008, the county treasurer may choose to use a tax statement that is different from the tax statement prescribed by the department under subsection* (c). *If a county chooses to use a different tax statement, the county must still transmit (with the tax bill) the statement in either color type or black-and-white type.*~~ **(b).**

~~(c)~~ **(b)** The department of local government finance shall prescribe a form ~~subject to the approval of the state board of accounts,~~ for the statement under subsection ~~(b)~~ **(a)** that includes at least the following:

(1) A statement of the taxpayer's current and delinquent taxes and special assessments.

(2) A breakdown showing the total property tax and special assessment liability and the amount of the taxpayer's liability that will be distributed to each taxing unit in the county.

(3) An itemized listing ~~for each property tax levy,~~ including:

~~(A) the amount of the tax rate;~~

~~(B)~~ **(A)** the entity levying the tax owed; and

~~(C)~~ **(B)** the dollar amount of the tax owed.

(4) Information designed to show the manner in which the taxes and special assessments billed in the tax statement are to be used.

(5) A comparison showing any change in the assessed valuation for the property as compared to the previous year.

(6) A comparison showing any change in the property tax and special assessment liability for the property as compared to the previous year. The information required under this subdivision must identify

~~(A)~~ the amount of the taxpayer's liability distributable to each taxing unit in which the property is located in the current year and in the previous year. ~~and~~

~~(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which~~

~~the property is located from the previous year to the current year.~~

(7) An explanation of the following:

(A) The homestead credit and all property tax deductions.

(B) The procedure and deadline for filing for the homestead credit and each deduction.

(C) The procedure that a taxpayer must follow to:

(i) appeal a current assessment; or

(ii) petition for the correction of an error related to the taxpayer's property tax and special assessment liability.

(D) The forms that must be filed for an appeal or a petition described in clause (C).

The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.

(8) A checklist that shows:

(A) the homestead credit and all property tax deductions; and

(B) whether the homestead credit and each property tax deduction applies in the current statement for the property transmitted under subsection ~~(b).~~ **(a).**

~~(d)~~ **(c)** The county treasurer may mail or transmit the statement one (1) time each year at least fifteen (15) days before the date on which the first or only installment is due. Whenever a person's tax liability for a year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this chapter, a statement that is mailed must include the date on which the installment is due and denote the amount of money to be paid for the installment. Whenever a person's tax liability is due in two (2) installments, a statement that is mailed must contain the dates on which the first and second installments are due and denote the amount of money to be paid for each installment.

~~(e)~~ **(d)** All payments of property taxes and special assessments shall be made to the county treasurer. The county treasurer, when authorized by the board of county commissioners, may open temporary offices for the collection of taxes in cities and towns in the county other than the county seat.

~~(f)~~ **(e)** The county treasurer, county auditor, and county assessor shall cooperate to generate the information to be included in the statement under subsection ~~(c).~~ **(b).**

~~(g)~~ **(f)** The information to be included in the statement under

subsection ~~(c)~~ **(b)** must be simply and clearly presented and understandable to the average individual.

~~(h)~~ **(g)** After December 31, 2007, a reference in a ~~law or~~ rule to IC 6-1.1-22-8 *(expired January 1, 2008, and repealed)* shall be treated as a reference to this section.

SECTION 46. IC 6-1.1-22-9, AS AMENDED BY P.L.146-2008, SECTION 252, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 9. (a) Except as provided in ~~subsections~~ **subsection** (b), ~~and (c)~~ the property taxes assessed for a year under this article are due in two (2) equal installments on May 10 and November 10 of the following year.

(b) Subsection (a) does not apply if any of the following apply to the property taxes assessed for the year under this article:

(1) Subsection (c).

(2) Subsection (d).

~~(3) Subsection (h).~~

~~(4) Subsection (i).~~

~~(5)~~ **(3)** IC 6-1.1-7-7.

~~(6)~~ **(4)** Section 9.5 of this chapter.

(5) Section 9.7 of this chapter.

(6) IC 6-1.1-7-7.

(7) IC 6-1.1-22.5-12.

(c) A county council may adopt an ordinance to require a person to pay the person's property tax liability in one (1) installment, if the tax liability for a particular year is less than twenty-five dollars ($25). If the county council has adopted such an ordinance, then whenever a tax statement mailed under section 8.1 of this chapter shows that the person's property tax liability for a year is less than twenty-five dollars ($25) for the property covered by that statement, the tax liability for that year is due in one (1) installment on May 10 of that year.

(d) If the county treasurer receives a copy of an appeal petition under ~~IC 6-1.1-18.5-12(d)~~ **IC 6-1.1-18.5-12(g)** before the county treasurer mails or transmits statements under section ~~8.1(b)~~ **8.1** of this chapter, the county treasurer may:

(1) mail or transmit the statements without regard to the pendency of the appeal and, if the resolution of the appeal by the department of local government finance results in changes in levies, mail or transmit reconciling statements under subsection (e); or

(2) delay the mailing or transmission of statements under section ~~8.1(b)~~ **8.1(a)** of this chapter so that:

(A) the due date of the first installment that would otherwise be due under subsection (a) is delayed by not more than sixty (60) days; and

(B) all statements reflect any changes in levies that result from the resolution of the appeal by the department of local government finance.

(e) A reconciling statement under subsection (d)(1) must indicate:

(1) the total amount due for the year;

(2) the total amount of the installments paid that did not reflect the resolution of the appeal under ~~IC 6-1.1-18.5-12(d)~~ **IC 6-1.1-18.5-12(g)** by the department of local government finance;

(3) if the amount under subdivision (1) exceeds the amount under subdivision (2), the adjusted amount that is payable by the taxpayer:

(A) as a final reconciliation of all amounts due for the year; and

(B) not later than:

(i) November 10; or

(ii) the date or dates established under section 9.5 of this chapter; and

(4) if the amount under subdivision (2) exceeds the amount under subdivision (1), that the taxpayer may claim a refund of the excess under IC 6-1.1-26.

(f) If property taxes are not paid on or before the due date, the penalties prescribed in IC 6-1.1-37-10 shall be added to the delinquent taxes.

(g) Notwithstanding any other law, a property tax liability of less than five dollars ($5) is increased to five dollars ($5). The difference between the actual liability and the five dollar ($5) amount that appears on the statement is a statement processing charge. The statement processing charge is considered a part of the tax liability.

SECTION 47. IC 6-1.1-22.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. As used in this chapter, "provisional statement" refers to a provisional property tax statement required by:

(1) section 6 of this chapter; **or**

(2) section 6.5 of this chapter;

as the context indicates.

SECTION 48. IC 6-1.1-22.5-6, AS AMENDED BY P.L.118-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) Except as provided in subsection (c), ~~with respect to property taxes payable under this article on assessments determined for the 2003 assessment date or the assessment date in any later year,~~ the county treasurer ~~may,~~ **shall,** except as provided by section 7 of this chapter, use a provisional statement under this ~~chapter~~ **section** if the county auditor fails to deliver the abstract for that assessment date to the county treasurer under IC 6-1.1-22-5 before March 16 of the year following the assessment date.

(b) The county treasurer shall give notice of the provisional statement, including disclosure of the method that is to be used in determining the tax liability to be indicated on the provisional statement, by publication one (1) time:

(1) in the form prescribed by the department of local government finance; and

(2) in the manner described in IC 6-1.1-22-4(b).

The notice may be combined with the notice required under section 10 of this chapter.

(c) Subsection (a) does not apply if the county auditor fails to deliver the abstract as provided in IC 6-1.1-22-5(b).

(d) This subsection applies after June 30, 2009. Immediately upon determining ~~to use~~ **that** provisional statements **must be used** under subsection (a), the county treasurer shall give notice of the determination to the county fiscal body (as defined in IC 36-1-2-6).

SECTION 49. IC 6-1.1-22.5-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 6.5. (a) As used in this section, "cross-county area" refers to a cross-county entity's territory that is located in one (1) county.**

(b) As used in this section, "cross-county entity" refers to a taxing unit that is located in more than one (1) county.

(c) As used in this section, "statement preparation date" refers to the date determined by the county treasurer before which the county treasurer must receive all necessary information in order

to timely prepare and deliver property tax statements under IC 6-1.1-22.

(d) With respect to property taxes first due and payable under this article after 2009, the county treasurer may, except as provided in section 7 of this chapter, use a provisional statement under this section if:

(1) the county treasurer is not required to use provisional statements under section 6 of this chapter; and

(2) the county treasurer determines that:

(A) the property tax rate of a cross-county entity with cross-county area in the county has not been finally determined before the statement preparation date; and

(B) the rate referred to in clause (A) has not been finally determined because the assessed valuation:

(i) in the cross-county area of a neighboring county; and

(ii) on which the property taxes are based;

has not been finally determined.

(e) A provisional statement under this section applies only for the cross-county area in the county. If a provisional statement is used under this section, the county treasurer shall prepare and deliver property tax statements under IC 6-1.1-22 for the territory of the county that is not cross-county area.

(f) The county treasurer shall give notice of the provisional statement in the manner required by section 6(b) of this chapter.

(g) Immediately upon determining to use provisional statements under this section, the county treasurer shall give notice of the determination to the county fiscal body (as defined in IC 36-1-2-6).

SECTION 50. IC 6-1.1-22.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) The county auditor of a county or fifty (50) property owners in the county may, not more than five (5) days after the publication of the notice required under section ~~6~~ **6(b) or 6.5(f)** of this chapter, request in writing that the department of local government finance waive the use of a provisional statement under this chapter as to that county for a particular ~~assessment date.~~ **year.**

(b) **With respect to the use of a provisional statement required under section 6 of this chapter,** upon receipt of a request under subsection (a), the department of local government finance shall give

notice of a hearing concerning the request in the manner provided by IC 5-3-1. The notice must state:

(1) the date and time of the hearing;

(2) the location of the hearing, which must be in the county; and

(3) that the purpose of the hearing is to hear:

(A) the request of the county treasurer and county auditor to waive the requirements of **section 6 of** this chapter; and

(B) taxpayers' comments regarding that request.

(c) After the hearing **required by subsection (b),** the department of local government finance may waive the use of a provisional statement under **section 6 of** this chapter for a particular ~~assessment date~~ **year** as to the county making the request if the department finds that the petitioners have presented sufficient evidence to establish that although the abstract required by IC 6-1.1-22-5 was not delivered in a timely manner:

(1) the abstract;

(A) was delivered as of the date of the hearing; or

(B) will be delivered not later than a date specified by the county auditor and county treasurer; and

(2) sufficient time remains or will remain after the date or anticipated date of delivery of the abstract to:

(A) permit the timely preparation and delivery of property tax statements in the manner provided by IC 6-1.1-22; and

(B) render the use of a provisional statement under **section 6 of** this chapter unnecessary.

(d) With respect to a determination to use a provisional statement under section 6.5 of this chapter, upon receipt of a request under subsection (a), the department of local government finance shall give notice of a hearing concerning the request in the manner provided by IC 5-3-1. The notice must state:

(1) the date and time of the hearing;

(2) the location of the hearing, which must be in the county; and

(3) that the purpose of the hearing is to hear:

(A) the request of the county treasurer and county auditor to waive the requirements of section 6.5 of this chapter; and

(B) taxpayers' comments regarding that request.

(e) After the hearing required by subsection (d), the department of local government finance may waive the use of a provisional statement under section 6.5 of this chapter for a particular year as to the county making the request if the department finds that the petitioners have presented sufficient evidence to establish that although the property tax rate of one (1) or more cross-county entities with cross-county area in the county was not finally determined before the statement preparation date:

(1) that property tax rate:

(A) was determined as of the date of the hearing; or

(B) will be determined not later than a date specified by the county auditor and county treasurer; and

(2) sufficient time remains or will remain after the date or anticipated date of determination of the rate to:

(A) permit the timely preparation and delivery of property tax statements in the manner provided by IC 6-1.1-22; and

(B) render the use of a provisional statement under section 6.5 of this chapter unnecessary.

SECTION 51. IC 6-1.1-22.5-8, AS ADDED BY P.L.1-2004, SECTION 37, AND AS ADDED BY P.L.23-2004, SECTION 40, AND AMENDED BY P.L.219-2007, SECTION 65, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Sec. 8. **(a) Subject to subsection (b),** a provisional statement must:

(1) be on a form approved by the state board of accounts;

(2) except as provided in emergency rules adopted under section 20 of this chapter:

(A) for property taxes billed using a provisional statement under section 6 of this chapter, indicate tax liability in the amount of: ~~ninety~~

(i) except as provided in item (ii), sixty percent ~~(90%)~~ **(60%); or**

(ii) if the county treasurer determines in writing to use a percentage greater than sixty percent (60%) and not more than ninety percent (90%), the percentage determined by the county treasurer under this item;

of the tax liability that was payable in the same year as the assessment date for the property for which the provisional statement is issued; **or**

(B) for property taxes billed using a provisional statement under section 6.5 of this chapter, except as provided in subsection (c), indicate tax liability in an amount determined by the department of local government finance based on:

(i) subject to subsection (b), for the cross-county entity, the property tax rate of the cross-county entity for taxes first due and payable in the immediately preceding calendar year; and

(ii) for all other taxing units that make up the taxing district or taxing districts that comprise the cross-county area, the property tax rates of the taxing units for taxes first due and payable in the current calendar year;

(3) indicate:

(A) that the tax liability under the provisional statement is determined as described in subdivision (2); and

(B) that property taxes billed on the provisional statement:

(i) are due and payable in the same manner as property taxes billed on a tax statement under ~~IC 6-1.1-22-8;~~ **IC 6-1.1-22-8.1;** and

(ii) will be credited against a reconciling statement;

(4) **for property taxes billed using a provisional statement under section 6 of this chapter,** include ~~*the following*~~ *a* statement *in the following or a substantially similar form, as determined by the department of local government finance:*

"Under Indiana law, _____ County (insert county) has ~~elected to send~~ **sent** provisional statements because the county did not complete the abstract of the property, assessments, taxes, deductions, and exemptions for taxes payable in (insert year) in each taxing district before March 16, (insert year). The statement is due to be paid in installments on ~~*May 10*~~ _____ *(insert date)* and _____ ~~*November 10*~~ *(insert date).* The statement is based on ~~ninety~~ _____ percent ~~(90%)~~ **(__%) (insert percentage)** of your tax liability for taxes payable in _____ (insert year), subject to adjustment for any new construction on your property *or any damage to your property.* After the abstract of property is complete, you will receive a reconciling statement in the amount of your actual tax liability for taxes payable in

_____ (insert year), minus the amount you pay under this provisional statement.";

(5) for property taxes billed using a provisional statement under section 6.5 of this chapter, include a statement in the following or a substantially similar form, as determined by the department of local government finance:

"Under Indiana law, _____ County (insert county) has elected to send provisional statements for the territory of _____ (insert cross-county entity) located in _____ County (insert county) because the property tax rate for _____ (insert cross-county entity) was not available in time to prepare final tax statements. The statement is due to be paid in installments on _____ (insert date) and _____ (insert date). The statement is based on the property tax rate of _____ (insert cross-county entity) for taxes first due and payable in _____ (insert immediately preceding calendar year). After the property tax rate of _____ (insert cross-county entity) is determined, you will receive a reconciling statement in the amount of your actual tax liability for taxes payable in _____ (insert year), minus the amount you pay under this provisional statement.";

~~(5)~~ **(6)** indicate liability for:

(A) delinquent:

(i) taxes; and

(ii) special assessments;

(B) penalties; and

(C) interest;

is allowed to appear on the tax statement under IC ~~6-1.1-22-8~~ **IC 6-1.1-22-8.1** for the ~~*May*~~ *first* installment of property taxes in the year in which the provisional tax statement is issued; and

~~(6)~~ **(7)** include any other information the county treasurer requires.

(b) For purposes of this section, property taxes that are:

(1) first due and payable in the current calendar year on a provisional statement under section 6 or 6.5 of this chapter; and

(2) based on property taxes first due and payable in the

immediately preceding calendar year or on a percentage of those property taxes;

are determined after excluding from the property taxes first due and payable in the immediately preceding calendar year property taxes imposed by one (1) or more taxing units in which the tangible property is located that are attributable to a levy that no longer applies for property taxes first due and payable in the current calendar year.

(c) If there was no property tax rate of the cross-county entity for taxes first due and payable in the immediately preceding calendar year for use under subsection (a)(2)(B), the department of local government finance shall provide an estimated tax rate calculated to approximate the actual tax rate that will apply when the tax rate is finally determined.

SECTION 52. IC 6-1.1-22.5-9, AS AMENDED BY P.L.219-2007, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. (a) Except as provided in subsection (b), subsection (c), and section 12 of this chapter, property taxes billed on a provisional statement are due in two (2) equal installments on May 10 and November 10 of the year ~~following the assessment date covered by the provisional statement.~~ **in which the taxes would be first due and payable if the taxes were billed under IC 6-1.1-22.**

(b) If in a county the notices of general reassessment under IC 6-1.1-4-4 or notices of assessment under IC 6-1.1-4-4.5 for an assessment date in a calendar year are given to the taxpayers in the county after March 26 of the immediately succeeding calendar year, the property taxes that would otherwise be due under subsection (a) **under a provisional statement under section 6 of this chapter** on May 10 of the immediately succeeding calendar year are due on the later of:

(1) May 10 of the immediately succeeding calendar year; or

(2) forty-five (45) days after the mailing or transmittal of provisional statements.

(c) If subsection (b) applies, the property taxes that would otherwise be due under subsection (a) **under a provisional statement under section 6 of this chapter** on November 10 of the immediately succeeding calendar year referred to in subsection (b) are due on the later of:

(1) November 10 of the immediately succeeding calendar year; or

(2) a date determined by the county treasurer that is not later than December 31 of the immediately succeeding calendar year.

SECTION 53. IC 6-1.1-22.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11. **(a) With respect to provisional statements under section 6 of this chapter,** as soon as possible after the receipt of the abstract referred to in section 6 of this chapter, the county treasurer shall:

(1) give the notice required by IC 6-1.1-22-4; and

(2) mail or transmit reconciling statements under section 12 of this chapter.

(b) With respect to provisional statements under section 6.5 of this chapter, as soon as possible after determination of the tax rate of the cross-county entity referred to in section 6.5 of this chapter, the county treasurer shall:

(1) give the notice required by IC 6-1.1-22-4; and

(2) mail or transmit reconciling statements under section 12 of this chapter.

SECTION 54. IC 6-1.1-22.5-12, AS AMENDED BY P.L.146-2008, SECTION 254, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. (a) Except as provided by subsection (c), each reconciling statement must indicate:

(1) the actual property tax liability under this article ~~on the assessment determined for the assessment date~~ for the ~~property~~ **calendar year** for which the reconciling statement is issued;

(2) the total amount paid under the provisional statement for the property for which the reconciling statement is issued;

(3) if the amount under subdivision (1) exceeds the amount under subdivision (2), that the excess is payable by the taxpayer:

(A) as a final reconciliation of the tax liability; and

(B) not later than:

(i) thirty (30) days after the date of the reconciling statement;

(ii) if the county treasurer requests in writing that the commissioner designate a later date, the date designated by the commissioner; or

(iii) the date specified in an ordinance adopted under section 18.5 of this chapter; and

(4) if the amount under subdivision (2) exceeds the amount under

subdivision (1), that the taxpayer may claim a refund of the excess under IC 6-1.1-26.

(b) If, upon receipt of the abstract referred to in section 6 of this chapter **or upon determination of the tax rate of the cross-county entity referred to in section 6.5 of this chapter,** the county treasurer determines that it is possible to complete the:

(1) preparation; and

(2) mailing or transmittal;

of the reconciling statement at least thirty (30) days before the due date of the second installment specified in the provisional statement, the county treasurer may request in writing that the department of local government finance permit the county treasurer to issue a reconciling statement that adjusts the amount of the second installment that was specified in the provisional statement. If the department approves the county treasurer's request, the county treasurer shall prepare and mail or transmit the reconciling statement at least thirty (30) days before the due date of the second installment specified in the provisional statement.

(c) A reconciling statement prepared under subsection (b) must indicate:

(1) the actual property tax liability under this article ~~on the assessment determined for the assessment date for the property~~ **for the calendar year** for which the reconciling statement is issued;

(2) the total amount of the first installment paid under the provisional statement for the property for which the reconciling statement is issued;

(3) if the amount under subdivision (1) exceeds the amount under subdivision (2), the adjusted amount of the second installment that is payable by the taxpayer:

(A) as a final reconciliation of the tax liability; and

(B) not later than:

(i) November 10; or

(ii) if the county treasurer requests in writing that the commissioner designate a later date, the date designated by the commissioner; and

(4) if the amount under subdivision (2) exceeds the amount under subdivision (1), that the taxpayer may claim a refund of the excess

under IC 6-1.1-26.

SECTION 55. IC 6-1.1-22.5-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 20. For purposes of a provisional statement under **section 6 of** this chapter, the department of local government finance may adopt emergency rules under IC 4-22-2-37.1 to provide a methodology for a county treasurer to issue provisional statements with respect to real property, taking into account new construction of improvements placed on the real property, damage, and other losses related to the real property:

(1) after March 1 of the year preceding the assessment date to which the provisional statement applies; and

(2) before the assessment date to which the provisional statement applies.".

Delete page 18.

Page 19, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 57. IC 6-1.1-31-7, AS AMENDED BY P.L.214-2005, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2010]: Sec. 7. (a) With respect to the assessment of personal property, the rules of the department of local government finance shall provide for the classification of personal property on the basis of:

(1) date of purchase;

(2) location;

(3) use;

(4) depreciation, obsolescence, and condition; and

(5) any other factor that the department determines by rule is just and proper.

(b) With respect to the assessment of personal property, the rules of the department of local government finance shall include instructions for determining:

(1) the proper classification of personal property;

(2) the effect that location has on the value of personal property;

(3) the cost of reproducing personal property;

(4) the depreciation, including physical deterioration and obsolescence, of personal property;

(5) the productivity or earning capacity of mobile homes regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more;

(6) the true tax value of mobile homes assessed under IC 6-1.1-7 (other than mobile homes subject to the ~~preferred~~ valuation method under ~~IC 6-1.1-4-39(b))~~ **IC 6-1.1-4-39)** as the least of the values determined using the following:

(A) The National Automobile Dealers Association Guide.

(B) The purchase price of a mobile home if:

(i) the sale is of a commercial enterprise nature; and

(ii) the buyer and seller are not related by blood or marriage.

(C) Sales data for generally comparable mobile homes;

(7) the true tax value at the time of acquisition of computer application software, for the purpose of deducting the value of computer application software from the acquisition cost of tangible personal property whenever the value of the tangible personal property that is recorded on the taxpayer's books and records reflects the value of the computer application software; and

(8) the true tax value of personal property based on the factors listed in this subsection and any other factor that the department determines by rule is just and proper.

(c) In providing for the classification of personal property and the instructions for determining the items listed in subsection (b), the department of local government finance shall not include the value of land as a cost of producing tangible personal property subject to assessment.

(d) With respect to the assessment of personal property, true tax value does not mean fair market value. Subject to this article, true tax value is the value determined under rules of the department of local government finance.

SECTION 58. IC 6-1.1-35-9, AS AMENDED BY P.L.146-2008, SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. (a) All information that is related to earnings, income, profits, losses, or expenditures and that is:

(1) given by a person to:

(A) an assessing official;

(B) an employee of an assessing official; or

(C) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12; or

(2) acquired by:

(A) an assessing official;

(B) an employee of an assessing official; or

(C) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12;

in the performance of the person's duties;

is confidential. The assessed valuation of tangible property is a matter of public record and is thus not confidential. Confidential information may be disclosed only in a manner that is authorized under subsection (b), (c), or (d).

(b) Confidential information may be disclosed to:

(1) an official or employee of:

(A) this state or another state;

(B) the United States; or

(C) an agency or subdivision of this state, another state, or the United States;

if the information is required in the performance of the official duties of the official or employee; ~~or~~

(2) an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12 if the information is required in the performance of the official duties of the officer or employee; **or**

(3) a state educational institution in order to develop data required under IC 6-1.1-4-42.

(c) The following state agencies, or their authorized representatives, shall have access to the confidential farm property records and schedules that are on file in the office of a county assessor:

(1) The Indiana state board of animal health, in order to perform its duties concerning the discovery and eradication of farm animal diseases.

(2) The department of agricultural statistics of Purdue University, in order to perform its duties concerning the compilation and dissemination of agricultural statistics.

(3) Any other state agency that needs the information in order to perform its duties.

(d) Confidential information may be disclosed during the course of a judicial proceeding in which the regularity of an assessment is

questioned.

(e) Confidential information that is disclosed to a person under subsection (b) or (c) retains its confidential status. Thus, that person may disclose the information only in a manner that is authorized under subsection (b), (c), or (d).

(f) Notwithstanding any other provision of law:

(1) a person who:

(A) is an officer or employee of an entity that contracts with a board of county commissioners or a county assessor under IC 6-1.1-36-12; and

(B) obtains confidential information under this section;

may not disclose that confidential information to any other person; and

(2) a person referred to in subdivision (1) must return all confidential information to the taxpayer not later than fourteen (14) days after the earlier of:

(A) the completion of the examination of the taxpayer's personal property return under IC 6-1.1-36-12; or

(B) the termination of the contract.

SECTION 59. IC 6-1.1-37-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. An officer of state or local government who recklessly violates or fails to perform a duty imposed on ~~him~~ **the officer** under:

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

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

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

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

~~(5)~~ **(4)** IC 6-1.1-17-1;

~~(6)~~ **(5)** IC 6-1.1-17-3(a);

~~(7)~~ **(6)** IC 6-1.1-17-5(d)(1);

~~(8)~~ **(7)** IC 6-1.1-18-1;

~~(9)~~ **(8)** IC 6-1.1-18-5;

~~(10)~~ **(9)** IC 6-1.1-18-6;

~~(11)~~ **(10)** IC 6-1.1-20-5;

~~(12) IC 6-1.1-20-6;~~

~~(13) IC 6-1.1-20-7;~~

~~(14)~~ **(11)** IC 6-1.1-30-14; or

~~(15)~~ **(12)** IC 6-1.1-36-13;

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

SECTION 60. IC 6-1.1-37-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. A person who **recklessly, knowingly, or intentionally:**

(1) disobeys a subpoena, or a subpoena duces tecum, issued under the general assessment provisions of this article;

(2) refuses to give evidence when directed to do so by an individual or board authorized under the general assessment provisions of this article to require the evidence;

(3) fails to file a personal property return required under IC 6-1.1-3;

(4) fails to subscribe to an oath or certificate required under the general assessment provisions of this article; ~~or~~

(5) temporarily converts property which is taxable under this article into property not taxable to evade the payment of taxes on the converted property; **or**

(6) fails to file an information return required by the department of local government finance under IC 6-1.1-4-42;

commits a Class A misdemeanor.

SECTION 61. IC 6-1.1-37-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 14. (a) The penalties prescribed under this section do not apply to an individual or the individual's dependents if the individual:**

(1) is in the military or naval forces of the United States on the assessment date; and

(2) is covered by the federal Servicemembers Civil Relief Act.

(b) If a person fails to file a substantially complete information return required by the department of local government finance under IC 6-1.1-4-42:

(1) on or before the due date for the return, the person is subject to a penalty of twenty-five dollars ($25); or

(2) not later than thirty (30) days after the due date, the person is subject to an additional penalty equal to twenty percent (20%) of the taxes finally determined with respect to the property that is the subject of the information return for

the assessment date for the property immediately preceding the date that the information is due.

(c) The department of local government finance shall certify a penalty imposed under subsection (b) to the county auditor where the property that is the subject of the return is located. Upon notice from the department of local government finance, the county auditor shall add the penalty to the property tax installment next due for the property that is the subject of the information return. A penalty is due with an installment under this section whether an appeal is filed under IC 6-1.1-15-5 with respect to the tax due on that installment.

SECTION 62. IC 6-1.1-41-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 13. After a political subdivision complies with this chapter, a property tax may be levied annually ~~at the tax rate approved under this chapter~~ without further action under this chapter. The tax levy must be advertised annually as other tax levies are advertised.

SECTION 63. IC 6-3.5-1.1-1.1, AS ADDED BY P.L.207-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1.1. (a) For purposes of allocating the certified distribution made to a county under this chapter among the civil taxing units and school corporations in the county, the allocation amount for a civil taxing unit or school corporation is the amount determined using the following formula:

STEP ONE: Determine the sum of the total property taxes being collected by the civil taxing unit or school corporation during the calendar year of the distribution.

STEP TWO: Determine the sum of the following:

(A) Amounts appropriated from property taxes to pay the principal of or interest on any debenture or other debt obligation issued after June 30, 2005, other than an obligation described in subsection (b).

(B) Amounts appropriated from property taxes to make payments on any lease entered into after June 30, 2005, other than a lease described in subsection (c).

(C) The proceeds of any property that are:

(i) received as the result of the issuance of a debt obligation described in clause (A) or a lease described in clause (B);

and

(ii) appropriated from property taxes for any purpose other than to refund or otherwise refinance a debt obligation or lease described in subsection (b) or (c).

STEP THREE: Subtract the STEP TWO amount from the STEP ONE amount.

STEP FOUR: Determine the sum of:

(A) the STEP THREE amount; plus

(B) the civil taxing unit's or school corporation's certified distribution for the previous calendar year.

The allocation amount is subject to adjustment as provided in IC 36-8-19-7.5.

(b) Except as provided in this subsection, an appropriation from property taxes to repay interest and principal of a debt obligation is not deducted from the allocation amount for a civil taxing unit or school corporation if:

(1) the debt obligation was issued; and

(2) the proceeds appropriated from property taxes;

to refund or otherwise refinance a debt obligation or a lease issued before July 1, 2005. However, an appropriation from property taxes related to a debt obligation issued after June 30, 2005, is deducted if the debt extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if the debt or lease had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.

(c) Except as provided in this subsection, an appropriation from property taxes to make payments on a lease is not deducted from the allocation amount for a civil taxing unit or school corporation if:

(1) the lease was issued; and

(2) the proceeds were appropriated from property taxes;

to refinance a debt obligation or lease issued before July 1, 2005. However, an appropriation from property taxes related to a lease entered into after June 30, 2005, is deducted if the lease extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if the debt or lease had not been refinanced

or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.".

Page 20, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 65. IC 6-3.5-1.1-26, AS AMENDED BY P.L.146-2008, SECTION 333, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 26. (a) A county council may impose a tax rate under this section to provide property tax relief to ~~political subdivisions~~ **taxpayers** in the county. A county council is not required to impose any other tax before imposing a tax rate under this section.

(b) A tax rate under this section may be imposed in increments of five-hundredths of one percent (0.05%) determined by the county council. A tax rate under this section may not exceed one percent (1%).

(c) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(d) If a county council adopts an ordinance to impose or increase a tax rate under this section, the county auditor shall send a certified copy of the ordinance to the department and the department of local government finance by certified mail.

(e) A tax rate under this section may be imposed, increased, decreased, or rescinded by a county council at the same time and in the same manner that the county council may impose or increase a tax rate under section 24 of this chapter.

(f) Tax revenue attributable to a tax rate under this section may be used for any combination of the following purposes, as specified by ordinance of the county council:

(1) Except as provided in subsection (j), the tax revenue may be used to provide local property tax replacement credits at a uniform rate to all taxpayers in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year. A

county council may not adopt an ordinance determining that tax revenue shall be used under this subdivision to provide local property tax replacement credits at a uniform rate to all taxpayers in the county unless the county council has done the following:

(A) Made available to the public the county council's best estimate of the amount of property tax replacement credits to be provided under this subdivision to homesteads, other residential property, commercial property, industrial property, and agricultural property.

(B) Adopted a resolution or other statement acknowledging that some taxpayers in the county that do not pay the tax rate under this section will receive a property tax replacement credit that is funded with tax revenue from the tax rate under this section.

(2) The tax revenue may be used to uniformly increase (before January 1, ~~2009)~~ **2011)** or uniformly provide (after December 31, ~~2008)~~ **2010)** the homestead credit percentage in the county. The homestead credits shall be treated for all purposes as property tax levies. The homestead credits do not reduce the basis for determining ~~the~~ **any** state homestead credit. ~~under IC 6-1.1-20.9 (before its repeal).~~ The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1. The ~~department of local government finance~~ **county auditor** shall determine the homestead credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide homestead credits in that year.

(3) The tax revenue may be used to provide local property tax replacement credits at a uniform rate for all qualified residential property (as defined in IC 6-1.1-20.6-4 before January 1, 2009, and as defined in section 1 of this chapter after December 31, 2008) in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year.

(4) This subdivision applies only to Lake County. The Lake County council may adopt an ordinance providing that the tax revenue from the tax rate under this section is used for any of the following:

(A) To reduce all property tax levies imposed by the county by the granting of property tax replacement credits against those property tax levies.

(B) To provide local property tax replacement credits in Lake County in the following manner:

(i) The tax revenue under this section that is collected from taxpayers within a particular municipality in Lake County (as determined by the department based on the department's best estimate) shall be used only to provide a local property tax credit against property taxes imposed by that municipality.

(ii) The tax revenue under this section that is collected from taxpayers within the unincorporated area of Lake County (as determined by the department) shall be used only to provide a local property tax credit against property taxes imposed by the county. The local property tax credit for the unincorporated area of Lake County shall be available only to those taxpayers within the unincorporated area of the county.

(C) To provide property tax credits in the following manner:

(i) Sixty percent (60%) of the tax revenue under this section shall be used as provided in clause (B).

(ii) Forty percent (40%) of the tax revenue under this section shall be used to provide property tax replacement credits against property tax levies of the county and each township and municipality in the county. The percentage of the tax revenue distributed under this item that shall be used as credits against the county's levies or against a particular township's or municipality's levies is equal to the percentage determined by dividing the population of the county, township, or municipality by the sum of the total population of the county, each township in the county, and each municipality in the county.

The Lake County council shall determine whether the credits

under clause (A), (B), or (C) shall be provided to homesteads, to all qualified residential property, or to all taxpayers. The department of local government finance, with the assistance of the budget agency, shall certify to the county auditor and the fiscal body of the county and each township and municipality in the county the amount of property tax credits under this subdivision. Except as provided in subsection (g), the tax revenue under this section that is used to provide credits under this subdivision shall be treated for all purposes as property tax levies.

The county council may before October 1 of a year adopt an ordinance changing the purposes for which tax revenue attributable to a tax rate under this section shall be used in the following year.

(g) The tax rate under this section and the tax revenue attributable to the tax rate under this section shall not be considered for purposes of computing:

(1) the maximum income tax rate that may be imposed in a county under section 2 of this chapter or any other provision of this chapter;

(2) the maximum permissible property tax levy under STEP EIGHT of IC 6-1.1-18.5-3(b);

(3) before January 1, 2009, the total county tax levy under IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), or IC 6-1.1-21-2(g)(5) (before the repeal of those provisions); or

(4) the credit under IC 6-1.1-20.6.

(h) Tax revenue under this section shall be treated as a part of the receiving civil taxing unit's or school corporation's property tax levy for that year for purposes of fixing the budget of the civil taxing unit or school corporation and for determining the distribution of taxes that are distributed on the basis of property tax levies. **To the extent the county auditor determines that there is income tax revenue remaining from the tax under this section after providing the property tax replacement, the excess shall be credited to a dedicated county account and may be used only for property tax replacement under this section in subsequent years.**

(i) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(j) A taxpayer that owns an industrial plant located in Jasper County

is ineligible for a local property tax replacement credit under this section against the property taxes due on the industrial plant if the assessed value of the industrial plant as of March 1, 2006, exceeds twenty percent (20%) of the total assessed value of all taxable property in the county on that date. The general assembly finds that the provisions of this subsection are necessary because the industrial plant represents such a large percentage of Jasper County's assessed valuation.".

Page 22, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 67. IC 6-3.5-6-1.1, AS AMENDED BY P.L.146-2008, SECTION 336, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1.1. (a) For purposes of allocating the certified distribution made to a county under this chapter among the civil taxing units in the county, the allocation amount for a civil taxing unit is the amount determined using the following formula:

STEP ONE: Determine the total property taxes that are first due and payable to the civil taxing unit during the calendar year of the distribution plus, for a county, an amount equal to the welfare allocation amount.

STEP TWO: Determine the sum of the following:

(A) Amounts appropriated from property taxes to pay the principal of or interest on any debenture or other debt obligation issued after June 30, 2005, other than an obligation described in subsection (b).

(B) Amounts appropriated from property taxes to make payments on any lease entered into after June 30, 2005, other than a lease described in subsection (c).

(C) The proceeds of any property that are:

(i) received as the result of the issuance of a debt obligation described in clause (A) or a lease described in clause (B); and

(ii) appropriated from property taxes for any purpose other than to refund or otherwise refinance a debt obligation or lease described in subsection (b) or (c).

STEP THREE: Subtract the STEP TWO amount from the STEP ONE amount.

STEP FOUR: Determine the sum of:

(A) the STEP THREE amount; plus

(B) the civil taxing unit or school corporation's certified distribution for the previous calendar year.

The allocation amount is subject to adjustment as provided in IC 36-8-19-7.5. The welfare allocation amount is an amount equal to the sum of the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund and, if the county received a certified distribution under IC 6-3.5-1.1 or this chapter in 2008, the property taxes imposed by the county in 2008 for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, and children with special health care needs county fund.

(b) Except as provided in this subsection, an appropriation from property taxes to repay interest and principal of a debt obligation is not deducted from the allocation amount for a civil taxing unit if:

(1) the debt obligation was issued; and

(2) the proceeds appropriated from property taxes;

to refund or otherwise refinance a debt obligation or a lease issued before July 1, 2005. However, an appropriation from property taxes related to a debt obligation issued after June 30, 2005, is deducted if the debt extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if the debt or lease had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.

(c) Except as provided in this subsection, an appropriation from property taxes to make payments on a lease is not deducted from the allocation amount for a civil taxing unit if:

(1) the lease was issued; and

(2) the proceeds were appropriated from property taxes;

to refinance a debt obligation or lease issued before July 1, 2005. However, an appropriation from property taxes related to a lease entered into after June 30, 2005, is deducted if the lease extends payments on a debt or lease beyond the time in which the debt or lease would have been payable if it had not been refinanced or increases the total amount that must be paid on a debt or lease in excess of the

amount that would have been paid if the debt or lease had not been refinanced. The amount of the deduction is the annual amount for each year of the extension period or the annual amount of the increase over the amount that would have been paid.".

Page 26, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 69. IC 6-3.5-6-32, AS AMENDED BY P.L.146-2008, SECTION 343, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 32. (a) A county income tax council may impose a tax rate under this section to provide property tax relief to ~~political subdivisions~~ **taxpayers** in the county. A county income tax council is not required to impose any other tax before imposing a tax rate under this section.

(b) A tax rate under this section may be imposed in increments of five-hundredths of one percent (0.05%) determined by the county income tax council. A tax rate under this section may not exceed one percent (1%).

(c) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(d) If a county income tax council adopts an ordinance to impose or increase a tax rate under this section, the county auditor shall send a certified copy of the ordinance to the department and the department of local government finance by certified mail.

(e) A tax rate under this section may be imposed, increased, decreased, or rescinded at the same time and in the same manner that the county income tax council may impose or increase a tax rate under section 30 of this chapter.

(f) Tax revenue attributable to a tax rate under this section may be used for any combination of the following purposes, as specified by ordinance of the county income tax council:

(1) The tax revenue may be used to provide local property tax replacement credits at a uniform rate to all taxpayers in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year. A county income tax council may

not adopt an ordinance determining that tax revenue shall be used under this subdivision to provide local property tax replacement credits at a uniform rate to all taxpayers in the county unless the county council has done the following:

(A) Made available to the public the county council's best estimate of the amount of property tax replacement credits to be provided under this subdivision to homesteads, other residential property, commercial property, industrial property, and agricultural property.

(B) Adopted a resolution or other statement acknowledging that some taxpayers in the county that do not pay the tax rate under this section will receive a property tax replacement credit that is funded with tax revenue from the tax rate under this section.

(2) The tax revenue may be used to uniformly increase (before January 1, ~~2009)~~ **2011)** or uniformly provide (after December 31, ~~2008)~~ **2010)** the homestead credit percentage in the county. The homestead credits shall be treated for all purposes as property tax levies. The homestead credits do not reduce the basis for determining ~~the~~ **any** state homestead credit. ~~under IC 6-1.1-20.9 (before its repeal).~~ The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1. The ~~department of local government finance~~ **county auditor** shall determine the homestead credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide homestead credits in that year.

(3) The tax revenue may be used to provide local property tax replacement credits at a uniform rate for all qualified residential property (as defined in IC 6-1.1-20.6-4 before January 1, 2009, and as defined in section 1 of this chapter after December 31, 2008) in the county. The local property tax replacement credits shall be treated for all purposes as property tax levies. The county auditor shall determine the local property tax replacement credit percentage for a particular year based on the amount of tax revenue that will be used under this subdivision to provide local property tax replacement credits in that year.

(4) This subdivision applies only to Lake County. The Lake County council may adopt an ordinance providing that the tax revenue from the tax rate under this section is used for any of the following:

(A) To reduce all property tax levies imposed by the county by the granting of property tax replacement credits against those property tax levies.

(B) To provide local property tax replacement credits in Lake County in the following manner:

(i) The tax revenue under this section that is collected from taxpayers within a particular municipality in Lake County (as determined by the department based on the department's best estimate) shall be used only to provide a local property tax credit against property taxes imposed by that municipality.

(ii) The tax revenue under this section that is collected from taxpayers within the unincorporated area of Lake County (as determined by the department) shall be used only to provide a local property tax credit against property taxes imposed by the county. The local property tax credit for the unincorporated area of Lake County shall be available only to those taxpayers within the unincorporated area of the county.

(C) To provide property tax credits in the following manner:

(i) Sixty percent (60%) of the tax revenue under this section shall be used as provided in clause (B).

(ii) Forty percent (40%) of the tax revenue under this section shall be used to provide property tax replacement credits against property tax levies of the county and each township and municipality in the county. The percentage of the tax revenue distributed under this item that shall be used as credits against the county's levies or against a particular township's or municipality's levies is equal to the percentage determined by dividing the population of the county, township, or municipality by the sum of the total population of the county, each township in the county, and each municipality in the county.

The Lake County council shall determine whether the credits

under clause (A), (B), or (C) shall be provided to homesteads, to all qualified residential property, or to all taxpayers. The department of local government finance, with the assistance of the budget agency, shall certify to the county auditor and the fiscal body of the county and each township and municipality in the county the amount of property tax credits under this subdivision. Except as provided in subsection (g), the tax revenue under this section that is used to provide credits under this subdivision shall be treated for all purposes as property tax levies.

The county income tax council may before October 1 of a year adopt an ordinance changing the purposes for which tax revenue attributable to a tax rate under this section shall be used in the following year.

(g) The tax rate under this section shall not be considered for purposes of computing:

(1) the maximum income tax rate that may be imposed in a county under section 8 or 9 of this chapter or any other provision of this chapter;

(2) the maximum permissible property tax levy under STEP EIGHT of IC 6-1.1-18.5-3(b); or

(3) the credit under IC 6-1.1-20.6.

(h) Tax revenue under this section shall be treated as a part of the receiving civil taxing unit's or school corporation's property tax levy for that year for purposes of fixing the budget of the civil taxing unit or school corporation and for determining the distribution of taxes that are distributed on the basis of property tax levies. **To the extent the county auditor determines that there is income tax revenue remaining from the tax under this section after providing the property tax replacement, the excess shall be credited to a dedicated county account and may be used only for property tax replacement under this section in subsequent years.**

(i) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(j) Notwithstanding any other provision, in Lake County the county council (and not the county income tax council) is the entity authorized to take actions concerning the tax rate under this section.

SECTION 70. IC 6-3.5-7-12, AS AMENDED BY P.L.146-2008, SECTION 346, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2009]: Sec. 12. (a) Except as provided in sections 23, 25, 26, 27, and 28 of this chapter, the county auditor shall distribute in the manner specified in this section the certified distribution to the county.

(b) Except as provided in subsections (c) and (h) and sections 15 and 25 of this chapter, **and subject to adjustment as provided in IC 36-8-19-7.5,** the amount of the certified distribution that the county and each city or town in a county is entitled to receive during May and November of each year equals the product of the following:

(1) The amount of the certified distribution for that month; multiplied by

(2) A fraction. The numerator of the fraction equals the sum of:

(A) total property taxes that are first due and payable to the county, city, or town during the calendar year in which the month falls; plus

(B) for a county, the welfare allocation amount.

The denominator of the fraction equals the sum of the total property taxes that are first due and payable to the county and all cities and towns of the county during the calendar year in which the month falls, plus the welfare allocation amount. The welfare allocation amount is an amount equal to the sum of the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund and, if the county received a certified distribution under this chapter in 2008, the property taxes imposed by the county in 2008 for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, and children with special health care needs county fund.

(c) This subsection applies to a county council or county income tax council that imposes a tax under this chapter after June 1, 1992. The body imposing the tax may adopt an ordinance before July 1 of a year to provide for the distribution of certified distributions under this subsection instead of a distribution under subsection (b). The following apply if an ordinance is adopted under this subsection:

(1) The ordinance is effective January 1 of the following year.

(2) Except as provided in sections 25 and 26 of this chapter, the amount of the certified distribution that the county and each city

and town in the county is entitled to receive during May and November of each year equals the product of:

(A) the amount of the certified distribution for the month; multiplied by

(B) a fraction. For a city or town, the numerator of the fraction equals the population of the city or the town. For a county, the numerator of the fraction equals the population of the part of the county that is not located in a city or town. The denominator of the fraction equals the sum of the population of all cities and towns located in the county and the population of the part of the county that is not located in a city or town.

(3) The ordinance may be made irrevocable for the duration of specified lease rental or debt service payments.

(d) The body imposing the tax may not adopt an ordinance under subsection (c) if, before the adoption of the proposed ordinance, any of the following have pledged the county economic development income tax for any purpose permitted by IC 5-1-14 or any other statute:

(1) The county.

(2) A city or town in the county.

(3) A commission, a board, a department, or an authority that is authorized by statute to pledge the county economic development income tax.

(e) The department of local government finance shall provide each county auditor with the fractional amount of the certified distribution that the county and each city or town in the county is entitled to receive under this section.

(f) Money received by a county, city, or town under this section shall be deposited in the unit's economic development income tax fund.

(g) Except as provided in subsection (b)(2)(B), in determining the fractional amount of the certified distribution the county and its cities and towns are entitled to receive under subsection (b) during a calendar year, the department of local government finance shall consider only property taxes imposed on tangible property subject to assessment in that county.

(h) In a county having a consolidated city, only the consolidated city is entitled to the certified distribution, subject to the requirements of sections 15, 25, and 26 of this chapter.

SECTION 71. IC 6-6-5-10, AS AMENDED BY P.L.146-2008,

SECTION 353, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. (a) The bureau shall establish procedures necessary for the collection of the tax imposed by this chapter and for the proper accounting for the same. The necessary forms and records shall be subject to approval by the state board of accounts.

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

(c) As used in this subsection, "taxing district" has the meaning set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, and "tuition support levy" refers to a school corporation's tuition support property tax levy under IC 20-45-3-11 (repealed) for the school corporation's general fund. The county auditor shall determine the total amount of excise taxes collected for each taxing district in the county and the amount so collected (and the distributions received under section 9.5 of this chapter) shall be apportioned and distributed among the respective funds of the taxing units in the same manner and at the same time as property taxes are apportioned and distributed **(subject to adjustment as provided in IC 36-8-19-7.5).** However, for purposes of determining distributions under this section for 2009 and each year thereafter, a state welfare and tuition support allocation shall be deducted from the total amount available for apportionment and distribution to taxing units under this section before any apportionment and distribution is made. The county auditor shall remit the state welfare and tuition support allocation to the treasurer of state for deposit, as directed by the budget agency. The amount of the state welfare and tuition support allocation for a county for a particular year is equal to the result determined under STEP FOUR of the following formula:

STEP ONE: Determine the result of the following:

(A) Separately for 1997, 1998, and 1999 for each taxing district in the county, determine the result of:

(i) the amount appropriated in the year by the county from

the county's county welfare fund and county welfare administration fund; divided by

(ii) the total amounts appropriated by all taxing units in the county for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

STEP TWO: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tax rate imposed in the taxing district for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, children with special health care needs county fund, plus, in the case of Marion County, the tax rate imposed by the health and hospital corporation that was necessary to raise thirty-five million dollars ($35,000,000) from all taxing districts in the county; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district after subtracting the STEP ONE (D) amount for the same taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP THREE: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tuition support levy tax rate imposed in the taxing district plus the tax rate imposed by the school corporation for the school corporation's special education preschool fund in the district; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district after subtracting the STEP ONE (D) amount for the same taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP FOUR: Determine the sum of the STEP ONE, STEP TWO, and STEP THREE amounts for the county.

If the boundaries of a taxing district change after the years for which a ratio is calculated under STEP ONE, STEP TWO, or STEP THREE, the budget agency shall establish a ratio for the new taxing district that reflects the tax rates imposed in the predecessor taxing districts.

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

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

SECTION 72. IC 6-6-5.5-20, AS AMENDED BY P.L.146-2008, SECTION 354, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 20. (a) On or before May 1, subject to subsections (c) and (d), the auditor of state shall distribute to each

county auditor an amount equal to fifty percent (50%) of the total base revenue to be distributed to all taxing units in the county for that year.

(b) On or before December 1, subject to subsections (c) and (d), the auditor of state shall distribute to each county auditor an amount equal to the greater of the following:

(1) Fifty percent (50%) of the total base revenue to be distributed to all taxing units in the county for that year.

(2) The product of the county's distribution percentage multiplied by the total commercial vehicle excise tax revenue deposited in the commercial vehicle excise tax fund.

(c) Before distributing the amounts under subsections (a) and (b), the auditor of state shall deduct for a county unit an amount for deposit in a state fund, as directed by the budget agency, equal to the result determined under STEP FIVE of the following formula:

STEP ONE: Separately for 2006, 2007, and 2008, determine the result of:

(A) the tax rate imposed by the county in the year for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, children with special health care needs county fund, plus, in the case of Marion County, the tax rate imposed by the health and hospital corporation that was necessary to raise thirty-five million dollars ($35,000,000) from all taxing districts in the county; divided by

(B) the aggregate tax rate imposed by the county unit and, in the case of Marion County, the health and hospital corporation in the year.

STEP TWO: Determine the sum of the STEP ONE amounts.

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

STEP FOUR: Determine the amount that would otherwise be distributed to the county under subsection (a) or (b), as appropriate, without regard to this subsection.

STEP FIVE: Determine the result of:

(A) the STEP THREE amount; multiplied by

(B) the STEP FOUR result.

(d) Before distributing the amounts under subsections (a) and (b), the auditor of state shall deduct for a school corporation an amount for

deposit in a state fund, as directed by the budget agency, equal to the result determined under STEP FIVE of the following formula:

STEP ONE: Separately for 2006, 2007, and 2008, determine the result of:

(A) the tax rate imposed by the school corporation in the year for the tuition support levy under IC 6-1.1-19-1.5 (repealed) or IC 20-45-3-11 (repealed) for the school corporation's general fund plus the tax rate imposed by the school corporation for the school corporation's special education preschool fund; divided by

(B) the aggregate tax rate imposed by the school corporation in the year.

STEP TWO: Determine the sum of the results determined under STEP ONE.

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

STEP FOUR: Determine the amount of commercial vehicle excise tax that would otherwise be distributed to the school corporation under subsection (a) or (b), as appropriate, without regard to this subsection.

STEP FIVE: Determine the result of:

(A) the STEP FOUR amount; multiplied by

(B) the STEP THREE result.

(e) Upon receipt, the county auditor shall distribute to the taxing units an amount equal to the product of the taxing unit's distribution percentage multiplied by the total distributed to the county under this section. The amount determined shall be apportioned and distributed among the respective funds of each taxing unit in the same manner and at the same time as property taxes are apportioned and distributed **(subject to adjustment as provided in IC 36-8-19-7.5).**

(f) In the event that sufficient funds are not available in the commercial vehicle excise tax fund for the distributions required by subsection (a) and subsection (b)(1), the auditor of state shall transfer funds from the commercial vehicle excise tax reserve fund.

(g) The auditor of state shall, not later than July 1 of each year, furnish to each county auditor an estimate of the amounts to be distributed to the counties under this section during the next calendar year. Before August 1, each county auditor shall furnish to the proper officer of each taxing unit of the county an estimate of the amounts to

be distributed to the taxing units under this section during the next calendar year and the budget of each taxing unit shall show the estimated amounts to be received for each fund for which a property tax is proposed to be levied.

SECTION 73. IC 6-6-6.5-21, AS AMENDED BY P.L.146-2008, SECTION 355, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 21. (a) The department shall allocate each aircraft excise tax payment collected by it to the county in which the aircraft is usually located when not in operation or to the aircraft owner's county of residence if based out of state. The department shall distribute to each county treasurer on a quarterly basis the aircraft excise taxes which were collected by the department during the preceding three (3) months and which the department has allocated to that county. The distribution shall be made on or before the fifteenth of the month following each quarter and the first distribution each year shall be made in April.

(b) Concurrently with making a distribution of aircraft excise taxes, the department shall send an aircraft excise tax report to the county treasurer and the county auditor. The department shall prepare the report on the form prescribed by the state board of accounts. The aircraft excise tax report must include aircraft identification, owner information, and excise tax payment, and must indicate the county where the aircraft is normally kept when not in operation. The department shall, in the manner prescribed by the state board of accounts, maintain records concerning the aircraft excise taxes received and distributed by it.

(c) Except as provided in section 21.5 of this chapter, each county treasurer shall deposit money received by ~~him~~ **the treasurer** under this chapter in a separate fund to be known as the "aircraft excise tax fund". The money in the aircraft excise tax fund shall be distributed to the taxing units of the county in the manner prescribed in subsection (d).

(d) As used in this subsection, "taxing district" has the meaning set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, and "tuition support levy" refers to a school corporation's tuition support property tax levy under IC 20-45-3-11 (repealed) for the school corporation's general fund. In order to distribute the money in the county aircraft excise tax fund to the taxing units of the county, the county auditor shall first allocate the money in

the fund among the taxing districts of the county. In making these allocations, the county auditor shall allocate to a taxing district the excise taxes collected with respect to aircraft usually located in the taxing district when not in operation. Subject to this subsection, the money allocated to a taxing district shall be apportioned and distributed among the taxing units of that taxing district in the same manner and at the same time that the property taxes are apportioned and distributed **(subject to adjustment as provided in IC 36-8-19-7.5).** For purposes of determining the distribution for a year under this section for a taxing unit, a state welfare and tuition support allocation shall be deducted from the total amount available for apportionment and distribution to taxing units under this section before any apportionment and distribution is made. The county auditor shall remit the state welfare and tuition support allocation to the treasurer of state for deposit as directed by the budget agency. The amount of the state welfare and tuition support allocation for a county for a particular year is equal to the result determined under STEP THREE of the following formula:

STEP ONE: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tax rate imposed in the taxing district for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, children with special health care needs county fund, plus, in the case of Marion County, the tax rate imposed by the health and hospital corporation that was necessary to raise thirty-five million dollars ($35,000,000) from all taxing districts in the county; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP TWO: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tuition support levy tax rate imposed in the taxing district plus the tax rate imposed by the school corporation for the school corporation's special education preschool fund in the district; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP THREE: Determine the sum of the STEP ONE and STEP TWO amounts for the county.

If the boundaries of a taxing district change after the years for which a ratio is calculated under STEP ONE or STEP TWO, the budget agency shall establish a ratio for the new taxing district that reflects the tax rates imposed in the predecessor taxing districts.

(e) Within thirty (30) days following the receipt of excise taxes from the department, the county treasurer shall file a report with the county auditor concerning the aircraft excise taxes collected by the county treasurer. The county treasurer shall file the report on the form prescribed by the state board of accounts. The county treasurer shall, in the manner and at the times prescribed in IC 6-1.1-27, make a settlement with the county auditor for the aircraft excise taxes collected by the county treasurer. The county treasurer shall, in the manner prescribed by the state board of accounts, maintain records concerning the aircraft excise taxes received and distributed by ~~him.~~ **the treasurer.**

SECTION 74. IC 6-6-11-31, AS AMENDED BY P.L.146-2008, SECTION 357, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2009]: Sec. 31. (a) A boat excise tax fund is established in each county. Each county treasurer shall deposit in the fund the taxes received under this chapter.

(b) As used in this subsection, "taxing district" has the meaning set forth in IC 6-1.1-1-20, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, and "tuition support levy" refers to a school corporation's tuition support property tax levy under IC 20-45-3-11 (repealed) for the school corporation's general fund. The excise tax money in the county boat excise tax fund shall be distributed to the taxing units of the county. The county auditor shall allocate the money in the fund among the taxing districts of the county based on the tax situs of each boat. Subject to this subsection, the money allocated to the taxing units shall be apportioned and distributed among the funds of the taxing units in the same manner and at the same time that property taxes are apportioned and distributed **(subject to adjustment as provided in IC 36-8-19-7.5).** For purposes of determining the distribution for a year under this section for a taxing unit, a state welfare and tuition support allocation shall be deducted from the total amount available for apportionment and distribution to taxing units under this section before any apportionment and distribution is made. The county auditor shall remit the state welfare and tuition support allocation to the treasurer of state for deposit as directed by the budget agency. The amount of the state welfare and tuition support allocation for a county for a particular year is equal to the result determined under STEP THREE of the following formula:

STEP ONE: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tax rate imposed in the taxing district for the county's county medical assistance to wards fund, family and children's fund, children's psychiatric residential treatment services fund, county hospital care for the indigent fund, children with special health care needs county fund, plus, in the case of Marion County, the tax rate imposed by the health and hospital corporation that was necessary to raise thirty-five million dollars ($35,000,000) from all taxing districts in the county; divided by

(ii) the aggregate tax rate imposed in the taxing district for

the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP TWO: Determine the result of the following:

(A) Separately for 2006, 2007, and 2008 for each taxing district in the county, determine the result of:

(i) the tuition support levy tax rate imposed in the taxing district plus the tax rate imposed by the school corporation for the school corporation's special education preschool fund in the district; divided by

(ii) the aggregate tax rate imposed in the taxing district for the same year.

(B) Determine the sum of the clause (A) amounts.

(C) Divide the clause (B) amount by three (3).

(D) Determine the result of:

(i) the amount of excise taxes allocated to the taxing district that would otherwise be available for distribution to taxing units in the taxing district; multiplied by

(ii) the clause (C) amount.

(E) Determine the sum of the clause (D) amounts for all taxing districts in the county.

STEP THREE: Determine the sum of the STEP ONE and STEP TWO amounts for the county.

If the boundaries of a taxing district change after the years for which a ratio is calculated under STEP ONE or STEP TWO, the budget agency shall establish a ratio for the new taxing district that reflects the tax rates imposed in the predecessor taxing districts.

SECTION 75. IC 6-9-39-5, AS AMENDED BY P.L.3-2008, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. (a) The fiscal body of a county may collect a county option dog tax imposed under section 3

of this chapter by any combination of the following methods:

(1) By designating one (1) or more persons in the county to collect the tax.

(2) By requiring a person who harbors or keeps a taxable dog to submit a complete and accurate county option dog tax return.

(3) By a method other than a method described in subdivision (1) or (2) as determined by the fiscal body of the county.

(b) A designee under subsection (a)(1) may retain a fee from the tax collected for each taxable dog in an amount determined by the fiscal body not to exceed seventy-five cents ($0.75). A designee shall remit the balance of the money collected to the county treasurer by the tenth day of each month.

(c) If a fiscal body chooses to collect a county option dog tax imposed under section 3 of this chapter by requiring the submission of a county option dog tax return under subsection (a), the county treasurer may include a county option dog tax return form with every property tax statement that is mailed **under IC 6-1.1-22-8.1** to a person ~~under IC 6-1.1-22-8.1(b)(1).~~ **other than a mortgagee maintaining an escrow account.**

(d) The department of local government finance shall prescribe a county option dog tax return form that a county may use for the reporting of county option dog tax liability.

SECTION 76. IC 8-10-5-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 17. (a) The board of directors of any port authority may, by resolution, recommend to any municipal corporation or county that a cumulative channel maintenance fund be established under IC 6-1.1-41 to provide funds for the:

(1) dredging of channels;

(2) cleaning of channels and shores of debris and any other pollutants;

(3) purchase, renovation, construction, or repair of bulkheads, pilings, docks, and wharves;

(4) purchase and development of land adjoining channels within the jurisdiction of the port authority and which land is necessary to the fulfillment of the plan adopted by the port authority for the future development, construction, and improvement of its facilities. The purchased and developed land shall be available to

the residents of the taxing district without further charge; or

(5) regulation and enforcement of regulation of all uses and activities related to waters that are under the jurisdiction of the port authority.

(b) To provide for the cumulative channel maintenance fund:

(1) a county, city, or town fiscal body may levy a tax in compliance with IC 6-1.1-41 not to exceed:

(A) the levy imposed for the fund in the immediately preceding year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of temporary adjustments made to the levy for the calendar year, if the taxing unit levied a property tax for the fund in the immediately preceding year; or

(B) the levy imposed for the fund for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax for the fund in the immediately preceding year; however, the taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) on all taxable property within the county, town, or city; and

(2) a city described in sections 22(a) and 23(a) of this chapter may impose the following:

(A) An annual docking fee under section 22 of this chapter.

(B) A marina launch fee under section 23 of this chapter.

(c) The revenue from a tax, an annual docking fee, or a marina launch fee collected under subsection (b) shall be held in the cumulative channel maintenance fund established under subsection (a).

SECTION 77. IC 8-14-9-12, AS AMENDED BY P.L.146-2008, SECTION 362, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 12. All

bonds and interest on bonds issued under this chapter are exempt from taxation as provided under IC 6-8-5-1. All general laws relating to:

~~(1) the filing of a petition requesting the issuance of bonds;~~

~~(2)~~ **(1)** the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

~~(3)~~ **(2)** the appropriation of the proceeds of the bonds; ~~and the approval of the appropriation by the department of local government finance;~~ and

~~(4)~~ **(3)** the sale of bonds at public sale for not less than par value;

are applicable to proceedings under this chapter.

SECTION 78. IC 8-16-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) To provide for the cumulative bridge fund, county executives and municipal legislative bodies may levy a tax in compliance with IC 6-1.1-41 not to exceed **the following:**

(1) The levy imposed for the fund in the immediately preceding year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of temporary adjustments made to the levy for the calendar year, if the taxing unit levied a property tax for the fund in the immediately preceding year.

(2) The levy imposed for the fund for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax for the fund in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of ten cents ($0.10) on each one hundred dollars ($100) assessed valuation of all taxable personal

and real property within the county or municipality.

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

(c) An appropriation from the bridge fund may be made without the approval of the department of local government finance if:

(1) the county executive requests the appropriation; and

(2) the appropriation is for the purpose of constructing, maintaining, or repairing bridges, approaches, or grade separations.

SECTION 79. IC 8-16-3.1-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 0.5. The definitions set forth in IC 8-16-3-1.5 apply throughout this chapter.**

SECTION 80. IC 8-16-3.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) The executive of any eligible county may provide a ~~major~~ **county** bridge fund in compliance with IC 6-1.1-41 to make available funding for **the following purposes:**

(1) The construction of major bridges.

(2) The construction, maintenance, and repair of bridges, approaches, and grade separations with respect to structures other than major bridges.

(b) The executive of any eligible county may levy a tax in compliance with IC 6-1.1-41 not to exceed **the following:**

(1) The levy imposed for the fund in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied a property tax for the fund in the immediately preceding year.

(2) The levy imposed for the fund for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax for the fund in the immediately preceding year. The taxing unit may not

impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) assessed valuation of all taxable personal and real property within the county to provide for the ~~major~~ **county** bridge fund.

(c) In an eligible county in which a county bridge fund has been established, the county executive is responsible for providing funds for all bridges within the county, including those in municipalities, except bridges on the state highway system.

SECTION 81. IC 8-16-3.1-5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 5. An appropriation from the county bridge fund may be made without the approval of the department of local government finance if:**

(1) the county executive adopts a resolution finding that the county does not need to continue accumulating money in the fund for the construction of a major bridge;

(2) the county executive requests the appropriation; and

(3) the appropriation is for the purpose of constructing, maintaining, or repairing bridges, approaches, or grade separations with respect to structures other than major bridges.

SECTION 82. IC 8-16-3.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) A county may lease a bridge and pay the lease rental from the cumulative bridge fund and levy under IC 8-16-3.

(b) A contract of lease may not be entered into unless there is first filed with the county executive a petition for a longer lease, signed by fifty (50) or more taxpaying citizens of the county, and the county executive has, after investigation, determined that a need exists for the bridge. The total annual dollar obligation under all contracts of lease for bridges made by a county may not exceed **the following:**

(1) The amount appropriated for obligations from property taxes from the fund in the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing

unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount from the fund for obligations in the immediately preceding year.

(2) The appropriation for obligations from property taxes from the fund in the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount for obligations from property taxes from the fund in the immediately preceding year. The taxing unit may not appropriate an amount under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds the county's estimated annual revenue from a cumulative bridge fund levy of twenty cents ($0.20) on each one hundred dollars ($100) on all taxable personal and real property within the county.

SECTION 83. IC 8-16-3.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 4. All contracts of lease may provide that a county has the option to purchase the bridge before the expiration of the lease contract. ~~the terms and conditions of the purchase to be specified in the lease, subject to the approval of the department of local government finance.~~ If the county has not exercised an option to purchase the property covered by the lease contract at the expiration of the lease contract, and upon the full discharge and performance by the county of its obligations under the lease contract, the bridge covered by the lease contract shall become the absolute property of the county and the lessor corporation shall execute proper instruments conveying to the county title to the property.

SECTION 84. IC 8-16-3.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 7. (a) A county may, in anticipation of the construction of a bridge, make and enter into a contract of lease with the lessor corporation, ~~subject to the approval of the department of local government finance prior to the actual acquisition of a site and the construction of the bridge,~~ but the contract of lease shall not provide for the payment of

any lease rental by the lessee until the bridge is completed and ready for use, at which time the stipulated lease rental may begin.

(b) As a condition of entering into a lease, a county may require a lessor corporation to furnish a bond in a specified amount conditioned upon the completion of the bridge within a specified period of time.

SECTION 85. IC 8-16-3.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8. (a) When the lessor corporation and the county have agreed upon the terms and conditions of any lease proposed to be entered into under this chapter and before the final execution of the lease, a notice must be published in accordance with IC 5-3-1 of a hearing before the county executive. The notice must name the day, place, and hour of the hearing and must set forth a brief summary of the principal terms of the lease agreed upon, including the location, name of the proposed lessor corporation and character of the bridge to be leased, the rental to be paid, and the number of years the contract is to be in effect. The proposed lease, drawings, plans, specifications, and estimates for the bridge shall be available for inspection by the public during the ten (10) day period and at the meeting. All interested persons shall have a right to be heard at the time fixed, concerning the necessity for the execution of the lease and whether the rental to the lessor corporation is a fair and reasonable rental for the proposed bridge. The hearing may be adjourned to a later date, and following the hearing the county executive may either authorize the execution of the lease as originally agreed upon or may make modifications as agreed upon with the lessor corporation. However, the lease rentals as set out in the published notice may not be increased. The cost of the publication of the notice shall be borne by lessor corporations.

(b) If the execution of the lease as originally agreed upon, or as modified by agreement, is authorized by the county executive, it shall give notice of the execution of the contract by publication in accordance with IC 5-3-1. ~~Ten (10) or more taxpayers in the lessee county affected by the proposed lease may file a petition in the office of the county auditor of the lessee county, within thirty (30) days after publication of notice of the execution of the lease, setting forth their objections and facts showing that the execution of the lease is unnecessary or unwise, or that the lease rental is not fair and reasonable. Upon the filing of any petition, the county auditor shall~~

~~certify a copy, together with any other data as may be necessary in order to present the questions involved, to the department of local government finance and upon the receipt of the certified petition and information, the department of local government finance shall fix a time and place for the hearing in the county not less than five (5) or more than thirty (30) days after receipt of the petition. Notice of the hearing shall be given by the department of local government finance to the county commissioners of the lessee county, and to the first ten (10) taxpayer-petitioners appearing on the petition by a letter signed by one (1) member of the department of local government finance, and enclosed with full prepaid postage addressed to those persons at their usual place of residence, at least five (5) days before the date of the hearing. A.~~

~~(1) taxpayer who signed the petition; or~~

~~(2) political subdivision against which a petition is filed,~~

~~may petition for judicial review of the final determination of the department of local government finance under this subsection. The petition must be filed in the tax court not more than forty-five (45) days after the date of the department's final determination.~~

(c) No action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease shall be instituted at any time later than thirty (30) days after publication of notice of the execution of the lease by the county executive. ~~or if an appeal has been taken to the department of local government finance, then within thirty (30) days after the decision of the department.~~

SECTION 86. IC 8-22-2-18.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 18.5. (a) The board may negotiate terms and borrow money from any source for the payment of the costs of airport capital improvements, including the acquisition of real property or construction or improvement of revenue producing buildings or facilities located on an airport and owned and operated by the eligible entity, subject to the following requirements:

(1) The loan contract must be approved by resolution of the board and the fiscal body of the eligible entity that established the board.

(2) The loan contract must provide for the repayment of the loan in not more than forty (40) years.

(3) The loan contract must state that the indebtedness is that of the board, is payable solely from revenues of the board that are derived from either airport operations or from revenue bonds, and may not be paid by a tax levied on property located within the district.

~~(4) The loan contract must be submitted to the department of local government finance, which may approve, disapprove, or reduce the amount of the proposed loan contract. The department of local government finance must make a decision on the loan contract within thirty (30) days after the contract is submitted for review. The action taken by the department of local government finance on the proposed loan contract is final.~~

(b) A loan contract issued under this chapter is issued for essential public and governmental purposes. A loan contract, the interest on the contract, the proceeds received by a holder from the sale of a loan contract to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of the interest and proceeds are exempt from taxation as provided in IC 6-8-5.

SECTION 87. IC 8-22-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11. The board may do all acts necessary or reasonably incident to carrying out the purposes of this chapter, including the following:

(1) As a municipal corporation, to sue and be sued in its own name.

(2) To have all the powers and duties conferred by statute upon boards of aviation commissioners. The board supersedes all boards of aviation commissioners within the district. The board has exclusive jurisdiction within the district.

(3) To protect all property owned or managed by the board.

(4) To adopt an annual budget and levy taxes in accordance with this chapter **and comply with the following:**

(A) The board may not levy taxes on property in excess of **the following:**

(i) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding

calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(ii) If the taxing unit did not levy taxes on property in the immediately preceding calendar year, the taxing unit may levy the amount determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. However, the taxing unit may not impose a levy under this item, and the department of local government finance may not approve a levy under this item, that exceeds the levy that would be raised by imposing the following rate schedule, except as provided in sections 17 and 25 of this chapter:

Total Assessed Property Valuation	Rate Per $100 Of Assessed Valuation
$300 million or less	$0.10
More than $300 million but not more than $450 million	$0.0833
More than $450 million but not more than $600 million	$0.0667
More than $600 million but not more than $900 million	$0.05
More than $900 million	$0.0333

(B) Clause (A) does not apply to an authority that was established under IC 19-6-2 or IC 19-6-3 (before their repeal on April 1, 1980).

(C) The board of an authority that was established under IC 19-6-3 (before its repeal on April 1, 1980) may levy taxes on property not in excess **of the following:**

(i) The levy imposed for the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the

property tax in the immediately preceding year.

(ii) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this item, and the department of local government finance may not approve a levy under this item, that exceeds the levy that would be raised by imposing a property tax rate of six and sixty-seven hundredths cents ($0.0667) on each one hundred dollars ($100) of assessed valuation.

(5) To incur indebtedness in the name of the authority in accordance with this chapter.

(6) To adopt administrative procedures, rules, and regulations.

(7) To acquire property, real, personal, or mixed, by deed, purchase, lease, condemnation, or otherwise and dispose of it for use or in connection with or for administrative purposes of the airport; to receive gifts, donations, bequests, and public trusts and to agree to conditions and terms accompanying them and to bind the authority to carry them out; to receive and administer federal or state aid; and to erect buildings or structures that may be needed to administer and carry out this chapter.

(8) To determine matters of policy regarding internal organization and operating procedures not specifically provided for otherwise.

(9) To adopt a schedule of reasonable charges and to collect them from all users of facilities and services within the district.

(10) To purchase supplies, materials, and equipment to carry out the duties and functions of the board in accordance with procedures adopted by the board.

(11) To employ personnel that are necessary to carry out the duties, functions, and powers of the board.

(12) To establish an employee pension plan. The board may, upon due investigation, authorize and begin a fair and reasonable pension or retirement plan and program for personnel, the cost to be borne by either the authority or by the employee or by both, as the board determines. If the authority was established under

IC 19-6-2 (before its repeal on April 1, 1980), the entire cost must be borne by the authority, and ordinances creating the plan or making changes in it must be approved by the mayor of the city. The plan may be administered and funded by a trust fund or by insurance purchased from an insurance company licensed to do business in Indiana or by a combination of them. The board may also include in the plan provisions for life insurance, disability insurance, or both.

(13) To sell surplus real or personal property in accordance with law. If the board negotiates an agreement to sell trees situated in woods or forest areas owned by the board, the trees are considered to be personal property of the board for severance or sale.

(14) To adopt and use a seal.

(15) To acquire, establish, construct, improve, equip, maintain, control, lease, and regulate municipal airports, landing fields, and other air navigation facilities, either inside or outside the district; to acquire by lease (with or without the option to purchase) airports, landing fields, or navigation facilities, and any structures, equipment, or related improvements; and to erect, install, construct, and maintain at the airport or airports facilities for the servicing of aircraft and for the comfort and accommodation of air travelers and the public. The Indiana department of transportation must grant its approval before land may be purchased for the establishment of an airport or landing field and before an airport or landing field may be established.

(16) To fix and determine exclusively the uses to which the airport lands may be put. All uses must be necessary or desirable to the airport or the aviation industry and must be compatible with the uses of the surrounding lands as far as practicable.

(17) To elect a secretary from its membership, or to employ a secretary, an airport director, superintendents, managers, a treasurer, engineers, surveyors, attorneys, clerks, guards, mechanics, laborers, and all employees the board considers expedient, and to prescribe and assign their respective duties and authorities and to fix and regulate the compensation to be paid to the persons employed by it in accordance with the authority's appropriations. All employees shall be selected irrespective of their political affiliations.

(18) To make all rules and regulations, consistent with laws regarding air commerce, for the management and control of its airports, landing fields, air navigation facilities, and other property under its control.

(19) To acquire by lease the use of an airport or landing field for aircraft pending the acquisition and improvement of an airport or landing field.

(20) To manage and operate airports, landing fields, and other air navigation facilities acquired or maintained by an authority; to lease all or part of an airport, landing field, or any buildings or other structures, and to fix, charge, and collect rentals, tolls, fees, and charges to be paid for the use of the whole or a part of the airports, landing fields, or other air navigation facilities by aircraft landing there and for the servicing of the aircraft; to construct public recreational facilities that will not interfere with air operational facilities; to fix, charge, and collect fees for public admissions and privileges; and to make contracts for the operation and management of the airports, landing fields, and other air navigation facilities; and to provide for the use, management, and operation of the air navigation facilities through lessees, its own employees, or otherwise. Contracts or leases for the maintenance, operation, or use of the airport or any part of it may be made for a term not exceeding fifteen (15) years and may be extended for similar terms of years, except that any parcels of the land of the airport may be leased for any use connected with the operation and convenience of the airport for an initial term not exceeding forty (40) years and may be extended for a period not to exceed ten (10) years. If a person whose character, experience, and financial responsibility has been determined satisfactory by the board offers to erect a permanent structure that facilitates and is consistent with the operation, use, and purpose of the airport on land belonging to the airport, a lease may be entered into for a period not to exceed ninety-nine (99) years. However, the board must pass an ordinance to enter into such a lease. The board may not grant an exclusive right for the use of a landing area under its jurisdiction. However, this does not prevent the making of leases in accordance with other provisions of this chapter. All contracts and leases are subject to restrictions and conditions that the board

prescribes. The authority may lease its property and facilities for any commercial or industrial use it considers necessary and proper, including the use of providing airport motel facilities.

(21) To sell machinery, equipment, or material that is not required for aviation purposes. The proceeds shall be deposited with the treasurer of the authority.

(22) To negotiate and execute contracts for sale or purchase, lease, personal services, materials, supplies, equipment, or any other transaction or business relative to an airport under the board's control and operation. However, whenever the board determines to sell part or all of aviation lands, buildings, or improvements owned by the authority, the sale must be in accordance with law.

(23) To vacate all or parts of roads, highways, streets, or alleys, whether inside or outside the district, in the manner provided by statute.

(24) To annex lands to itself if the lands are owned by the authority or are streets, roads, or other public ways.

(25) To approve any state, county, city, or other highway, road, street or other public way, railroad, power line, or other right-of-way to be laid out or opened across an airport or in such proximity as to affect the safe operation of the airport.

(26) To construct drainage and sanitary sewers with connections and outlets as are necessary for the proper drainage and maintenance of an airport or landing field acquired or maintained under this chapter, including the necessary buildings and improvements and for the public use of them in the same manner that the authority may construct sewers and drains. However, with respect to the construction of drains and sanitary sewers beyond the boundaries of the airport or landing field, the board shall proceed in the same manner as private owners of property and may institute proceedings and negotiate with the departments, bodies, and officers of an eligible entity to secure the proper orders and approvals; and to order a public utility or public service corporation or other person to remove or to install in underground conduits wires, cables, and power lines passing through or over the airport or landing field or along the borders or within a reasonable distance that may be determined to be

necessary for the safety of operations, upon payment to the utility or other person of due compensation for the expense of the removal or reinstallation. The board must consent before any franchise may be granted by state or local authorities for the construction of or maintenance of railway, telephone, telegraph, electric power, pipe, or conduit line upon, over, or through land under the control of the board or within a reasonable distance of land that is necessary for the safety of operation. The board must also consent before overhead electric power lines carrying a voltage of more than four thousand four hundred (4,400) volts and having poles, standards, or supports over thirty (30) feet in height within one-half (1/2) mile of a landing area acquired or maintained under this chapter may be installed.

(27) To contract with any other state agency or instrumentality or any political subdivision for the rendition of services, the rental or use of equipment or facilities, or the joint purchase and use of equipment or facilities that are necessary for the operation, maintenance, or construction of an airport operated under this chapter.

(28) To provide air transportation in furtherance of the duties and responsibilities of the board.

(29) To promote or encourage aviation-related trade or commerce at the airports that it operates.

SECTION 88. IC 8-22-3-16, AS AMENDED BY P.L.146-2008, SECTION 364, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 16. (a) The board may issue general obligation bonds of the authority for the purpose of procuring funds to pay the cost of acquiring real property, or constructing, enlarging, improving, remodeling, repairing, or equipping buildings, structures, runways, or other facilities, for use as or in connection with or for administrative purposes of the airport. The issuance of the bonds must be authorized by ordinance of the board providing for the amount, terms, and tenor of the bonds and for the time and character of notice and the mode of making sale. If one (1) airport is owned by the authority, an ordinance authorizing the issuance of bonds for a separate second airport is subject to approval as provided in this section. The bonds bear interest and are payable at the times and places that the board determines but running not more than twenty-five

(25) years after the date of their issuance, and they must be executed in the name of the authority by the president of the board and attested by the secretary who shall affix to each of the bonds the official seal of the authority. The interest coupons attached to the bonds may be executed by placing on them the facsimile signature of the president of the board.

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

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

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

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

(4) When the authority was established under IC 19-6-3 (before its repeal), by the county council.

(c) The airport director shall manage and supervise the preparation, advertisement, and sale of the bonds, subject to the authorizing ordinance. Before the sale of the bonds, the airport director shall cause notice of the sale to be published once each week for two (2) consecutive weeks in two (2) newspapers of general circulation published in the district, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold to the highest bidder, in accordance with the procedures for selling public bonds. After the bonds have been properly sold and executed, the airport director shall deliver them to the treasurer of the authority and take a receipt for them, and shall certify to the treasurer the amount which the purchaser is to pay for them, together with the name and address of the purchaser. On payment of the purchase price, the treasurer shall deliver the bonds to the purchaser, and the treasurer and airport director or superintendent shall report their actions to the board.

(d) The provisions of IC 6-1.1-20 and IC 5-1 relating to:

~~(1) the filing of a petition requesting the issuance of bonds and giving notice of them;~~

~~(2)~~ **(1)** the giving of notice of determination to issue bonds;

~~(3)~~ **(2)** the giving of notice of hearing on the appropriation of the proceeds of bonds and the right of taxpayers to appeal and be heard on the proposed appropriation;

~~(4) the approval of the appropriation by the department of local government finance;~~

~~(5)~~ **(3)** the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a); and

~~(6)~~ **(4)** the sale of bonds at public sale for not less than par value;

are applicable to proceedings under this chapter for the issuance of general obligation bonds.

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

SECTION 89. IC 8-22-3-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 19. (a) Temporary loans may be made by the board in anticipation of the collection of taxes of the authority actually levied and in course of collection for the fiscal year in which the loans are made. The loans must be authorized by ordinance and evidenced by warrants in the form provided by the authorizing ordinance. The warrants must state the total amount of the issue, the denomination of the warrant, the time and place payable, the rate of interest, the funds in anticipation of which they are issued and out of which they are payable, and a reference to the ordinance authorizing them and the date of its adoption. The ordinance authorizing temporary loans must appropriate and pledge a sufficient amount of the current revenue in anticipation of which they are issued and out of which they are payable. The warrants evidencing the temporary loans must be executed, sold, and delivered as are bonds of the authority.

(b) The board may negotiate terms and borrow money from any source under a loan contract, subject to the following requirements:

(1) The loan contract must be approved by resolution of the board.

(2) The loan contract must provide for the repayment of the loan in not more than forty (40) years.

(3) The loan contract must state that the indebtedness is that of the authority, is payable solely from revenues of the authority that are derived from either airport operations or from revenue bonds, and may not be paid by a tax levied on property located within the district.

~~(4) The loan contract must be submitted to the department of local government finance, which may approve, disapprove, or reduce the amount of the proposed loan contract. The department of local government finance must make a decision on the loan contract within thirty (30) days after it is submitted for review. The action taken by the department of local government finance on the proposed loan contract is final.~~

(c) Any loan contract issued under this chapter is issued for essential public and governmental purposes. A loan contract, the interest on it, the proceeds received by a holder from the sale of a loan contract to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of the interest and proceeds are exempt from taxation as provided in IC 6-8-5.

SECTION 90. IC 8-22-3-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 25. (a) Subject to subsection (c), the board may provide a cumulative building fund in compliance with IC 6-1.1-41 to provide for the acquisition of real property, and the construction, enlarging, improving, remodeling, repairing, or equipping of buildings, structures, runways, or other facilities for use in connection with the airport needed to carry out this chapter and to facilitate and support commercial intrastate air transportation.

(b) The board may levy in compliance with IC 6-1.1-41 a tax not to exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any

temporary adjustments made to the levy for the immediately preceding calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. However, the taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of:

~~(1)~~ **(A)** thirty-three hundredths of one cent ($0.0033) on each one hundred dollars ($100) of assessed value of taxable property within the district, if an eligible entity other than a city established the district or if the district was established jointly with an eligible entity that is not a city;

~~(2)~~ **(B)** one and thirty-three hundredths cents ($0.0133) on each one hundred dollars ($100) of assessed value of taxable property within the district, if the authority was established under IC 19-6-3 (before its repeal on April 1, 1980); and

~~(3)~~ **(C)** for any other district not described in ~~subdivision (1) or (2),~~ **clause (A) or (B),** the following:

Total Assessed Property Valuation	Rate Per $100 Of Assessed Valuation
$300 million or less	$0.0167
More than $300 million but not more than $450 million	$0.0133
More than $450 million but not more than $600 million	$0.01
More than $600 million but not more than $900 million	$0.0067
More than $900 million	$0.0033

As the tax is collected it may be invested in negotiable United States bonds or other securities that the federal government has the direct obligation to pay. Any of the funds collected that are not invested in government obligations shall be deposited in accordance with

IC 5-13-6 and shall be withdrawn in the same manner as money is regularly withdrawn from the general fund but without further or additional appropriation. The levy authorized by this section is in addition to the levies authorized by section 11 and section 23 of this chapter.

(c) Spending under subsection (a) to facilitate and support commercial intrastate air transportation is subject to a maximum of one million dollars ($1,000,000) cumulatively for all years in which money is spent under that subsection.

SECTION 91. IC 8-22-3.6-3, AS AMENDED BY P.L.146-2008, SECTION 367, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 3. (a) An authority that is located in a:

(1) city having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000);

(2) county having a population of more than one hundred five thousand (105,000) but less than one hundred ten thousand (110,000); or

(3) county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000);

may enter into a lease of an airport project with a lessor for a term not to exceed fifty (50) years and the lease may provide for payments to be made by the airport authority from property taxes levied under IC 8-22-3-17, taxes allocated under IC 8-22-3.5-9, any other revenues available to the airport authority, or any combination of these sources.

(b) A lease may provide that payments by the authority to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the authority or the eligible entity for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the authority only after a public hearing by the board at which all interested parties are provided the opportunity to be heard. After the public hearing, the board may adopt an ordinance authorizing the execution of the lease if it finds that the service to be provided throughout the term of the lease will serve the public purpose of the authority and is in the best interest of the

residents of the authority district.

~~(d) Upon execution of a lease providing for payments by the authority in whole or in part from the levy of property taxes under IC 8-22-3-17, the board shall publish notice of the execution of the lease and its approval in accordance with IC 5-3-1. Fifty (50) or more taxpayers residing in the authority district who will be affected by the lease and who may be of the opinion that no necessity exists for the execution of the lease or that the payments provided for in the lease are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval. The petition must set forth the petitioners' names, addresses, and objections to the lease and the facts showing that the execution of the lease is unnecessary or unwise or that the payments provided for in the lease are not fair and reasonable, as the case may be.~~

~~(e) Upon the filing of a petition under subsection (d), the county auditor shall immediately certify a copy of the petition, together with any other data necessary to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for a hearing in the authority district, which must be not less than five (5) or more than thirty (30) days after the time is fixed. Notice of the hearing shall be given by the department of local government finance to the members of the board, and to the first fifty (50) petitioners on the petition, by a letter signed by the commissioner of the department of local government finance and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the department of local government finance or on the appeal, upon the necessity for the execution of the lease, and as to whether the payments under it are fair and reasonable, is final.~~

~~(f)~~ **(d)** An authority entering into a lease payable from any sources permitted under this chapter may:

(1) pledge the revenue to make payments under the lease pursuant to IC 5-1-14-4; or

(2) establish a special fund to make the payments.

~~(g)~~ **(e)** Lease rentals may be limited to money in the special fund so that the obligations of the airport authority to make the lease rental

payments are not considered debt of the unit or the district for purposes of the Constitution of the State of Indiana.

~~(h)~~ **(f)** Except as provided in ~~this section,~~ **IC 6-1.1-17-20.5,** no approvals of any governmental body or agency are required before the authority enters into a lease under this section.

~~(i)~~ **(g)** An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after ~~the later of:~~

~~(1)~~ the public hearing described in subsection (c). ~~or~~

~~(2) the publication of the notice of the execution and approval of the lease described in subsection (d), if the lease is payable in whole or in part from tax levies.~~

~~However, if the lease is payable in whole or in part from tax levies and an appeal has been taken to the department of local government finance, an action to contest the validity or enjoin the performance must be brought within thirty (30) days after the decision of the department of local government finance.~~

~~(j)~~ **(h)** If an authority exercises an option to buy an airport project from a lessor, the authority may subsequently sell the airport project, without regard to any other statute, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the authority through auction, appraisal, or arms length negotiation. If the airport project is sold at auction, after appraisal, or through negotiation, the board shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought within fifteen (15) days of the hearing.".

Page 27, between lines 32 and 33, begin a new paragraph and insert:

"SECTION 94. IC 12-29-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) The county executive of a county may authorize the furnishing of financial assistance to a community mental retardation and other developmental disabilities center that is located or will be located in the county.

(b) Assistance authorized under this section shall be used for the following purposes:

(1) Constructing a center.

(2) Operating a center.

(c) Upon request of the county executive, the county fiscal body

may appropriate annually from the county's general fund the money to provide financial assistance for the purposes described in subsection (b). The appropriation may not exceed **the following:**

(1) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes from the fund in the immediately preceding year. The taxing unit may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds the amount that could be collected from an annual tax levy of not more than three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property within the county.

SECTION 95. IC 12-29-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) If a community mental retardation and other developmental disabilities center is organized to provide services to at least two (2) counties, the county executive of each county may authorize the furnishing of financial assistance for the purposes described in section 1(b) of this chapter.

(b) Upon the request of the county executive of the county, the county fiscal body of each county may appropriate annually from the county's general fund the money to provide financial assistance for the purposes described in section 1(b) of this chapter. The appropriation of each county may not exceed **the following:**

(1) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes from the fund in the immediately preceding year. The taxing unit may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds the amount that could be collected from an annual tax levy of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property within the county.

SECTION 96. IC 12-29-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) The county executive of each county whose residents may receive services from a community mental retardation and other developmental disabilities center may authorize the furnishing of a share of financial assistance for the purposes described in section 1(b) of this chapter if the following conditions are met:

(1) The facilities for the center are located in a state adjacent to Indiana.

(2) The center is organized to provide services to Indiana residents.

(b) Upon the request of the county executive of a county, the county fiscal body of the county may appropriate annually from the county's general fund the money to provide financial assistance for the purposes

described in section 1(b) of this chapter. The appropriations of the county may not exceed **the following:**

(1) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes from the fund in the immediately preceding year. The taxing unit may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds the amount that could be collected from an annual tax levy of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property within the county.

SECTION 97. IC 12-29-1-5, AS AMENDED BY P.L.146-2008, SECTION 419, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. All general Indiana statutes relating to the following apply to the issuance of county bonds under this chapter:

~~(1) The filing of a petition requesting the issuance of bonds.~~

~~(2)~~ **(1)** The giving of notice of the following:

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

~~(B)~~ **(A)** The determination to issue bonds.

~~(C)~~ **(B)** A hearing on the appropriation of the proceeds of the bonds.

~~(3)~~ **(2)** The right of taxpayers to appear and be heard on the proposed appropriation.

~~(4) The approval of the appropriation by the department of local government finance (before January 1, 2009).~~

~~(5) Before July 1, 2008, the right of taxpayers and voters to remonstrate against the issuance of bonds.~~

~~(6) After June 30, 2008.~~ **(3) The right of:**

(A) ~~the right of~~ taxpayers and voters to remonstrate against the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds, in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

SECTION 98. IC 12-29-2-1.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1.2. (a) The county executive of a county may authorize the furnishing of financial assistance for the purposes described in subsection (b) to a community mental health center that is located or will be located:

(1) in the county;

(2) anywhere in Indiana, if the community mental health center is organized to provide services to at least two (2) counties, including the county executive's county; or

(3) in an adjacent state, if the center is organized to provide services to Indiana residents, including residents in the county executive's county.

If a community mental health center is organized to serve more than one (1) county, upon request of the county executive, each county fiscal body may appropriate money annually from the county's general fund to provide financial assistance for the community mental health center.

(b) Assistance authorized under this section shall be used for the following purposes:

(1) Constructing a community mental health center.

(2) Operating a community mental health center.

(c) The appropriation from a county authorized under subsection (a) may not exceed ~~the following:~~

~~(1) For 2004, the product of the amount determined under section 2(b)(1) of this chapter multiplied by one and five hundred four thousandths (1.504).~~

~~(2) For 2005 and each year thereafter,~~ the product of the amount

determined under section ~~2(b)(2)~~ **2(b)** of this chapter for that year multiplied by one and five hundred four thousandths (1.504).

SECTION 99. IC 12-29-2-2, AS AMENDED BY P.L.123-2008, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) A county shall fund the operation of community mental health centers in the amount determined under subsection (b), unless a lower tax levy amount will be adequate to fulfill the county's financial obligations under this chapter in any of the following situations:

(1) If the total population of the county is served by one (1) center.

(2) If the total population of the county is served by more than one (1) center.

(3) If the partial population of the county is served by one (1) center.

(4) If the partial population of the county is served by more than one (1) center.

(b) The amount of funding under subsection (a) for taxes first due and payable in a calendar year is, ~~the following:~~

~~(1) For 2004, the amount is the amount determined under STEP THREE of the following formula:~~

~~STEP ONE: Determine the amount that was levied within the county to comply with this section from property taxes first due and payable in 2002.~~

~~STEP TWO: Multiply the STEP ONE result by the county's assessed value growth quotient for the ensuing year 2003, as determined under IC 6-1.1-18.5-2.~~

~~STEP THREE: Multiply the STEP TWO result by the county's assessed value growth quotient for the ensuing year 2004, as determined under IC 6-1.1-18.5-2.~~

~~(2)~~ except as provided in subsection (c), ~~for 2005 and each year thereafter,~~ the result equal to:

~~(A)~~ **(1)** the amount that was levied in the county to comply with this section from property taxes first due and payable in the calendar year immediately preceding the ensuing calendar year; multiplied by

~~(B)~~ **(2)** the county's ~~assessed value~~ **levy** growth ~~quotient~~ **multiplier** for the ensuing calendar year, as determined under

IC 6-1.1-18.5-2.

(c) This subsection applies only to property taxes first due and payable after December 31, 2007. This subsection applies only to a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30. Notwithstanding any provision in this section or any other section of this chapter, for a county subject to this subsection, the county's maximum property tax levy under this section to fund the operation of community mental health centers for the ensuing calendar year is equal to the county's maximum property tax levy to fund the operation of community mental health centers for the current calendar year.

(d) Except as provided in subsection (h), the county shall pay to the division of mental health and addiction the part of the funding determined under subsection (b) that is appropriated solely for funding the operations of a community health center. The funding required under this section for operations of a community health center shall be paid by the county to the division of mental health and addiction. These funds shall be used solely for satisfying the nonfederal share of medical assistance payments to community mental health centers serving the county for:

(1) allowable administrative services; and

(2) community mental health rehabilitation services.

All other funding appropriated for the purposes allowed under section 1.2(b)(1) of this chapter shall be paid by the county directly to the community mental health center semiannually at the times that the payments are made under subsection (e).

(e) The county shall appropriate and disburse the funds for operations semiannually not later than December 1 and June 1 in an amount equal to the amount determined under subsection (b) and requested in writing by the division of mental health and addiction. The total funding amount paid to the division of mental health and addiction for a county for each calendar year may not exceed the amount that is calculated in subsection (b) and set forth in writing by the division of mental health and addiction for the county. Funds paid to the division of mental health and addiction by the county shall be submitted by the county in a timely manner after receiving the written

request from the division of mental health and addiction, to ensure current year compliance with the community mental health rehabilitation program and any administrative requirements of the program.

(f) The division of mental health and addiction shall ensure that the nonfederal share of funding received from a county under this program is applied only for matching federal funds for the designated community mental health centers to the extent a center is eligible to receive county funding under IC 12-21-2-3(a)(5)(E).

(g) The division of mental health and addiction:

(1) shall first apply state funding to a community mental health center's nonfederal share of funding under this program; and

(2) may next apply county funding received under ~~IC 12-29-2-2~~ **this section** to any remaining nonfederal share of funding for the community mental health center.

The division shall distribute any excess state funds that exceed the community mental health rehabilitation services nonfederal share applied to a community mental health center that is entitled to the excess state funds.

(h) The health and hospital corporation of Marion County created by IC 16-22-8-6 may make payments to the division for the operation of a community mental health center as described in this chapter.

SECTION 100. IC 12-29-2-13, AS AMENDED BY P.L.99-2007, SECTION 151, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 13. (a) This section applies to Lake County.

(b) In addition to any other appropriation under this article, the county annually may fund each center serving the county from the county's general fund in an amount not exceeding ~~the following:~~

~~(1) For 2004, the product of the amount determined under section 2(b)(1) of this chapter multiplied by seven hundred fifty-two thousandths (0.752).~~

~~(2) For 2005 and each year thereafter,~~ the product of the amount determined under section ~~2(b)(2)~~ **2(b)** of this chapter for that year multiplied by seven hundred fifty-two thousandths (0.752).

(c) The receipts from the tax levied under this section shall be used for the leasing, purchasing, constructing, or operating of community residential facilities for individuals with a mental illness (as defined in

IC 12-7-2-167).

(d) Money appropriated under this section must be:

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

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

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

SECTION 101. IC 12-29-2-18, AS AMENDED BY P.L.146-2008, SECTION 420, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 18. All general Indiana statutes relating to the following apply to the issuance of county bonds under this chapter:

~~(1) The filing of a petition requesting the issuance of bonds.~~

~~(2)~~ **(1)** The giving of notice of the following:

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

~~(B)~~ **(A)** The determination to issue bonds.

~~(C)~~ **(B)** A hearing on the appropriation of the proceeds of the bonds.

~~(3)~~ **(2)** The right of taxpayers to appear and be heard on the proposed appropriation.

~~(4) The approval of the appropriation by the department of local government finance.~~

~~(5)~~ **(3)** The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

SECTION 102. IC 12-29-3-6, AS AMENDED BY P.L.99-2007, SECTION 152, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) As used in this section, "community mental retardation and other developmental disabilities center" means a community center that is:

(1) incorporated under IC 23-7-1.1 (before its repeal August 1, 1991) or IC 23-17;

(2) organized for the purpose of providing services for individuals with mental retardation and other individuals with a developmental disability;

(3) approved by the division of disability and rehabilitative services; and

(4) accredited for the services provided by one (1) of the following organizations:

(A) The Commission on Accreditation of Rehabilitation Facilities (CARF), or its successor.

(B) The Council on Quality and Leadership in Supports for People with Disabilities, or its successor.

(C) The Joint Commission on Accreditation of Healthcare Organizations (JCAHO), or its successor.

(D) The National Commission on Quality Assurance, or its successor.

(E) An independent national accreditation organization approved by the secretary.

(b) The county executive of a county may authorize the furnishing of financial assistance to a community mental retardation and other developmental disabilities center serving the county.

(c) Upon the request of the county executive, the county fiscal body may appropriate annually, from the general fund of the county, money to provide financial assistance in an amount not to exceed the **following:**

(1) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the furnishing of financial assistance to community mental retardation and other developmental disabilities centers from property taxes from the fund for the ensuing calendar year, as that appropriation is determined by the department of local government finance

in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes from the fund in the immediately preceding year. The taxing unit may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds the amount that could be collected from the annual tax levy of sixty-seven hundredths of one cent ($0.0067) on each one hundred dollars ($100) of taxable property.

SECTION 103. IC 13-18-8-2, AS AMENDED BY P.L.146-2008, SECTION 421, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 2. (a) If the offender is a municipal corporation, the cost of:

(1) acquisition, construction, repair, alteration, or extension of the necessary plants, machinery, or works; or

(2) taking other steps that are necessary to comply with the order;

shall be paid out of money on hand available for these purposes or out of the general money of the municipal corporation not otherwise appropriated.

(b) If there is not sufficient money on hand or unappropriated, the necessary money shall be raised by the issuance of bonds. ~~The bond issue is subject only to the approval of the department of local government finance (before July 1, 2008).~~

SECTION 104. IC 13-21-3-12, AS AMENDED BY P.L.114-2008, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. Except as provided in section 14.5 of this chapter, the powers of a district include the following:

(1) The power to develop and implement a district solid waste management plan under IC 13-21-5.

(2) The power to impose district fees on the final disposal of solid waste within the district under IC 13-21-13.

(3) The power to receive and disburse money, if the primary purpose of activities undertaken under this subdivision is to carry out the provisions of this article.

(4) The power to sue and be sued.

(5) The power to plan, design, construct, finance, manage, own, lease, operate, and maintain facilities for solid waste

management.

(6) The power to enter with any person into a contract or an agreement that is necessary or incidental to the management of solid waste. Contracts or agreements that may be entered into under this subdivision include those for the following:

(A) The design, construction, operation, financing, ownership, or maintenance of facilities by the district or any other person.

(B) The managing or disposal of solid waste.

(C) The sale or other disposition of materials or products generated by a facility.

Notwithstanding any other statute, the maximum term of a contract or an agreement described in this subdivision may not exceed forty (40) years.

(7) The power to enter into agreements for the leasing of facilities in accordance with IC 36-1-10 or IC 36-9-30.

(8) The power to purchase, lease, or otherwise acquire real or personal property for the management or disposal of solid waste.

(9) The power to sell or lease any facility or part of a facility to any person.

(10) The power to make and contract for plans, surveys, studies, and investigations necessary for the management or disposal of solid waste.

(11) The power to enter upon property to make surveys, soundings, borings, and examinations.

(12) The power to:

(A) accept gifts, grants, loans of money, other property, or services from any source, public or private; and

(B) comply with the terms of the gift, grant, or loan.

(13) The power to levy a tax within the district to pay costs of operation in connection with solid waste management **is** subject to ~~the following: (A)~~ regular budget and tax levy procedures **and** ~~(B)~~ section 16 of this chapter. ~~However,~~ Except as provided in ~~sections 15 and~~ **section** 15.5 of this chapter, **a tax levied under this subdivision may not exceed the following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding

calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate ~~imposed~~ under this article ~~may not exceed~~ **of** eight and thirty-three hundredths cents ($0.0833) on each one hundred dollars ($100) of assessed valuation of property in the district.

(14) The power to borrow in anticipation of taxes.

(15) The power to hire the personnel necessary for the management or disposal of solid waste in accordance with an approved budget and to contract for professional services.

(16) The power to otherwise do all things necessary for the:

(A) reduction, management, and disposal of solid waste; and

(B) recovery of waste products from the solid waste stream;

if the primary purpose of activities undertaken under this subdivision is to carry out the provisions of this article.

(17) The power to adopt resolutions that have the force of law. However, a resolution is not effective in a municipality unless the municipality adopts the language of the resolution by ordinance or resolution.

(18) The power to do the following:

(A) Implement a household hazardous waste and conditionally exempt small quantity generator (as described in 40 CFR 261.5(a)) collection and disposal project.

(B) Apply for a household hazardous waste collection and disposal project grant under IC 13-20-20 and carry out all commitments contained in a grant application.

(C) Establish and maintain a program of self-insurance for a

household hazardous waste and conditionally exempt small quantity generator (as described in 40 CFR 261.5(a)) collection and disposal project, so that at the end of the district's fiscal year the unused and unencumbered balance of appropriated money reverts to the district's general fund only if the district's board specifically provides by resolution to discontinue the self-insurance fund.

(D) Apply for a household hazardous waste project grant as described in IC 13-20-22-2 and carry out all commitments contained in a grant application.

(19) The power to enter into an interlocal cooperation agreement under IC 36-1-7 to obtain:

(A) fiscal;

(B) administrative;

(C) managerial; or

(D) operational;

services from a county or municipality.

(20) The power to compensate advisory committee members for attending meetings at a rate determined by the board.

(21) The power to reimburse board and advisory committee members for travel and related expenses at a rate determined by the board.

(22) The power to pay a fee from district money to:

(A) in a joint district, the county or counties in which a final disposal facility is located; or

(B) a county that:

(i) was part of a joint district;

(ii) has withdrawn from the joint district as of January 1, 2008; and

(iii) has established its own district in which a final disposal facility is located.

(23) The power to make grants or loans of:

(A) money;

(B) property; or

(C) services;

to public or private recycling programs, composting programs, or any other programs that reuse any component of the waste stream as a material component of another product, if the primary

purpose of activities undertaken under this subdivision is to carry out the provisions of this article.

(24) The power to establish by resolution a nonreverting capital fund. A district's board may appropriate money in the fund for:

(A) equipping;

(B) expanding;

(C) modifying; or

(D) remodeling;

an existing facility. Expenditures from a capital fund established under this subdivision must further the goals and objectives contained in a district's solid waste management plan. Not more than five percent (5%) of the district's total annual budget for the year may be transferred to the capital fund that year. The balance in the capital fund may not exceed twenty-five percent (25%) of the district's total annual budget. If a district's board determines by resolution that a part of a capital fund will not be needed to further the goals and objectives contained in the district's solid waste management plan, that part of the capital fund may be transferred to the district's general fund, to be used to offset tipping fees, property tax revenues, or both tipping fees and property tax revenues.

(25) The power to conduct promotional or educational programs that include giving awards and incentives that further the district's solid waste management plan.

(26) The power to conduct educational programs under IC 13-20-17.5 to provide information to the public concerning:

(A) the reuse and recycling of mercury in:

(i) mercury commodities; and

(ii) mercury-added products; and

(B) collection programs available to the public for:

(i) mercury commodities; and

(ii) mercury-added products.

(27) The power to implement mercury collection programs under IC 13-20-17.5 for the public and small businesses.

SECTION 105. IC 14-27-6-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 30. The board may perform all acts necessary or reasonably incident to carrying out the purposes of this chapter, including the following powers:

(1) To sue and be sued collectively by the board's name "_____ Levee Authority", with service of process being had on the president of the board. However, costs may not be taxed against the board or any of the board's members in an action.

(2) To have exclusive jurisdiction within the district.

(3) To adopt ordinances to protect all property owned or managed by the board.

(4) To adopt an annual budget and levy taxes not to exceed **the following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the immediately preceding calendar year, if the taxing unit levied a property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of two and sixty-seven hundredths cents ($0.0267) on each one hundred dollars ($100) of assessed property in accordance with this chapter.

(5) To incur indebtedness in the name of the authority in accordance with this chapter.

(6) To:

(A) acquire real, personal, or mixed property by deed, purchase, lease, condemnation, or otherwise; and

(B) dispose of the property;

for flood control purposes.

(7) To do the following:

(A) Receive gifts, donations, bequests, and public trusts.

(B) Agree to accompanying conditions and terms and bind the authority to carry out the terms and conditions.

(8) To determine matters of policy regarding internal organization and operating procedures not specifically provided for otherwise.

(9) In addition to all other powers conferred by this chapter and IC 14-27-3, to do the following:

(A) Cooperate with an officer or agency of the federal government in the performance of any of the work authorized by this chapter.

(B) Accept labor, material, or financial assistance.

(C) Do all things not inconsistent with this chapter necessary to satisfy the requirements of the federal authorities for the purpose of obtaining aid from the federal government.

(10) To purchase supplies, materials, and equipment to carry out the duties and functions of the board in accordance with procedures adopted by the board and in accordance with general law.

(11) To employ personnel as necessary to carry out the duties, functions, and powers of the board.

(12) To sell surplus or unneeded property in accordance with procedures prescribed by the board.

(13) To adopt administrative rules to do the following:

(A) Carry out the board's powers and duties.

(B) Govern the duties of the board's officers, employees, and personnel.

(C) Govern the internal management of the affairs of the board.

The board shall publish all rules adopted by the board for at least ten (10) days in a newspaper of general circulation printed in the district.

(14) To fix the salaries or compensation of the officers and employees of the authority, except as otherwise provided by this chapter.

(15) To carry out the purposes and objects of the authority.

(16) To adopt and use a seal.

(17) To:

(A) acquire land, easements, and rights-of-way; and

(B) establish, construct, improve, equip, maintain, control, lease, and regulate levees and the land owned adjacent to the levees, either within or outside the district;

for flood prevention purposes. However, if at the time of the creation of the levee authority a political subdivision owns or controls a levee, upon the qualification of the members of the board the exclusive control, management, and authority over each levee owned or controlled by a political subdivision shall be transferred to the board without the passage of an ordinance. The board of public works of the political subdivision or other persons having possession or control of a levee shall immediately deliver to the board all personal property and records, books, maps, and other papers and documents relating to the levee.

(18) To:

(A) elect a secretary from the board's membership; or

(B) employ a secretary;

and fix the compensation of the secretary.

(19) To do the following:

(A) Employ superintendents, managers, engineers, surveyors, attorneys, clerks, guards, mechanics, laborers, and all other employees the board considers expedient. All employees shall be selected and appointed irrespective of political affiliations.

(B) Prescribe and assign the duties and authority of the employees.

(C) Fix the compensation to be paid to the persons employed by the board in accordance with appropriations made by the city fiscal body.

(D) Require a bond on any officer or employee of the authority in the amount, upon the terms and conditions, and with surety to the approval of the board.

(20) To adopt rules not in conflict with:

(A) Indiana law;

(B) the ordinances of the city; or

(C) the laws or regulations of the United States and the United States Corps of Army Engineers;

regulating the construction, maintenance, and control of the board's levees and other property under the board's control.

(21) To establish the board's own detail or department of police

or to hire guards to execute the orders and enforce the rules of the board.

(22) To permit the federal government to do the following:

(A) Construct or repair, on land or rights-of-way owned by the authority, levees, dikes, breakwaters, pumping stations, syphons, and flood gates.

(B) Construct or repair sewers, ditches, drains, diversion channels, and watercourses if necessary in the actual construction, repair, and maintenance of a levee and along land or rights-of-way owned by the authority.

(23) To do the following:

(A) Construct, maintain, and repair levees, dikes, breakwaters, pumping stations, and flood gates.

(B) Construct or repair sewers, ditches, drains, diversion channels, and watercourses if necessary in the actual construction, repair, and maintenance of a levee.

(24) To sell machinery, equipment, or material under the control of the board that the board determines is not required for levee purposes. The proceeds derived from the sale shall be deposited with the treasurer of the authority.

(25) To negotiate and execute:

(A) contracts of sale or purchase;

(B) leases;

(C) contracts for personal services, materials, supplies, or equipment; or

(D) any other transaction, business or otherwise;

relating to a levee under the board's control and operation. However, if the board determines to sell part or all of levee land, buildings, or improvements owned by the authority, the sale must be in accordance with statute. If personal property under the control of the board valued in excess of five hundred dollars ($500) is to be sold, the board shall sell to the highest and best bidder after due publication of notice of the sale.

(26) To contract with other political subdivisions and state agencies under IC 36-1-7 for:

(A) the provision of services;

(B) the rental or use of equipment or facilities; or

(C) the joint purchase and use of equipment or facilities;

considered proper by the contracting parties for use in the operation, maintenance, or construction of a levee operated under this chapter.

SECTION 106. IC 14-27-6-40, AS AMENDED BY P.L.146-2008, SECTION 425, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 40. The provisions of IC 5-1 and IC 6-1.1-20 relating to the following apply to proceedings under this chapter:

~~(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.~~

~~(2)~~ **(1)** The giving of notice of determination to issue bonds.

~~(3)~~ **(2)** The giving of notice of hearing on the appropriation of the proceeds of bonds and the right of taxpayers to ~~appeal and~~ be heard on the proposed appropriation.

~~(4) The approval of the appropriation by the department of local government finance.~~

~~(5)~~ **(3)** The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

~~(6)~~ **(4)** The sale of bonds at public sale for not less than the par value.

SECTION 107. IC 14-27-6-48 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 48. (a) The board may provide a cumulative building fund in compliance with IC 6-1.1-41 to provide for the erection of:

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

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

needed to carry out this chapter.

(b) In compliance with IC 6-1.1-41, the board may levy a property tax not to exceed **the following:**

(1) The levy imposed for the fund in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding

calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the immediately preceding calendar year, if the taxing unit levied a property tax for the fund in the immediately preceding year.

(2) The levy imposed for the fund for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax for the fund in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of sixty-seven hundredths of one cent ($0.0067) on each one hundred dollars ($100) of taxable property within the district.

As the tax is collected, the tax may be invested in negotiable United States bonds or other securities that the federal government has the direct obligation to pay.

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

SECTION 108. IC 14-33-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. In all districts described in IC 14-33-9-4, the special benefits tax ~~rate~~ may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the immediately preceding calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the

ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of six and sixty-seven hundredths cents ($0.0667) on each one hundred dollars ($100) of assessed valuation of property in the taxing district.

SECTION 109. IC 14-33-9-1, AS AMENDED BY P.L.146-2008, SECTION 428, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 1. (a) **Except as provided in IC 6-1.1-17-20,** the budget of a district:

(1) must be prepared and submitted:

(A) at the same time;

(B) in the same manner; and

(C) with notice;

as is required by statute for the preparation of budgets by municipalities; and

(2) is subject to the same review by:

(A) the county board of tax adjustment; and

(B) the department of local government finance;

as is required by statute for the budgets of municipalities.

(b) If a district is established in more than one (1) county:

(1) except as provided in subsection (c), the budget shall be certified to the auditor of the county in which is located the court that had exclusive jurisdiction over the establishment of the district; and

(2) notice must be published in each county having land in the district. Any taxpayer in the district is entitled to be heard before the county board of tax adjustment and, after December 31, 2008, the fiscal body of each county having jurisdiction.

(c) If one (1) of the counties in a district contains either a first or second class city located in whole or in part in the district, the budget:

(1) shall be certified to the auditor of that county; and

(2) is subject to review at the county level only by the county board of tax adjustment and, after December 31, 2008, the fiscal body of that county.

SECTION 110. IC 14-33-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 3. (a) The board shall deduct from the operation and maintenance expenses estimated under section 2 of this chapter the following:

(1) Any revenue actually received during the current year.

(2) Other money not obligated to paying or protecting the bonds or notes of the district.

(b) The board shall carry forward the balance after making the deduction required by subsection (a).

(c) The board shall next determine the amount of interest due and the principal amount of bonds maturing the second year after the year in which the board is meeting. To this amount the board shall add five percent (5%) in the first year the board meets with bonds outstanding to provide for contingencies. After that time and until all bonds are retired, the board shall add the necessary amount to maintain a five percent (5%) contingency reserve.

(d) If the board has been forced to borrow money for a short term for a legitimate purpose, the board shall also determine the amount of principal and interest due on the loan.

(e) The board shall then total the balance.

(f) From the assessment roll, the board shall then determine the amount of unpaid installments due in the next year on assessments that have been made and deduct this from the total. The board shall then determine the necessary levy of the special benefits tax to provide money to meet the expenses thus calculated.

~~(g) After review by the department of local government finance as provided in section 1 of this chapter, the board of directors shall certify to the auditor of each county for collection the levy of the tax and the installment of any assessment.~~

SECTION 111. IC 14-33-21-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. **(a)** The board may levy a special benefits tax in compliance with IC 6-1.1-41 in an amount not to exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the immediately preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any

temporary adjustments made to the levy for the immediately preceding calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of real property in the district, except the property that is exempt under IC 14-33-7-4.

(b) The board shall file with the district plan or part of or amendment to the plan:

(1) the approval of the department of local government finance; and

(2) any action taken to reduce or rescind the tax levy.

SECTION 112. IC 15-13-8-3, AS ADDED BY P.L.146-2008, SECTION 431, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) The fund consists of the following:

(1) Revenue from the property tax imposed under IC 15-13-9 **(repealed)** before January 1, 2009.

(2) Appropriations made by the general assembly.

(3) Interest accruing from investment of money in the fund.

(4) Certain proceeds from the operation of the fair.

(b) The fund is divided into the following accounts:

(1) Agricultural fair revolving contingency account.

(2) Other accounts established by the commission.

(c) The money credited to the agricultural fair revolving contingency account may be used only to pay start-up expenses for the fair each year. Money used to pay the start-up expenses from the account must be replaced using proceeds from the operation of the fair before the proceeds may be used for any other purpose.

SECTION 113. IC 15-14-7-4, AS ADDED BY P.L.2-2008,

SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. **(a)** The county council may, **for the purposes described in subsection (b),** levy an annual tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of assessed valuation.

(b) A revenue from a levy imposed under subsection (a) may be used to:

(1) construct;

(2) operate; or

(3) maintain;

a building owned and operated by a 4-H club described in section 2 of this chapter. The tax **under subsection (a)** may be levied only until the building has been constructed or for not more than five (5) years, whichever occurs first.

(c) After the building has been constructed, the county council may levy an annual tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under

IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of sixty-seven hundredths of one cent ($0.0067) on each one hundred dollars ($100) of assessed valuation to operate and maintain the building.

SECTION 114. IC 15-14-9-1, AS ADDED BY P.L.2-2008, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) The county council and board of county commissioners of a county may appropriate and pay to:

(1) an agricultural fair, exhibition, or association; or

(2) an organized county 4-H club in which the residents of the county are interested;

a sum **determined under subsection (b).**

(b) The amount appropriated under subsection (a) may not exceed the following:

(1) The amount appropriated for the purposes described in subsection (a) from property taxes for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the purposes described in subsection (a) from property taxes for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget,

levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes in the immediately preceding year. The taxing unit may not ~~exceeding~~ **appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds** four cents ($0.04) on each one hundred dollars ($100) valuation of the taxable property of the county.

The appropriation is to be paid out of the county general fund.

~~(b)~~ **(c)** An appropriation under subsection (a) may be used only for necessary costs and expenses:

(1) incidental to the conduct and carrying out the purposes of organized:

(A) 4-H clubs; and

(B) boys' and girls' club work;

(2) for cash awards on:

(A) agricultural and horticultural products;

(B) livestock; and

(C) boys' and girls' club work; and

(3) for judging products, livestock, and club work described in this subsection.

~~(c)~~ **(d)** An appropriation under subsection (a) applies to regularly organized:

(1) fair associations; and

(2) boys' and girls' clubs, 4-H clubs, or agricultural clubs;

if the fair or exhibition is given only for the promotion of the interests of agriculture, horticulture, and stock raising. The appropriation does not apply to a person, an association, or a corporation conducting the fair or exhibition for profit or to street fairs or exhibitions.

~~(d)~~ **(e)** An appropriation under subsection (a) may not be used or given for contests of speed.

SECTION 115. IC 15-14-9-2, AS ADDED BY P.L.2-2008, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) Subject to subsections (b) and (c), in a county where two (2) or more fairs or exhibitions are conducted as provided in section 1 of this chapter, the county council may appropriate to each of the fairs or associations an amount that the county council considers proper and equitable.

(b) The amount appropriated under subsection (a) must be computed by the ratio that the cash awards and judging expenses of each fair bears to the total amount spent for awards and judging by the fairs sharing in the division.

(c) The total amount appropriated under subsection (a) may not exceed **the following:**

(1) The amount appropriated for the purposes described in subsection (a) from property taxes for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the purposes described in subsection (a) from property taxes for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes in the immediately preceding year. The taxing unit may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds a sum equal to one cent ($.01) on each one hundred dollars ($100) valuation of the taxable property located in the county.

SECTION 116. IC 16-20-2-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 18. (a) This section applies to a county having a population of more than one hundred forty-eight thousand (148,000) but less than one hundred seventy thousand (170,000).

(b) Each year the county fiscal officer shall transfer to the community health clinic located in the county an amount equal to the **following:**

(1) The amount appropriated for the community health clinic from property taxes for the immediately preceding calendar year, as that appropriation was determined by the

department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the community health clinic from property taxes for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes in the immediately preceding year. The taxing unit shall appropriate from property taxes and the department of local government finance shall approve an appropriation under this subdivision equal to the revenue raised from a property tax rate of one hundred sixty-seven thousandths of one cent ($0.00167) for each one hundred dollars ($100) of assessed valuation of the taxable property in the county.

(c) The transfer shall be made in four (4) equal installments before the end of January, April, July, and October. The transfer shall be made without the necessity of an appropriation.

SECTION 117. IC 16-20-4-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 25. The fiscal body of the city shall annually make the necessary appropriation for expenses of the full-time city health department even though the appropriation may exceed existing limitations. However, the tax may not exceed ~~one (1) mill~~ **the following:**

(1) The amount appropriated for the full-time city health department from property taxes for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the full-time city health department from property taxes for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget,

levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes in the immediately preceding year. The taxing unit may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds ten cents ($0.10) on each ~~dollar ($1)~~ **one hundred dollars ($100)** of assessed valuation of taxable property in addition to other health appropriations.

SECTION 118. IC 16-20-4-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 27. (a) This section applies to each city having a population of:

(1) more than twenty-eight thousand seven hundred (28,700) but less than twenty-nine thousand (29,000); or

(2) more than fifty-five thousand (55,000) but less than fifty-nine thousand (59,000).

(b) Each year the fiscal officer of each city shall transfer to the community health clinic located in the county in which the city is located an amount equal to **the following:**

(1) The amount appropriated for the community health clinic from property taxes for the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount in the immediately preceding year.

(2) The amount appropriated for the community health clinic from property taxes for the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount from property taxes in the immediately preceding year. The taxing unit shall appropriate from property taxes and the department of local government finance shall approve an appropriation under this subdivision equal to the revenue raised from a property tax rate of sixty-seven hundredths of one cent ($0.0067) for each one hundred dollars ($100) of assessed

valuation of the taxable property in the city.

(c) The transfer shall be made in four (4) equal installments before the end of January, April, July, and October. The transfer shall be made without the necessity of an appropriation.

SECTION 119. IC 16-20-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. The amount appropriated under section 1 of this chapter may not exceed the amount that could be collected from annually levying a tax on each one hundred dollars ($100) valuation of taxable property in the city or county as follows:

(1) For a city **the following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167).

(2) For a county **the following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property

tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of thirty-three hundredths of one cent ($0.0033).

SECTION 120. IC 16-22-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. To provide for the cumulative building fund, a tax on all taxable property within the county may be levied annually for not more than twelve (12) years and may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of eleven and sixty-seven hundredths cents ($0.1167) on each one hundred dollars ($100) of assessed valuation of property in the county.

SECTION 121. IC 16-22-6-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]:

Sec. 27. (a) As used in this section, "contributing county" means a county without a county hospital that is contiguous to a county with a county hospital.

(b) As used in this section, "lessee county" means a county with a county hospital.

(c) A contributing county may enter into an agreement with a lessee county to reimburse the lessee county for a part of the lease rental each year that is payable by the lessee county upon compliance with this section.

(d) If the county executive of the contributing county finds that the hospital of the lessee county serves the residents of the contributing county and provides needed hospital services to such residents, the county executive may prepare a contribution agreement. Before final execution of the agreement, the auditor of the contributing county shall publish notice of a public hearing to be held in the contributing county by the county executive not less than ten (10) days after publication of the notice. The notice shall be published one (1) time in a newspaper of general circulation and published in the contributing county. The notice must name the day, place, and hour of the hearing and must set forth a summary of the provisions of agreement as to the amount to be paid each year during the term of the lease by the contributing county and where a copy of the proposed agreement may be examined. All persons interested are entitled to be heard at the time fixed on the necessity for the execution of the agreement. The hearing may be adjourned to a later date at a place fixed before adjournment.

(e) Following the hearing, if a majority of the county fiscal body of the contributing county approve the execution of the agreement, the county executive may authorize the execution of the original agreement or may make the modifications agreed upon with the county fiscal body. The authorization shall be by an order entered in the official records of the county executive. The agreement shall be executed:

(1) on behalf of the contributing county by at least a majority of the members of the county executive; and

(2) on behalf of the lessee county by at least a majority of the members of the county executive.

(f) If the execution of the original or modified contribution agreement is authorized, notice of the signing shall be published on behalf of the contributing county by publication one (1) time in a

newspaper of general circulation and published in the contributing county. ~~At least ten (10) taxpayers in the contributing county whose tax rate will be affected by the proposed agreement may file a petition with the county auditor of the contributing county not more than thirty (30) days after publication of notice of the execution of the agreement. The petition must set forth the objections to the contribution agreement and facts showing that the execution of the contribution agreement is unnecessary and unwise or that the amount of contribution is excessive. On the filing of the petition, the county auditor shall immediately certify a copy together with other data necessary to present the questions involved to the department of local government finance. The department of local government finance shall fix a time and place in the county for the hearing not less than five (5) or not more than fifteen (15) days after receipt of the certified petition and information. Notice of the hearing shall be given by the department of local government finance to the county executive and to the first ten (10) taxpayer petitioners by certified mail sent to the addresses listed on the petition, at least five (5) days before the date of the hearing.~~

(g) An action to contest the validity of the contribution agreement or to enjoin the performance of the agreement may not be instituted later than thirty (30) days after publication of notice of the execution of the agreement. ~~or, if an appeal has been taken to the department of local government finance, not more than thirty (30) days after the decision of the board.~~

(h) A contribution agreement may extend for the full term of the lease or for any part and may provide for reimbursement by the contributing county to the lessee county of a part of the lease rental each year in an amount and upon terms and conditions agreed on between the contributing county and the lessee county. The contributing county shall annually levy a tax sufficient to produce each year the necessary funds sufficient to reimburse the lessee county as provided in the contribution agreement. The tax levies provided for in this section shall be reviewable by other bodies vested by law with the authority to ascertain that the levies are sufficient to raise the required payments under the contribution agreement. The annual contribution shall be paid semiannually to the lessee county before the date lease rental payments are due from the lessee county.

SECTION 122. IC 16-22-7-23 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 23. ~~(a)~~ If execution of the original or modified lease is authorized under section 38 of this chapter, notice of the signing shall be published.

~~(b) Ten (10) taxpayers in the county whose tax rate will be affected by the proposed lease and who believe the lease is unnecessary or the lease rental is not fair and reasonable may file a petition in the office of the county auditor not more than thirty (30) days after publication of notice of the execution of the lease, setting forth the objections and stating facts showing that the lease is unnecessary or unwise or that the lease rental is not fair and reasonable.~~

~~(c) On the filing of the petition, the county auditor shall immediately certify a copy, together with other data necessary to present the questions involved, to the department of local government finance.~~

SECTION 123. IC 16-22-7-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 25. An action to contest the validity of the lease or to enjoin the performance of the terms and conditions of the lease may not be instituted later than thirty (30) days after ~~publication of notice of the execution of the lease or, if an appeal is taken to the department of local government finance, not more than thirty (30) days after~~ the decision of the board.

SECTION 124. IC 16-22-8-41 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 41. (a) The board may provide a cumulative building fund under IC 6-1.1-41 to erect hospital buildings, additions, or other buildings, remodel buildings, or acquire equipment needed to carry out this chapter. The cumulative building fund may be funded by a property tax levy under subsection (b), a transfer into the fund of other revenues of the hospital, or a combination of these two (2) methods.

(b) The board may levy a tax in compliance with IC 6-1.1-41 on all taxable property within the county where the corporation is established. However, the levy may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any

temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of six and sixty-seven hundredths cents ($0.0667) on each one hundred dollars ($100) of taxable property.

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

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

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

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

SECTION 125. IC 16-22-8-43, AS AMENDED BY P.L.146-2008, SECTION 435, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 43. (a) The corporation may issue general obligation bonds to procure funds to pay the cost of acquiring real property or constructing, enlarging, improving, remodeling, repairing, or equipping buildings for use as a hospital, a health care facility, or an administrative facility. The issuance of the bonds shall be authorized by a board resolution providing for the amount, terms, and tenor of the bonds, for the time

and character of notice, and the mode of making the sale. The bonds shall be payable not more than forty (40) years after the date of issuance. The bonds shall be executed in the name of the corporation by the executive director.

(b) The executive director shall manage and supervise the preparation, advertisement, and sale of bonds, subject to the provisions of the authorizing resolution. Before the sale of the bonds, the executive director shall publish notice of the sale in accordance with IC 5-3-1, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold to the highest and best bidder. After the bonds have been sold and executed, the executive director shall deliver the bonds to the treasurer of the corporation and take the treasurer's receipt, and shall certify to the treasurer the amount that the purchaser is to pay, together with the name and address of the purchaser. On payment of the purchase price, the treasurer shall deliver the bonds to the purchaser, and the treasurer and executive director shall report the actions to the board.

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

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

~~(2)~~ **(1)** Notice of determination to issue bonds.

~~(3)~~ **(2)** Notice of hearing on the appropriation of the proceeds of the bonds and the right of taxpayers to ~~appeal and~~ be heard.

~~(4) Approval by the department of local government finance.~~

~~(5)~~ **(3)** The right to:

(A) remonstrate in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

~~(6)~~ **(4)** Sale of bonds at public sale for not less than the par value.

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

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

SECTION 126. IC 16-22-8-55 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 55. (a) The corporation may borrow money on promissory notes issued in the corporation's name, as a municipal corporation, from recognized lending institutions, and pledge as security unlimited ad valorem taxes levied by the corporation and collected on all taxable property within the jurisdiction of the corporation. It is the duty of all officials and bodies with control or discretion over the levying of taxes for the corporation to see that sufficient levies are made to meet the principal and interest on promissory notes. The promissory notes issued under this section shall be treated for taxation purposes the same as bonds issued by a municipal corporation in accordance with IC 6-8-5-1.

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

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

~~(d) After determination of the board to borrow and to issue promissory notes, and after a determination of the best proposal submitted by lending institutions, the board shall give notice of the board's determination to borrow and to issue promissory notes in the manner provided by IC 6-1.1-20. The taxpayers have the right to appeal the determination to the department of local government finance in the manner and within the time provided in IC 6-1.1-20.~~

SECTION 127. IC 16-22-14-4, AS ADDED BY P.L.154-2006, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2009]: Sec. 4. The property tax rate imposed under this chapter may not exceed the lesser of the following:

(1) **The following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of six cents ($0.06) on each one hundred dollars ($100) of assessed valuation.

(2) The property tax rate that is necessary to generate tax revenues in an amount equal to the county hospital's qualified expenses in the ensuing year, as estimated in the governing body's budget request under section 2 of this chapter.

SECTION 128. IC 16-23-1-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 28. (a) If the budget and estimate filed in the auditor's office of the county in any year shows an anticipated deficiency, the amount of the deficiency shall be set out in the copy of the budget and estimate filed, and the board shall request that the fiscal body of the county appropriate sufficient funds and levy a sufficient tax rate on the taxable property of the county to meet the deficiency. The county auditor shall, upon the basis of the request, compute the amount of money necessary to be appropriated and the amount of tax levy necessary to be made on the taxable property of the county to meet the estimated deficiency in the anticipated hospital funds for the ensuing calendar year. The auditor shall place the tax levy

before the county fiscal body at the fiscal body's annual budget meeting in September of the same year the request is filed.

(b) The county fiscal body shall place the amount of the anticipated deficiency in the county budget for the next calendar year and shall levy a sufficient tax on all taxable property in the county to meet the anticipated deficiency. However, the tax rate fixed by the county fiscal body in any one (1) year may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property in the county.

The levy is known as the hospital aid tax.

SECTION 129. IC 16-23-1-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 29. (a) If the county fiscal body is not authorized to appropriate sufficient funds under this chapter to meet an anticipated deficiency in any one (1) year reported and filed in the offices of the county auditor and city clerk-treasurer, the city fiscal body may appropriate a sufficient amount of funds for the next calendar year to meet the balance of the anticipated deficiency and levy a special hospital aid tax on all taxable property in the city for this purpose.

(b) The rate fixed by the city fiscal body for a hospital aid tax in any one (1) year may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of two and thirty-three hundredths cents ($0.0233) on each one hundred dollars ($100) of taxable property.

The tax is in addition to any tax levied by the city for the retirement of bonds or other evidences of indebtedness and payment of interest charges for the alteration, repair, or improvement of the hospital, including the construction of additions and extensions to the hospital.

SECTION 130. IC 16-23-1-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 39. (a) This section applies to the county fiscal body of a county in which a city hospital is located and maintained.

(b) The county fiscal body may issue and sell bonds and appropriate money, if the fiscal body finds the following:

(1) An emergency exists.

(2) To meet the medical needs of the county residents living inside and outside the corporate limits of the city it is necessary to aid in the following:

(A) The construction, improvement, repair, or remodeling of hospital buildings and grounds.

(B) The construction of an extension or addition to the hospital.

(C) The acquisition of real property for the hospital.

(3) An appropriation of county funds, borrowing of money, and issuance and sale of bonds by the county are in the best interests of all the citizens of the county.

(c) The county fiscal body may issue and sell bonds and appropriate the proceeds to meet the emergency:

(1) without regard to whether the city in which the hospital is located has issued and sold bonds for these purposes or contemplates the issuance and sale of bonds; **and**

(2) as other county bonds are issued and sold under statute. ~~and (3) subject to approval of the department of local government finance.~~

(d) The principal derived from the sale of the bonds, upon due appropriation by the county according to statute, shall be paid to the clerk-treasurer of the city to assist in paying the cost of the improvement, repair, remodeling, or construction project of the hospital or for the acquisition of real property, without reappropriation by the fiscal body of the city.

SECTION 131. IC 16-23-1-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 40. (a) The governing board may request a cumulative hospital building fund and a tax ~~rate~~ upon all taxable property in the county in which the hospital is located to finance the fund. If a resolution is approved by majority vote of all members at a regular or special board meeting, the resolution shall be certified to the county auditor, who shall submit the resolution to the county executive for preliminary approval and recommendation. Upon the approval of the county executive, the county auditor shall publish notice of a public hearing before the county council on the establishment of a cumulative hospital building fund and tax ~~rate~~ in each year.

(b) The cumulative building tax ~~rate~~ begins in any calendar year when all proceedings to establish the tax ~~rate~~ have been completed before August 2 in that year. The ~~rate~~ **tax** is ~~levied on each one hundred dollars ($100) of taxable property~~ **imposed** for that year, payable in the next year, and continues each year for a term not exceeding twelve (12) years. **In each subsequent year, the levy is the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under**

IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year. The resolution of the board must specify the following:

(1) The number of years.

(2) The effective date when the tax levy begins.

(3) The ~~amount of rate on each one hundred dollars ($100) of taxable property.~~ **amount of the levy to be raised by the tax.**

(4) Any other pertinent facts considered advisable by the board.

(c) Except as provided in subsections (f) through (h), the ~~rate on each one hundred dollars ($100)~~ **levy** may be reduced but not increased by the department of local government finance in approving a cumulative building tax. ~~rate.~~ The ~~rate~~ **levy** as finally fixed by the department of local government finance is final. However, the county fiscal body, by three-fourths (3/4) affirmative vote of the county fiscal body's members, may reduce the ~~rate~~ **levy** in any given year or years to meet an emergency existing in the county, but the temporary reduction affects the ~~rate~~ **levy** only in the year when the action is taken. The ~~rate~~ **levy** is automatically restored to the ~~rate's~~ **levy's** original amount in each succeeding year of the established period except in any other year when another emergency reduction is made. The ~~rate~~ **levy** is subject to review each year by the county fiscal body, but the county tax adjustment board and department of local government finance may not reduce the ~~rate~~ **levy** below the original ~~rate~~ **levy** established and approved by vote of the county fiscal body unless the county fiscal body reduces the ~~rate.~~ **levy.**

(d) The county fiscal body, city fiscal body, county tax adjustment board, or department of local government finance does not have power or jurisdiction over the annual budget and appropriations, additional appropriations, or transfer of money unless the action involves the expenditure or raising of money derived from property taxes. If the cumulative building fund is the only hospital fund raised by taxation, section 31 of this chapter controls.

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

(1) To purchase real property and grounds for hospital purposes.

(2) To remodel or make major repairs on any hospital building.

(3) To erect and construct hospital buildings or additions or extensions to the buildings.

(4) For any other major capital improvements, but not for current operating expenses or to meet a deficiency in operating funds.

(f) Not later than August 1 of any year, ten (10) or more taxpayers in the county may file with the county auditor of the county in which the hospital is located a petition for reduction or rescission of the cumulative building tax. ~~rate.~~ The petition must set forth the taxpayers' objections to the tax. ~~rate.~~ The petition shall be certified to the department of local government finance.

(g) Upon receipt of a petition under subsection (f), the department of local government finance shall, within a reasonable time, fix a date for a hearing on the petition. The hearing must be held in the county in which the hospital is located. Notice of the hearing shall be given to the county fiscal body and to the first ten (10) taxpayers whose names appear on the petition. The notice must be in the form of a letter signed by the secretary or any member of the department of local government finance, sent by mail with full prepaid postage to the county fiscal body and to the taxpayers at their usual places of residence at least five (5) days before the date fixed for the hearing.

(h) After the hearing under subsection (g), the department of local government finance shall approve, disapprove, or modify the request for reduction or rescission of the tax ~~rate~~ and shall certify that decision to the county auditor of the county in which the hospital is located.

SECTION 132. IC 16-23-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. The city fiscal body may annually levy and collect a tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the

ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of two and sixty-seven hundredths cents ($0.0267) on each one hundred dollars ($100) of the taxable property in the city.

The levy shall be used to provide money to aid in the maintenance of the hospital as provided in this chapter.

SECTION 133. IC 16-23-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. The city fiscal body may levy a special tax for the maintenance of the hospital of not less than **the lesser of the levy imposed for the March 1, 2007, and January 15, 2008, assessment dates or the amount that could have been raised if a tax rate of** sixty-seven hundredths of one cent ($0.0067) **had been imposed for the maintenance of the hospital for the March 1, 2007, and January 15, 2008, assessment dates** and not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of taxable property.

The levy is to be levied and collected the same as other city taxes are levied and collected.

SECTION 134. IC 16-23-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. A city may provide for the support and maintenance of a hospital subject to this chapter as follows:

(1) Appropriate money to the hospital.

(2) Levy and collect a special tax not exceeding **the following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of two and thirty-three hundredths cents ($0.0233) on each one hundred dollars ($100) valuation of the taxable property of the city.

(3) Give other aid and support to the hospital that the city council considers proper.

SECTION 135. IC 16-23-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. A city may do the following:

(1) Appropriate money to the hospital for support and maintenance.

(2) Aid in the support of the hospital by the levy and collection of a special tax, not exceeding **the following:**

(A) The levy imposed in the immediately preceding

calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of one cent ($0.01) on each one hundred dollars ($100) valuation of taxable property of the city.

(3) Give other aid and support in the maintenance of the hospital that the city fiscal body considers proper.

SECTION 136. IC 16-23-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. A city may do the following:

(1) Appropriate money to the hospital for support and maintenance.

(2) Aid in the support of the hospital by the levy and collection of a special tax, not exceeding **the following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for

the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of two and thirty-three hundredths cents ($0.0233) on each one hundred dollars ($100) valuation of the taxable property of the city.

(3) Give other aid and support in the maintenance of the hospital in the manner that the city fiscal body considers proper.

SECTION 137. IC 16-23-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. The township board may, at the request of the township trustee, levy annually and cause to be collected as other taxes are collected a tax upon all of the taxable property within the township. The tax may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of six and sixty-seven hundredths cents ($0.0667) on each one hundred dollars ($100) of assessed valuation.

The tax is for the use of the hospital in defraying the expenses of the hospital's maintenance and support, for providing necessary additions, and for the payment of mortgage indebtedness.

SECTION 138. IC 16-41-15-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. The appropriate governing body may levy annually a tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one cent ($0.01) on each one hundred dollars ($100) of taxable property for the control and prevention of venereal disease.

The tax is in addition to other taxes of the local governing body. The tax shall be collected in the same manner as other taxes and shall be credited to the local board of health venereal disease prevention and control fund.

SECTION 139. IC 16-41-33-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. The county fiscal body or the governing board of a health and hospital corporation may, on the fiscal body's or board of trustees' own initiative or after a petition signed by five percent (5%) of the registered voters within the jurisdiction of the health department, make an annual appropriation specifically for the purpose of vector control to be used by the health department solely for that purpose and levy a tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local

government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of sixty-seven hundredths of one cent ($0.0067) on each one hundred dollars ($100) of assessed value of taxable property in the county.

SECTION 140. IC 20-26-7-17, AS AMENDED BY P.L.146-2008, SECTION 466, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 17. (a) A school corporation may:

(1) purchase buildings or lands, or both, for school purposes; and

(2) improve the buildings or lands, or both.

(b) An existing building, other than a building obtained under IC 5-17-2 (before its repeal) or IC 4-13-1.7, permitting the purchase of suitable surplus government buildings, may not be purchased for use as a school building unless the building was originally constructed for use by the school corporation and used for that purpose for at least five (5) years preceding the acquisition as provided in this section through section 19 of this chapter.

(c) Notwithstanding this section through section 19 of this chapter limiting the purchase of school buildings, a school corporation may:

(1) purchase suitable buildings or lands, or both, adjacent to school property for school purposes; and

(2) improve the buildings or lands, or both, after giving notice to the taxpayers of the intention of the school corporation to purchase.

~~The taxpayers of the school corporation have the same right of appeal under the same procedure as provided for in IC 6-1.1-20-5 through IC 6-1.1-20-6.~~

SECTION 141. IC 20-46-1-7, AS AMENDED BY P.L.146-2008, SECTION 494, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) This section applies to a school corporation that added an amount to the school corporation's base tax levy before 2002 as the result of the approval of an excessive tax levy by the majority of individuals voting in a referendum held in the area served by the school corporation under IC 6-1.1-19-4.5 (before its repeal).

(b) A school corporation may adopt a resolution before September 21, 2005, to transfer the power of the school corporation to levy the amount described in subsection (a) from the school corporation's general fund to the school corporation's fund. A school corporation that adopts a resolution under this section shall, as soon as practicable after adopting the resolution, send a certified copy of the resolution to the department of local government finance and the county auditor. A school corporation that adopts a resolution under this section may, for property taxes first due and payable after 2005, levy an additional amount for the fund that does not exceed the amount of the excessive tax levy added to the school corporation's base tax levy before 2002.

(c) The power of the school corporation to impose the levy transferred to the fund under this section expires December 31, 2012, unless:

(1) the school corporation adopts a resolution to reimpose or extend the levy; and

(2) the levy is approved, before January 1, 2013, by a majority of the individuals who vote in a referendum that is conducted in accordance with the requirements in this chapter.

As soon as practicable after adopting the resolution under subdivision (1), the school corporation shall send a certified copy of the resolution to the county auditor. ~~and the department of local government finance. Upon receipt of the certified resolution, the tax control board shall proceed in the same manner as the tax control board would for any other levy being reimposed or extended under this chapter.~~ However, if requested by the school corporation in the resolution adopted under subdivision (1), the question of reimposing or extending a levy

transferred to the fund under this section may be combined with a question presented to the voters to reimpose or extend a levy initially imposed after 2001. A levy reimposed or extended under this subsection shall be treated for all purposes as a levy reimposed or extended under ~~IC 6-1.1-19-4.5(c) (before its repeal) and~~ this chapter. ~~after June 30, 2006.~~

(d) The school corporation's levy under this section may not be considered in the determination of the school corporation's state tuition support distribution under IC 20-43 or the determination of any other property tax levy imposed by the school corporation.

SECTION 142. IC 20-46-1-10, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. The question to be submitted to the voters in the referendum must read as follows:

"For the __ (insert number) calendar year or years immediately following the holding of the referendum, shall the school corporation impose a property tax ~~rate that does not exceed~~ **and annually raise an additional $** _____ (insert amount) ~~cents ($0.__) (insert amount) on each one hundred dollars ($100) of assessed valuation and that is~~ in addition to **all other property tax levies imposed by** the school ~~corporation's normal tuition support tax rate?".~~ **corporation?".**

SECTION 143. IC 20-46-3-6, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. ~~Subject to IC 6-1.1-18.5-9.9,~~ The tax control board may recommend to the department of local government finance that a school corporation be allowed to establish a levy. The amount of the levy shall be determined each year and the levy may not exceed the lesser of the following:

(1) The ~~revenue derived from a~~ **following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of eight and thirty-three hundredths cents ($0.0833) for each one hundred dollars ($100) of assessed valuation within the school corporation.

(2) The revenue derived from a tax rate equal to the difference between the maximum ~~rate~~ **levy** allowed for the school corporation's capital projects fund under IC 20-46-6 minus the actual capital projects fund ~~rate~~ **levy** that will be in effect for the school corporation for a particular year.

SECTION 144. IC 20-46-4-6, AS AMENDED BY P.L.234-2007, SECTION 263, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. The levy may not exceed the amount determined by multiplying:

(1) the school corporation's levy for the fund for the previous year under IC 21-2-11.5 (before its repeal) or this chapter, as that levy was determined by the department of local government finance in fixing the ~~civil~~ taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17 and after eliminating the effects of temporary excessive levy appeals and any other temporary adjustments made to the levy for the calendar year; by

(2) the ~~assessed value~~ **levy** growth ~~quotient~~ **multiplier** determined under IC 6-1.1-18.5-2.

SECTION 145. IC 20-46-6-5, AS ADDED BY P.L.154-2006, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. ~~Subject to IC 6-1.1-18-12 and IC 6-1.1-18.5-9.9,~~ To provide for the fund, the governing body may, for each year in which a plan is in effect, impose a property tax ~~rate~~ that does not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local

government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of forty-one and sixty-seven hundredths cents ($0.4167) on each one hundred dollars ($100) of assessed valuation of the school corporation.

The actual rate imposed by the governing body must be advertised in the same manner as other property tax rates.

SECTION 146. IC 20-47-2-13, AS AMENDED BY P.L.146-2008, SECTION 515, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 13. ~~(a)~~ If the execution of the lease as originally agreed upon or as modified by agreement is authorized by the governing body or bodies of the school corporation or corporations, the governing body shall give notice of the signing of the lease by publication one (1) time in:

(1) a newspaper of general circulation printed in the English language in the school corporation;

(2) a newspaper described in subdivision (1) in each school corporation if the proposed lease is a joint lease; or

(3) if no such newspaper is published in the school corporation, in any newspaper of general circulation published in the county.

~~(b) This subsection does not apply to a lease for which a school corporation after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5, or, in the case of a lease not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution~~

~~or ordinance authorizing the lease after June 30, 2008. Within thirty (30) days after the publication of notice under subsection (a), fifty (50) or more taxpayers in the school corporation or corporations who:~~

~~(1) will be affected by the proposed lease; and~~

~~(2) are of the opinion that:~~

~~(A) necessity does not exist for the execution of the lease; or~~

~~(B) the proposed rental provided for in the lease is not a fair and reasonable rental;~~

~~may file a petition in the office of the county auditor of the county in which the school corporation or corporations are located. The petition must set forth the taxpayers' objections to the lease and facts showing that the execution of the lease is unnecessary or unwise or that the lease rental is not fair and reasonable, as the case may be.~~

~~(c) Upon the filing of a petition under subsection (b), the county auditor shall immediately certify a copy of the petition, together with any other data that is necessary to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and data, if any, the department of local government finance shall fix a time, date, and place for the hearing of the matter, which may not be less than five (5) nor more than thirty (30) days thereafter. The department of local government finance shall:~~

~~(1) conduct the hearing in the school corporation or corporations, or in the county where the school corporation or corporations are located; and~~

~~(2) give notice of the hearing to the members of the governing body or bodies of the school corporation or corporations and to the first fifty (50) taxpayers who signed the petition under subsection (b) by a letter signed by the commissioner or deputy commissioner of the department of local government finance and enclosed with full prepaid postage addressed to the taxpayer petitioners at their usual place of residence, at least five (5) days before the hearing.~~

~~The decision of the department of local government finance on the appeal, upon the necessity for the execution of the lease and as to whether the rental is fair and reasonable, is final.~~

SECTION 147. IC 20-47-2-14, AS AMENDED BY P.L.146-2008, SECTION 516, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 14. An

action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease may not be instituted at any time later than

~~(1)~~ thirty (30) days after publication of notice of the execution of the lease by the governing body or bodies of the school corporation or corporations. ~~or~~

~~(2) if an appeal is allowed under section 13 of this chapter and has been taken to the department of local government finance, thirty (30) days after the decision of the department of local government finance.~~

SECTION 148. IC 20-47-3-5, AS AMENDED BY P.L.146-2008, SECTION 517, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. (a) Except as provided in ~~subsections~~ **subsection** (d), ~~and (c),~~ a lease must provide that the school corporation or corporations have an option to:

(1) renew the lease for a further term on like conditions; and

(2) purchase the property covered by the lease;

with the terms and conditions of the purchase to be specified in the lease. ~~subject to the approval of the department of local government finance.~~

(b) If the option to purchase the property covered by the lease is exercised, the school corporation or corporations, to procure funds to pay the purchase price, may issue and sell bonds under the provisions of the general statute governing the issue and sale of bonds of the school corporation or corporations. The purchase price may not be more than the purchase price set forth in the lease plus:

(1) two percent (2%) of the purchase price as prepayment penalty for purchase within the first five (5) years of the lease term; or

(2) one percent (1%) of the purchase price as prepayment penalty for purchase in the second five (5) years of the lease term;

and thereafter the purchase shall be without prepayment penalty.

(c) However:

(1) if the school corporation or corporations have not exercised an option to purchase the property covered by the lease at the expiration of the lease; and

(2) upon the full discharge and performance by the school corporation or corporations of their obligations under the lease;

the property covered by the lease becomes the absolute property of the

school corporation or corporations, and the lessor corporation shall execute proper instruments conveying to the school corporation or corporations good and merchantable title to that property.

(d) The following provisions apply to a school corporation that is located in Dubois County and enters into a lease with a religious organization or the organization's agent as authorized under section 4 of this chapter:

(1) The lease is not required to include on behalf of the school corporation an option to purchase the property covered by the lease.

(2) The lease must include an option to renew the lease.

(3) The property covered by the lease is not required to become the absolute property of the school corporation as provided in subsection (c).

~~(e) In the case of a lease for which a school corporation:~~

~~(1) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5; or~~

~~(2) in the case of a lease not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or ordinance authorizing the lease after June 30, 2008,~~

~~the terms and conditions of the purchase that are specified in the lease are not subject to the approval of the department of local government finance.~~

SECTION 149. IC 20-47-3-8, AS AMENDED BY P.L.146-2008, SECTION 518, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8. ~~(a) Except as provided in subsection (b),~~ A school corporation or corporations may, in anticipation of the acquisition of a site and the construction and erection of a school building or buildings, ~~and, subject to the approval of the department of local government finance,~~ enter into a lease with a lessor corporation before the actual acquisition of the site and the construction and erection of the building or buildings. However, the lease entered into by the school corporation or school corporations may not provide for the payment of any lease rental by the lessee or lessees until the building or buildings are ready for occupancy, at which time the stipulated lease rental may begin. The lessor corporation shall furnish a bond to the approval of the lessee or

lessees conditioned on the final completion of the building or buildings within a period not to exceed one (1) year from the date of the execution of the lease, unavoidable delays excepted.

~~(b) In the case of a lease for which a school corporation:~~

~~(1) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5; or~~

~~(2) in the case of a lease not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or ordinance authorizing the lease after June 30, 2008;~~

~~the approval of the department of local government finance is not required.~~

SECTION 150. IC 20-47-3-11, AS AMENDED BY P.L.146-2008, SECTION 519, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 11. ~~(a)~~ If the execution of the lease as originally agreed upon or as modified by agreement is authorized by the governing body or bodies of the school corporation or corporations, the governing body shall give notice of the signing of the lease by publication one (1) time in:

(1) a newspaper of general circulation printed in the English language in the school corporation;

(2) a newspaper described in subdivision (1) in each school corporation if the proposed lease is a joint lease; or

(3) if no such newspaper is published in the school corporation, in any newspaper of general circulation published in the county.

~~(b) This subsection does not apply to leases for which a school corporation after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5, or, in the case of leases not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or ordinance authorizing the lease after June 30, 2008. Within thirty (30) days after the publication of notice under subsection (a), ten (10) or more taxpayers in the school corporation or corporations who:~~

~~(1) will be affected by the proposed lease; and~~

~~(2) are of the opinion that:~~

~~(A) no necessity exists for the execution of the lease; or~~

~~(B) the proposed rental provided for in the lease is not a fair and reasonable rental;~~

~~may file a petition in the office of the county auditor of the county in which the school corporation or corporations are located. The petition must set forth the taxpayers' objections to the lease and facts showing that the execution of the lease is unnecessary or unwise, or that the lease rental is not fair and reasonable, as the case may be.~~

~~(c) Upon the filing of a petition under subsection (b), the county auditor shall immediately certify a copy of the petition and any other data that is necessary to present the questions involved to the department of local government finance. Upon receipt of the certified petition and data, if any, the department of local government finance shall fix a date, time, and place for the hearing of the matter, which may not be less than five (5) nor more than thirty (30) days after receipt of the petition and data, if any. The department of local government finance shall:~~

~~(1) conduct the hearing in the school corporation or corporations or in the county where the school corporation or corporations are located; and~~

~~(2) give notice of the hearing to the members of the governing body or bodies of the school corporation or corporations and to the first ten (10) taxpayer petitioners upon the petition by a letter signed by the commissioner or deputy commissioner of the department of local government finance, and enclosed with full prepaid postage addressed to the taxpayer petitioners at their usual place of residence, at least five (5) days before the hearing.~~

~~The decision of the department of local government finance on the appeal, upon the necessity for the execution of the lease, and as to whether the rental is fair and reasonable, is final.~~

SECTION 151. IC 20-47-3-12, AS AMENDED BY P.L.146-2008, SECTION 520, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 12. An action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease may not be instituted at any time later than

~~(1)~~ thirty (30) days after publication of notice of the execution of the lease by the governing body or bodies of the school corporation or corporations. ~~or~~

~~(2) if an appeal is allowed under section 11 of this chapter and has been taken to the department of local government finance, thirty~~

~~(30) days after the decision of the department of local government finance.~~

SECTION 152. IC 20-48-1-4, AS AMENDED BY P.L.146-2008, SECTION 522, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 4. ~~(a)~~ Bonds issued by a school corporation must be sold at:

(1) not less than par value;

(2) public sale as provided by IC 5-1-11; and

(3) any rate or rates of interest determined by the bidding.

~~(b) This subsection does not apply to bonds for which a school corporation:~~

~~(1) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5; or~~

~~(2) in the case of bonds not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or ordinance authorizing the bonds after June 30, 2008.~~

~~If the net interest cost exceeds eight percent (8%) per year, the bonds must not be issued until the issuance is approved by the department of local government finance.~~

SECTION 153. IC 20-48-3-6, AS ADDED BY P.L.2-2006, SECTION 171, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 6. (a) A school city wishing to make a temporary loan for its general fund under this section may temporarily borrow money, without payment of interest, from the school city's treasury if the school city has in its treasury money derived from the sale of bonds that cannot or will not in the due course of the business of the school city be expended in the near future. A school city shall, by its board, take the following steps required by law to obtain a temporary loan under this section:

(1) Present to the ~~department of local government finance and the~~ state board of accounts:

(A) a copy of the corporate action of the school city concerning the school city's desire to make a temporary loan;

(B) a petition showing the particular need for a temporary loan;

(C) the amount and the date or dates when the general fund will need the temporary loan or the installments of the loan;

(D) the date on which the loan and each installment of the loan will be needed;

(E) the estimated amounts from taxes to come into the general fund;

(F) the dates when it is expected the proceeds of taxes will be received by the school city for the general fund;

(G) the amount of money the school city has in each fund derived from the proceeds of the sale of bonds that cannot or will not be expended in the near future; and

(H) a showing of when, to what extent, and why money in the bond service fund will not be expended in the near future.

(2) Request the ~~department of local government finance and the~~ state board of accounts to authorize a temporary loan from the bond service fund for the general fund.

(b) If:

~~(1) the department of local government finance finds and orders that there is need for a temporary loan and that it should be made;~~

~~(2)~~ **(1)** the state board of accounts finds that the money proposed to be borrowed will not be needed during the period of the temporary loan by the fund from which it is to be borrowed; and

~~(3)~~ **(2)** the state board of accounts ~~and the department of local government finance approve~~ **approves** the loan;

the business manager and treasurer of the school city shall, upon the approval of the state board of accounts, ~~and the department of local government finance,~~ take all steps necessary to transfer the amount of the loans as a temporary loan from the fund to be borrowed from to the general fund of the school city. The loan is a debt of the school city chargeable against its constitutional debt limit.

(c) The state board of accounts: ~~and the department of local government finance:~~

(1) may fix the total amount that may be borrowed on a petition; and

(2) shall determine:

(A) at what time or times;

(B) in what installments; and

(C) for what periods;

the money may be borrowed.

The treasurer and business manager of the school city, as money is

collected from taxes levied on behalf of the general fund, shall credit the amount of money collected from taxes levied to the loan until the amount borrowed is fully repaid to the fund from which the loan was made. The treasurer and business manager of the school city shall at the end of each calendar month report to the board the amounts applied from taxes to the payment of the loan.

(d) The school city shall, as often as once a month, report to ~~both~~ the state board of accounts: ~~and the department of local government finance.~~

(1) the amount of money borrowed and unpaid;

(2) any anticipated similar borrowings for the current month;

(3) the amount left in the general fund; and

(4) the anticipated drafts on the bond service fund for the purposes for which the fund was created.

(e) The state board of accounts: ~~and the department of local government finance, or either acting independently.~~

(1) if it appears that the fund from which the loan was made requires the repayment of all or part of the loan before maturity; or

(2) if the general fund no longer requires all or part of the proceeds of the loan;

may require the school city to repay all or part of the loan. A school city shall, if necessary to repay all or part of a loan under this subsection, exercise its power to obtain a temporary loan from others under section 5 of this chapter to raise the money needed to repay the bond service fund the amount ordered repaid.

SECTION 154. IC 20-48-4-8, AS AMENDED BY P.L.146-2008, SECTION 527, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8. (a) ~~Upon approval by the department of local government finance (if required under section 6 of this chapter),~~ The township trustee may, with the consent of the township board, issue and sell the bonds of the civil township in an amount sufficient to pay for the alteration, construction, or addition described in section 6 of this chapter.

(b) The trustee may levy a tax on the taxable property of the township in an amount sufficient to discharge the bonds issued and sold. The bonds may not bear a maturity date more than twenty (20) years from the date of issue.

SECTION 155. IC 20-49-2-10, AS ADDED BY P.L.2-2006, SECTION 172, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. The state board shall make nondisaster advancements to school corporations under this chapter only when the following conditions exist:

(1) The school buildings and classrooms of any school corporation are not adequate for the proper education of the students in that public school or school corporation, and the school corporation is unable to finance the construction, remodeling, or repair of the necessary classrooms under existing debt and tax limitations without undue financial hardship.

(2) The school corporation has issued its bonds to construct, remodel, or repair schools and school buildings in ninety percent (90%) of the maximum amount allowable under the Constitution of the State of Indiana and Indiana law.

(3) The school corporation does not have funds available for the construction, remodeling, or repair of school buildings and classrooms sufficient to meet the requirements for the proper education of the school corporation's students.

~~(4) The school corporation has established and maintained a property tax levy in the amount of at least sixteen and sixty-seven hundredths cents ($0.1667) on each one hundred dollars ($100) of taxable property within the school corporation for school building purposes continuously for three (3) years before the time when the school corporation makes an application to the state board for an advancement.~~

SECTION 156. IC 23-14-66-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) If the legislative body is satisfied with the accuracy of the petition, it shall:

(1) record its findings at that meeting or at any regular meeting; and

(2) subject to subsection (b), levy and collect an annual tax, as other taxes are levied and collected, in an amount that it considers reasonable, to provide additional care and maintenance for the cemetery.

(b) Taxes collected by a city or town for the care and maintenance of a cemetery lying entirely outside of the corporate limits of the city or town may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three cents ($0.03) on each one hundred dollars ($100) of assessed valuation of property in the city or town.

SECTION 157. IC 23-14-67-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. A county cemetery commission may request the levy of an annual tax for the purpose of restoring and maintaining one (1) or more cemeteries described in section 1 of this chapter that are located in the county. The tax may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year.

The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of fifty cents ($0.50) on each one hundred dollars ($100) of assessed valuation of property in the county.

SECTION 158. IC 33-26-7-1, AS AMENDED BY P.L.154-2006, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. Subject to IC 4-6-2-11 **and** IC 4-6-5-3, ~~and the written approval of the attorney general,~~ a township assessor, a county assessor, a county auditor, a member of a county property tax assessment board of appeals, or a county property tax assessment board of appeals that:

(1) made an original determination that is the subject of a judicial proceeding in the tax court; and

(2) is a defendant in a judicial proceeding in the tax court;

may elect to be represented in the judicial proceeding by an attorney selected and paid by the defendant, the township, or the county.

SECTION 159. IC 36-1-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 4. (a) The fiscal body of a political subdivision may, by ordinance or resolution, permit the transfer of a prescribed amount, for a prescribed period, to a fund in need of money for cash flow purposes from another fund of the political subdivision if all these conditions are met:

(1) It must be necessary to borrow money to enhance the fund that is in need of money for cash flow purposes.

(2) There must be sufficient money on deposit to the credit of the other fund that can be temporarily transferred.

(3) Except as provided in subsection (b), the prescribed period must end during the budget year of the year in which the transfer occurs.

(4) The amount transferred must be returned to the other fund at the end of the prescribed period.

(5) Only revenues derived from the levying and collection of property taxes or special taxes or from operation of the political subdivision may be included in the amount transferred.

(b) If the fiscal body of a political subdivision determines that an

emergency exists that requires an extension of the prescribed period of a transfer under this section, the prescribed period may be extended for not more than six (6) months beyond the budget year of the year in which the transfer occurs if the fiscal body does the following:

(1) Passes an ordinance or a resolution that contains the following:

(A) A statement that the fiscal body has determined that an emergency exists.

(B) A brief description of the grounds for the emergency.

(C) The date the loan will be repaid that is not more than six (6) months beyond the budget year in which the transfer occurs.

(2) Immediately forwards the ordinance or resolution to the state board of accounts. ~~and the department of local government finance.~~

SECTION 160. IC 36-1-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. Notwithstanding sections 6, 12, 16, and 17 of this chapter, the following procedure shall be followed whenever a lease does not contain an option to purchase:

(1) The term of the lease may not be longer than ten (10) years. ~~however, a lease may be for a longer term if the lease is approved by the department of local government finance.~~

(2) The lease must provide that the lease is subject to annual appropriation by the appropriate fiscal body.

(3) The leasing agent must have a copy of the lease filed and kept in a place available for public inspection.

A leasing agent may lease part of a structure.

SECTION 161. IC 36-1-10-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 15. An action to:

(1) contest the validity of a lease under this chapter; or ~~to~~

(2) enjoin performance under the lease;

must be brought within thirty (30) days after publication of notice of the execution of the lease by the leasing agent. ~~or, if an appeal has been taken to the department of local government finance, then within thirty (30) days after the decision of the department.~~

SECTION 162. IC 36-1-10-16 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 16. (a) A political subdivision or agency owning a structure with respect to which its revenue bonds are outstanding may, to refinance those bonds, convey the structure to the lessor in fee simple and lease it from the lessor in accordance with this chapter. ~~subject to the approval of the department of local government finance.~~

(b) The price of a purchase under this section must be at least the sum of:

(1) the principal amount of the outstanding revenue bonds;

(2) interest on those bonds to the maturity date of bonds not subject to redemption before maturity and to the first redemption date of bonds subject to redemption before maturity; and

(3) the redemption premiums on all bonds subject to redemption before maturity.

An amount not less than this sum shall be deposited in trust for the payment of the outstanding revenue bonds in a manner consistent with the ordinance or trust agreement under which the bonds were issued. The money deposited in the trust, and investment income from it, not required for the payment of the bonds, shall be applied to the payment of the obligations issued by the lessor for the acquisition of the structure, and to a corresponding reduction of rentals for the leasing agent.

(c) Each lease entered into under this section must include an option permitting the political subdivision or agency to purchase the structure at a price not exceeding the amount required to retire all outstanding obligations issued by the lessor to acquire the property covered by the lease. The lease and sale of a parking facility under this section does not preclude the lease of air rights.

SECTION 163. IC 36-1-19-1, AS ADDED BY P.L.2-2007, SECTION 382, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. The county council of Knox County may fix and establish annually the rate of a special tax levy to be imposed on the taxable property of Knox County, for the support of Vincennes University. This levy may not exceed in any year **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy,

and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three cents ($0.03) on each one hundred dollars ($100) of the taxable property in Knox County.

All revenue accruing from any tax levy imposed under this section shall be paid

~~(1)~~ into the county treasury as a separate and distinct fund and

~~(2)~~ to the proper fiduciary officer of Vincennes University on warrant of the county auditor.

SECTION 164. IC 36-3-5-8, AS AMENDED BY P.L.146-2008, SECTION 703, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 8. (a) This section applies whenever a special taxing district of the consolidated city has the power to issue bonds, notes, or warrants.

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

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

(1) hold all required hearings;

(2) adopt all necessary resolutions; and

(3) appropriate the proceeds of the bonds;

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

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

(1) be dated;

(2) be issued in any denomination;

(3) except as otherwise provided by IC 5-1-14-10, mature at any time or times not exceeding fifty (50) years after their date; and

(4) be payable at any bank or banks;

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

(e) Bonds of a special taxing district are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to the following:

~~(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.~~

~~(2)~~ **(1)** The giving of notice of a hearing on the appropriation of the proceeds of bonds.

~~(3)~~ **(2)** The right of taxpayers to appear and be heard on the proposed appropriation.

~~(4) The approval of the appropriation by the department of local government finance.~~

~~(5)~~ **(3)** The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

~~(6)~~ **(4)** The sale of bonds at public sale.

~~(7)~~ **(5)** The maximum term or repayment period provided by IC 5-1-14-10.

SECTION 165. IC 36-5-2-11, AS AMENDED BY P.L.146-2008, SECTION 708, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 11. (a) The legislative body may issue bonds for the purpose of procuring money to be used in the exercise of the powers of the town and for the payment of town debts. However, a town may not issue bonds to procure money to pay current expenses.

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

(c) Bonds issued under this section are subject to the provisions of

IC 5-1 and IC 6-1.1-20 relating to the following:

~~(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.~~

~~(2)~~ **(1)** The giving of notice of a hearing on the appropriation of the proceeds of bonds.

~~(3)~~ **(2)** The right of taxpayers to appear and be heard on the proposed appropriation.

~~(4) The approval of the appropriation by the department of local government finance.~~

~~(5)~~ **(3)** The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

~~(6)~~ **(4)** The sale of bonds at public sale for not less than their par value.

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

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

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

(3) The interest accruing on the notes to the date of maturity may be added to and included in their face value or be made payable periodically, as provided in the ordinance.

Notes issued under this subsection are not bonded indebtedness for purposes of IC 6-1.1-18.5.

SECTION 166. IC 36-6-6-14, AS AMENDED BY P.L.146-2008, SECTION 715, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JULY 1, 2009]: Sec. 14. (a) At any special meeting, if two (2) or more members give their consent, the legislative body may determine whether there is a need for fire and emergency services or other emergency requiring the expenditure of money not included in the township's budget estimates and levy.

(b) ~~Subject to section 14.5 of this chapter,~~ If the legislative body finds that a need for fire and emergency services or other emergency exists, it may issue a special order, entered and signed on the record, authorizing the executive to borrow a specified amount of money sufficient to meet the emergency.

(c) Notwithstanding IC 36-8-13-4(a), the legislative body may authorize the executive to borrow a specified sum from a township fund other than the township firefighting fund if the legislative body finds that the emergency requiring the expenditure of money is related to paying the operating expenses of a township fire department or a volunteer fire department. At its next annual session, the legislative body shall cover the debt created by making a levy to the credit of the fund for which the amount was borrowed under this subsection.

(d) In determining whether a fire and emergency services need exists requiring the expenditure of money not included in the township's budget estimates and levy, the legislative body and any reviewing authority considering the approval of the additional borrowing shall consider the following factors:

(1) The current and projected certified and noncertified public safety payroll needs of the township.

(2) The current and projected need for fire and emergency services within the jurisdiction served by the township.

(3) Any applicable national standards or recommendations for the provision of fire protection and emergency services.

(4) Current and projected growth in the number of residents and other citizens served by the township, emergency service runs, certified and noncertified personnel, and other appropriate measures of public safety needs in the jurisdiction served by the township.

(5) Salary comparisons for certified and noncertified public safety personnel in the township and other surrounding or comparable jurisdictions.

(6) Prior annual expenditures for fire and emergency services,

including all amounts budgeted under this chapter.

(7) Current and projected growth in the assessed value of property requiring protection in the jurisdiction served by the township.

(8) Other factors directly related to the provision of public safety within the jurisdiction served by the township.

(e) In the event the township received additional funds under this chapter in the immediately preceding budget year for an approved expenditure, any reviewing authority shall take into consideration the use of the funds in the immediately preceding budget year and the continued need for funding the services and operations to be funded with the proceeds of the loan.

SECTION 167. IC 36-7-4-1318 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1318. (a) A unit may not adopt an impact fee ordinance under section 1311 of this chapter unless the unit has prepared or substantially updated a zone improvement plan for each impact zone during the immediately preceding one (1) year period. A single zone improvement plan may be used for two (2) or more infrastructure types if the impact zones for the infrastructure types are congruent.

(b) Each zone improvement plan must contain the following information:

(1) A description of the nature and location of existing infrastructure in the impact zone.

(2) A determination of the current level of service.

(3) Establishment of a community level of service. A unit may provide that the unit's current level of service is the unit's community level of service in the zone improvement plan.

(4) An estimate of the nature and location of development that is expected to occur in the impact zone during the following ten (10) year period.

(5) An estimate of the nature, location, and cost of infrastructure that is necessary to provide the community level of service for the development described in subdivision (4). The plan must indicate the proposed timing and sequencing of infrastructure installation.

(6) A general description of the sources and amounts of money used to pay for infrastructure during the previous five (5) years.

(c) If a zone improvement plan provides for raising the current level of service to a higher community level of service, the plan must:

(1) provide for completion of the infrastructure that is necessary to raise the current level of service to the community level of service within the following ten (10) year period;

(2) indicate the nature, location, and cost of infrastructure that is necessary to raise the current level of service to the community level of service; and

(3) identify the revenue sources and estimate the amount of the revenue sources that the unit intends to use to raise the current level of service to the community level of service for existing development. Revenue sources include, without limitation, any increase in revenues available from one (1) or more of the following:

(A) Adopting or increasing the following:

(i) The county adjusted gross income tax.

(ii) The county option income tax.

(iii) The county economic development income tax.

(iv) The annual license excise surtax.

(v) The wheel tax.

(B) Imposing ~~the~~ **a** property tax ~~rate per one hundred dollars ($100) of assessed valuation that the unit may impose to create~~ **for** a cumulative capital improvement fund under IC 36-9-14.5 or IC 36-9-15.5.

(C) Transferring and reserving for infrastructure purposes other general revenues that are currently not being used to pay for capital costs of infrastructure.

(D) Dedicating and reserving for infrastructure purposes any newly available revenues, whether from federal or state revenue sharing programs or from the adoption of newly authorized taxes.

(d) A unit must consult with a qualified engineer licensed to perform engineering services in Indiana when the unit is preparing the portions of the zone improvement plan described in subsections (b)(1), (b)(2), (b)(5), and (c)(2).

(e) A zone improvement plan and amendments and modifications to the zone improvement plan become effective after adoption as part of the comprehensive plan under the 500 SERIES of this chapter or adoption as part of the capital improvements program under section 503(5) of this chapter. If the unit establishing the impact fee schedule

or formula and establishing the zone improvement plan is different from the unit having planning and zoning jurisdiction, the unit having planning and zoning jurisdiction shall incorporate the zone improvement plan as part of the unit's comprehensive plan and capital improvement plan.

(f) If a unit's zone improvement plan identifies revenue sources for raising the current level of service to the community level of service, impact fees may not be assessed or collected by the unit unless:

(1) before the effective date of the impact fee ordinance the unit has available or has adopted the revenue sources that the zone improvement plan specifies will be in effect before the impact fee ordinance becomes effective; and

(2) after the effective date of the impact fee ordinance the unit continues to provide adequate funds to defray the cost of raising the current level of service to the community level of service, using revenue sources specified in the zone improvement plan or revenue sources other than impact fees.

SECTION 168. IC 36-7-13-4, AS AMENDED BY P.L.203-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) To provide money for the purposes set forth in section 3 of this chapter, the unit shall create a special revolving fund to be known as the industrial development fund, into which any available and unappropriated money of the unit may be transferred by the unit's legislative body.

(b) The legislative body may also by ordinance levy a tax not to exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit

did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of assessed value of all personal and real property within its jurisdiction.

The proceeds of this tax shall be deposited in the industrial development fund. The unit may collect the tax as other municipal or county taxes are collected, or may set up a system for the collection and enforcement of the tax in the unit. Money in the industrial development fund may be used for any purpose authorized by this chapter and may be pledged for the payment of principal and interest on bonds or other obligations issued under this chapter.

SECTION 169. IC 36-7-25-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. **(a)** The definitions set forth in IC 36-7-14 and IC 36-7-15.1 apply throughout this chapter.

(b) As used in this chapter, "commission" refers to:

(1) a redevelopment commission established under IC 36-7-14; or

(2) the metropolitan development commission acting as the redevelopment commission of a consolidated city, subject to IC 36-3-4-23.

SECTION 170. IC 36-7-25-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 7. (a) As used in this section, "eligible entity" means a person whose principal functions include the provision of:**

(l) educational programs;

(2) work training programs;

(3) worker retraining programs; or

(4) any other programs;

designed to prepare individuals to participate in the competitive and global economy.

(b) After making the findings set forth in subsection (c), a commission, or two (2) or more commissions acting jointly, may

contract with an eligible entity to provide:

(1) educational programs;

(2) work training programs;

(3) worker retraining programs; or

(4) any other programs;

designed to prepare individuals to participate in the competitive and global economy.

(c) Before a commission may contract for a program described in subsection (b), the commission must find that the program will promote the redevelopment and economic development of the unit, is of utility and benefit, and is in the best interests of the unit's residents.

(d) Except as provided in subsection (e), a commission may use any revenues legally available to the commission to fund a program described in subsection (b).

(e) A commission may not spend:

(1) bond proceeds; or

(2) more than fifteen percent (15%) of the allocated tax proceeds it receives on an annual basis;

to fund a program described in subsection (b).

SECTION 171. IC 36-7-14-25.1, AS AMENDED BY P.L.146-2008, SECTION 732, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 25.1. (a) In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 27 of this chapter, the taxes allocated under section 39 of this chapter, or other revenues of the district, or any combination of these sources, the redevelopment commission may, by resolution and subject to subsection (p), issue the bonds of the special taxing district in the name of the unit. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

(1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;

(2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment

of the property or the issuance of bonds;

(3) capitalized interest permitted by this chapter and a debt service reserve for the bonds to the extent the redevelopment commission determines that a reserve is reasonably required; and

(4) expenses that the redevelopment commission is required or permitted to pay under IC 8-23-17.

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

(c) The bonds must be dated as set forth in the bond resolution and negotiable, subject to the requirements of the bond resolution for registering the bonds. The resolution authorizing the bonds must state:

(1) the denominations of the bonds;

(2) the place or places at which the bonds are payable; and

(3) the term of the bonds, which may not exceed:

(A) fifty (50) years, for bonds issued before July 1, 2008;

(B) thirty (30) years, for bonds issued after June 30, 2008, to finance:

(i) an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6);

(ii) a part of an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6); or

(iii) property used in the operation or maintenance of an integrated coal gasification powerplant (as defined in IC 6-3.1-29-6);

that received a certificate of public convenience and necessity from the Indiana utility regulatory commission under IC 8-1-8.5 et seq. before July 1, 2008; or

(C) twenty-five (25) years, for bonds issued after June 30, 2008, that are not described in clause (B).

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

(d) The redevelopment commission shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds, subject to subsection (p). The

seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds must be executed by the appropriate officer of the unit and attested by the municipal or county fiscal officer.

(f) The bonds are exempt from taxation for all purposes.

(g) The municipal or county fiscal officer shall give notice of the sale of the bonds by publication in accordance with IC 5-3-1. The municipal fiscal officer, or county fiscal officer or executive, shall sell the bonds to the highest bidder, but may not sell them for less than ninety-seven percent (97%) of their par value. However, bonds payable solely or in part from tax proceeds allocated under section 39(b)(2) of this chapter, or other revenues of the district may be sold at a private negotiated sale.

(h) Except as provided in subsection (i), a redevelopment commission may not issue the bonds when the total issue, including bonds already issued and to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the special taxing district, as determined under IC 36-1-15.

(i) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the redevelopment commission:

(1) from a special tax levied upon all of the property in the taxing district, as provided by section 27 of this chapter;

(2) from the tax proceeds allocated under section 39(b)(2) of this chapter;

(3) from other revenues available to the redevelopment commission; or

(4) from a combination of the methods stated in subdivisions (1) through (3).

If the bonds are payable solely from the tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

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

(k) All laws relating to:

(1) the giving of notice of the issuance of bonds;

(2) the giving of notice of a hearing on the appropriation of the proceeds of the bonds; **and**

(3) the right of taxpayers to appear and be heard on the proposed appropriation; ~~and the approval of the appropriation by the department of local government finance~~

apply to all bonds issued under this chapter that are payable from the special benefits tax levied pursuant to section 27 of this chapter or from taxes allocated under section 39 of this chapter.

(l) All laws relating to:

(1) the filing of petitions requesting the issuance of bonds; and

(2) the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

apply to bonds issued under this chapter except for bonds payable solely from tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources.

(m) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(n) Any amount remaining in the debt service reserve after all of the bonds of the issue for which the debt service reserve was established have matured shall be:

(1) deposited in the allocation fund established under section 39(b)(2) of this chapter; and

(2) to the extent permitted by law, transferred to the county or municipality that established the department of redevelopment for use in reducing the county's or municipality's property tax levies for debt service.

(o) If bonds are issued under this chapter that are payable solely or in part from revenues to the redevelopment commission from a project or projects, the redevelopment commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or

mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the redevelopment commission. The redevelopment commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the redevelopment commission that are payable solely from revenues of the commission shall contain a statement to that effect in the form of bond.

(p) If the total principal amount of bonds authorized by a resolution of the redevelopment commission adopted before July 1, 2008, is equal to or greater than three million dollars ($3,000,000), the bonds may not be issued without the approval, by resolution, of the legislative body of the unit. Bonds authorized in any principal amount by a resolution of the redevelopment commission adopted after June 30, 2008, may not be issued without the approval of the legislative body of the unit.

SECTION 172. IC 36-7-14-25.2, AS AMENDED BY P.L.146-2008, SECTION 733, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 25.2. (a) A redevelopment commission may enter into a lease of any property that could be financed with the proceeds of bonds issued under this chapter with a lessor for a term not to exceed:

(1) fifty (50) years, for a lease entered into before July 1, 2008; or

(2) twenty-five (25) years, for a lease entered into after June 30, 2008.

The lease may provide for payments to be made by the redevelopment commission from special benefits taxes levied under section 27 of this chapter, taxes allocated under section 39 of this chapter, any other revenues available to the redevelopment commission, or any combination of these sources.

(b) A lease may provide that payments by the redevelopment commission to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the redevelopment commission only after a public hearing by the redevelopment commission at which all interested parties are provided the opportunity to be heard. After the public hearing, the redevelopment commission may adopt a resolution authorizing the execution of the lease on behalf of the unit if it finds that the service to be provided throughout the term of the lease will serve the public purpose of the unit and is in the best interests of its residents. Any lease approved by a resolution of the redevelopment commission must be approved by an ordinance of the fiscal body of the unit.

(d) Upon execution of a lease providing for payments by the redevelopment commission in whole or in part from the levy of special benefits taxes under section 27 of this chapter and upon approval of the lease by the unit's fiscal body, the redevelopment commission shall publish notice of the execution of the lease and its approval in accordance with IC 5-3-1. ~~Fifty (50) or more taxpayers residing in the redevelopment district who will be affected by the lease and who may be of the opinion that no necessity exists for the execution of the lease or that the payments provided for in the lease are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval. The petition must set forth the petitioners' names, addresses, and objections to the lease and the facts showing that the execution of the lease is unnecessary or unwise or that the payments provided for in the lease are not fair and reasonable, as the case may be.~~

~~(e) Upon the filing of the petition, the county auditor shall immediately certify a copy of it, together with such other data as may be necessary in order to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for a hearing in the redevelopment district, which must be not less than five (5) or more than thirty (30) days after the time is fixed. Notice of the hearing shall be given by the department of local government finance to the members of the fiscal body, to the redevelopment commission, and to the first fifty (50) petitioners on the petition by a letter signed by the commissioner or deputy commissioner of the department and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before~~

~~the date of the hearing. The decision of the department of local government finance on the appeal, upon the necessity for the execution of the lease, and as to whether the payments under it are fair and reasonable, is final.~~

~~(f)~~ **(e)** A redevelopment commission entering into a lease payable from allocated taxes under section 39 of this chapter or other available funds of the redevelopment commission may:

(1) pledge the revenue to make payments under the lease pursuant to IC 5-1-14-4; and

(2) establish a special fund to make the payments.

~~(g)~~ **(f)** Lease rentals may be limited to money in the special fund so that the obligations of the redevelopment commission to make the lease rental payments are not considered debt of the unit or the district for purposes of the Constitution of the State of Indiana.

~~(h)~~ **(g)** Except as provided in this section, no approvals of any governmental body or agency are required before the redevelopment commission enters into a lease under this section.

~~(i)~~ **(h)** An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the publication of the notice of the execution and approval of the lease. ~~However, if the lease is payable in whole or in part from tax levies and an appeal has been taken to the department of local government finance, an action to contest the validity or enjoin the performance must be brought within thirty (30) days after the decision of the department.~~

~~(j)~~ **(i)** If a redevelopment commission exercises an option to buy a leased facility from a lessor, the redevelopment commission may subsequently sell the leased facility, without regard to any other statute, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the redevelopment commission through auction, appraisal, or arms length negotiation. If the facility is sold at auction, after appraisal, or through negotiation, the redevelopment commission shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought within fifteen (15) days of the hearing.

SECTION 173. IC 36-7-14-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 28. (a) A tax:

(1) at a rate not to exceed:

(A) the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year; or

(B) the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. However, the taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) per one hundred dollars ($100) of assessed valuation;

in a municipality; and ~~a tax~~

(2) at a rate not to exceed:

(A) the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year; or

(B) the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. However, the taxing unit may not impose a levy under this clause, and the department of local

government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of one and thirty-three hundredths cents ($0.0133) per one hundred dollars ($100) of assessed valuation;

in a county;

may be levied each year for the purposes of this chapter. ~~including:~~

(b) The purposes for which the tax may be levied under this section include:

(1) the payment, in whole or in part, of planning and survey costs;

(2) the costs of property acquisition and redevelopment; and

(3) the payment of all general expenses of the department of redevelopment.

However, a county may not levy this tax within the jurisdiction of a city redevelopment commission.

~~(b)~~ **(c)** Each year the redevelopment commission shall formulate and file a budget for the tax levy, in the same manner as executive departments of the unit are required to formulate and file budgets. This budget is subject to review and modification in the same manner as the budgets and tax levies formulated by executive departments of the unit.

~~(c)~~ **(d)** Revenues obtained from the tax levy for the payment in whole or in part of the costs of acquisition of land, rights-of-way, or other properties shall be deposited in the redevelopment district capital fund established under section 26 of this chapter. Other revenues obtained from the tax levy shall be deposited in a fund to be known as the redevelopment district general fund.

SECTION 174. IC 36-7-15.1-16, AS AMENDED BY P.L.146-2008, SECTION 750, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 16. (a) For the purpose of raising money to carry out this chapter or IC 36-7-15.3, the city-county legislative body may levy each year a special tax upon all property in the redevelopment district. The tax so levied each year shall be certified to the fiscal officers of the city and the county before September 2 of each year. The tax shall be estimated and entered upon the tax duplicates by the county auditor, and shall be collected and enforced by the county treasurer in the same manner as state and county taxes are estimated, entered, collected, and enforced.

(b) As the tax is collected by the county treasurer, it shall be

accumulated and kept in a separate fund to be known as the redevelopment district fund and shall be expended and applied only for the purposes of this chapter or IC 36-7-15.3.

(c) **Except as otherwise provided by this chapter,** the amount of the special tax levy shall be based on the budget of the department but may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of taxable valuation in the redevelopment district. ~~except as otherwise provided in this chapter.~~

(d) The budgets and tax levies under this chapter are subject to review and modification in the manner prescribed by IC 36-3-6.

SECTION 175. IC 36-7-15.1-17.1, AS AMENDED BY P.L.146-2008, SECTION 752, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 17.1. (a) A commission may enter into a lease of any property that may be financed with the proceeds of bonds issued under this chapter with a lessor for a term not to exceed:

(1) fifty (50) years, for a lease entered into before July 1, 2008; or

(2) twenty-five (25) years, for a lease entered into after June 30, 2008.

The lease may provide for payments to be made by the commission

from special benefits taxes levied under section 19 of this chapter, taxes allocated under section 26 of this chapter, any other revenue available to the commission, or any combination of these sources.

(b) A lease may provide that payments by the commission to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the commission only after a public hearing by the commission at which all interested parties are given the opportunity to be heard. Notice of the hearing must be given by publication in accordance with IC 5-3-1. After the public hearing, the commission may adopt a resolution authorizing the execution of the lease on behalf of the unit if it finds that the service to be provided throughout the term of the lease will serve the public purpose of the unit and is in the best interests of its residents. Any lease approved by a resolution of the commission must be approved by an ordinance of the fiscal body of the unit.

(d) Upon execution of a lease providing for payments by the commission in whole or in part from the levy of special benefits taxes under section 19 of this chapter and upon approval of the lease by the fiscal body, the commission shall publish notice of the execution of the lease and its approval in accordance with IC 5-3-1. ~~Fifty (50) or more taxpayers residing in the district who will be affected by the lease and who may be of the opinion that no necessity exists for the execution of the lease or that the payments provided for in the lease are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval. The petition must set forth the petitioners' names, addresses, and objections to the lease and the facts showing that the execution of the lease is unnecessary or unwise or that the payments provided for in the lease are not fair and reasonable, as the case may be. Upon the filing of the petition, the county auditor shall immediately certify a copy of it, together with such other data as may be necessary in order to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a~~

~~time and place for the hearing in the redevelopment district, which must be not less than five (5) or more than thirty (30) days after the time for the hearing is fixed. Notice of the hearing shall be given by the department of local government finance to the members of the fiscal body, to the commission, and to the first fifty (50) petitioners on the petition by a letter signed by the commissioner or deputy commissioner of the department and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the department of local government finance on the appeal, upon the necessity for the execution of the lease and as to whether the payments under it are fair and reasonable, is final.~~

(e) A commission entering into a lease payable from allocated taxes under section 26 of this chapter or revenues or other available funds of the commission may:

(1) pledge the revenue to make payments under the lease pursuant to IC 5-1-14-4; and

(2) establish a special fund to make the payments.

Lease rentals may be limited to money in the special fund so that the obligations of the commission to make the lease rental payments are not considered a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(f) Except as provided in this section, no approvals of any governmental body or agency are required before the commission enters into a lease under this section.

(g) An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the publication of the notice of the execution and approval of the lease. ~~However, if the lease is payable in whole or in part from tax levies and an appeal has been taken to the department of local government finance, an action to contest the validity or to enjoin performance must be brought within thirty (30) days after the decision of the department.~~

(h) If a commission exercises an option to buy a leased facility from a lessor, the commission may subsequently sell the leased facility, without regard to any other statute, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the commission through auction, appraisal, or

arms length negotiation. If the facility is sold at auction, after appraisal, or through negotiation, the commission shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought within fifteen (15) days after the hearing.

SECTION 176. IC 36-7-15.1-46, AS AMENDED BY P.L.146-2008, SECTION 763, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 46. (a) A commission may enter into a lease of any property that may be financed with the proceeds of bonds issued under section 45 of this chapter with a lessor for a term not to exceed:

(1) fifty (50) years, for a lease entered into before July 1, 2008; or

(2) twenty-five (25) years, for a lease entered into after June 30, 2008.

The lease may provide for payments to be made by the commission from special benefits taxes levied under section 50 of this chapter, taxes allocated under section 53 of this chapter, any other revenue available to the commission, or any combination of these sources.

(b) A lease may provide that payments by the commission to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the commission only after a public hearing by the commission at which all interested parties are given the opportunity to be heard. Notice of the hearing must be given by publication in accordance with IC 5-3-1. After the public hearing, the commission may adopt a resolution authorizing the execution of the lease on behalf of the unit if it finds that the service to be provided throughout the term of the lease will serve the public purpose of the unit and is in the best interests of its residents. Any lease approved by a resolution of the commission must be approved by an ordinance of the fiscal body of the excluded city.

(d) Upon execution of a lease providing for payments by the commission in whole or in part from the levy of special benefits taxes under section 50 of this chapter and upon approval of the lease by the fiscal body, the commission shall publish notice of the execution of the

lease and its approval in accordance with IC 5-3-1. ~~Fifty (50) or more taxpayers residing in the district who will be affected by the lease and who may be of the opinion that no necessity exists for the execution of the lease or that the payments provided for in the lease are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval. The petition must set forth the petitioners' names, addresses, and objections to the lease and the facts showing that the execution of the lease is unnecessary or unwise or that the payments provided for in the lease are not fair and reasonable, as the case may be. Upon the filing of the petition, the county auditor shall immediately certify a copy of the petition, together with such other data as may be necessary in order to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for the hearing in the redevelopment district, which must not be less than five (5) or more than thirty (30) days after the time for the hearing is fixed. Notice of the hearing shall be given by the department of local government finance to the members of the fiscal body, to the commission, and to the first fifty (50) petitioners on the petition by a letter signed by the commissioner or deputy commissioner of the department and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the department of local government finance on the appeal, upon the necessity for the execution of the lease and as to whether the payments under it are fair and reasonable, is final.~~

(e) A commission entering into a lease payable from allocated taxes under section 53 of this chapter or revenues or other available funds of the commission may:

(1) pledge the revenue to make payments under the lease as provided in IC 5-1-14-4; and

(2) establish a special fund to make the payments.

Lease rentals may be limited to money in the special fund so that the obligations of the commission to make the lease rental payments are not considered a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(f) Except as provided in this section, no approvals of any

governmental body or agency are required before the commission enters into a lease under this section.

(g) An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the publication of the notice of the execution and approval of the lease. ~~However, if the lease is payable in whole or in part from tax levies and an appeal has been taken to the department of local government finance, an action to contest the validity or to enjoin performance must be brought within thirty (30) days after the decision of the department of local government finance.~~

(h) If a commission exercises an option to buy a leased facility from a lessor, the commission may subsequently sell the leased facility, without regard to any other statute, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the commission through auction, appraisal, or arms length negotiation. If the facility is sold at auction, after appraisal, or through negotiation, the commission shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought within fifteen (15) days after the hearing.

SECTION 177. IC 36-7-29-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 16. (a) District bonds may be issued by a board under this chapter without following any procedures set forth in any other statute except that the board must:

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

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

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

~~(4) obtain the approval of the department of local government finance for a tax levy under IC 6-1.1-18.5-8.~~

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

SECTION 178. IC 36-8-6-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 1.5. (a) As used in this chapter, "Internal Revenue Code":

(1) means the Internal Revenue Code of 1954, as in effect on September 1, 1974, if permitted with respect to governmental plans; or

(2) to the extent not inconsistent with subdivision (1), has the meaning set forth in IC 6-3-1-11.

(b) The 1925 fund shall satisfy the qualification requirements in Section 401 of the Internal Revenue Code, as applicable to the 1925 fund. In order to meet those requirements, the 1925 fund is subject to the following provisions, notwithstanding any other provision of this chapter:

(1) The local board shall distribute the corpus and income of the 1925 fund to members and their beneficiaries in accordance with this chapter.

(2) **Subject to subsection (d),** no part of the corpus or income of the 1925 fund may be used or diverted to any purpose other than the exclusive benefit of the members and their beneficiaries.

(3) Forfeitures arising from severance of employment, death, or for any other reason may not be applied to increase the benefits any member would otherwise receive under this chapter.

(4) If the 1925 fund is terminated, or if all contributions to the 1925 fund are completely discontinued, the rights of each affected member to the benefits accrued at the date of the termination or discontinuance, to the extent then funded, are nonforfeitable.

(5) All benefits paid from the 1925 fund shall be distributed in accordance with the requirements of Section 401(a)(9) of the Internal Revenue Code and the regulations under that section. In order to meet those requirements, the 1925 fund is subject to the following provisions:

(A) The life expectancy of a member, the member's spouse, or the member's beneficiary shall not be recalculated after the initial determination, for purposes of determining benefits.

(B) If a member dies before the distribution of the member's benefits has begun, distributions to beneficiaries must begin no later than December 31 of the calendar year immediately following the calendar year in which the member died.

(C) The amount of an annuity paid to a member's beneficiary may not exceed the maximum amount determined under the incidental death benefit requirement of the Internal Revenue Code.

(6) The local board may not:

(A) determine eligibility for benefits;

(B) compute rates of contribution; or

(C) compute benefits of members or beneficiaries;

in a manner that discriminates in favor of members who are considered officers, supervisors, or highly compensated, as prohibited under Section 401(a)(4) of the Internal Revenue Code.

(7) Benefits paid under this chapter may not exceed the maximum benefit specified by Section 415 of the Internal Revenue Code.

(8) The salary taken into account under this chapter may not exceed the applicable amount under Section 401(a)(17) of the Internal Revenue Code.

(9) The local board may not engage in a transaction prohibited by Section 503(b) of the Internal Revenue Code.

(c) Notwithstanding any other provision of this chapter, and solely for the purposes of the benefits provided under this chapter, the benefit limitations of Section 415 of the Internal Revenue Code shall be determined by applying the provisions of Section 415(b)(10) of the Internal Revenue Code, as amended by the Technical and Miscellaneous Revenue Act of 1988. This section constitutes an election under Section 415(b)(10)(C) of the Internal Revenue Code to have Section 415(b) of the Internal Revenue Code, other than Section 415(b)(2)(G) of the Internal Revenue Code, applied without regard to Section 415(b)(2)(F) of the Internal Revenue Code to anyone who did not first become a participant before January 1, 1990.

(d) The general assembly finds that any balance in a 1925 fund accruing from property taxes is no longer necessary to meet the obligations of the 1925 fund as a result of a change in IC 5-10.3-11-4.7 in 2008, which increased the amount payable by the state to local units of government to cover the total amount of pension, disability, and survivor benefit payments payable from the 1925 fund. To the extent permitted under Section 401 of the Internal Revenue Code, a local board may authorize the use of money in the 1925 fund to pay the following:

(1) Costs incurred by the local board or a city or town to administer the 1925 fund.

(2) Costs of health insurance or other health benefits provided to members of the 1925 fund or their beneficiaries.

The maximum amount that may be used under this subsection is the sum of the unencumbered balance of the 1925 fund on December 31, 2008, and the amount of property taxes imposed for an assessment date before January 16, 2008, for the benefit of the 1925 fund and deposited in the 1925 fund after December 31, 2008.

SECTION 179. IC 36-8-7-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 2.5. (a) As used in this chapter, "Internal Revenue Code":

(1) means the Internal Revenue Code of 1954, as in effect on September 1, 1974, if permitted with respect to governmental plans; or

(2) to the extent not inconsistent with subdivision (1), has the meaning set forth in IC 6-3-1-11.

(b) The 1937 fund shall satisfy the qualification requirements in Section 401 of the Internal Revenue Code, as applicable to the 1937 fund. In order to meet those requirements, the 1937 fund is subject to the following provisions, notwithstanding any other provision of this chapter:

(1) The local board shall distribute the corpus and income of the 1937 fund to members and their beneficiaries in accordance with this chapter.

(2) **Subject to subsection (d),** no part of the corpus or income of the 1937 fund may be used or diverted to any purpose other than the exclusive benefit of the members and their beneficiaries.

(3) Forfeitures arising from severance of employment, death, or for any other reason may not be applied to increase the benefits any member would otherwise receive under this chapter.

(4) If the 1937 fund is terminated, or if all contributions to the 1937 fund are completely discontinued, the rights of each affected member to the benefits accrued at the date of the termination or discontinuance, to the extent then funded, are nonforfeitable.

(5) All benefits paid from the 1937 fund shall be distributed in accordance with the requirements of Section 401(a)(9) of the Internal Revenue Code and the regulations under that section. In

order to meet those requirements, the 1937 fund is subject to the following provisions:

(A) The life expectancy of a member, the member's spouse, or the member's beneficiary shall not be recalculated after the initial determination, for purposes of determining benefits.

(B) If a member dies before the distribution of the member's benefits has begun, distributions to beneficiaries must begin no later than December 31 of the calendar year immediately following the calendar year in which the member died.

(C) The amount of an annuity paid to a member's beneficiary may not exceed the maximum determined under the incidental death benefit requirement of the Internal Revenue Code.

(6) The local board may not:

(A) determine eligibility for benefits;

(B) compute rates of contribution; or

(C) compute benefits of members or beneficiaries;

in a manner that discriminates in favor of members who are considered officers, supervisors, or highly compensated, as prohibited under Section 401(a)(4) of the Internal Revenue Code.

(7) Benefits paid under this chapter may not exceed the maximum benefit specified by Section 415 of the Internal Revenue Code.

(8) The salary taken into account under this chapter may not exceed the applicable amount under Section 401(a)(17) of the Internal Revenue Code.

(9) The local board may not engage in a transaction prohibited by Section 503(b) of the Internal Revenue Code.

(c) Notwithstanding any other provision of this chapter, and solely for the purposes of the benefits provided under this chapter, the benefit limitations of Section 415 of the Internal Revenue Code shall be determined by applying the provisions of Section 415(b)(10) of the Internal Revenue Code, as amended by the Technical and Miscellaneous Revenue Act of 1988. This section constitutes an election under Section 415(b)(10)(C) of the Internal Revenue Code to have Section 415(b) of the Internal Revenue Code, other than Section 415(b)(2)(G) of the Internal Revenue Code, applied without regard to Section 415(b)(2)(F) of the Internal Revenue Code to anyone who did not first become a participant before January 1, 1990.

(d) The general assembly finds that any balance in a 1937 fund

accruing from property taxes is no longer necessary to meet the obligations of the 1937 fund as a result of a change in IC 5-10.3-11-4.7 in 2008, which increased the amount payable by the state to local units of government to cover the total amount of pension, disability, and survivor benefit payments payable from the 1937 fund. To the extent permitted under Section 401 of the Internal Revenue Code, a local board may authorize the use of money in the 1937 fund to pay the following:

(1) Costs incurred by the local board or a city or town to administer the 1937 fund.

(2) Costs of health insurance or other health benefits provided to members of the 1937 fund or their beneficiaries.

The maximum amount that may be used under this subsection is the sum of the unencumbered balance of the 1937 fund on December 31, 2008, and the amount of property taxes imposed for an assessment date before January 16, 2008, for the benefit of the 1937 fund and deposited in the 1937 fund after December 31, 2008.

SECTION 180. IC 36-8-7.5-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 1.5. (a) As used in this chapter, "Internal Revenue Code":

(1) means the Internal Revenue Code of 1954, as in effect on September 1, 1974, if permitted with respect to governmental plans; or

(2) to the extent not inconsistent with subdivision (1), has the meaning set forth in IC 6-3-1-11.

(b) The 1953 fund shall satisfy the qualification requirements in Section 401 of the Internal Revenue Code, as applicable to the 1953 fund. In order to meet those requirements, the 1953 fund is subject to the following provisions, notwithstanding any other provision of this chapter:

(1) The local board shall distribute the corpus and income of the 1953 fund to members and their beneficiaries in accordance with this chapter.

(2) **Subject to subsection (d),** no part of the corpus or income of the 1953 fund may be used or diverted to any purpose other than the exclusive benefit of the members and their beneficiaries.

(3) Forfeitures arising from severance of employment, death, or for any other reason may not be applied to increase the benefits

any member would otherwise receive under this chapter.

(4) If the 1953 fund is terminated, or if all contributions to the 1953 fund are completely discontinued, the rights of each affected member to the benefits accrued at the date of the termination or discontinuance, to the extent then funded, are nonforfeitable.

(5) All benefits paid from the 1953 fund shall be distributed in accordance with the requirements of Section 401(a)(9) of the Internal Revenue Code and the regulations under that section. In order to meet those requirements, the 1953 fund is subject to the following provisions:

(A) The life expectancy of a member, the member's spouse, or the member's beneficiary shall not be recalculated after the initial determination, for purposes of determining benefits.

(B) If a member dies before the distribution of the member's benefits has begun, distributions to beneficiaries must begin no later than December 31 of the calendar year immediately following the calendar year in which the member died.

(C) The amount of an annuity paid to a member's beneficiary may not exceed the maximum determined under the incidental death benefit requirement of the Internal Revenue Code.

(6) The local board may not:

(A) determine eligibility for benefits;

(B) compute rates of contribution; or

(C) compute benefits of members or beneficiaries;

in a manner that discriminates in favor of members who are considered officers, supervisors, or highly compensated, as prohibited under Section 401(a)(4) of the Internal Revenue Code.

(7) Benefits paid under this chapter may not exceed the maximum benefit specified by Section 415 of the Internal Revenue Code.

(8) The salary taken into account under this chapter may not exceed the applicable amount under Section 401(a)(17) of the Internal Revenue Code.

(9) The local board may not engage in a transaction prohibited by Section 503(b) of the Internal Revenue Code.

(c) Notwithstanding any other provision of this chapter, and solely for the purposes of the benefits provided under this chapter, the benefit limitations of Section 415 of the Internal Revenue Code shall be determined by applying the provisions of Section 415(b)(10) of the

Internal Revenue Code, as amended by the Technical and Miscellaneous Revenue Act of 1988. This section constitutes an election under Section 415(b)(10)(C) of the Internal Revenue Code to have Section 415(b) of the Internal Revenue Code, other than Section 415(b)(2)(G) of the Internal Revenue Code, applied without regard to Section 415(b)(2)(F) of the Internal Revenue Code to anyone who did not first become a participant before January 1, 1990.

(d) The general assembly finds that any balance in a 1953 fund accruing from property taxes is no longer necessary to meet the obligations of the 1953 fund as a result of a change in IC 5-10.3-11-4.7 in 2008, which increased the amount payable by the state to local units of government to cover the total amount of pension, disability, and survivor benefit payments payable from the 1953 fund. To the extent permitted under Section 401 of the Internal Revenue Code, a local board may authorize the use of money in the 1953 fund to pay the following:

(1) Costs incurred by the local board or a city or town to administer the 1953 fund.

(2) Costs of health insurance or other health benefits provided to members of the 1953 fund or their beneficiaries.

The maximum amount that may be used under this subsection is the sum of the unencumbered balance of the 1953 fund on December 31, 2008, and the amount of property taxes imposed for an assessment date before January 16, 2008, for the benefit of the 1953 fund and deposited in the 1953 fund after December 31, 2008.

SECTION 181. IC 36-8-11-18, AS AMENDED BY P.L.146-2008, SECTION 780, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 18. (a) The board shall annually budget the necessary money to meet the expenses of operation and maintenance of the district, including repairs, fees, salaries, depreciation on all depreciable assets, rents, supplies, contingencies, bond redemption, and all other expenses lawfully incurred by the district. After estimating expenses and receipts of money, the board shall establish the tax levy required to fund the estimated budget.

(b) The budget must be approved by:

(1) the fiscal body of the county **in conformity with IC 6-1.1-17-20; and**

(2) the county board of tax adjustment, ~~and the department of local government finance.~~ **if a county board of tax adjustment reviews budgets, tax rates, and tax levies in a county where the fire protection territory is located.**

(c) ~~Upon approval by the department of local government finance, the board shall certify the approved tax levy to the auditor of the county having land within the district. The auditor shall have the levy entered on the county treasurer's tax records for collection.~~ After collection of the taxes the auditor shall issue a warrant on the treasurer to transfer the revenues collected to the board, as provided by statute.

SECTION 182. IC 36-8-14-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) To provide for the cumulative building and equipment fund established under this chapter, the legislative body may levy a tax on all taxable property within the taxing district in compliance with IC 6-1.1-41. The tax rate may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of assessed valuation of property in the taxing district.

(b) As the tax is collected, it shall be deposited in a qualified public depository or depositories and held in a special fund to be known as the

"building or remodeling, firefighting, and police radio equipment fund" in the case of a municipality or as the "building or remodeling and fire equipment fund" in the case of a township or fire protection district.

SECTION 183. IC 36-8-15-15.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 15.1. (a) A board may enter into a lease of any facility that may be financed with the proceeds of bonds issued under this chapter with a lessor for a term not to exceed fifty (50) years. The lease may provide for payments to be made by the board from special benefits taxes levied under section 14 of this chapter and any other revenue available to the board, or any combination of these sources.

(b) A lease may provide that payments by the board to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the board only after a public hearing by the board at which all interested parties are given the opportunity to be heard. Notice of the hearing must be given by publication in accordance with IC 5-3-1. After the public hearing, the board may adopt a resolution authorizing the execution of the lease on behalf of the unit if the board finds that the service to be provided throughout the term of the lease will serve the public purpose of the unit and is in the best interests of the unit's residents. A lease approved by a resolution of the board must be approved by an ordinance of the fiscal body of the unit.

(d) Upon execution of a lease providing for payments by the board in whole or in part from the levy of special benefits taxes under section 14 of this chapter and upon approval of the lease by the fiscal body, the board shall publish notice of the execution of the lease and its approval in accordance with IC 5-3-1. ~~Fifty (50) or more taxpayers residing in the district who will be affected by the lease and who may be of the opinion that no necessity exists for the execution of the lease or that the payments provided for in the lease are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval. The petition must set forth the petitioners' names, addresses, and objections to the~~

~~lease and the facts showing that the execution of the lease is unnecessary or unwise or that the payments provided for in the lease are not fair and reasonable, as the case may be. Upon the filing of the petition, the county auditor shall immediately certify a copy of it, together with any other data necessary in order to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for the hearing in the district, which must be not less than five (5) or more than thirty (30) days after the time of the hearing is fixed. Notice of the hearing shall be given by the department of local government finance to the members of the fiscal body, the board, and the first fifty (50) petitioners on the petition by a letter signed by the commissioner or deputy commissioner of the department and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the department of local government finance on the appeal, upon the necessity for the execution of the lease and as to whether the payments under it are fair and reasonable, is final.~~

(e) A board entering into a lease that is payable from revenues or other available funds of the board may:

(1) pledge the revenue to make payments under the lease as provided in IC 5-1-14-4; and

(2) establish a special fund to make the payments.

Lease rentals may be limited to money in the special fund so that the obligations of the board to make the lease rental payments are not considered a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(f) Except as provided in this section, no approvals of a governmental body or an agency are required before the board enters into a lease under this section.

(g) An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the publication of the notice of the execution and approval of the lease. ~~However, if the lease is payable in whole or in part from tax levies and an appeal has been taken to the department of local government finance, an action to contest the validity or to enjoin performance must be brought within thirty (30) days after the decision~~

~~of the department.~~

(h) If a board exercises an option to buy a leased facility from a lessor, the board may subsequently sell the leased facility, without regard to any other statutes, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the board through an auction, appraisal, or arms length negotiation. The board shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. An action to contest the sale must be brought within fifteen (15) days after the hearing.

SECTION 184. IC 36-8-15-19, AS AMENDED BY P.L.146-2008, SECTION 784, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 19. (a) This subsection applies to a county that has a population of more than one hundred eighty-two thousand seven hundred ninety (182,790) but less than two hundred thousand (200,000). For the purpose of raising money to fund the operation of the district, the county fiscal body may impose, for property taxes first due and payable during each year after the adoption of an ordinance establishing the district, an ad valorem property tax levy on property within the district. The property tax rate for that levy may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of five cents ($0.05) on each one hundred dollars ($100) of assessed

valuation.

(b) This subsection applies to a county having a consolidated city. The county fiscal body may elect to fund the operation of the district from part of the certified distribution, if any, that the county is to receive during a particular calendar year under IC 6-3.5-6-17. To make such an election, the county fiscal body must adopt an ordinance before September 1 of the immediately preceding calendar year. The county fiscal body must specify in the ordinance the amount of the certified distribution that is to be used to fund the operation of the district. If the county fiscal body adopts such an ordinance, it shall immediately send a copy of the ordinance to the county auditor.

(c) Subject to subsections (d), (e), and (f), if an ordinance or resolution is adopted changing the territory covered by the district or the number of public agencies served by the district, the local government tax control board shall, for property taxes first due and payable during the year after the adoption of the ordinance, adjust the maximum permissible ad valorem property tax levy limits of the district and the units participating in the district.

(d) If a unit by ordinance or resolution joins the district or elects to have its public safety agencies served by the district, the local government tax control board shall reduce the maximum permissible ad valorem property tax levy of the unit for property taxes first due and payable during the year after the adoption of the ordinance or resolution. The reduction shall be based on the amount budgeted by the unit for public safety communication services in the year in which the ordinance was adopted. If such an ordinance or resolution is adopted, the district shall refer its proposed budget, ad valorem property tax levy, and property tax rate for the following year to the board, which shall review and set the budget, levy, and rate as though the district were covered by IC 6-1.1-18.5-7.

(e) If a unit by ordinance or resolution withdraws from the district or rescinds its election to have its public safety agencies served by the district, the local government tax control board shall reduce the maximum permissible ad valorem property tax levy of the district for property taxes first due and payable during the year after the adoption of the ordinance or resolution. The reduction shall be based on the amounts being levied by the district within that unit. If such an ordinance or resolution is adopted, the unit shall refer its proposed

budget, ad valorem property tax levy, and property tax rate for public safety communication services to the board, which shall review and set the budget, levy, and rate as though the unit were covered by IC 6-1.1-18.5-7.

(f) The adjustments provided for in subsections (c), (d), and (e) do not apply to a district or unit located in a particular county if the county fiscal body of that county does not impose an ad valorem property tax levy under subsection (a) to fund the operation of the district.

(g) A county that has adopted an ordinance under section 1(3) of this chapter may not impose an ad valorem property tax levy on property within the district to fund the operation or implementation of the district.

SECTION 185. IC 36-8-19-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 6.5. (a) The legislative bodies of all participating units in a territory may agree to change the provider unit of the territory from one (1) participating unit to another participating unit. To change the provider unit, the legislative body of each participating unit must adopt an ordinance (if the unit is a county or municipality) or a resolution (if the unit is a township) that agrees to and specifies the new provider unit. The provider unit may not be changed unless all participating units agree on the participating unit that will become the new provider unit. The participating units may not change the provider unit more than one (1) time in any year.**

(b) The following apply to an ordinance or a resolution adopted under this section to change the provider unit of the territory:

(1) The ordinance or resolution must be adopted after January 1 but before April 1 of a year.

(2) The ordinance or resolution takes effect January 1 of the year following the year in which the ordinance or resolution is adopted.

SECTION 186. IC 36-8-19-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 7.5. (a) This section applies to:**

(1) county adjusted gross income tax, county option income tax, and county economic development income tax distributions; and

(2) excise tax distributions;

made after December 31, 2009.

(b) For purposes of allocating any county adjusted gross income tax, county option income tax, and county economic development income tax distributions or excise tax distributions that are distributed based on the amount of a taxing unit's property tax levies, each participating unit in a territory shall be considered to have imposed a part of the property tax levy imposed for the territory. The part of the property tax levy imposed for the territory for a particular year that shall be attributed to a participating unit is equal to the amount determined in the following STEPS:

STEP ONE: Determine the total amount of all property taxes imposed by the participating unit in the year before the year in which a property tax levy was first imposed for the territory.

STEP TWO: Determine the sum of the STEP ONE amounts for all participating units.

STEP THREE: Divide the STEP ONE result by the STEP TWO result.

STEP FOUR: Multiply the STEP THREE result by the property tax levy imposed for the territory for the particular year.".

Page 29, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 188. IC 36-8-19-8.5, AS AMENDED BY P.L.47-2007, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8.5. (a) Participating units may agree to establish an equipment replacement fund under this section to be used to purchase fire protection equipment, including housing, that will be used to serve the entire territory. To establish the fund, the legislative bodies of each participating unit must adopt an ordinance (if the unit is a county or municipality) or a resolution (if the unit is a township) that meets the following requirements:

(1) The ordinance or resolution is identical to the ordinances and resolutions adopted by the other participating units under this section.

(2) The ordinance or resolution is adopted after January 1 but before April 1.

(3) The ordinance or resolution authorizes the provider unit to establish the fund.

(4) The ordinance or resolution includes at least the following:

(A) The name of each participating unit and the provider unit.

(B) An agreement to impose a uniform tax rate upon all of the taxable property within the territory for the equipment replacement fund.

(C) The contents of the agreement to establish the fund.

An ordinance or a resolution adopted under this section takes effect July 1 of the year the ordinance or resolution is adopted.

(b) If a fund is established, the participating units may agree to:

(1) impose a property tax to provide for the accumulation of money in the fund to purchase fire protection equipment;

(2) incur debt to purchase fire protection equipment and impose a property tax to retire the loan; or

(3) transfer an amount from the fire protection territory fund to the fire equipment replacement fund not to exceed five percent (5%) of the levy for the fire protection territory fund for that year;

or any combination of these options.

(c) The ~~property tax rate for the~~ levy imposed under this section may not exceed **the following:**

(1) The levy imposed for the fund in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the participating unit levied a property tax for the fund in the immediately preceding year.

(2) The levy imposed for the fund for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the participating unit did not levy a property tax for the fund in the immediately preceding year. The participating unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would

be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) per one hundred dollars ($100) of assessed value.

(d) Before debt may be incurred, the fiscal body of a participating unit must adopt an ordinance (if the unit is a county or municipality) or a resolution (if the unit is a township) that specifies the amount and purpose of the debt. The ordinance or resolution must be identical to the other ordinances and resolutions adopted by the participating units. ~~In addition, the department of local government finance must approve the incurrence of the debt using the same standards as applied to the incurrence of debt by civil taxing units.~~

~~(c)~~ **(e)** Money in the fund may be used by the provider unit only for those purposes set forth in the agreement among the participating units that permits the establishment of the fund.

SECTION 189. IC 36-9-3-31, AS AMENDED BY P.L.146-2008, SECTION 786, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 31. (a) This section applies to an authority that includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) The authority may issue revenue or general obligation bonds under this section.

(c) The board may issue revenue bonds of the authority for the purpose of procuring money to pay the cost of acquiring real or personal property for the purpose of this chapter. The issuance of bonds must be authorized by resolution of the board and approved by the county fiscal bodies of the counties in the authority before issuance. The resolution must provide for the amount, terms, and tenor of the bonds, and for the time and character of notice and mode of making sale of the bonds.

(d) The bonds are payable at the times and places determined by the board, but they may not run more than thirty (30) years after the date of their issuance and must be executed in the name of the authority by an authorized officer of the board and attested by the secretary. The interest coupons attached to the bonds may be executed by placing on them the facsimile signature of the authorized officer of the board.

(e) The president of the authority shall manage and supervise the preparation, advertisement, and sale of the bonds, subject to the

authorizing ordinance. Before the sale of bonds, the president shall cause notice of the sale to be published in accordance with IC 5-3-1, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold in accordance with IC 5-1-11. After the bonds have been properly sold and executed, the executive director or president shall deliver them to the controller of the authority and take a receipt for them, and shall certify to the treasurer the amount that the purchaser is to pay, together with the name and address of the purchaser. On payment of the purchase price the controller shall deliver the bonds to the purchaser, and the controller and executive director or president shall report their actions to the board.

(f) General obligation bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to the following:

~~(1) The filing of a petition requesting the issuance of bonds.~~

~~(2)~~ **(1)** The appropriation of the proceeds of bonds.

~~(3)~~ **(2)** The right of taxpayers to ~~appeal and~~ be heard on the proposed appropriation.

~~(4) The approval of the appropriation by the department of local government finance.~~

~~(5)~~ **(3)** The right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a).

~~(6)~~ **(4)** The sale of bonds for not less than their par value.

(g) Notice ~~of the filing of a petition requesting the issuance of bonds, notice~~ of determination to issue bonds, and notice of the appropriation of the proceeds of the bonds shall be given by posting in the offices of the authority for a period of one (1) week and by publication in accordance with IC 5-3-1.

(h) The bonds are not a corporate indebtedness of any unit, but are an indebtedness of the authority as a municipal corporation. A suit to question the validity of the bonds issued or to prevent their issuance may not be instituted after the date set for sale of the bonds, and after that date the bonds may not be contested for any cause.

(i) The bonds issued under this section and the interest on them are exempt from taxation for all purposes except the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

SECTION 190. IC 36-9-4-45, AS AMENDED BY P.L.146-2008, SECTION 787, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 45. (a) Bonds issued under this chapter:

(1) shall be issued in the denomination;

(2) are payable over a period not to exceed thirty (30) years from the date of the bonds; and

(3) mature;

as determined by the ordinance authorizing the bond issue.

(b) All bonds issued under this chapter, the interest on them, and the income from them are exempt from taxation to the extent provided by IC 6-8-5-1.

(c) The provisions of IC 6-1.1-20 relating to:

(1) filing petitions requesting the issuance of bonds and giving notice of those petitions;

(2) giving notice of a hearing on the appropriation of the proceeds of the bonds;

(3) the right of taxpayers to appear and be heard on the proposed appropriation;

~~(4) the approval of the appropriation by the department of local government finance;~~ and

~~(5)~~ **(4)** the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

apply to the issuance of bonds under this chapter.

(d) A suit to question the validity of bonds issued under this chapter or to prevent their issue and sale may not be instituted after the date set for the sale of the bonds, and the bonds are incontestable after that date.

SECTION 191. IC 36-9-4-47, AS AMENDED BY P.L.146-2008, SECTION 788, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 47. (a) The

board of directors of a public transportation corporation may:

(1) borrow money in anticipation of receipt of the proceeds of taxes that have been levied by the board and have not yet been collected; and

(2) evidence this borrowing by issuing warrants of the corporation.

The money that is borrowed may be used by the corporation for payment of principal and interest on its bonds or for payment of current operating expenses.

(b) The warrants:

(1) bear the date or dates;

(2) mature at the time or times on or before December 31 following the year in which the taxes in anticipation of which the warrants are issued are due and payable;

(3) bear interest at the rate or rates and are payable at the time or times;

(4) may be in the denominations;

(5) may be in the forms, either registered or payable to bearer;

(6) are payable at the place or places, either inside or outside Indiana;

(7) are payable in the medium of payment;

(8) are subject to redemption upon the terms, including a price not exceeding par and accrued interest; and

(9) may be executed by the officers of the corporation in the manner;

provided by resolution of the board of directors. The resolution may also authorize the board to pay from the proceeds of the warrants all costs incurred in connection with the issuance of the warrants.

(c) The warrants may be authorized and issued at any time after the board of directors levies the tax or taxes in anticipation of which the warrants are issued.

(d) The warrants may be sold for not less than par value after notice inviting bids has been published in accordance with IC 5-3-1. The board of directors may also publish the notice inviting bids in other newspapers or financial journals.

(e) After the warrants are sold, they may be delivered and paid for at one (1) time or in installments.

(f) The aggregate principal amount of warrants issued in

anticipation of and payable from the same tax levy or levies may not exceed eighty percent (80%) of the levy or levies, as the amount of the levy or levies is certified by the department of local government finance, or as is determined by multiplying the rate of tax as finally approved by the total assessed valuation of taxable property within the taxing district of the public transportation corporation as most recently certified by the county auditor.

(g) For purposes of this section, taxes for any year are considered to be levied when the board of directors adopts the ordinance prescribing the tax levies for the year. ~~However, warrants may not be delivered and paid for before final approval of a tax levy or levies by the county board of tax adjustment (or, if appealed, by the department of local government finance) unless the issuance of the warrants has been approved by the department of local government finance.~~

(h) The warrants and the interest on them are not subject to sections 43 and 44 of this chapter and are payable solely from the proceeds of the tax levy or levies in anticipation of which the warrants were issued. The authorizing resolution must pledge a sufficient amount of the proceeds of the tax levy or levies to the payment of the warrants and the interest.

(i) All actions of the board of directors under this section may be taken by resolution, which need not be published or posted. The resolution takes effect immediately upon its adoption by a majority of the members of the board of directors.

(j) An action to contest the validity of any tax anticipation warrants may not be brought later than ten (10) days after the sale date.

SECTION 192. IC 36-9-4-48 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 48. (a) A cumulative transportation fund to provide money for the acquisition of buses and for the planning, establishment, and maintenance of routes and schedules to assist in implementing this chapter may be established under IC 6-1.1-41 by:

(1) the legislative body of a municipality that:

(A) is making grants to an urban mass transportation system; or

(B) has purchased buses for operation under lease by an urban mass transportation system; or

(2) the board of directors of a public transportation corporation.

(b) In addition to other notices required under IC 6-1.1-41, notices of hearings under IC 6-1.1-41 must be given to the following:

(1) the municipal executive, for a tax levy by a municipality; and

(2) the chairman of the board of directors, for a tax levy by a public transportation corporation.

(c) A tax levy to finance the cumulative transportation fund may be levied in compliance with IC 6-1.1-41. The tax levied under this section may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of six and sixty-seven hundredths cents ($0.0667) on each one hundred dollars ($100) of taxable property within the corporate boundaries of the municipality or the taxing district of the public transportation corporation, as the case may be.

SECTION 193. IC 36-9-6.1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) The fiscal body of a unit that has adopted a thoroughfare plan under IC 36-7-4 may levy a tax ~~of~~ **not to exceed the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any

temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of five cents ($0.05) on each one hundred dollars ($100) of taxable property in the unit.

The tax may be levied annually, in the same way that other property taxes are levied.

(b) The taxes levied under this section shall be collected in the same manner as other property taxes and deposited in a separate and continuing fund to be known as the thoroughfare fund. The fiscal officer of the unit may make payments or transfers from this fund only on warrants of the works board for work related to the thoroughfare plan.

SECTION 194. IC 36-9-13-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 28. (a) If the terms and conditions of a proposed lease are approved under section 27 of this chapter, notice of the approval of the lease shall be given on behalf of the eligible entity by publication in accordance with IC 5-3-1. ~~Ten (10) or more taxpayers in the eligible entity:~~

~~(1) whose tax rate will be affected by the proposed lease; and~~

~~(2) who are of the opinion that there is no necessity for the lease, or that the method of determining the lease rental is not fair and reasonable;~~

~~may file a petition in the office of the county auditor within thirty (30) days after publication of notice of the approval of the lease. The petition must set forth their objections to the lease and facts showing that the lease is unnecessary or unwise, or that the method of determining the lease rental is not fair and reasonable.~~

~~(b) Upon the filing of a petition under subsection (a), the county auditor shall immediately certify a copy of it, together with any other data necessary to present the questions involved, to the department of local government finance. Not less than five (5) nor more than fifteen (15) days after receipt of the certified petition and data, the department of local government finance shall fix a time and place in the county for the hearing of the matter. The department of local government finance shall give notice of the hearing to the eligible entity and to the first ten (10) petitioners on the petition by registered mail, at least five (5) days before the date of the hearing.~~

~~(c) The decision of the department of local government finance on a petition under this section is final.~~

~~(d)~~ **(b)** An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be instituted within thirty (30) days after publication of notice of the approval of the lease. ~~or if an appeal has been taken to the department of local government finance, within thirty (30) days after the decision of the department.~~

SECTION 195. IC 36-9-14-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. The county fiscal body may provide money for the cumulative building fund by levying a tax in compliance with IC 6-1.1-41 ~~of not more than~~ **not to exceed the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not

approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of sixteen and sixty-seven hundredths cents ($0.1667) on each one hundred dollars ($100) of taxable property in the county.

SECTION 196. IC 36-9-14.5-6, AS AMENDED BY P.L.146-2008, SECTION 791, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) Except as provided in subsection (c), the county fiscal body may provide money for the cumulative capital development fund by levying a tax in compliance with IC 6-1.1-41 on the taxable property in the county.

(b) The maximum property tax rate that may be imposed for property taxes first due and payable during a particular year in a county in which the county option income tax or the county adjusted gross income tax is in effect on January 1 of that year, depends upon the number of years the county has previously imposed a tax under this chapter and ~~is determined under~~ **may not exceed** the following: ~~table:~~

~~NUMBER OF YEARS~~	~~TAX RATE PER $100 OF ASSESSED VALUATION~~
~~0~~	~~$0.0167~~
~~1 or more~~	~~$0.0333~~

(1) In the first year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of taxable property in the county.

(2) In the second year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the

department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property in the county.

(3) In each year after the second year in which the tax is imposed under this subsection, the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year.

(c) The maximum property tax rate that may be imposed for property taxes first due and payable during a particular year in a county in which neither the county option income tax nor the county adjusted gross income tax is in effect on January 1 of that year, depends upon the number of years the county has previously imposed a tax under this chapter and ~~is determined under~~ **may not exceed** the following: ~~table:~~

~~NUMBER OF YEARS~~	~~TAX RATE PER $100 OF ASSESSED VALUATION~~
~~0~~	~~$0.0133~~
~~1 or more~~	~~$0.0233~~

(1) In the first year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and thirty-three hundredths cents ($0.0133) on each one hundred dollars ($100) of taxable property in the taxing unit.

(2) In the second year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government

finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of two and thirty-three hundredths cents ($0.0233) on each one hundred dollars ($100) of taxable property in the taxing unit.

(3) In each year after the second year in which the tax is imposed under this subsection, the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year.

SECTION 197. IC 36-9-15-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) A county fiscal body may establish cumulative building funds under IC 6-1.1-41 or sinking funds in the same manner as cumulative funds are established under IC 6-1.1-41 for the:

(1) construction, repair, remodeling, enlarging, and equipment of:

(A) a county jail; or

(B) a juvenile detention center to be operated under IC 31-31-9; or

(2) in a county having a consolidated city, purchase, lease, or payment of all or part of the purchase price of motor vehicles for use of the sheriff's department.

(b) The county fiscal body may levy taxes to provide money for:

(1) cumulative building funds established under this chapter in compliance with IC 6-1.1-41; or

(2) sinking funds established under this chapter in the same manner a tax is levied for a cumulative fund under IC 6-1.1-41.

(c) In each year after the first year in which a cumulative building fund or sinking fund levy is established under this chapter, the levy is the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy,

and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year.

~~(c)~~ **(d)** IC 6-1.1-41 applies to a sinking fund under this chapter to the same extent as if the sinking fund was a cumulative fund.

SECTION 198. IC 36-9-15.5-6, AS AMENDED BY P.L.146-2008, SECTION 792, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) Except as provided in subsection (c), the municipal fiscal body may provide money for the cumulative capital development fund by levying a tax in compliance with IC 6-1.1-41 on the taxable property in the municipality.

(b) The maximum property tax rate that may be imposed for property taxes first due and payable during a particular year in a municipality that is either wholly or partially located in a county in which the county option income tax or the county adjusted gross income tax is in effect on January 1 of that year depends upon the number of years the municipality has ~~previously~~ imposed a tax under this chapter and ~~is determined under~~ **may not exceed** the following: ~~table:~~

~~NUMBER OF YEARS~~	~~TAX RATE PER $100 OF ASSESSED VALUATION~~
~~0~~	~~$0.0167~~
~~1~~	~~$0.0333~~
~~2 or more~~	~~$0.05~~

(1) In the first year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of taxable property in the taxing unit.

(2) In the second year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as

that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property in the taxing unit.

(3) In the third year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of five cents ($0.05) on each one hundred dollars ($100) of taxable property in the taxing unit.

(4) In each year after the third year in which the tax is imposed under this subsection, the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year.

(c) The maximum property tax rate that may be imposed for property taxes first due and payable during a particular year in a municipality that is wholly located in a county in which neither the county option income tax nor the county adjusted gross income tax is in effect on January 1 of that year depends upon the number of years the municipality has previously imposed a tax under this chapter and ~~is determined under~~ **may not exceed** the following: ~~table:~~

~~NUMBER OF YEARS~~	~~TAX RATE PER $100 OF ASSESSED VALUATION~~

~~0~~	~~$0.0133~~
~~1~~	~~$0.0267~~
~~2 or more~~	~~$0.04~~

(1) In the first year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and thirty-three hundredths cents ($0.0133) on each one hundred dollars ($100) of taxable property in the taxing unit.

(2) In the second year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of two and sixty-seven hundredths cents ($0.0267) on each one hundred dollars ($100) of taxable property in the taxing unit.

(3) In the third year in which the tax is imposed under this subsection, the levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of four cents ($0.04) on each one hundred dollars ($100) of taxable property in the taxing unit.

(4) In each year after the third year in which the tax is imposed under this subsection, the levy imposed in the

immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year.

SECTION 199. IC 36-9-16-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) The unit's fiscal body may levy a tax not to exceed thirty-three cents ($0.33) on each one hundred dollars ($100) of taxable property within the taxing district to provide for a cumulative building fund. The tax may be levied annually for any period not to exceed ten (10) years.

(b) Appropriations may be made from the cumulative building fund for the purposes authorized by this chapter.

SECTION 200. IC 36-9-16-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) The unit's fiscal body may levy a tax not to exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of thirty-three cents ($0.33) on each one hundred dollars ($100) of taxable property within the taxing district to provide for a cumulative capital improvement fund.

The tax may be levied annually for any period not to exceed ten (10)

years and may be decreased or increased from year to year, except that the tax may not be increased above the levy approved by the department of local government finance.

(b) Surplus money in other accounts of the unit, or other sources, and money acquired from other activities of the unit, or other sources, may, by resolution of the legislative body and with the approval of the department of local government finance, be added to the cumulative capital improvement fund.

(c) Appropriations may be made:

(1) as provided by law from the cumulative capital improvement fund for purposes of this chapter; or

(2) for a contribution to an authority established under IC 36-7-23.

SECTION 201. IC 36-9-16.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) A municipality may establish a cumulative street fund to provide money for:

(1) the acquisition of rights-of-way for public ways or sidewalks; or

(2) the construction or reconstruction of public ways or sidewalks.

(b) A cumulative street fund may be established by a municipal legislative body through the adoption of a resolution.

(c) In each year after the first year in which a cumulative street fund levy is established under this chapter, the levy is the levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year.

SECTION 202. IC 36-9-17-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) Subject to tax limitations and to the review of appropriations and tax levies, the legislative body of a municipality that establishes a general improvement fund may appropriate money from the general fund of the municipality and transfer that money to the general improvement fund, levy a tax for the benefit and use of the general improvement fund in compliance with the procedures for a levy for a cumulative fund under IC 6-1.1-41, or both.

(b) During the year in which a municipality establishes a general improvement fund, the municipal legislative body may make an emergency appropriation from the general fund of the municipality and transfer that appropriation to the general improvement fund in the manner prescribed by statute for the making of emergency appropriations.

(c) Any sum may be appropriated or levied under this section in any one (1) year, but the aggregate sum that may be appropriated and levied under this section, including emergency appropriations under subsection (b), may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of the equivalent of sixteen and sixty-seven hundredths cents ($0.1667) on each one hundred dollars ($100) net taxable valuation of property in the municipality.

SECTION 203. IC 36-9-17.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) To provide for the cumulative township vehicle and building fund authorized under this chapter, the legislative body of a township may levy a tax on all taxable property within the township in compliance with IC 6-1.1-41. The tax rate may not exceed ~~five cents ($0.05) on each one hundred dollars ($100) of assessed valuation of property in the township for property taxes first due and payable before January 1, 2002, or~~ **the**

following:

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of assessed valuation of property in the township for property taxes first due and payable. ~~after December 31, 2001.~~

(b) As the tax is collected, it shall be deposited in a qualified public depository or depositories and held in a special fund known as the cumulative township vehicle and building fund.

SECTION 204. IC 36-9-26-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. A municipality that has established a cumulative building and sinking fund may levy a tax in compliance with IC 6-1.1-41 not to exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government

finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one dollar ($1) on each one hundred dollars ($100) of taxable property in the municipality.

SECTION 205. IC 36-9-27-73 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 73. (a) There is established in each county a general drain improvement fund, which shall be used to pay the cost of:

(1) constructing or reconstructing a regulated drain under this chapter; and

(2) removing obstructions from drains under IC 36-9-27.4.

In addition, if a maintenance fund has not been established for a drain, or if a maintenance fund has been established and it is insufficient, the general drain improvement fund shall be used to pay the deficiency.

(b) The general drain improvement fund consists of:

(1) all money in any ditch or drainage fund that was not otherwise allocated by January 1, 1966, which money the county treasurer shall transfer to the general drain improvement fund by January 1, 1985;

(2) proceeds from the sale of bonds issued to pay the costs of constructing or reconstructing a drain;

(3) costs collected from petitioners in a drainage proceeding;

(4) appropriations made from the general fund of the county, or taxes levied by the county fiscal body for drainage purposes;

(5) money received from assessments upon land benefited for construction or reconstruction of a regulated drain;

(6) interest and penalties received on collection of delinquent drain assessments and interest received for deferred payment of drain assessments;

(7) money repaid to the general drain improvement fund out of a maintenance fund; and

(8) money received from loans under section 97.5 of this chapter.

(c) The county fiscal body, at the request of the board and on

estimates prepared by the board, shall from time to time appropriate enough money for transfer to the general drain improvement fund to maintain the fund at a level sufficient to meet the costs and expenditures to be charged against it, after allowing credit to the fund for assessments paid into it.

(d) There is no limit to the amount that the county fiscal body may appropriate and levy for the use of the general drain improvement fund in any one (1) year. However, the aggregate amount appropriated and levied for the use of the fund may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of the equivalent of fifty cents ($.50) on each one hundred dollars ($100) of net taxable valuation on the real and personal property in the county.

(e) Whenever:

(1) the board finds that the amount of money in the general drain improvement fund exceeds the amount necessary to meet the expenses likely to be paid from the fund; and

(2) the money was raised by taxation under this section;

the board shall issue an order specifying the excess amount and directing that it shall be transferred to the general fund of the county. The board shall serve the order on the county auditor, who shall transfer the excess amount to the general fund of the county.

SECTION 206. IC 36-9-27-100 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 100. **(a)** To provide money for a cumulative drainage fund established under section 99 of this chapter, the fiscal body may levy a tax in compliance with IC 6-1.1-41 not to exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of five cents ($0.05) on each one hundred dollars ($100) of assessed valuation of all taxable personal and real property **in the area described in subsection (b).**

(b) The tax described in subsection (a) may be imposed:

(1) within the corporate boundaries, in the case of a municipality; or

(2) within the county but outside the corporate boundaries of all municipalities, in the case of a county.

SECTION 207. IC 36-9-29-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 31. (a) The flood control board may levy a special benefit tax each year for the purpose of providing for the cost of operation, maintenance, and repair of the flood control works after the completion of the works, including the general expenses of the board, such as salary and wages, that the board finds are not properly chargeable to the proceeds of bonds issued under this chapter. The tax may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of eleven and sixty-seven hundredths cents ($0.1167) on each hundred dollars ($100) of taxable property in the district, as it appears on the tax duplicates.

(b) The property within the flood control district is conclusively presumed to be benefited to the extent of the annual tax by the maintenance of the district and the maintenance, operation, and repair of the flood control works.

(c) The county auditor shall estimate the tax and enter it upon the tax duplicates, and the county treasurer shall collect and enforce the tax in the same manner as state and county taxes are estimated, entered, collected, and enforced.

(d) The county treasurer charged with the duty of collecting the taxes shall, between the first and tenth days of each month, notify the flood control board of the amount of the tax collected during the preceding month. Upon the date of notification, the treasurer shall credit the amount collected to a fund designated as "_____ flood control district maintenance fund", which may be used only for the purposes stated in this section.

(e) The flood control board has complete and exclusive authority to expend, on behalf of the flood control district, all revenues realized under this section.

(f) The flood control board may, by resolution, authorize and make temporary loans in anticipation of the collection of the special benefit taxes actually levied and in course of collection under this section. The loans mature and shall be paid within the year in which they are made, and may bear interest at any rate payable at the maturity of the loan. The temporary loans shall be evidenced by warrants, and, if the amount of warrants to be issued exceeds five thousand dollars ($5,000), they shall be sold at public sale in the same manner as the bonds of the district.

SECTION 208. IC 36-9-29.1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 15. (a) For the purpose of:

(1) providing for the payment of all general expenses of the board, including salaries of officers and employees and other items of expense not properly chargeable into the cost of any property acquired or work done under any resolution of the board for which flood control district bonds are issued; and

(2) providing for the operation, maintenance, and repair of any levees, dikes, retaining walls, reservoirs, drains, and other works and improvements in or along any watercourse designed to prevent damage and injury through floods, and other permanent works constructed, including the repair and maintenance of equipment or the performance of any duty imposed by this chapter;

a tax of not exceeding **the maximum levy specified in subsection (b).**

(b) The levy under subsection (a) may not exceed the following:

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit

did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and thirty-three hundredths cents ($0.0133) on each one hundred dollars ($100) of taxable property in the district as it appears on the tax duplicates, in addition to all other taxes, shall be levied annually by the city-county legislative body for flood control purposes.

The county auditor shall estimate the taxes and enter them upon the tax duplicate, and the county treasurer shall collect and enforce the taxes, in the same manner as state and county taxes are estimated, entered, collected, and enforced.

~~(b)~~ **(c)** The county treasurer shall, between the first and tenth days of each month, notify the board of the amount of such taxes collected for flood control purposes during the preceding month, and upon the date of notification the county treasurer shall credit an account to be known as the "flood control maintenance and general expense fund" with such amount of taxes for flood control purposes as may have been collected at that time. The fund shall be used and expended only for the purposes prescribed by this chapter. The board may expend on behalf of the district all sums of money thus realized. Warrants for these expenditures shall be drawn by the fiscal officer of the consolidated city upon the vouchers of the board.

~~(c)~~ **(d)** The board may by resolution authorize and make temporary loans in anticipation of revenues actually levied under this section, which loans mature and shall be paid within one (1) year from the date of the making of the loan, with interest payable at the maturity of the loan. The warrants or other evidence of these loans shall be sold for not less than par, and before the making of the loan, notice of the time, place, amount, and terms of making of the loan shall be given by publication in accordance with IC 5-3-1. The warrants import no personal obligation for their payment and are payable only out of the tax so levied.

~~(d)~~ **(e)** All money remaining in any of the funds to the credit of the board at the end of the calendar year continues to belong to these funds respectively, to be used by the board for the respective purposes for

which the funds are created. All funds raised under this section shall be deposited at interest with the depository or depositories of other public funds of the consolidated city, and all interest collected on them belongs to them.

~~(e)~~ **(f)** In the event that the revenues in the "flood control maintenance and general expense fund" of the district are at any time insufficient, the consolidated city may appropriate money out of its general fund for the use and benefit of the district, which amount so appropriated and used shall be returned and repaid to the city out of the first available funds by the board.

SECTION 209. IC 36-9-30-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 27. In anticipation of the acquisition of a site and the construction and erection of solid waste disposal facilities, including the necessary equipment and appurtenances, a unit may enter into a lease with option to purchase with a lessor corporation. ~~subject to the approval of the department of local government finance.~~ Such a lease may not provide for the payment of any lease rental by the lessee until the facilities are completed and ready for solid waste disposal. The lessor corporation shall agree in the lease to furnish a bond satisfactory to the lessee and conditioned upon final completion of the facilities within the period specified in the lease, except for unavoidable delays.

SECTION 210. IC 36-9-31-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 3. In order to provide for the collection and disposal of waste in the consolidated city and for the management, operation, acquisition, and financing of facilities for waste disposal, the board may exercise the following powers on behalf of the city, in addition to the powers specifically set forth elsewhere in this chapter:

(1) To sue and be sued.

(2) To exercise the power of eminent domain as provided in IC 32-24 within the corporate boundaries of the city; however, the power of eminent domain may not be exercised to acquire the property of any public utility used for the production or distribution of energy.

(3) To provide for the collection of waste accumulated within the service district and to provide for disposal of waste accumulated within the waste disposal district, including contracting with

persons for collection, disposal, or waste storage, and the recovery of byproducts from waste, and granting these persons the right to collect and dispose of any such wastes and store and recover byproducts from them.

(4) To plan, design, construct, finance, manage, own, lease, operate, and maintain facilities for waste disposal.

(5) To enter into all contracts or agreements necessary or incidental to the collection, disposal, or recovery of byproducts from waste, such as put or pay contracts, contracts and agreements for the design, construction, operation, financing, ownership, or maintenance of facilities or the processing or disposal of waste or the sale or other disposition of any products generated by a facility. Notwithstanding any other statute, any such contract or agreement may be for a period not to exceed forty (40) years.

(6) To enter into agreements for the leasing of facilities in accordance with IC 36-1-10. ~~however, any such agreement having an original term of five (5) or more years is subject to approval by the department of local government finance under IC 6-3.5. Such an agreement may be executed before approval, but if the department of local government finance does not approve the agreement, it is void.~~

(7) To purchase, lease, or otherwise acquire real or personal property.

(8) To contract for architectural, engineering, legal, or other professional services.

(9) To exclusively control, within the city, the collection, transportation, storage, and disposal of waste and, subject to the provisions of sections 6 and 8 of this chapter, to fix fees in connection with these matters.

(10) To determine exclusively the location and character of any facility, subject to local zoning ordinances and environmental management laws (as defined in IC 13-11-2-71).

(11) To sell or lease to any person any facility or part of it.

(12) To make and contract for plans, surveys, studies, and investigations.

(13) To enter upon property to make surveys, soundings, borings, and examinations.

(14) To accept gifts, grants, or loans of money, other property, or services from any source, public or private, and to comply with their terms.

(15) To issue from time to time waste disposal district bonds to finance the cost of facilities as provided in section 9 of this chapter.

(16) To issue from time to time revenue bonds to finance the cost of facilities as provided in section 10 of this chapter.

(17) To issue from time to time waste disposal development bonds to finance the cost of facilities as provided in section 11 of this chapter.

(18) To issue from time to time notes in anticipation of grants or in anticipation of the issuance of bonds to finance the cost of facilities as provided in section 13 of this chapter.

(19) To establish fees for the collection and disposal of waste, subject to the provisions of sections 6 and 8 of this chapter.

(20) To levy a tax within the service district to pay costs of operation in connection with waste collection, waste disposal, mowing services, and animal control, subject to regular budget and tax levy procedures. For purposes of this subdivision, "mowing services" refers only to mowing services for rights-of-way or on vacant property.

(21) To levy a tax within the waste disposal district to pay costs of operation in connection with waste disposal, subject to regular budget and tax levy procedures.

(22) To borrow in anticipation of taxes.

(23) To employ staff engineers, clerks, secretaries, and other employees in accordance with an approved budget.

(24) To issue requests for proposals and requests for qualifications as provided in section 4 of this chapter.

(25) To require all persons located within the service district or waste disposal district to deposit waste at sites designated by the board.

(26) To otherwise do all things necessary for the collection and disposal of waste and the recovery of byproducts from it.

SECTION 211. IC 36-9-31-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 5. (a) Any put or pay contract may provide for payments to be

made by the consolidated city under the contract from:

(1) the levy of taxes;

(2) revenues;

(3) any other available funds of the consolidated city; or

(4) any combination of the foregoing.

(b) A put or pay contract may further provide that payments by the consolidated city to the other person to the contract are required only to the extent and only for the period or periods that person is able to accept and dispose of waste in accordance with the contract had such waste been delivered to the person.

(c) A put or pay contract may be entered into by the consolidated city extending for a period of five (5) years or more only after a public hearing by the board, at which all interested persons shall be heard. After the public hearing, the board may adopt a resolution authorizing the execution of the contract on behalf of the city if it finds that the estimated amount of waste to be provided throughout the term of the contract will not be less than the specified amount of waste required to be provided by the contract.

(d) A put or pay contract providing for payments by the consolidated city in whole or in part from the levy of taxes is not valid unless approved by ordinance of the city-county legislative body. Upon execution of such a contract and approval by the legislative body, the board shall cause notice of the execution of the contract and its approval to be given by public notice. ~~Fifty (50) or more taxpayers residing in the city who will be affected by the contract and who may be of the opinion that no necessity exists for the execution of the contract or that the payments provided for in the contract are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval, setting forth their names, addresses, and objections to the contract and the facts showing that the execution of the contract is unnecessary or unwise or that the payments provided for in the contract are not fair and reasonable, as the case may be. Upon the filing of the petition, the county auditor shall immediately certify a copy of it, together with such other data as may be necessary in order to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for the hearing~~

~~of the matter, which must be not less than five (5) nor more than thirty (30) days thereafter in the city. Notice of the hearing shall be given by the department of local government finance to the members of the board and to the first fifty (50) taxpayer-petitioners upon the petition by a letter signed by the commissioner or deputy commissioner of the department of local government finance and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the department of local government finance on the appeal, upon the necessity for the execution of the contract, and as to whether the payments under it are fair and reasonable, is final.~~

(e) An action to contest the validity of the contract or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the publication of notice of the execution and approval of the contract. ~~or if an appeal has been taken to the department of local government finance, then within thirty (30) days after the decision of the department.~~

(f) After the consolidated city has entered into a put or pay contract under this section, the city-county legislative body shall annually levy a tax sufficient to produce each year the necessary amount, with other amounts available, if any, that is sufficient to pay the amounts that the contract provides are to be paid from the levy of taxes. The tax levies provided for in this chapter are reviewable by other bodies vested by law with authority to ascertain that the levies are sufficient to raise the amount that, with other amounts available, is sufficient to meet the payments under the contract payable from the levy of taxes.

SECTION 212. IC 36-9-36-64 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 64. (a) For the purpose of raising money for the payment of certificates of indebtedness issued under section 62 of this chapter (or under IC 36-9-18 before its repeal in 1993) the fiscal body of the unit may do any of the following:

(1) Levy a special tax on all property in the unit each year.

(2) Issue and sell the bonds of the unit.

(3) Appropriate money from the general fund of the unit or from any other source.

(b) A special tax levied under this section shall be ~~fixed at a rate on each one hundred dollars ($100) of assessed valuation of~~ **levied on the** taxable property in the unit **in an amount** sufficient for the payment of

the certificates, together with interest, that were or will be issued between July 1 of the preceding year and July 1 of the year in which the levy of taxes is made.

(c) A special tax levied under this section shall be:

(1) levied, certified to the county auditor, and collected in the same manner as other taxes are levied, certified, and collected; and

(2) deposited in a separate fund known as the county (or municipal) improvement certificate fund for application to the payment of the certificates.

(d) The balance of the improvement certificate fund does not revert to the unit's general fund at the end of the unit's fiscal year, but remains in the fund for the next fiscal year.

SECTION 213. IC 36-10-3-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 21. (a) The board may establish a cumulative building fund under IC 6-1.1-41 to provide money for:

(1) building, remodeling, and repair of park and recreation facilities; or

(2) purchase of land for park and recreation purposes.

In addition to the requirements of IC 6-1.1-41, before a fund may be established, the proposed action must be approved by the fiscal body of the unit.

(b) To provide for the cumulative building fund, the unit's fiscal body may levy a tax in compliance with IC 6-1.1-41 not to exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit

did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of assessed valuation of taxable property within the unit.

(c) The tax shall be collected and held in a special fund known as the unit's park and recreation cumulative building fund.

SECTION 214. IC 36-10-3-24, AS AMENDED BY P.L.146-2008, SECTION 793, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 24. (a) In order to raise money to pay for land to be acquired for any of the purposes named in this chapter, to pay for an improvement authorized by this chapter, or both, and in anticipation of the special benefit tax to be levied as provided in this chapter, the board shall cause to be issued, in the name of the unit, the bonds of the district. The bonds may not exceed in amount the total cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the costs of supervision and inspection during the period of construction of a work. The expenses to be covered in the bond issue include all expenses of every kind actually incurred preliminary to acquiring the land and the construction of the work, such as the cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other necessary expenses. If more than one (1) resolution or proceeding of the board under section 23 of this chapter is confirmed whereby different parcels of land are to be acquired, or more than one (1) contract for work is let by the board at approximately the same time, the cost involved under all of the resolutions and proceedings may be included in one (1) issue of bonds.

(b) The bonds may be issued in any denomination not less than one thousand dollars ($1,000) each, in not less than five (5) nor more than forty (40) annual series. The bonds are payable one (1) series each year, beginning at a date after the receipt of taxes from a levy made for that purpose. The bonds are negotiable. The bonds may bear interest at any rate, payable semiannually. After adopting a resolution ordering

bonds, the board shall certify a copy of the resolution to the unit's fiscal officer. The fiscal officer shall prepare the bonds, and the unit's executive shall execute them, attested by the fiscal officer.

(c) The bonds and the interest on them are exempt from taxation as prescribed by IC 6-8-5-1. Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

~~(1) the filing of a petition requesting the issuance of bonds;~~

~~(2)~~ **(1)** the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

~~(3)~~ **(2)** the appropriation of the proceeds of the bonds; ~~and approval by the department of local government finance;~~ and

~~(4)~~ **(3)** the sale of bonds at public sale for not less than their par value.

(d) The board may not have bonds of the district issued under this section that are payable by special taxation when the total issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the district as determined under IC 36-1-15. All bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the unit, but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. The bonds must recite the terms upon their face, together with the purposes for which they are issued.

SECTION 215. IC 36-10-4-36 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 36. (a) To raise money for any of the purposes for which bonds may be issued under section 35 of this chapter, the board may request that the city legislative body adopt an ordinance establishing a cumulative building and sinking fund. The legislative body may establish a cumulative building and sinking fund under IC 6-1.1-41. The tax may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy,

and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable personal and real property in the district.

(b) The tax, when collected, shall be held in a public depository in a special fund to be known as the park district cumulative building and sinking fund.

SECTION 216. IC 36-10-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) This section applies to all counties.

(b) As used in this section, "board" refers to an area park board established under this chapter.

(c) As used in this section, "district" refers to an area park district established under this chapter.

(d) Two (2) or more counties may establish an area park district for the purposes of establishing, owning, maintaining, and controlling one (1) or more public parks for the use and benefit of the residents of those counties. To establish a district, the legislative body of each county desiring to join shall adopt substantially identical ordinances indicating this intention. Before the ordinances take effect, they must be published in their respective counties in accordance with IC 5-3-1. Within ten (10) days after the publication of the ordinance, the auditor of each county shall file a certified copy of the ordinance with the auditor of each of the other counties involved. When the ordinances have been adopted and filed by all the counties joining, the district is considered established. All of the territory of the counties joining comprises the

district.

(e) Within ten (10) days after the publication of the ordinance, any registered voter may notify the legislative body of his intent to file a remonstrance petition. Within sixty (60) days after this notice, petitions for and against the county's joining in the proposed district may be filed with the legislative body. The petitions must be signed and acknowledged by registered voters of the county. The petition that contains the greater number of signatures prevails.

(f) Within thirty (30) days after the establishment of the district, the legislative body of each county joining shall appoint members to the area park board. Each county may appoint one (1) member to the board. In addition, each county may appoint an additional member for each fifty thousand (50,000) residents or fraction thereof of that county's population. Each member must be a resident of the county from which he is appointed, and at least one (1) member from each county must be an elected official of that county. Members serve for terms of four (4) years and may be reappointed. Vacancies shall be filled by the appointing authority for the unexpired term of the vacating member.

(g) The board shall meet within thirty (30) days after the appointment of all members. Notice of the meeting shall be given by the auditor of the county that passed the first ordinance to establish the district. At the meeting the board shall elect one (1) of its members chairman and one (1) secretary and shall adopt rules of order that it considers necessary. The board shall then meet at times and places that it determines. Members serve on the board without compensation. However, all members except the elected official members are entitled to receive a per diem and mileage for time spent in the performance of their duties.

(h) Except as provided in subsection (i), the board has all of the powers of a board under IC 36-10-3 except the power of eminent domain.

(i) The board may levy a tax for the establishment, purchase, maintenance, and control of the parks established and controlled by the board, but the tax may not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy,

and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) for each one hundred dollars ($100) of assessed valuation of property in the district.

When the board determines the rate of the levy, the board shall certify it to each county auditor. The levy shall then be placed upon the tax duplicate of each county in the district, and the tax shall be collected in the same manner as other taxes are collected. All money received for the district shall be paid into the treasury of the county with the greatest population. The money shall be deposited and kept as other public funds are deposited and kept, and interest earned on the money shall be credited to the area park fund. Money may be paid out by the treasurer only upon the written order of the board.

(j) A county may withdraw from a district only upon a two-thirds (2/3) vote of its legislative body. If a county decides to withdraw from a district, the date of withdrawal must be effective on January 1 of a year at least one (1) year after the date upon which the county voted to withdraw.

SECTION 217. IC 36-10-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) This section applies to all townships having a population between two thousand (2,000) and three thousand (3,000).

(b) The township executive may accept, acquire, and maintain grounds and structures to be used as public parks upon petition of at least fifty-one percent (51%) of the resident taxpayers of the township.

(c) Whenever a park has been established in the township, the

legislative body shall, at its annual meeting and annually each following year, levy a tax not exceeding **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of taxable property in the township.

The money shall be set aside in a public park fund to be used by the executive for the maintenance and improvement of the park and for no other purpose.

SECTION 218. IC 36-10-7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. (a) This section applies to all townships having a population of less than two thousand (2,000).

(b) The township executive may lease, purchase, accept by grant, devise, bequest, or other conveyance to the township, or otherwise acquire land for park purposes and may make necessary improvements only as provided by this section.

(c) The legislative body may establish a township park and may, by resolution, appropriate from the general fund of the township the necessary money to lease, purchase, accept, or otherwise acquire land for park purposes or make improvements thereon. The executive shall then lease, purchase, accept, or acquire the land for park purposes or shall make improvements thereon as directed in the resolution.

However, the costs of the park grounds or of the improvements provided for in the resolution may not exceed in one (1) year one-fifth of one percent (0.2%) of the adjusted value of all taxable property of the township as determined under IC 36-1-15.

(d) If a park has been established under this section, the executive shall have the park maintained and may make improvements and construct and maintain facilities for the comfort and convenience of the public. However, the executive annually may not spend more than **the following:**

(1) The amount appropriated for the park from the township general fund in the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the township appropriated money for the park in the immediately preceding year.

(2) The amount appropriated for the park for the ensuing calendar year, as determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the township did not appropriate an amount for the park in the immediately preceding year. The township may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one cent ($0.01) on each one hundred dollars ($100) of assessed valuation of taxable property in the township as it appears on the tax duplicates of the auditor of the county in which the township is located.

The money shall be paid from the general fund of the township.

(e) If the general fund of the township is insufficient to meet the expenses of acquiring or improving the land for park purposes, the executive shall call a special meeting of the legislative body by written notice to each member of the legislative body at least three (3) days before the date of the meeting. The notice must state the time, place, and purpose of the meeting. The legislative body shall meet and determine whether an emergency exists for the issuance of the warrants or bonds of the township. The legislative body shall, by resolution,

authorize the issuance and sale of the warrants or bonds of the township in an amount not exceeding two percent (2%) of the adjusted value of all taxable property in the township as determined under IC 36-1-15. The amount of bonds may not exceed the total estimated cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings. The proceeds from the sale of the bonds shall be deposited in the general fund of the township. The bonds become due and payable not less than two (2) nor more than ten (10) years after the date of issuance, may bear interest at any rate, and may not be sold for less than par value. The bonds shall be sold after giving notice of the sale of bonds in accordance with IC 5-3-1. The bonds and the interest thereon are exempt from taxation as provided by IC 6-8-5 and are subject to the provisions of IC 6-1.1-20. ~~relating to the filing of a petition requesting the issuance of bonds, the appropriation of the proceeds of the bonds, and the approval by the department of local government finance.~~

(f) The legislative body shall, at its next annual meeting after authorization of bonds and annually each following year, levy a sufficient tax against all the taxable property of the township to pay the principal of the bonds, together with accruing interest, as they become due. The executive shall apply the money received from the levy only to the payment of bonds and interest as they become due.

(g) In addition to the levy required by subsection (f), the legislative body shall, when a park has been established under this section and at every annual meeting after establishment, levy a tax not exceeding **the following:**

(1) The part of the general fund levy imposed for the park in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the township levied a property tax for the park in the immediately preceding year.

(2) The part of the general fund levy imposed by the township for the park for the ensuing calendar year, as that levy is determined by the department of local government finance in

fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the township did not levy a property tax for the fund in the immediately preceding year. However, the township may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the amount that would be raised by imposing a property tax rate of one cent ($0.01) on each one hundred dollars ($100) of taxable property in the township.

(h) The levy required by ~~this~~ subsection **(g)** shall be used by the executive for the maintenance and improvement of the park. The executive may not expend more for maintenance and improvement of the park than the amount collected by the levy except:

(1) upon petition by fifty-one percent (51%) of the taxpayers of the township; or

(2) when warrants or bonds are to be issued under this section to finance the expenses of improvements.

The amount received from the levy shall be deposited in the general fund of the township.

~~(h)~~ **(i)** A park established under this section shall be kept open to the public in accordance with rules prescribed by the executive.

~~(i)~~ **(j)** If the executive determines that land or other property used for park purposes under this section should be disposed of and that the park should no longer be maintained, the executive shall appoint three (3) disinterested appraisers to appraise the property. The property shall then be disposed of either at public or private sale for at least its appraised value.

~~(j)~~ **(k)** This subsection applies if the township sells the property by acceptance of bids. A bid submitted by a trust (as defined in IC 30-4-1-1(a)) must identify each:

(1) beneficiary of the trust; and

(2) settlor empowered to revoke or modify the trust.

~~(k)~~ **(l)** All money from the sale of park property, less the expenses incurred in making the appraisal and sale, shall be paid into the general fund of the township.

SECTION 219. IC 36-10-7.5-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 19. (a) The fiscal body may establish a cumulative building fund under IC 6-1.1-41 to provide

money for:

(1) building, remodeling, and repair of park and recreation facilities; or

(2) purchase of land for park and recreation purposes.

(b) To provide for the cumulative building fund, the township fiscal body may levy a tax in compliance with IC 6-1.1-41 not greater than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of assessed valuation of taxable property within the township.

(c) The tax shall be collected and held in a special fund known as the township park and recreation cumulative building fund.

SECTION 220. IC 36-10-7.5-22, AS AMENDED BY P.L.146-2008, SECTION 795, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 22. (a) To raise money to pay for land to be acquired for any of the purposes named in this chapter or to pay for an improvement authorized by this chapter, and in anticipation of the special benefit tax to be levied as provided in this chapter, the legislative body shall issue in the name of the township the bonds of the district. The bonds may not exceed in amount the total cost of all land to be acquired and all improvements

described in the resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the costs of supervision and inspection during the period of construction of a work. The expenses to be covered in the bond issue include all expenses of every kind actually incurred preliminary to acquiring the land and the construction of the work, such as the cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other necessary expenses. If more than one (1) resolution or proceeding of the legislative body under this chapter is confirmed whereby different parcels of land are to be acquired or more than one (1) contract for work is let by the executive at approximately the same time, the cost involved under all of the resolutions and proceedings may be included in one (1) issue of bonds.

(b) The bonds may be issued in any denomination not less than one thousand dollars ($1,000) each, in not less than five (5) nor more than forty (40) annual series. The bonds are payable one (1) series each year, beginning at a date after the receipt of taxes from a levy made for that purpose. The bonds are negotiable. The bonds may bear interest at any rate, payable semiannually. After adopting a resolution ordering bonds, the legislative body shall certify a copy of the resolution to the township's fiscal officer. The fiscal officer shall prepare the bonds, and the executive shall execute the bonds, attested by the fiscal officer.

(c) The bonds and the interest on the bonds are exempt from taxation as prescribed by IC 6-8-5-1. Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

~~(1) the filing of a petition requesting the issuance of bonds;~~

~~(2)~~ **(1)** the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

~~(3)~~ **(2)** the appropriation of the proceeds of the bonds; ~~with the approval of the department of local government finance;~~ and

~~(4)~~ **(3)** the sale of bonds at public sale for not less than the par value of the bonds.

(d) The legislative body may not have bonds of the district issued under this section that are payable by special taxation when the total

issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the total adjusted value of the taxable property in the district as determined under IC 36-1-15. All bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the township but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. A bond must recite the terms upon the face of the bond, together with the purposes for which the bond is issued.

SECTION 221. IC 36-10-8-16, AS AMENDED BY P.L.146-2008, SECTION 796, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 16. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county or, if the authority was created under IC 18-7-18 (before its repeal on February 24, 1982), also of the city, if the board determines that the estimated annual net income of the capital improvement, plus the estimated annual tax revenues to be derived from any tax revenues made available for this purpose, will not be sufficient to satisfy and pay the principal of and interest on all bonds issued under this chapter, including the bonds then proposed to be issued.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the county executive authorizing the issuance of general obligation bonds, or, if the authority was created under IC 18-7-18 (before its repeal on February 24, 1982), by the fiscal body of the city authorizing the issuance of general obligation bonds. The resolution must set forth an itemization of the funds and assets received by the board, together with the board's valuation and certification of the cost. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the proper officers, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax

revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, at the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) Upon receipt of the resolution and certificate, the proper officers may adopt them and take all action necessary to issue the bonds in accordance with the resolution. An action to contest the validity of bonds issued under this section may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

~~(1) the filing of a petition requesting the issuance of bonds and giving notice;~~

~~(2)~~ **(1)** the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

~~(3)~~ **(2)** the giving of notice of the determination to issue bonds;

~~(4)~~ **(3)** the giving of notice of a hearing on the appropriation of the proceeds of bonds;

~~(5)~~ **(4)** the right of taxpayers to appear and be heard on the proposed appropriation;

~~(6) the approval of the appropriation by the department of local government finance;~~ and

~~(7)~~ **(5)** the sale of bonds at public sale;

apply to the issuance of bonds under this section.

SECTION 222. IC 36-10-9-15, AS AMENDED BY P.L.146-2008, SECTION 797, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 15. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the board of commissioners of the county authorizing the issuance of general obligation bonds. The resolution must state the date or dates on which the principal of the bonds is payable, the

maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the board of commissioners of the county, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, at the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) Upon receipt of the resolution and certificate, the board of commissioners of the county may adopt them and take all action necessary to issue the bonds in accordance with the resolution. An action to contest the validity of bonds issued under this section may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

~~(1) the filing of a petition requesting the issuance of bonds and giving notice;~~

~~(2)~~ **(1)** the right of:

(A) taxpayers and voters to remonstrate against the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.1(a); or

(B) voters to vote on the issuance of bonds in the case of a proposed bond issue described by IC 6-1.1-20-3.5(a);

~~(3)~~ **(2)** the giving of notice of the determination to issue bonds;

~~(4)~~ **(3)** the giving of notice of a hearing on the appropriation of the proceeds of bonds;

~~(5)~~ **(4)** the right of taxpayers to appear and be heard on the proposed appropriation;

~~(6) the approval of the appropriation by the department of local government finance;~~ and

~~(7)~~ **(5)** the sale of bonds at public sale for not less than par value;

are applicable to the issuance of bonds under this section.

SECTION 223. IC 36-10-10-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]:

Sec. 12. A lease under this chapter must provide for the payment of the lease rental by the city from the levy of taxes against the real and personal property located within the city. ~~The lease is subject to approval by the department of local government finance under IC 6-3.5. The lease may be executed before approval; however, if the department of local government finance does not approve the lease, it is void.~~

SECTION 224. IC 36-10-10-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 14. ~~(a)~~ If the execution of the lease is authorized, notice of the execution shall be given on behalf of the city by publication one (1) time in a newspaper of general circulation printed in the English language and published in the city. ~~Fifty (50) or more taxpayers in the city whose tax rate will be affected by the proposed lease and who may be of the opinion that no necessity exists for the execution of the lease, or that the lease rental is not fair and reasonable, may file a petition in the office of the city clerk within fifteen (15) days after publication of notice of the execution of the lease, setting forth their objections and the facts supporting those objections.~~

~~(b) Upon the filing of a petition, the city clerk shall immediately certify a copy, together with other data that is necessary in order to present the questions involved, to the department of local government finance. Upon receipt of a certified petition and information, the department of local government finance shall set a time and place for the hearing of the matter in the city where the petition originated. The hearing shall be held at least five (5) but not more than fifteen (15) days after receipt of the petition by the department of local government finance. Notice of the hearing shall be given by the department of local government finance to the city executive and to the first ten (10) taxpayer petitioners on the petition by certified mail sent to the addresses listed on the petition at least five (5) days before the date of the hearing. After the hearing, the department of local government finance shall promptly issue its decision on the petition.~~

SECTION 225. IC 36-10-10-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 15. An action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease may not be brought at any time later than fifteen (15) days after publication of

notice of the execution of the lease. ~~or if an appeal has been taken to the department of local government finance, then fifteen (15) days after the decision of the department.~~

SECTION 226. IC 36-10-11-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 16. (a) The lease shall be executed on behalf of the governmental entity by an officer authorized by law to execute contracts for the entity and on behalf of the authority by both the president or vice president of the board and the secretary of the board of directors.

(b) Notice of the execution of the lease shall be given by the governmental entity by publication as provided in IC 5-3-1.

(c) A lease may not be executed with annual lease rental exceeding an aggregate of two hundred seventy-five thousand dollars ($275,000) unless the fiscal body of the lessee governmental entity finds that the estimated annual net income to the lessee governmental entity from the civic center, plus any other nonproperty tax funds made available annually for the payment of the lease rental, will not be less than the amount of the excess.

~~(d) The lease is subject to approval by the department of local government finance under IC 6-3.5. The lease may be executed before approval; however, if the department of local government finance does not approve the lease, it is void. The department of local government finance may not approve the lease under IC 6-3.5-1.1-8 unless it finds that the condition prescribed in subsection (c) is satisfied.~~

~~(e)~~ **(d)** All net revenues of the leased building, together with any other funds made available for the payment of lease rental, shall be transferred at least annually by the lessee to a fund for payment of lease rental.

SECTION 227. IC 36-10-11-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 18. An action to contest the validity of the lease or to enjoin the performance of the lease may not be brought later than thirty (30) days after publication of notice of the execution of the lease. ~~or thirty (30) days after the decision of the department of local government finance, whichever is later.~~

SECTION 228. IC 36-10-13-4, AS ADDED BY P.L.1-2005, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) This section does not apply to a school

corporation in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000).

(b) **Subject to section 6 of this chapter,** the governing body of a school corporation may annually appropriate **to be paid to a historical society** from the school corporation's general fund, a sum of not more than **the following:**

(1) The amount appropriated for a historical society from property taxes from the fund in the immediately preceding calendar year, as that appropriation was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16, if the taxing unit appropriated an amount from the fund for a historical society in the immediately preceding year.

(2) The appropriation for a historical society from property taxes from the fund in the ensuing calendar year, as that appropriation is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not appropriate an amount for a historical society from the fund in the immediately preceding year. The taxing unit may not appropriate under this subdivision, and the department of local government finance may not approve an appropriation under this subdivision, that exceeds five-tenths of one cent ($0.005) on each one hundred dollars ($100) of assessed valuation in the school corporation. ~~to be paid to a historical society, subject to section 6 of this chapter.~~

SECTION 229. IC 36-10-13-5, AS AMENDED BY P.L.146-2008, SECTION 798, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) This section applies only to a school corporation in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000).

(b) To provide funding for a historical society under this section, the governing body of a school corporation may impose a tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar

year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of five-tenths of one cent ($0.005) on each one hundred dollars ($100) of assessed valuation in the school corporation.

(c) The school corporation shall deposit the proceeds of the tax in a fund to be known as the historical society fund. The historical society fund is separate and distinct from the school corporation's general fund and may be used only to provide funds for a historical society under this section.

(d) Subject to section 6 of this chapter, the governing body of the school corporation may annually appropriate the money in the fund to be paid in semiannual installments to a historical society having facilities in the county.

SECTION 230. IC 36-10-13-7, AS AMENDED BY P.L.146-2008, SECTION 799, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) This section applies to school corporations in a county containing a city having a population of:

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

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

(3) more than ninety thousand (90,000) but less than one hundred five thousand (105,000);

(4) more than one hundred five thousand (105,000) but less than

one hundred twenty thousand (120,000); or

(5) more than seventy-five thousand (75,000) but less than ninety thousand (90,000).

(b) To provide funding for an art association under this section, the governing body of a school corporation may impose a tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of five-tenths of one cent ($0.005) on each one hundred dollars ($100) of assessed valuation in the school corporation.

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

(d) Before an art association may receive payments under this section, the association's governing board must adopt a resolution that entitles:

(1) the governing body of the school corporation to appoint the

school corporation's superintendent and director of art instruction as visitors who may attend all meetings of the association's governing board;

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

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

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

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

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

(7) the school corporation to expect exhibits in the association's museum that will supplement the work of the students and teachers of the corporation.

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

(e) A resolution filed under subsection (d) is not required to be renewed annually. The resolution continues in effect until rescinded. An art association that complies with this section is entitled to continue to receive payments under this section as long as the art association complies with the resolution.

(f) If more than one (1) art association in a city that is described in subsection (a) qualifies to receive payments under this section, the governing body of the school corporation shall select the one (1) art association best qualified to perform the services described in subsection (d). A school corporation may select only one (1) art association to receive payments under this section.

SECTION 231. IC 36-10-14-4, AS ADDED BY P.L.2-2006, SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. ~~Subject to IC 6-1.1-18-12,~~ The board may levy a tax not exceeding **the following:**

(1) The levy imposed in the immediately preceding calendar

year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of sixty-seven hundredths of one cent ($0.0067) on each one hundred dollars ($100) of assessed valuation of the property in the city to create a fund to carry out this chapter.

SECTION 232. IC 36-12-7-7, AS ADDED BY P.L.1-2005, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) The library board of a library established as an 1899 township library consists of the school township trustee in the township where the library is located and two (2) residents of the township who are appointed by the board of commissioners of the county where the library is located. Appointments are for a term of four (4) years. Members of the library board serve without compensation.

(b) The library board:

(1) shall control the purchase of books and the management of the library;

(2) shall possess and retain custody of any books remaining in the old township library in the township where the library is located;

(3) may receive donations, bequests, and legacies on behalf of the library; and

(4) may receive copies of all documents of the state available for distribution from the director of the state library.

(c) The 1899 township library is the property of the school township. The school township trustee is responsible for the safe

preservation of the township library.

(d) Two (2) or more adjacent townships may unite to maintain a township library. The library is controlled by either:

(1) a combined library board, which consists of each of the uniting township boards appointed under subsection (a); or

(2) the one (1) township library board appointed under subsection (a) of the uniting townships that receives funding for the operation of the uniting township library.

(e) The legislative body of any township that contains a library established as an 1899 township library may levy a tax annually **for the establishment and support of a township library** of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property assessed for taxation in the township.

(f) If the legislative body does not levy the tax **under subsection (e),** a petition signed by at least the number of registered voters required under IC 3-8-6-3 to place a candidate on the ballot may be filed with the circuit court clerk, who:

(1) shall determine if an adequate number of voters have signed the petition; and

(2) if an adequate number of voters have signed the petition, shall certify the public question to the county election board under IC 3-10-9-3. The county election board shall then cause to be printed on the ballot for the township the following question in the form prescribed by IC 3-10-9-4: "Shall a township library tax be levied?".

(g) If a majority of the votes cast on the question in ~~subdivision (2)~~ **subsection (f)(2)** are in the affirmative, the township trustee shall annually levy a tax **for the establishment and support of a township library** of not less than ~~one and sixty-seven hundredths cents ($0.0167)~~ **fifty percent (50%)** and not more than **one hundred percent (100%) of the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of taxable property in the township. ~~for the establishment and support of a township library.~~

(h) The township tax **under subsection (e) or (g)** shall be levied, assessed, collected, and paid according to the procedure outlined in IC 6-1.1.

~~(f)~~ **(i)** The tax levy under subsection (e) **or (g)** shall be discontinued when the question of discontinuing the levy has been submitted to a vote according to the procedure provided in subsection ~~(c)~~ **(f)** and the

majority of the votes cast on the question is in the negative.

~~(g)~~ **(j)** If a public library that is open for the use of all the residents of the township is located in the township, the proceeds of the tax collected under subsection (e) shall be paid to that public library.

~~(h)~~ **(k) This subsection applies** in a township outside a city that contains a library

~~(1)~~ established by private donations of the value of at least ten thousand dollars ($10,000), including the real estate and buildings used for the library, and

~~(2)~~ used for the benefit of all the inhabitants of the township. The township trustee of the township shall annually levy and collect **a property tax that is** not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of two cents ($0.02) on each one hundred dollars ($100) upon the taxable property within the limits of the township.

The money shall be paid to the trustees of the library, to be applied by the trustees for the purchase of books and the payment of the maintenance costs for the library.

(l) This subsection applies to a township described in subsection (k). When it becomes necessary to purchase additional ground for the extension or protection of library buildings already established by private donation, the trustee, with the consent of the county legislative

body, may annually levy and collect **a property tax that is** not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied a property tax described in this subsection in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax described in this subsection in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of taxable property of the township.

The tax described in this subsection may be levied for not more than three (3) years successively, to be expended by the trustees for the purchase of property and the construction and enlargement of library buildings.

~~(l)~~ **(m)** The 1899 township library is free to all the residents of the township.

SECTION 233. IC 36-12-7-8, AS ADDED BY P.L.214-2005, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. (a) As used in this section:

(1) "county fiscal body" means the fiscal body of a county in which a private donation library is located;

(2) "library board" means a library board established under IC 20-14 in a county in which a private donation library is located; and

(3) "private donation library" means a public library:

(A) established by private donation;

(B) located in a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);

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

(D) that has real property valued at at least one hundred thousand dollars ($100,000); and

(E) that is open and free to the residents of the city.

(b) The library board shall **do the following:**

(1) levy a tax under IC 6-1.1 in an amount not less than **the following:**

(A) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(B) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this clause, and the department of local government finance may not approve a levy under this clause, that exceeds the levy that would be raised by imposing a property tax rate of sixty-seven hundredths of one cent ($0.0067) and not more than one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of the assessed valuation of all the real and personal property in the county.

(2) Keep the tax levied under subdivision (1) separate from all other funds of the library board. ~~and~~

(3) Use the tax levied under subdivision (1):

(A) if the membership of the trustees of the private donation library includes at least one (1) member or appointee of the

library board and at least one (1) appointee of the county fiscal body, for distributions of the full amounts of the tax received to the trustees of the private donation library at the time the tax is received by the library board; or

(B) if the membership of the trustees of the private donation library does not include at least one (1) member or appointee of the library board and at least one (1) appointee of the county fiscal body, at the discretion of the library board for:

(i) library board purposes; or

(ii) quarterly distributions to the trustees of the private donation library.

(c) If requested by the trustees of the private donation library, the library board shall designate a member of the library board or appoint an individual to serve as a trustee of the private donation library. If requested by the trustees of the private donation library, the county fiscal body shall appoint an individual to serve as a trustee of the private donation library.

(d) The trustees of the private donation library shall annually submit a budget to the library board.

(e) The trustees of the private donation library shall expend amounts received under subsection (b)(3)(A) or (b)(3)(B)(ii) for the support, operation, and maintenance of the private donation library. The trustees shall:

(1) keep the money separate from all other funds;

(2) record:

(A) the amount of money received;

(B) to whom and when the money is paid out; and

(C) for what purpose the money is used;

in a book kept by the trustees; and

(3) make an annual report of the matters referred to in subdivision (2) to the library board.

(f) For purposes of the property tax levy limits under IC 6-1.1-18.5, the tax levied by the library board under subsection (b)(1) is not included in the calculation of the maximum permissible property tax levy for the public library.

SECTION 234. IC 36-12-10-9, AS ADDED BY P.L.1-2005, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: Sec. 9. (a) If the execution of

the lease as originally agreed upon, or as modified by agreement, is authorized by the library board, the library board shall give notice of the signing of the lease by publication one (1) time in a newspaper of general circulation printed in the English language in the district of the public corporation or in each public corporation district if the proposed lease is a joint lease. If a newspaper is not published in the district, the notice shall be published in any newspaper of general circulation published in the county.

~~(b) Fifty (50) or more taxpayers in the public corporation or corporations who will be affected by the proposed lease and who are of the opinion that the execution of the lease is not necessary or that the proposed rental is not a fair and reasonable rental may file a petition in the office of the county auditor of the county in which the public corporation or corporations are located. The petition must be filed not later than thirty (30) days after the publication of notice of the execution of the lease and must set forth objections and facts showing that the execution of the lease is unnecessary or unwise or that the lease rental is not fair and reasonable, as the case may be.~~

~~(c) Upon the filing of a petition, the county auditor shall immediately certify to the department of local government finance a copy of the petition, together with other data that may be necessary to present the questions involved. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for a hearing of the matter not less than five (5) or more than thirty (30) days after the department's receipt of the petition and information. The hearing shall be held in the public corporation or corporations or in the county where the public corporations are located.~~

~~(d) Notice of the hearing shall be given by the department of local government finance to the members of the library board and to the first ten (10) taxpayer petitioners on the petition by a letter signed by the department of local government finance. The postage of the notice shall be prepaid, and the notice shall be addressed to the persons at their usual place of residence and mailed at least five (5) days before the date of the hearing. The decision of the department of local government finance on the appeal regarding the necessity for the execution of the lease and whether the rental is fair and reasonable is final. A lease may be amended by the parties by following the procedure under this chapter.~~

~~(c)~~ **(b)** An action to contest the validity of the lease or an amendment to the lease or to enjoin the performance of any of the terms and conditions of the lease must be brought not later than thirty (30) days after publication of notice of the execution of the lease or an amendment to the lease by the library board of the public corporation or corporations. ~~If an appeal has been taken to the department of local government finance, action must be brought not later than thirty (30) days after the decision of the department.~~

SECTION 235. IC 36-12-12-10, AS ADDED BY P.L.1-2005, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. To provide for the capital projects fund, the library board may, for each year in which a plan adopted under section 3 of this chapter is in effect, impose a property tax rate that does not exceed **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one and sixty-seven hundredths cents ($0.0167) on each one hundred dollars ($100) of assessed valuation of the library district.

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

SECTION 236. IC 36-12-15-3, AS ADDED BY P.L.2-2006, SECTION 198, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. **(a)** The governing body may levy

a tax of not more than **the following:**

(1) The levy imposed in the immediately preceding calendar year, as that levy was determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17-16 and after eliminating the effects of any temporary adjustments made to the levy for the calendar year, if the taxing unit levied the property tax in the immediately preceding year.

(2) The levy imposed for the ensuing calendar year, as that levy is determined by the department of local government finance in fixing the taxing unit's budget, levy, and rate for the ensuing calendar year under IC 6-1.1-17-16, if the taxing unit did not levy a property tax in the immediately preceding year. The taxing unit may not impose a levy under this subdivision, and the department of local government finance may not approve a levy under this subdivision, that exceeds the levy that would be raised by imposing a property tax rate of one-tenth cent ($0.001) on each one dollar ($1) of taxable property assessed for taxation in a city or incorporated town in each year.

(b) The tax **under subsection (a)** shall be placed on the tax duplicate of the city or incorporated town and collected in the same manner as other taxes. The taxes shall be paid to the governing body for the support and maintenance of the public library. The governing body may use tax revenues received under this section and gifts, devises, and grants to:

(1) provide suitable facilities for the library;

(2) purchase books and other materials; and

(3) hire necessary personnel.".

Page 29, between lines 24 and 25, begin a new paragraph and insert:

"SECTION 238. P.L.144-2008, SECTION 53 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 239. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2009]: IC 6-1.1-18-12; IC 6-1.1-18-13; IC 6-1.1-18.5-9.9; IC 6-1.1-18.5-10.3; IC 6-1.1-20-6; IC 6-1.1-20-7; IC 6-1.1-20.6-3.5; IC 13-21-3-15; IC 14-23-3-3; IC 15-13-9; IC 16-22-7-24; IC 20-46-7-8; IC 20-46-7-8.5; IC 20-46-7-9;

IC 20-46-7-10; IC 20-46-7-11; IC 20-46-7-14; IC 20-48-4-7; IC 36-1-10-14; IC 36-1-15-3; IC 36-6-6-14.5; IC 36-10-11-17.".

Page 29, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 241. P.L.146-2008, SECTION 849 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: SECTION 849. (a) The definitions in IC 6-1.1-1, IC 6-1.1-20.9 (before its repeal), and IC 6-1.1-21 (before its repeal) apply throughout this SECTION.

(b) A taxpayer that is entitled to a standard deduction under IC 6-1.1-12-37 for property taxes assessed for the March 1, 2008, and January 15, 2009, assessment dates is entitled to a homestead credit under this SECTION against the property tax liability (as described in IC 6-1.1-21-5 (before its repeal)) imposed against the taxpayer's homestead for the March 1, 2008, and January 15, 2009, assessment dates.

(c) The amount of the credit to which an owner is entitled under this SECTION equals the product of:

(1) the percentage prescribed in subsection (d)(3); multiplied by

(2) the amount of the individual's property tax liability (as described in IC 6-1.1-21-5 (before its repeal)) that is:

(A) attributable to the homestead during the particular calendar year; and

(B) determined after the application of all deductions from assessed valuation that the owner claims under IC 6-1.1-12 or IC 6-1.1-12.1 for property and the property tax replacement credit under IC 6-1.1-21.

(d) The county auditor of each county shall determine:

(1) the amount of the county's homestead credit allotment determined under subsection (e);

(2) the amount of uniformly applied homestead credits for the year in the county that equals the amount determined under subdivision (1); and

(3) the percentage of homestead credit that equates to the amount of homestead credits determined under subdivision (2).

(e) There is granted under this SECTION a total of one hundred forty million dollars ($140,000,000) of homestead credits. The homestead credits shall be distributed to each county as prescribed in subsection (f). Before distribution, the department of local government

finance shall certify each county's homestead credit allotment to the department of state revenue and to each county auditor.

(f) Each county's certified homestead credit allotment, which shall be calculated by the budget agency, shall be determined under the following STEPS:

STEP ONE: For each county, determine the total property tax liability of all homestead properties in the county for the most recent calendar year before the application of any credits.

STEP TWO: For each county, determine the total property tax liability of all homestead properties resulting from property tax levies that are eliminated or replaced by this act for the most recent calendar year, before the application of any credits.

STEP THREE: Subtract the STEP TWO amount from the STEP ONE amount.

STEP FOUR: Determine the sum of the amounts determined under STEP THREE.

STEP FIVE: Divide the amount determined in STEP THREE by the amount determined in STEP FOUR.

STEP SIX: Multiply the result of STEP THREE by one hundred forty million dollars ($140,000,000).

(g) Each county's homestead credit allotment authorized in this SECTION shall be distributed to that county ~~not more than~~ **in** two (2) ~~weeks after the county mails a property tax bill for which the homestead credit under this SECTION is granted.~~ **equal installments. The first installment shall be distributed not later than the first due date for property taxes payable in the county. The second installment shall be distributed not later than the second due date for property taxes payable in the county.**

(h) In addition to any other appropriations, there is appropriated one hundred forty million dollars ($140,000,000) from the state general fund to make distributions for the homestead credits provided by this SECTION for property taxes assessed for the March 1, 2008, and January 15, 2009, assessment dates. Money distributed under this subsection shall be treated as property taxes for all purposes.

(i) The department of local government finance, the department of state revenue, and the budget agency shall take the actions necessary to carry out this SECTION. The department of local government finance and the budget agency shall make the certifications required

under this SECTION based on the best information available at the time the certification is made.

SECTION 242. P.L.146-2008, SECTION 850 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: SECTION 850. (a) The definitions in IC 6-1.1-1, IC 6-1.1-20.9 (before its repeal), and IC 6-1.1-21 (before its repeal) apply throughout this SECTION.

(b) A taxpayer that is entitled to a standard deduction under IC 6-1.1-12-37 for property taxes assessed for the March 1, 2009, and January 15, 2010, assessment dates is entitled to a homestead credit under this SECTION against the property tax liability (as described in IC 6-1.1-21-5 (before its repeal)) imposed against the taxpayer's homestead for the March 1, 2009, and January 15, 2010, assessment dates.

(c) The amount of the credit to which an owner is entitled under this SECTION equals the product of:

(1) the percentage prescribed in subsection (d)(3); multiplied by

(2) the amount of the individual's property tax liability (as described in IC 6-1.1-21-5 (before its repeal)) that is:

(A) attributable to the homestead during the particular calendar year; and

(B) determined after the application of all deductions from assessed valuation that the owner claims under IC 6-1.1-12 or IC 6-1.1-12.1 for property and the property tax replacement credit under IC 6-1.1-21.

(d) The county auditor of each county shall determine:

(1) the amount of the county's homestead credit allotment determined under subsection (e);

(2) the amount of uniformly applied homestead credits for the year in the county that equals the amount determined under subdivision (1); and

(3) the percentage of homestead credit that equates to the amount of homestead credits determined under subdivision (2).

(e) There is granted under this SECTION a total of eighty million dollars ($80,000,000) of homestead credits. The homestead credits shall be distributed to each county as prescribed in subsection (f). Before distribution, the department of local government finance shall certify each county's homestead credit allotment to the department of

state revenue and to each county auditor.

(f) Each county's certified homestead credit allotment, which shall be calculated by the budget agency, shall be determined under the following STEPS:

STEP ONE: For each county, determine the total of state homestead credits granted in the county for the most recent calendar year.

STEP TWO: Determine the sum of the amounts determined under STEP ONE.

STEP THREE: Divide the amount determined in STEP ONE by the amount determined in STEP TWO.

STEP FOUR: Multiply the result of STEP THREE by eighty million dollars ($80,000,000).

(g) Each county's homestead credit allotment authorized in this SECTION shall be distributed to that county ~~not more than~~ **in** two (2) ~~weeks after the county mails a property tax bill for which the homestead credit under this SECTION is granted.~~ **equal installments. The first installment shall be distributed not later than the first due date for property taxes payable in the county. The second installment shall be distributed not later than the second due date for property taxes payable in the county.**

(h) In addition to any other appropriations, there is appropriated eighty million dollars ($80,000,000) from the state general fund to make distributions for the homestead credits provided by this SECTION for property taxes assessed for the March 1, 2009, and January 15, 2010, assessment dates. Money distributed under this subsection shall be treated as property taxes for all purposes.

(i) The department of local government finance, the department of state revenue, and the budget agency shall take the actions necessary to carry out this SECTION. The department of local government finance and the budget agency shall make the certifications required under this SECTION based on the best information available at the time the certification is made.

SECTION 243. [EFFECTIVE JANUARY 1, 2009 (RETROACTIVE)]: **(a) IC 6-1.1-4-39 and IC 6-1.1-31-7, both as amended by this act, do not apply to assessment dates before January 16, 2010.**

(b) IC 6-1.1-4-42, as added by this act, does not apply to

assessment dates before January 16, 2009. A rule or guideline of the department of local government finance adopted or issued before April 29, 2009, is void to the extent that the rule or guideline is in conflict with IC 6-1.1-4-42, as added by this act.

(c) A provision of this act that replaces a property tax rate limit with a property levy limit does not apply to a property tax or an appropriation made from property taxes imposed for an assessment date before January 16, 2009.

(d) This SECTION expires January 1, 2011.".

Page 30, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 244. [EFFECTIVE UPON PASSAGE] **(a) This SECTION applies only to the Pendleton Community Library.**

(b) Notwithstanding IC 36-12-12, the library board governing the library described in subsection (a) may annually impose a property tax levy for the library's capital projects fund in an amount that exceeds the limits imposed by IC 36-12-12 by twenty thousand dollars ($20,000) for each calendar year beginning after December 31, 2009, and ending before January 1, 2015.

(c) This SECTION expires January 1, 2015.

SECTION 245. [EFFECTIVE UPON PASSAGE] **(a) The legislative council shall appoint an interim study committee to study whether taxpayers are permitted an appropriate opportunity to participate in the process for determining the levies, tax rates, special assessments, special benefits taxes, and budgets imposed by political subdivisions.**

(b) The committee shall operate under the rules and procedures of the legislative council for study committees.

(c) Each member of the committee is entitled to receive the same per diem, mileage, and travel allowances paid to legislative members of interim study committees established by the legislative council. Per diem, mileage, and travel allowances paid under this subsection shall be paid from appropriations made to the legislative council or the legislative services agency.

(d) The affirmative votes of a majority of members appointed to the committee are required for the committee to take action on any recommendation.

(e) The chairman of the legislative council shall appoint a member of the committee to serve as chairperson.

(f) The committee shall prepare and submit a written report of the committee's findings in an electronic format under IC 5-14-6 to the legislative council not later than November 1, 2009.

(g) This SECTION expires January 1, 2010.

SECTION 246. [EFFECTIVE UPON PASSAGE] **(a) This SECTION applies to Tippecanoe County if Tippecanoe County had a positive balance transferred to the county's levy excess fund established under IC 6-1.1-18.5-17 from the county's:**

(1) family and children's fund under P.L.146-2008, SECTION 823(b); and

(2) children's psychiatric residential treatment services fund under P.L.146-2008, SECTION 824(b).

(b) The county shall establish a separate fund or account to provide operating revenues for a juvenile justice center in the county. The excess from the balance referred to in subsection (a) that remains as of the effective date of this SECTION shall be transferred from the county's levy excess fund to the separate account or fund established under this subsection and used only for the purposes of the account or fund.

(c) This SECTION expires December 31, 2011.

SECTION 247. [EFFECTIVE UPON PASSAGE] **IC 6-1.1-16-1, as amended by this act, applies only to assessment dates after 2004.**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1447 as introduced.)

and when so amended that said bill do pass.

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Representative Crawford