
HOUSE BILL No. 1539

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.5-6-18; IC 36-12-2-16.

Synopsis: Marion County COIT. Allows the Marion County city-county council to elect to provide revenue to the public library from the certified distribution of county option income tax (COIT) revenue.

Effective: July 1, 2011.

Speedy, Pryor

January 20, 2011, read first time and referred to Committee on Ways and Means.

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First Regular Session 117th General Assembly (2011)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2010 Regular Session of the General Assembly.

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HOUSE BILL No. 1539



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

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

1 SECTION 1. IC 6-3.5-6-18, AS AMENDED BY P.L.182-2009(ss),
2 SECTION 222, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2011]: Sec. 18. (a) The revenue a county
4 auditor receives under this chapter shall be used to:

- 5 (1) replace the amount, if any, of property tax revenue lost due to
- 6 the allowance of an increased homestead credit within the county;
- 7 (2) fund the operation of a public communications system and
- 8 computer facilities district as provided in an election, if any, made
- 9 by the county fiscal body under IC 36-8-15-19(b);
- 10 (3) fund the operation of a public transportation corporation as
- 11 provided in an election, if any, made by the county fiscal body
- 12 under IC 36-9-4-42;
- 13 **(4) fund the operation of a public library in a consolidated city**
- 14 **as provided in an election, if any, made by the county fiscal**
- 15 **body under IC 36-12-2-16(c);**
- 16 ~~(5)~~ **(5) make payments permitted under IC 36-7-14-25.5 or**
- 17 **IC 36-7-15.1-17.5;**



- 1 ~~(5)~~ (6) make payments permitted under subsection (i);
- 2 ~~(6)~~ (7) make distributions of distributive shares to the civil taxing
- 3 units of a county; and
- 4 ~~(7)~~ (8) make the distributions permitted under sections 27, 28, 29,
- 5 30, 31, 32, and 33 of this chapter.

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

- 13 (c) The county auditor shall retain:
 - 14 (1) the amount, if any, specified by the county fiscal body for a
 - 15 particular calendar year under subsection (i), IC 36-7-14-25.5,
 - 16 IC 36-7-15.1-17.5, IC 36-8-15-19(b), and IC 36-9-4-42 from the
 - 17 county's certified distribution for that same calendar year; and
 - 18 (2) the amount of an additional tax rate imposed under section 27,
 - 19 28, 29, 30, 31, 32, or 33 of this chapter.

20 The county auditor shall distribute amounts retained under this
21 subsection to the county.

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

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

- 28 (1) The amount of revenue that is to be distributed as distributive
- 29 shares during that month; multiplied by
- 30 (2) A fraction. The numerator of the fraction equals the allocation
- 31 amount for the civil taxing unit for the calendar year in which the
- 32 month falls. The denominator of the fraction equals the sum of the
- 33 allocation amounts of all the civil taxing units of the county for
- 34 the calendar year in which the month falls.

35 (f) The department of local government finance shall provide each
36 county auditor with the fractional amount of distributive shares that
37 each civil taxing unit in the auditor's county is entitled to receive
38 monthly under this section.

39 (g) Notwithstanding subsection (e), if a civil taxing unit of an
40 adopting county does not impose a property tax levy that is first due
41 and payable in a calendar year in which distributive shares are being
42 distributed under this section, that civil taxing unit is entitled to receive

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1 a part of the revenue to be distributed as distributive shares under this
2 section within the county. The fractional amount such a civil taxing
3 unit is entitled to receive each month during that calendar year equals
4 the product of the following:

- 5 (1) The amount to be distributed as distributive shares during that
6 month; multiplied by
- 7 (2) A fraction. The numerator of the fraction equals the budget of
8 that civil taxing unit for that calendar year. The denominator of
9 the fraction equals the aggregate budgets of all civil taxing units
10 of that county for that calendar year.

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

20 (i) Notwithstanding any other law, a county fiscal body may pledge
21 revenues received under this chapter (other than revenues attributable
22 to a tax rate imposed under section 30, 31, or 32 of this chapter) to the
23 payment of bonds or lease rentals to finance a qualified economic
24 development tax project under IC 36-7-27 in that county or in any other
25 county if the county fiscal body determines that the project will
26 promote significant opportunities for the gainful employment or
27 retention of employment of the county's residents.

28 SECTION 2. IC 36-12-2-16, AS ADDED BY P.L.1-2005,
29 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2011]: Sec. 16. (a) This section applies to the appointment of
31 members to a library board of a public library serving a library district
32 that is:

- 33 (1) partly or fully within the boundaries of a consolidated city;
34 and
- 35 (2) fully within the boundaries of one (1) county.

36 (b) Seven (7) members of a library board shall be appointed in the
37 following order as the terms of previously appointed members expire:

- 38 (1) One (1) member appointed by the board of county
39 commissioners of the county in which the library district is
40 located.
- 41 (2) One (1) member appointed by the fiscal body of the county in
42 which the library district is located.

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- 1 (3) One (1) member appointed by the board of county
- 2 commissioners of the county in which the library district is
- 3 located.
- 4 (4) Two (2) members appointed by the school board of the school
- 5 corporation in which the principal administrative offices of the
- 6 public library are located.
- 7 (5) One (1) member appointed by the board of county
- 8 commissioners of the county in which the library district is
- 9 located.
- 10 (6) One (1) member appointed by the fiscal body of the county in
- 11 which the library district is located.

12 **(c) The library board may recommend and the county fiscal**
 13 **body may elect to provide revenue to a public library described in**
 14 **subsection (a) from part of the certified distribution, if any, that**
 15 **the county is to receive during that same year under IC 6-3.5-6-17.**
 16 **To make the election, the county fiscal body must adopt an**
 17 **ordinance before November 1 of the preceding year. The county**
 18 **fiscal body must specify in the ordinance the amount of the**
 19 **certified distribution that is to be used to provide revenue to the**
 20 **public library. If such an ordinance is adopted, the county fiscal**
 21 **body shall immediately send a copy of the ordinance to the county**
 22 **auditor.**

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