Members

Sen. Brandt Hershman, Chairperson
Sen. Ryan Mishler
Sen. Timothy Skinner
Rep. Eric Turner
Rep. Scott Pelath

COMMISSION ON STATE TAX AND FINANCING POLICY

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Authority: IC 2-5-3-2

MEETING MINUTES[1]

Meeting Date:	**September 12, 2011**
Meeting Time:	**10:00 A.M.**
Meeting Place:	**State House, 200 W. Washington St., Room 431**
Meeting City:	**Indianapolis, Indiana**
Meeting Number:	**1**

Members Present: **Sen. Brandt Hershman, Chairperson; Sen. Ryan Mishler; Sen. Timothy Skinner; Rep. Eric Turner.**

Members Absent: **Rep. Scott Pelath.**

Senator Brandt Hershman, chairman of the Commission, called the meeting to order at 10:05 A.M.

I. Commuters and Local Option Income Tax (LOIT) Revenue

Chairman Hershman recognized Representative Mike Karickhoff for a discussion of local option income taxes and the taxation of commuters. Representative Karickhoff explained that an individual who resides in a county that has imposed a local option income tax but who works in a different county that has also imposed a local option income tax will pay the tax imposed by the county in which the individual resides. He estimated that 30% of the gross income earned in Howard County is earned by workers who do not reside in Howard County.

Staff distributed a copy of "Intrastate Distribution of State Government Revenues and Expenditures", a report by the Indiana Fiscal Policy Institute (see Exhibit A), as well as a copy of LS 6545, a bill that Representative Karickhoff prepared for the 2011 legislative session, but which he did not introduce (see Exhibit B).

Representative Karickhoff testified that:

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[1] These minutes, exhibits, and other materials referenced in the minutes can be viewed electronically at http://www.in.gov/legislative Hard copies can be obtained in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for hard copies may be mailed to the Legislative Information Center, Legislative Services Agency, West Washington Street, Indianapolis, IN 46204-2789. A fee of $0.15 per page and mailing costs will be charged for hard copies.

- It had been difficult to find information regarding income earned by commuters.
- There is a need to look at where revenue is generated and at where the revenue is taxed.
- Local units in which commuters work must still provide services.
- Any changes to the distribution of local option income taxes could be implemented in phases.

Chairman Hershman commented that it is reasonable to assume that the businesses to which workers are commuting are paying property taxes and that those workers are spending money in the communities to which they commute. Representative Eric Turner also noted that people from the rural areas of Indiana often spend their money in urban areas. Representative Karickhoff stated that there is a need to take a comprehensive look at all local option income taxes.

Jim Landers, fiscal analyst for the Commission, distributed a memorandum concerning commuter taxpayer estimates. (See Exhibit C.) Mr. Landers described the three tables included in the memorandum:

> Table 1, which reports: (1) the number of taxpayers commuting from the county in which they reside to a different county in which they work, listed by county of work; (2) the taxable income earned by these commuters; and (3) the amount of revenue that could be raised by a 0.1% tax rate imposed on these commuters.
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> Table 2, which reports: (1) the number of taxpayers commuting from the county in which they reside to a different county in which they work, listed by county of residence; (2) the taxable income earned by these commuters; and (3) the amount of revenue that could be raised by a 0.1% tax rate imposed on these commuters.
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> Table 3, which reports: (1) commuters in and out for each county; and (2) the net impact of a transfer of revenue between counties for commuting workers equal to 0.1% tax rate imposed on these commuters (in lieu of actually imposing the tax rate).

Andrew Berger of the Association of Indiana Counties (AIC) testified concerning commuter tax issues, noting that:

- The AIC has been discussing the issue.
- A food and beverage tax is one possible way to tap into revenue from commuters (but many counties have already imposed such a tax).
- Another issue to consider is how out-of-state workers should be taxed.

II. Distribution of Local Option Income Tax (LOIT) Revenue

Chairman Hershman recognized Representative Jeff Thompson to discuss issues related to the distribution of local option income tax revenue. Representative Thompson testified that:

- The distribution methods for the various local option income taxes are based on units' property tax levies, and these distribution methods are the biggest impediment to adoption of the taxes.
- Either a new distribution formula needs to be implemented, or counties should be allowed to adopt the tax for county purposes only (which would still have circuit-breaker benefits for other units).

Bob Sigalow, fiscal analyst for the Commission, then provided background information concerning the distribution of local option income taxes. (See Exhibit D, "Distribution of LOIT Revenue Between Local Units.) Mr. Sigalow presented information on the following:

- The three basic local option income taxes: the county adjusted gross income tax

(CAGIT), the county option income tax (COIT), and the county economic development income tax (CEDIT).

- The three additional LOITs: the LOIT to freeze property tax levy growth, the LOIT for property tax relief, and the LOIT for public safety.
- The rates and uses for each of these taxes and the number of counties that have adopted each tax.

Mr. Sigalow then discussed a second report, "CAGIT or COIT Certified Shares". (See Exhibit E.) This report listed for each county the total percentage of CAGIT or COIT certified shares received by each type of unit in the county during the period 2000 - 2011.

Representative Thompson testified that he believed that annexation is the reason for the changes in the portion of certified shares received by the various units. Andrew Berger of the AIC noted three issues related to local option income taxes: (1) how the taxes are distributed; (2) who adopts the taxes; and (3) the fact that the tax relief from these taxes is very complicated. He discussed an alternative distribution formula that distributes a portion of revenue off the top to the county, and then distributes the remainder to other local units based on levies and population. Mr. Berger also presented a comparison of current distributions and distributions under the alternative distribution formula. (See Exhibit F.) Rhonda Cook of the Association of Indiana Cities and Towns (IACT) testified that IACT: (1) supports uncoupling the adoption of the public safety LOIT from the adoption of the other two LOITs for property tax relief; and (2) supports allowing counties and municipalities to independently adopt LOITs. Senator Ryan Mishler questioned whether the number of levels of government cause confusion among taxpayers. Katrina Hall of the Indiana Farm Bureau: (1) recognized that the local income taxes are complicated; and (2) noted that the initial focus of these taxes had been on taxpayers, rather than units of government.

III. Fire Protection Territories

Chairman Hershman next recognized Representative Bob Cherry to discuss fire protection territory issues. Representative Cherry testified that the provisions enacted in House Bill 1004 during the 2011 legislative session have made significant changes to transparency regarding fire protection territories, and he noted that the Department of Local Government Finance would soon be holding a hearing on the fire protection territory in Hancock County.

Staff Attorney Ed Gohmann then discussed a memorandum providing background information on fire protection territories. (See Exhibit G.)

Katrina Hall of the Indiana Farm Bureau (IFB) testified that the IFB's concerns are: (1) the process used to establish fire protection territories; and (2) the amount of the initial property tax levy for a fire protection territory. She suggested allowing all units to have a more active role in the process.

Mark Scherer, representing the Indiana Fire Chiefs Association, testified that the fire chiefs support the changes in House Bill 1004. He also testified concerning the different combinations of units that typically establish fire protection territories (e.g., rural townships jointly establishing a territory; a municipality and a township jointly establishing a territory).

Chief John Vance of the Clay Fire Department in South Bend testified regarding practices in Clay Fire Territory. He explained that the budget-adoption process for the Territory also includes a joint hearing by all participating units before the budget is adopted and that the budget is also sent to the county for advisory purposes.

Steven Peachey of Cicero testified that many small communities will no longer be able to

provide fire protection services. In reply to a question from Representative Turner, Mr. Peachey testified that the question surrounding his particular fire protection territory is not whether its formation will be completed, but whether it will have the revenue necessary to provide fire protection and medical protection.

Tom Hanify, President of the Professional Firefighters Union of Indiana, testified that he supported fire protection territories and fire protection districts and that they can be constructed to function in an efficient manner.

Debbie Driskell of the Indiana Township Association testified that she agreed with the common-sense approach of HB 1004 and that she supported extending the additional public hearing requirements included in that bill. She also testified that she supported reinstating the three-year adjustment period for fire protection territories.

Andrew Berger of the Association of Indiana Counties testified that the county government is concerned with the impact of fire protection territories on other units, because: (1) more units may reach the property tax caps; and (2) there would be some effect on the distribution of local option income taxes to other units because those taxes are distributed based on property tax levies.

Rhonda Cook of the Association of Indiana Cities and Towns (IACT) testified that IACT supports fire protection territories. She testified that municipalities are finding that they can no longer subsidize fire protection service to townships, and that under a fire protection territory the true cost of providing services is more transparent.

Senator Mishler questioned Ms. Cook concerning who has the final oversight on a fire protection territory's operations and budget.

IV. Impact of Expanding the Historic Preservation Tax Credit

Chairman Hershman announced that the agenda topic concerning the historic preservation tax credit would be rescheduled to a subsequent meeting.

V. Impact of Tax Incentive for Logistics and Homeland Security Expenditures

Chairman Hershman next recognized David Holt of Conexus Indiana to speak on tax incentives related to logistics. Mr. Holt explained Conexus' efforts regarding logistics, including the development of a strategic plan. He briefly described Senate Bill 222 from the 2011 legislative session, which would have provided a tax credit for certain logistics-related expenditures. He noted that surrounding states are providing incentives. (See Exhibit H and Exhibit I.) He testified that an analysis from Indiana University would be presented at a later meeting. Mr. Holt also stated that a tax credit could be structured to consider only the incremental investment above the three-year average or two-year average investment amount. Chairman Hershman commented that Indiana's success has been based on overall low tax rates.

Senator Tom Wyss testified concerning the tax incentive legislation he had proposed in the 2011 legislative session. He explained that such an incentive would be another tool to be used as Indiana competes against other states. He noted that he wanted to consider the entire state and whole "arena" of logistics.

Chairman Hershman spoke regarding the challenge to fund these types of tax credits, and he questioned whether such an incentive would be paid for through lower spending or through a tax shift. Representative Turner asked whether the logistics industry would prefer eliminating property taxes on personal property, rather than implementing a specific tax credit for the

industry.

Bob Werking, manager of the Anderson Municipal Airport, testified regarding the aviation industry and the potential impact of tax credits to attract private investment.

Senator Tim Skinner testified that he did not support the reduction in the corporate tax rate, because he thought the costs of the reduction would outstrip the benefits, and that there is a need to pay for such a reduction.

Mark DeFabis of Integrated Distribution Services in Plainfield testified that Indiana is one of six states in which every major third-party logistics operator has a facility. He stated that we need to make sure that we have continued investment in public and private infrastructure. He testified that business personal property tax is the fastest growing portion of the industry's tax liability.

VI. Adjournment

Chairman Hershman announced that the Commission was looking at holding hearings on October 3, October 12, and October 20. There being no further business, Chairman Hershman adjourned the meeting at 1:05 P.M.

Exhibit A
Commission on State Tax
and Financing Policy
Meeting #1 Sept. 12, 2011

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Information Brief

Intrastate Distribution of State Government Revenues and Expenditures in Indiana

Michael Hicks, *Director, Ball State University Center for Business and Economic Research*
Dagney Faulk, *Director of Research, Ball State University Center for Business and Economic Research*
John Ketzenberger, *President, Indiana Fiscal Policy Institute*

January 2010

INDIANA FISCAL POLICY INSTITUTE
Since 1987

Indiana Fiscal Policy Institute

The Indiana Fiscal Policy Institute (IFPI), formed in 1987, is a private, non-profit governmental research organization. The institute's mission is to enhance the effectiveness and accountability of state and local government through the education of public sector, business, and labor leaders on significant fiscal policy issues and the consequences of state and local decisions. IFPI makes a significant contribution to the important, ongoing debate over the appropriate role of government. The institute does not lobby, support, or oppose candidates for public office. Instead, it relies on objective research evidence as the basis for assessing sound state fiscal policy.

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Center for Business and Economic Research

The Center for Business and Economic Research (formerly the Bureau of Business Research) is the economic policy and forecasting research center housed within the Miller College of Business at Ball State University. The center publishes the *American Journal of Business*—a peer-reviewed scholarly journal—and the *Indiana Business Bulletin*—a Web site with weekly commentary, analysis and data on economic, business and demographic trends in Indiana. CBER research encompasses health care, public finance, regional economics, transportation and energy sector studies. In addition to research, the center hosts four forecasting roundtables in Muncie and provides economic forecasts throughout the state of Indiana.

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INDIANA FISCAL POLICY INSTITUTE
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Intrastate Distribution of State Government Revenues and Expenditures in Indiana

Background

Most Hoosiers describe Indiana as Indianapolis (or central Indiana) and everywhere else. There is some truth to this because central Indiana's economy is more diverse and generally more productive than other regions. Such a view fails to take into account the state's other urban centers, however, painting an incomplete picture. Indiana may indeed be divided into "two states," but it's along rural and urban geography generally. This study illustrates the division between rural and urban Indiana by following the collection of state tax dollars and where they are spent. The relationship between the tax revenue generated in each county and the public expenditures each receives is meant to provide new dimension to the debate over Indiana's budget and tax policy.

It is not a simple task to determine how much tax revenue the state collects in each county or how much it spends. This study does not attempt to determine the flow of federal or local tax revenues in Indiana. But it does account for 98 percent of all taxes collected by the state, including sales tax, the personal income tax, the corporate income tax and several others. The other 2 percent, including financial institutions, railroad car property tax and hazardous waste disposal tax among others, were impossible to determine at the county level and were not considered. This study also examined some 550 separate funds to determine how state tax dollars were allocated. Included was funding for education (kindergarten-12th grade and higher education), Medicaid, and transportation in addition to other funding. In the absence of county-specific information, such as public safety and general government, we allocated state expenditures on a per capita basis, reasoning that the public in general benefits. This study used standard analysis tools to determine who bears the burden of taxes and who benefits from them, which is discussed in detail elsewhere in this report.

The results track the "flow" of Hoosiers' tax dollars on a county-by-county basis for the first time. This is determined by subtracting the amount of state expenditures in each county from the amount of tax collected and dividing by the population. So now we know which counties are net donors (22) and which are net recipients (70) of state tax dollars. With few exceptions, counties in the state's metropolitan areas were donors while those in rural areas were recipients. Overall, those in metropolitan counties paid 82.5 percent of the taxes, or $11.3 billion, and received 76.5 percent ($10.5 billion) in state expenditures. More specifically, the ten-county Indianapolis region paid 33.5 percent, or $4.6 billion, and received 28 percent ($3.8 billion) back.

This is the first time such a study has been attempted in Indiana, but the experience in other states such as Kentucky and Georgia was helpful in guiding our methodology. This report identifies and describes the assumptions that were made as part of the calculations to determine how revenue and expenditures were allocated to each county.

While this study tracks the flow of tax dollars by county in Indiana, it does not attempt to answer any public policy questions that may arise from this information, such as whether the magnitude of the net flows is appropriate. It is hoped, however, that this report will give policymakers more information with greater geographic precision to consider as they contemplate the state's future budget and tax policy.

Introduction

This report details the geography of intrastate collection and distribution of taxes in Indiana. We focus on the most recent complete year (calendar year 2008 and fiscal year 2009) and include only state tax collections and distributions. We exclude all local taxes and expenditures and Federal payments, including those associated with state matching funds such as highway construction and Medicaid. We examine the distribution of state revenue and expenditures separately and then the net flow (state revenue minus state expenditures) total and per capita and finally an aggregation of flows between the ten-county Indianapolis metropolitan area and the rest of the state. We use the 2003 definitions of metro areas.

The difficulty in conducting this type of analysis arises from allocating revenues and expenditures among counties. This is not an easy undertaking. We apply standard tools used in fiscal policy analysis to estimate the amount of taxes paid by taxpayers in each county and to quantify the benefits received from state government expenditures.

The limited number of studies that have examined the intrastate distribution of state government revenues and expenditures have consistently found that urban areas subsidize the more sparsely populated areas in states i.e. that urban areas pay more in state taxes than they receive in state expenditures. Coomes and Kornstein (1994, 1999, 2004) have examined this issue over multiple years in Kentucky and have found that the more densely populated urban areas in Kentucky subsidize the more sparsely populated rural areas. In his analysis of Georgia, Bluestone (2009) found that the Atlanta metropolitan area generates more state revenue than it receives in expenditures. The 28-county Atlanta metropolitan area accounted for approximately 61 percent of Georgia state revenue and received approximately 47 percent of Georgia state expenditures in FY 2004.

Overview of the Indiana State Tax System

A variety of criteria are used to evaluate state tax systems. Efficiency, equity, revenue stability, revenue adequacy, exportability, administrative costs, compliance costs are all considerations in the structure of a state tax system. A full treatment of these issues is far outside the scope of this work. However, understanding that these goals might be mutually exclusive, explains the variety of tax instruments adopted by Indiana and any other state.

Table 1

Revenue Source	Incidence Assumption	Allocation Method
Sales tax	Consumers	DOR data on sales tax collections by county
Individual adjusted gross income tax	Individual earners	DOR tax return data on residence of taxpayer (excluded $182 million paid by out of state taxpayers)
Gasoline and other fuel taxes	Consumers of gas and fuels (drivers)	Retail sales (included portion of taxes spent by INDOT)
Corporate adjusted gross income tax	70 percent on wages and salaries 30 percent on owners of capital	70 percent on individual income tax payments 30 percent on income from dividends, interest and rents
Riverboat admissions tax and wagering tax	Casino patrons	Estimated residence of casino patrons (included only portion distributed to the general fund)
Cigarette tax	Consumers of cigarettes	Cigarette sales by county (includes portion of tax distributed to general fund, 53.68 percent)
Utility receipts tax and utility services use tax	Consumers of utility services	County personal income
Insurance premium taxes	Consumers of insurance services	County personal income
Inheritance tax	Decedents	Collected by county (excludes 8 percent of revenue distributed to county)
Alcoholic beverage taxes	Consumers of alcoholic beverages	Population (includes portion of tax distributed to the general fund, 50 percent)

Total state revenue in Indiana was approximately $25.5 billion in FY 2009. This includes state taxes, Federal aid, and various state fees. Taxes accounted for approximately 55 percent of Indiana's total state government revenue in fiscal year 2009. Federal aid accounted for approximately 34 percent of total revenues, and revenue from permits, licenses, and various other sources accounted for just over 11 percent. Like most states, Indiana relies heavily on sales and income taxes to fund state government. More than 75 percent of state tax revenue comes from the general sales tax (approximately 44.5 percent in FY 2009) and the individual income tax (approximately 30.9 percent in FY 2009). The remaining 25 percent of tax revenue is from various other taxes. We consider motor fuel taxes (a type of selective sales tax), the corporate income tax, riverboat taxes, cigarette taxes, utility receipts taxes, insurance taxes, inheritance taxes, and alcoholic beverage taxes (*Table 1*). These are the major sources of state tax revenue in Indiana accounting for approximately 98 percent of tax revenue for FY 2009. There are also other taxes (financial institutions tax, railroad car property tax, race track wagering, pari-mutual taxes, charity gaming taxes, hazardous waste disposal taxes) that raise a small amount of revenue and that we do not consider in this analysis both because of their relatively small magnitude and the difficulty of allocating these taxes to the county level. Additional state revenue comes from a variety of fees and miscellaneous sources including professional licenses, sale of state property, etc. These are not included in the analysis due to the difficulty of appropriately allocating these funds among counties.

The Geographic Distribution of State Revenue

Method of allocating revenue shares to counties

In order to allocate state tax revenues to counties, we make certain incidence assumptions about who bears the economic burden of a particular tax. The economic incidence is concerned with whose purchasing power is affected, via either higher prices or lower income, by the tax. See Bluestone (1999) for a more detailed discussion. The entity with the statutory (legal) incidence is usually not the entity that actually bears the economic burden of the tax payment. For example, businesses are legally responsible for sending in the sales tax payments for goods sold, but at least part of the economic incidence is borne by consumers due to higher prices on the good after the tax is imposed. Similarly corporations are legally responsible for paying the corporate income tax but may pass this tax on to workers in the form of lower wages or to share holders in the form of lower dividends. These considerations motivate our decisions regarding allocation of the incidence of taxes. Incidence assumptions are summarized in *Table 1*.

- The **General Sales Tax** is the largest source of revenue and generated $6.2 billion in FY 2009 (44.5 percent of total tax revenue). Sales tax revenue was allocated using data from the Indiana Department of Revenue on sales tax collections by county. Ideally the sales tax allocation would reflect the county of residence of the consumer. The data that we use reflects sales tax paid by county of purchase which may be different from the county of residence of the consumer.
- The **Individual Income Tax** is the second largest source of revenue for Indiana generating approximately $4.3 billion in FY 2009 (almost 31 percent of state tax revenue). We allocate the burden of the individual income tax to counties using tax return data from the Indiana Department of Revenue. The approximately $182.6 million in individual income tax payments of out-of-state residents are excluded.
- **Gasoline and Other Fuel Taxes** accounted for $798.8 million (5.73 percent) of state tax revenue. These taxes include the gasoline tax, marine fuel tax, motor carrier fuel tax, and motor carrier surcharge tax. We assume these taxes are born by consumers in the form of higher fuel prices than would occur in the absence of the tax. We allocate these taxes based on each county's share of total retail sales as a proxy for fuel sales.

- **The Corporate Income Tax** generated $541 million in revenues (3.9 percent of state tax revenue) in FY 2009. We adopt a method developed by Chamberlin and Prante (2007) based on estimates by Randolph (2006) and used by Bluestone (2009) to allocate the corporate income tax to counties. The tax burden of the corporate income tax is divided between the owners of capital and workers with owners bearing 30 percent of the burden and workers bearing 70 percent of the burden. We assume that the Indiana corporate income tax is paid by Indiana residents. We recognize that a portion of the 30 percent of the tax burden that we attribute to owners of capital will be paid by out-of-state residents. This is a relatively small share and will not affect the overall analysis. County-level data on income from dividends, interest, and rent (Bureau of Economic Analysis) is used to determine the share of capital owners. Individual income tax liability (from the Indiana Department of Revenue) is used to determine labor's share of the burden.
- **Riverboat Taxes** generated approximately $575.7 million in state tax revenue (4.13 percent of tax revenue). The county allocation of riverboat tax revenue was determined from estimates of the county of residence of casino patrons from the Indiana State Budget Agency.
- **Cigarette Taxes** generated approximately $516.8 million in revenue (3.71 percent of total tax revenue) in FY 2009. Cigarette sales by county is available from the Census Bureau. This information is used as the allocation of cigarette tax revenues to counties. Only the portion of the tax distributed to the general fund is included in our estimates.
- The state of Indiana received approximately $2,53.6 million in **Utility Taxes** in FY 2009. These taxes include the utility receipts tax and the utility services use tax and were 1.35 percent of total state tax revenue. We assume that these taxes are ultimately borne by the consumer in the form of higher utility rates than would occur in the absence of the tax. We use personal income as a proxy for utility use and allocate this tax based on each county's share of personal income.
- **Insurance Premiums Taxes** generated $187.4 million in revenue (1.4 percent of tax collections) in FY 2009. We assume that the insurance premiums tax is passed on to the purchasers of the insurance in the form of higher premiums than would be paid in the absence of the tax. The tax should be allocated according to the county of residence of insurance purchasers. We use personal income as a proxy for insurance purchases under the assumption that insurance purchases are highly correlated with income. We allocate the insurance premiums tax based on each county's share of personal income.
- **Inheritance Taxes** accounted for $185.5 million (1.33 percent) of state tax revenue. In Indiana the inheritance tax is collected by the county, so county collections was used as allocation of inheritance tax revenue.
- The state of Indiana received approximately $43.5 million (0.31 percent of total taxes) in **Alcoholic Beverage Taxes** in FY 2009. We assume that these taxes are borne by consumers in the form of higher prices for alcoholic beverages than would occur in the absence of the tax. We allocate these taxes based on each county's share of population.

The Geographic Distribution of State Expenditures

Method of allocating expenditure share to counties

Indiana's state government allocates spending of tax revenues through roughly 550 separate funds ranging from K-12 tuition assistance (more than $4.6 billion) to the preservation and display of the state's Civil War battle flags (roughly $38,000 last year). A further $3.2 billion is allocated through a series of fees ranging from unemployment compensation fund collections to the sale of excess property. Most of these fees have specific allocations (often directly supporting the agency which collected the fee), and are not included in this analysis. In addition, the state received more than $7.4 billion in federal aid in 2008—much of it linked to levels of state spending in such areas as highway and health care funding. We included no Federal expenditures in this analysis.

The spending is tied to specific activities, some of which are also linked directly to a tax instrument. More commonly, these funds are derived from the state's General Fund. As with the tax instruments examined above, it is necessary to assign expenditures for state activity to the locations that benefit from the spending. In these instances it is important to allocate the expenditures in a manner that aligns them with the incidence of the benefits of this spending. More simply, in this process we are trying to align state spending with the individuals and households who benefit from that spending.

To align spending with households, and ultimately the counties in which the households are located, we make certain assumptions of incidence. There are effectively two types of incidence assumptions we must make—either the activity benefits residents specifically within a county or the benefits of an activity falls upon all residents of the state. In some cases, the administrative record or expenditure formula performs this task for us. For example, while the benefits of providing Medicaid may have broad benefits, we know specifically where these payments were made at the county level. As a consequence, administrative records are the most effective allocation mechanism and we make no further adjustment for incidence. In other circumstances, the location of the payment is not reflective of the benefits of the activity. For example the state operates several prisons from which offenders across Indiana are incarcerated. This is a benefit that accrues to all Hoosiers even though expenditures are made specifically to government activity within just a few counties in which state prisons are

Table 2

Expenditures	Incidence Assumption	Allocation Method
Education (K-12)	County of residence	Administrative report of payment
Education (SSACI & higher education)	County of residence	Based on "college intent" by 2007 high school students
Health care (Medicaid and misc.)	County of residence	Administrative report of payment
Transportation	County of residence	Administrative report of payment
Wages and salaries	County of residence	Home of record of state employee
Public safety (corrections)	All residents	Per capita basis
General government	All residents	Per capita basis
Conservation and environment	All residents	Per capita basis
Economic development	County of residence	Administrative report of payment
Property tax relief	County of residence	Administrative report of payment
Miscellaneous expenditures	All residents	Per capita basis
Allocated fees and fiscal/calendar year reconciliation	All residents	Per capita basis

located. As a consequence, we must allocate these activities in a way that reflects the incidence of the benefits. *Table 2* summarizes these allocation decisions.

There are complications to this analysis that should be noted. The most obvious one is that this report makes no judgment on the propriety of taxes or spending, nor do we review the formularies used to allocate expenditures. We are simply attempting to match the location of state revenue collections and expenditures. Second, our assumptions of incidence, though grounded in decades of theory and the predominant methods of allocation, remain assumptions. While it is commonly accepted for example, that the benefits of a public safety system (including state prisons) is a benefit that falls upon all residents of a state, many communities still vie for the location of these activities, viewing the presence of the jobs accompanying a prison as a benefit that accrues locally. Finally, some state expenditures, most notably those on infrastructure are "lumpy" and are not uniformly distributed each year. As a consequence, in one year a county might receive transportation funding for new bridge construction, while an adjacent county might receive bridge funding in a later year. So, any single year assessment of expenditures overstates the variability of these payments. Over the long term, infrastructure expenditures are less variable.

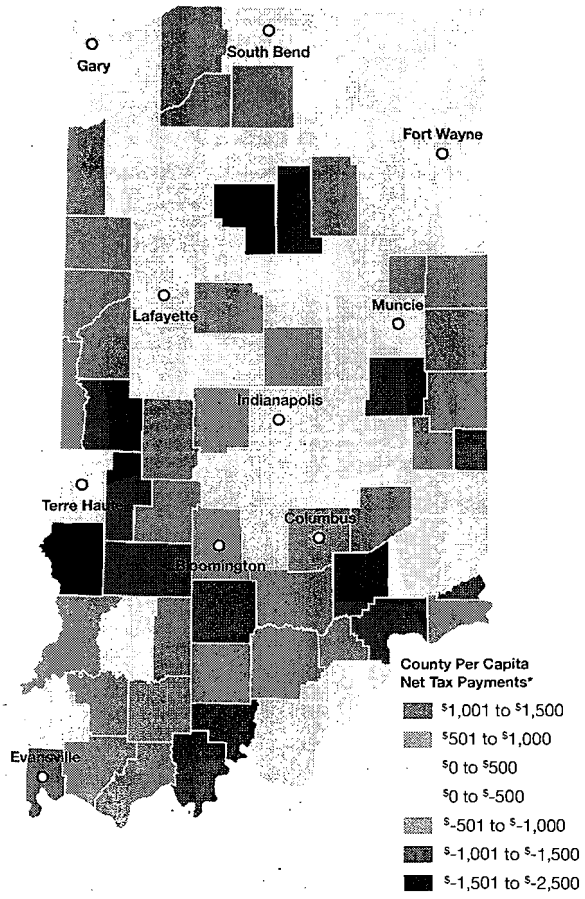
In order to explain this more fully, we briefly review the largest expenditure groups or funds. There are more than 550 combined funds or disbursement mechanisms for state dollars, so considerable aggregation is needed.

- **K-12 Education** is by far the largest single expenditure by Indiana or any other state. In addition to the state school funding formula that distributes more than $4.6 billion to school districts, the state also distributes funding to school systems in 75 smaller funds for such activities as textbooks and training for superintendents. We allocate these funds based upon the county to which they were administratively distributed. The only deviation from this involves a small number of school districts that straddle a county border. In those instances we allocate the funds based upon the population of each county within the school district border.
- Medicaid expenditures represent the second largest fund with more than $1.2 billion in spending from Indiana's General Fund. The Federal government contributes roughly three dollars for each dollar of state spending in this arena. This study only reports those expenditures made from Indiana state tax revenues. These funds are administratively dispersed to recipients in all 92 counties, hence records for Medicaid disbursement are available for each county, and we allocate these funds to each county based on the administrative disbursements.
- **Other Health Care** funding from 55 separate categories accounts for more than $650 million in expenditures across the state. These funds distribute directly to activities in all counties based upon individual programmatic activities and so we allocate them based upon the county in which the payments are made.
- **Wages and Benefits for State Employees** comprise annual expenditures of roughly $1.2 billion. State employees live and work in each of Indiana's 92 counties. We apportion payments from this fund directly to each employee's domicile county. Fringe benefits are not as clearly designed, with the state paying for 39 different types of fringe benefits from FICA and Social Security to different types of retirement, health and related funds. Some of these expenditures are highly correlated with wages (such as retirement and FICA), while others are correlated with the size of the employees family (such as health benefits). Even within both of these examples, some variation exists such as an SSI exclusion for higher income state employees and higher fixed costs on health plans. However, we have assumed that in aggregate, these funds are best allocated to counties based upon the share of wages associated with each county.
- **Transportation** related expenditures were made from a variety of funds administered by the Indiana Department of Transportation. These expenditures are the most likely to distort the distribution

because infrastructure expenditures are far more 'lumpy' than those on human or other governmental services. For example, the construction of a bridge or highway ramp within a county is an expensive undertaking most likely undertaken in a single year (certainly one budget biennium). As a consequence, one county receiving these expenditures within a single year will appear to be a heavy recipient of state transportation funding. In the next year, there may be no infrastructure expenditures within the county. Indeed, between 2007 and 2009, 13 counties had at least one year without any highway infrastructure projects. So, we find a great deal of year-to-year variation in each county's receipt of highway funding (changing as much as 175 percent in a single year). If we average the expenditures over a three year period we find a very strong relationship between infrastructure spending and population (about twice as statistically explanatory than a single year's comparison). For the purposes of this report we look only at fiscal year 2009 expenditures, but note that this is not a good representation of the overall equity in transportation funding to counties.

- State support of **Higher Education** is also made through 53 different funds. These expenditures are made in support of specific components of state supported higher education missions such as the building of school facilities, purchase of equipment and tuition support. These expenditures are made to educational institutions in 66 of Indiana's 92 counties. However, the benefits accrue primarily to students receiving the educational subsidies. As a consequence, we place the incidence of this expenditure on the home location of college students. The measure we use is the response of 'intent for postsecondary education' provided by the State Department of Education. In this case we allocate the expenditures to each county based on the most recent year's share of high school students planning to attend college. There is no existing administrative data linking these students to specific postsecondary institutions in Indiana, however it is probable that the proportional distribution of college students in Indiana mirrors the share of students intending to pursue postsecondary education.
- **Family and Children Fund** expenditures comprise roughly $164 million in 2009. These distributions are made administratively and can then be tied directly to a county. This is true also of **Riverboat Tax** distributions, **Economic Development** funding and **Homestead Credit** distributions under the phase-in of HEA 1001 (P.L. 146-2008), the state budget.
- **Public Safety** expenditures by the state, along with **Conservation and Environmental** funding, **General Government and Miscellaneous** expenditures were allocated on a per capita basis. The argument for assuming a per capita basis on these is particularly compelling. Public safety funds are directed to state level activities such as courts and prisons, which obviously benefit all residents. Likewise, conservation and environmental expenditures benefit residents far more broadly than in the locations where specific activities occur within the state. General government and miscellaneous activities involve governmental operations on almost 300 different funds in all counties. These include activities ranging from monument commissions to maintenance of the capital building. The benefits of these activities accrue to all Hoosiers and are thus allocated on a per capita basis.

Fig. 1: Geographic Distribution of Per Capita Net Tax Payments

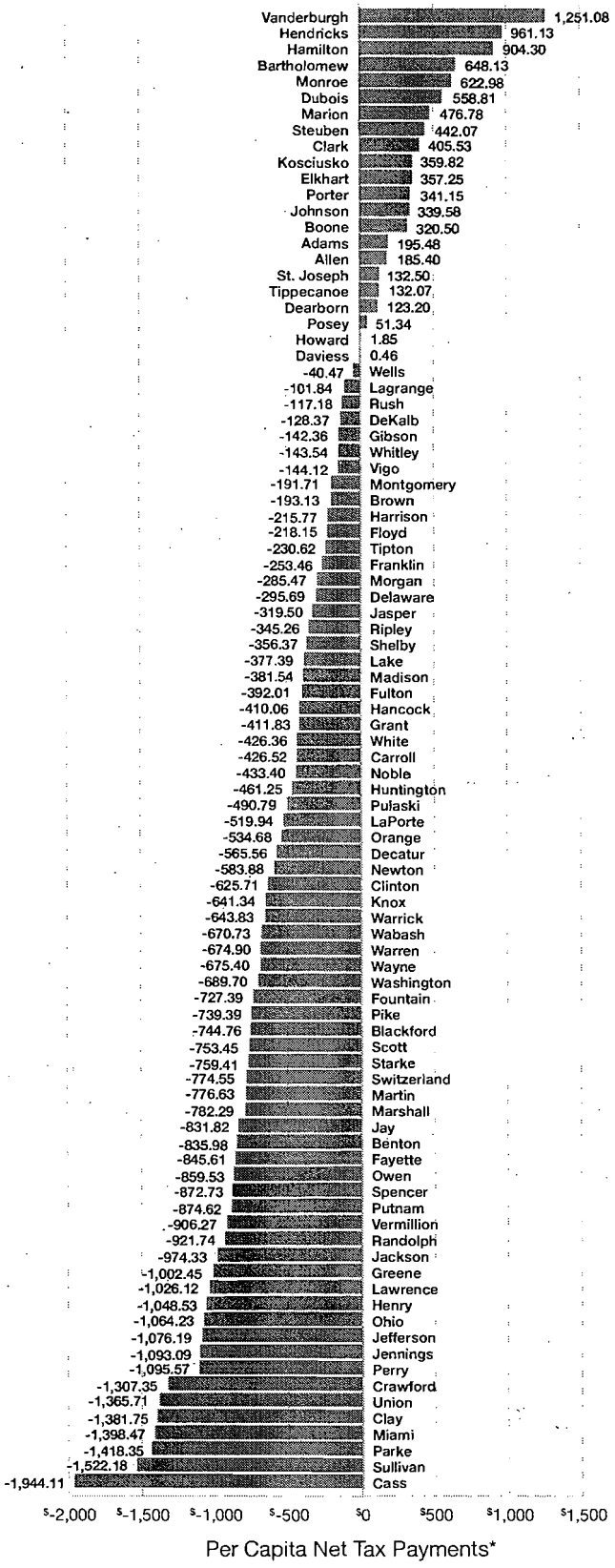


* Note: $$\text{Per capita net tax payments} = \frac{\text{State revenues - State expenditures}}{\text{Population}}$$

Net Taxes

Net taxes are the difference between total revenue and total expenditures. Indiana, like 48 other states (Vermont being the exception) effectively requires a balanced annual budget. This annual balancing occurs administratively at the end of the state fiscal year (June 30th) for the biennial budget. However, matching specific taxes paid to expenditures made in a given year is not a simple matter. This

Fig. 2: Per Capita Net Tax Payments by County

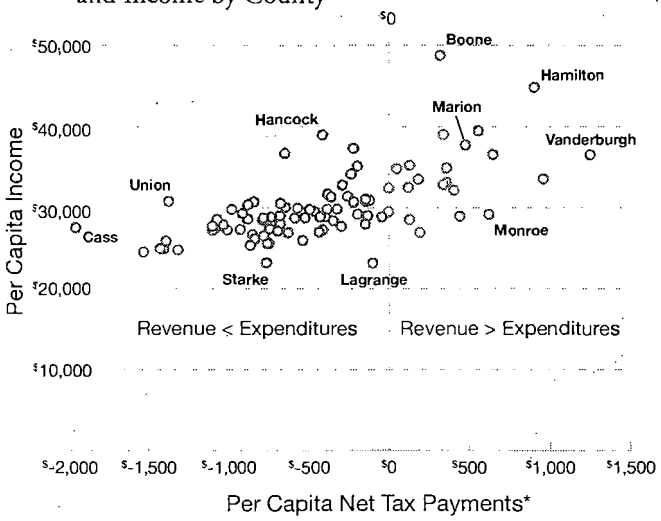


is primarily because expenditures are made in fiscal years (July 1-June 30) while income taxes (and many others) are paid on calendar years. Further complicating the matter are simple administrative issues such as year-to-year carryover of funds, corrections to year-end taxes, and supplementary revenue sources such as the sale of public equipment or interest on some state fund accounts. Also, the state, over time, maintains a balance in seven different expenditures funds in fiscal year 2009. In order to compare taxes and revenues at a single point in time it is necessary to allocate the fiscal/calendar year discrepancy and the fund balance to each county. We allocate the difference between revenues and expenditures to each county by population share.

The geographic distribution of net taxes provides some understanding of the influence that metropolitan status plays in the flow of funds in Indiana. The map in *Figure 1* outlines the level to which individual Indiana counties pay taxes and receive state government expenditures. The map possesses two color themes, orange and gray. Orange-themed counties have per capita taxes which exceed per capita government expenditures. The more intense the orange color, the higher the net taxes. Gray-themed counties had government expenditures per capita that exceeded per capita taxes. The more intense the gray color theme, the higher the net revenues that accrue to the county. The maps shows that on a per capita basis net taxes tend to flow from large metropolitan counties to smaller metro and rural counties. The exceptions are Steuben, Kosciusko, Adams and Dubois counties, which are nonmetropolitan counties but pay more in taxes than they receive in revenue. Steuben County is bordered by two states both of which have higher gasoline and cigarette taxes than Indiana and has two interstate highways running through it. As a result this county collects a disproportionate share of cigarette and gasoline tax revenue. Kosciusko, Adams and Dubois counties are each proximate to a metropolitan area and have residents with relatively high household incomes. Personal income tax, corporate income tax, and sales tax payments, gasoline taxes are higher than the state median (excluding Marion County). These factors suggest that the spending and tax gap are the result of local conditions. When combined with high volatility in year to year expenditures on infrastructure these types of variations are not unexpected. See the appendix for more details on state revenues and expenditures by county.

The geographic distribution of net tax payments to each county, on a per capita basis, also provides a tool for understanding the flow of funds. *Figure 2* shows the ranking of counties by net taxes. The orange bars indicate counties where state revenue per capita is higher than state expenditures per capita. The gray bars indicate the opposite: counties where state expenditures per capita are greater than state revenues per capita. On a per capita basis, residents of Vanderburgh County pay the most in state taxes relative to state expenditures while Cass County receives the most state expenditures relative to taxes paid.

Fig. 3: Distribution of Per Capita Net Tax Payments and Income by County



* Note: Per capita net tax payments = $\frac{\text{State revenues - State expenditures}}{\text{Population}}$

Figure 3 compares per capita income in each of Indiana's 92 counties with the net taxes paid. The orange dots indicate counties where state revenue per capita is higher than state expenditures per capita. The gray dots indicate state expenditures per capita are higher than state revenue per capita. As clearly indicated, richer counties pay more taxes than they receive in state spending, while poorer counties receive more state spending than they pay in taxes.

Metropolitan counties

Table 3 shows the division of state tax revenue and expenditures between metropolitan and nonmetropolitan counties (2003 definition). Taxpayers in the 46 metropolitan counties pay 82.5 percent of the taxes ($11.3 billion, $2,261 per capita) and receive 76.7 percent ($10.5 billion, $2,103 per capita) of the revenue.

We also include separate tabulations for the ten-county Indianapolis metropolitan area and the rest of the state. The Indianapolis metro counties pay more in state taxes than they receive in state expenditures. Of the 13.7 billion in state tax revenue allocated to counties, more than 33 percent ($4.58 billion, $2,673 per capita) were paid by taxpayers in the Indianapolis metropolitan counties while these counties received 28 percent of state expenditures ($3.8 billion, $2,229 per capita). In contrast, counties outside the Indianapolis area in aggregate pay less in state taxes ($9 billion, $1,951 per capita) than they receive in expenditures ($9.86 billion, $2,114 per capita).

Conclusion

This study examines the geographic source of Indiana's tax revenues and the disbursement of these taxes through more than 550 state funds. We are particularly intent upon assigning taxes and expenditures to residents in specific counties to better illustrate the flow of state tax dollars among regions within Indiana.

This effort requires us to make incidence assumptions based upon the most likely tax payers and then assign these taxes to specific counties. We do the same for expenditures, linking beneficiaries to spending. While residents in Ohio County benefit, albeit modestly, from health care expenditures for children in Porter County, the child and her family in Porter County derive most of the benefit. So, in principle we have attempted to assign benefits based to the primary beneficiary. Since most State funds are distributed in close formularies (e.g. schools), our assumptions of incidence do little to alter the result.

What is most clear is that on a per capita basis the transfer of tax dollars through the state's fiscal system flows from rich to poorer places and from urban to rural places. This is consistent with the results by analysts from other states who examine the distribution of state government finances.

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Table 3: State Tax Revenue and Expenditures in Metro and Nonmetro Counties of the State

Region	Population	Personal Income ($ in thousands)	Total Revenue ($)	Total Expenditures ($)
Total	6,376,792	210,447,553	13,677,985,873	13,677,985,873
Metro total	4,989,373	170,732,393	11,281,365,891	10,492,860,236
Metro share	78.2%	81.1%	82.5%	76.7%
Nonmetro total	1,387,419	39,715,160	2,396,619,982	3,185,125,637
Nonmetro share	21.8%	18.9%	17.5%	23.3%
Indianapolis metro total	1,715,459	65,094,385	4,584,960,947	3,823,291,532
Indianapolis metro share of state total	26.9%	30.9%	33.5%	28.0%
Outside Indianapolis total	4,661,333	145,353,168	9,093,024,926	9,854,694,341
Outside Indianapolis share of state total	73.1%	69.1%	66.5%	72.0%

Region	Personal Income ($ in thousands)	Total Revenue ($)	Total Expenditures ($)	Net Taxes ($) (Total Revenue-Total Expenditures)
Total per capita	33,002	2,145	2,145	
Metro per capita	34,219	2,261	2,103	158
Nonmetro per capita	28,625	1,727	2,296	-568
Metro Indianapolis per capita	37,946	2,673	2,229	444
Rest of state per capita	31,183	1,951	2,114	-163

Appendix

Table A1: Population, Income, Revenues and Expenditures by County

County	Population	Personal Income ($ in Thousands)	Total Revenue ($)	Total Expenditures ($)	Net Taxes ($)	Net Taxes Per Capita ($)	Per Capita Income ($)	Metro Counties Yes/No	Indy Metro Counties Yes/No
Adams	33,985	916,435	62,499,583	55,856,363	6,643,219	195	26,966	No	No
Allen	350,523	11,752,526	794,581,265	729,593,922	64,987,343	185	33,529	Yes	No
Bartholomew	75,360	2,756,216	195,636,762	146,793,478	48,843,284	648	36,574	Yes	No
Benton	8,769	269,621	13,790,819	21,121,505	-7,330,686	-836	30,747	Yes	No
Blackford	13,093	335,272	18,838,240	28,589,347	-9,751,107	-745	25,607	No	No
Boone	55,027	2,683,816	138,975,353	121,339,375	17,635,978	320	48,773	Yes	Yes
Brown	14,550	510,870	26,492,838	29,302,910	-2,810,072	-193	35,111	Yes	Yes
Carroll	19,864	576,299	32,996,726	41,469,186	-8,472,460	-427	29,012	Yes	No
Cass	39,123	1,103,066	64,993,315	141,052,683	-76,059,368	-1,944	28,195	No	No
Clark	106,673	3,431,030	237,138,377	193,879,686	43,258,691	406	32,164	Yes	No
Clay	26,703	693,126	38,731,770	75,628,705	-36,896,935	-1,382	25,957	Yes	No
Clinton	34,069	916,938	50,098,203	71,415,533	-21,317,330	-626	26,914	No	No
Crawford	10,624	263,355	10,656,028	24,545,348	-13,889,319	-1,307	24,789	No	No
Daviess	30,147	889,753	55,388,598	55,374,765	13,833	0.46	29,514	No	No
Dearborn	49,985	1,623,942	89,530,623	83,372,284	6,158,339	123	32,489	Yes	No
Decatur	24,998	749,362	47,275,751	61,413,674	-14,137,924	-566	29,977	No	No
DeKalb	41,884	1,215,920	77,850,014	83,226,459	-5,376,445	-128	29,031	No	No
Delaware	114,685	3,179,897	219,578,453	253,490,194	-33,911,740	-296	27,727	Yes	No
Dubois	41,449	1,636,696	110,962,125	87,800,104	23,162,021	559	39,487	No	No
Elkhart	199,137	6,595,065	468,888,559	397,747,766	71,140,793	357	33,118	Yes	No
Fayette	24,265	647,070	36,733,499	57,252,281	-20,518,782	-846	26,667	No	No
Floyd	73,780	2,753,251	130,678,863	146,773,706	-16,094,843	-218	37,317	Yes	No
Fountain	17,041	491,521	25,686,824	38,082,290	-12,395,466	-727	28,843	No	No
Franklin	23,343	733,726	36,577,307	42,493,756	-5,916,449	-253	31,432	Yes	No
Fulton	20,319	587,234	35,396,580	43,361,883	-7,965,302	-392	28,901	No	No
Gibson	32,666	1,006,425	55,149,865	59,800,346	-4,650,481	-142	30,810	Yes	No
Grant	68,609	1,868,951	113,145,504	141,400,524	-28,255,020	-412	27,241	No	No
Greene	32,577	887,482	47,740,976	80,397,720	-32,656,744	-1,002	27,243	Yes	No
Hamilton	269,785	12,095,594	813,632,379	569,667,094	243,965,285	904	44,834	Yes	Yes
Hancock	67,282	2,620,647	128,128,843	155,718,735	-27,589,891	-410	38,950	Yes	Yes
Harrison	37,067	1,138,776	65,653,482	73,651,613	-7,998,131	-216	30,722	Yes	No
Hendricks	137,240	4,605,605	431,278,435	299,373,260	131,905,175	961	33,559	Yes	Yes
Henry	47,162	1,310,565	77,040,945	126,491,649	-49,450,704	-1,049	27,789	No	No
Howard	83,381	2,703,700	180,485,080	180,330,728	154,352	2	32,426	Yes	No
Huntington	37,570	1,111,431	57,406,209	74,735,205	-17,328,996	-461	29,583	No	No
Jackson	42,193	1,256,510	92,405,865	133,515,733	-41,109,867	-974	29,780	No	No
Jasper	32,544	972,050	59,218,322	69,616,286	-10,397,963	-320	29,869	Yes	No
Jay	21,412	559,836	28,679,882	46,490,884	-17,811,002	-832	26,146	No	No
Jefferson	32,820	901,018	58,139,187	93,459,605	-35,320,417	-1,076	27,453	No	No
Jennings	28,040	763,744	39,024,833	69,675,146	-30,650,313	-1,093	27,238	No	No
Johnson	139,158	4,573,891	315,199,192	267,943,446	47,255,746	340	32,868	Yes	Yes
Knox	38,057	1,144,110	70,816,440	95,224,036	-24,407,597	-641	30,063	No	No
Kosciusko	76,275	2,662,088	163,894,906	136,449,430	27,445,476	360	34,901	No	No
Lagrange	37,172	861,875	58,200,147	61,985,596	-3,785,449	-102	23,186	No	No
Lake	493,800	15,637,354	890,431,620	1,076,787,023	-186,355,403	-377	31,667	Yes	No
LaPorte	110,888	3,191,921	216,135,792	273,791,265	-57,655,474	-520	28,785	Yes	No
Lawrence	45,913	1,281,500	76,115,923	123,228,273	-47,112,350	-1,026	27,911	No	No

Table A1 Continued

County	Population	Personal Income ($ in Thousands)	Total Revenue ($)	Total Expenditures ($)	Net Taxes ($)	Net Taxes Per Capita ($)	Per Capita Income ($)	Metro Counties Yes=Yes No = No	Indy Metro Counties Yes=Yes No = No
Madison	131,501	3,925,372	231,845,020	282,017,750	-50,172,729	-382	29,851	Yes	No
Marion	880,380	33,237,274	2,482,024,322	2,062,276,012	419,748,310	477	37,753	Yes	Yes
Marshall	46,709	1,329,871	69,299,388	105,839,369	-36,539,981	-782	28,471	No	No
Martin	9,969	286,480	14,060,045	21,802,273	-7,742,228	-777	28,737	No	No
Miami	36,219	902,838	48,545,553	99,196,631	-50,651,078	-1,398	24,927	No	No
Monroe	128,992	3,767,800	270,851,625	190,492,146	80,359,479	623	29,210	Yes	No
Montgomery	37,805	1,104,554	68,546,193	75,793,817	-7,247,624	-192	29,217	No	No
Morgan	70,668	2,318,239	122,635,385	142,808,988	-20,173,603	-285	32,805	Yes	Yes
Newton	13,933	400,173	19,428,695	27,563,853	-8,135,158	-584	28,721	Yes	No
Noble	47,601	1,285,747	69,584,560	90,214,937	-20,630,377	-433	27,011	No	No
Ohio	5,773	165,000	7,836,274	13,980,050	-6,143,776	-1,064	28,581	Yes	No
Orange	19,571	508,085	30,852,265	41,316,487	-10,464,223	-535	25,961	No	No
Owen	22,375	566,804	26,265,769	45,497,684	-19,231,915	-860	25,332	Yes	No
Parke	17,152	428,674	22,668,113	46,995,569	-24,327,457	-1,418	24,993	No	No
Perry	18,929	524,999	31,263,650	52,001,767	-20,738,117	-1,096	27,735	No	No
Pike	12,569	343,999	15,556,083	24,849,483	-9,293,401	-739	27,369	No	No
Porter	162,181	6,330,096	341,927,790	286,599,596	55,328,194	341	39,031	Yes	No
Posey	26,079	907,701	49,815,739	48,476,871	1,338,868	51	34,806	Yes	No
Pulaski	13,712	408,735	24,109,906	30,839,555	-6,729,649	-491	29,809	No	No
Putnam	37,183	1,063,716	53,201,859	85,722,996	-32,521,137	-875	28,608	Yes	Yes
Randolph	25,801	704,544	35,795,361	59,577,240	-23,781,879	-922	27,307	No	No
Ripley	27,400	778,422	50,010,640	59,470,867	-9,460,227	-345	28,410	No	No
Rush	17,297	534,632	34,391,521	36,418,365	-2,026,845	-117	30,909	No	No
St. Joseph	266,680	9,396,281	566,927,522	531,592,578	35,334,945	132	35,234	Yes	No
Scott	23,627	604,597	35,265,089	53,066,960	-17,801,871	-753	25,589	No	No
Shelby	44,186	1,384,733	73,392,341	89,138,718	-15,746,376	-356	31,339	Yes	Yes
Spencer	20,111	610,730	33,282,859	50,834,354	-17,551,495	-873	30,368	No	No
Starke	23,658	548,697	32,116,688	50,082,920	-17,966,232	-759	23,193	No	No
Steuben	33,368	966,386	73,784,013	59,033,056	14,750,957	442	28,961	No	No
Sullivan	21,328	524,319	29,600,258	62,065,363	-32,465,105	-1,522	24,584	Yes	No
Switzerland	9,696	257,332	12,141,915	19,651,954	-7,510,038	-775	26,540	No	No
Tippecanoe	164,237	4,682,114	324,529,758	302,838,880	21,690,877	132	28,508	Yes	No
Tipton	15,923	543,771	27,310,692	30,982,838	-3,672,145	-231	34,150	Yes	No
Union	7,157	220,674	10,827,416	20,601,811	-9,774,396	-1,366	30,833	No	No
Vanderburgh	174,729	6,386,585	549,001,508	330,400,859	218,600,650	1,251	36,551	Yes	No
Vermillion	16,234	475,429	24,588,025	39,300,360	-14,712,335	-906	29,286	Yes	No
Vigo	105,968	2,968,882	210,923,854	226,195,433	-15,271,579	-144	28,017	Yes	No
Wabash	32,706	998,510	59,725,486	81,662,526	-21,937,039	-671	30,530	No	No
Warren	8,547	238,908	11,076,163	16,844,519	-5,768,356	-675	27,952	No	No
Warrick	57,656	2,116,280	97,436,125	134,556,749	-37,120,625	-644	36,705	Yes	No
Washington	27,949	757,741	34,804,945	54,081,294	-19,276,349	-690	27,112	Yes	No
Wayne	67,795	1,966,362	137,784,006	183,572,449	-45,788,443	-675	29,005	No	No
Wells	27,964	807,590	53,195,715	54,327,339	-1,131,624	-40	28,880	Yes	No
White	23,800	687,134	44,684,471	54,831,916	-10,147,445	-426	28,871	No	No
Whitley	32,667	1,013,663	57,170,966	61,859,890	-4,688,924	-144	31,030	Yes	No
Total	6,376,792	210,447,553	13,677,985,873	13,677,985,873					

Exhibit B
Commission on State Tax and Financing Policy
Meeting #1 Sept. 12, 2011

Introduced Version

***

HOUSE BILL No. _____

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.5.

Synopsis: Allocation of local income taxes between counties. Provides that an individual who has a principal place of employment or business in a county other than the individual's county of residence is required to pay a county adjusted gross income tax, county option income tax, or county economic development tax imposed by the county where the individual works at a rate that is one-fourth the rate imposed on residents of the county under those taxes. Provides a credit against any tax imposed by the individual's county of residence in the amount of the tax paid to the county where the individual has the individual's principal place of employment or business.

Effective: January 1, 2012.

Karickhoff

_____, read first time and referred to Committee on

20111847

2011 LS 6545/DI 51+

Introduced

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.

HOUSE BILL

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

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

SECTION 1. IC 6-3.5-1.1-1, AS AMENDED BY P.L.146-2008, SECTION 326, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2012]: Sec. 1. As used in this chapter:

"Adjusted gross income" has the same definition that the term is given in IC 6-3-1-3.5(a), except that in the case of a county taxpayer who is not a resident of a county that has imposed the county adjusted gross income tax, the term includes only adjusted gross income derived from the taxpayer's principal place of business or employment.

"Apartment complex" means real property consisting of at least five (5) units that are regularly used to rent or otherwise furnish residential accommodations for periods of at least thirty (30) days.

"Civil taxing unit" means any entity having the power to impose ad valorem property taxes except a school corporation. The term does not include a solid waste management district that is not entitled to a distribution under section 1.3 of this chapter. However, in the case of a consolidated city, the term "civil taxing unit" includes the consolidated city and all special taxing districts, all special service

districts, and all entities whose budgets and property tax levies are subject to review under IC 36-3-6-9.

"County council" includes the city-county council of a consolidated city.

"County taxpayer" as it relates to a county for a year means any individual:

(1) who resides in that county on the date specified in section 16 of this chapter; or

(2) who:

(A) maintains the taxpayer's principal place of business or employment in that county on the date specified in section 16 of this chapter and who does not on that same date reside in another county in which the county adjusted gross income tax, the county option income tax, or the county economic development income tax is in effect, **if the term applies to a tax rate imposed under a provision of this chapter other than section 4.5 of this chapter; or**

(B) maintains the taxpayer's principal place of business or employment in that county on the date specified in section 16 of this chapter and who on that same date resides in another county in which the county adjusted gross income tax, the county option income tax, or the county economic development income tax is in effect, if the term applies to a tax rate imposed under section 4.5 of this chapter.

"Department" refers to the Indiana department of state revenue.

"Homestead" has the meaning set forth in IC 6-1.1-12-37.

"Nonresident county taxpayer" as it relates to a county for a year means any county taxpayer for that county for that year who is not a resident county taxpayer of that county for that year.

"Qualified residential property" refers to any of the following:

(1) An apartment complex.

(2) A homestead.

(3) Residential rental property.

"Resident county taxpayer" as it relates to a county for a year means any county taxpayer who resides in that county on the date specified in section 16 of this chapter.

"Residential rental property" means real property consisting of not more than four (4) units that are regularly used to rent or otherwise furnish residential accommodations for periods of at least thirty (30) days.

"School corporation" means any public school corporation established under Indiana law.

SECTION 2. IC 6-3.5-1.1-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2012]: **Sec. 4.5. (a) This section applies only to a county taxpayer who maintains the taxpayer's principal place of business or employment in a county on the date specified in section 16 of this chapter and who on that same date resides in another county in which the county adjusted gross income tax, the county option income tax, or the county economic development income tax is in effect.**

(b) The county adjusted gross income tax rate in effect for the county taxpayer in the county where the county taxpayer maintains the county taxpayer's principal place of business or employment is twenty-five hundredths of one percent (0.25%) of the sum of the tax rates imposed under:

(1) section 2, 3, or 3.1 of this chapter;

(2) section 24 of this chapter;

(3) section 25 of this chapter; and

(4) section 26 of this chapter;

on the adjusted gross income of resident county taxpayers who reside in the county where the county taxpayer maintains the county taxpayer's principal place of business or employment.

SECTION 3. IC 6-3.5-1.1-4.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2012]: **Sec. 4.7. (a) This section applies if a taxpayer is obligated in the same calendar year to pay:**

(1) a tax imposed under section 4.5 of this chapter in a county where the taxpayer has a principal place of business or employment; and

(2) a tax imposed under this chapter or IC 6-3.5-6 in a county where the taxpayer resides.

(b) A taxpayer is eligible for a credit against the tax imposed by a county where the taxpayer resides. The amount of the credit is equal to the amount of the tax paid under section 4.5 of this chapter in the county where the taxpayer has a principal place of business or employment.

SECTION 4. IC 6-3.5-6-1, AS AMENDED BY P.L.146-2008, SECTION 335, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2012]: Sec. 1. As used in this chapter:

"Adjusted gross income" has the same definition that the term is given in IC 6-3-1-3.5. However, in the case of a county taxpayer who is not treated as a resident county taxpayer of a county, the term includes only adjusted gross income derived from the taxpayer's

principal place of business or employment.

"Apartment complex" means real property consisting of at least five (5) units that are regularly used to rent or otherwise furnish residential accommodations for periods of at least thirty (30) days.

"Civil taxing unit" means any entity, except a school corporation, that has the power to impose ad valorem property taxes. The term does not include a solid waste management district that is not entitled to a distribution under section 1.3 of this chapter. However, in the case of a county in which a consolidated city is located, the consolidated city, the county, all special taxing districts, special service districts, included towns (as defined in IC 36-3-1-7), and all other political subdivisions except townships, excluded cities (as defined in IC 36-3-1-7), and school corporations shall be deemed to comprise one (1) civil taxing unit whose fiscal body is the fiscal body of the consolidated city.

"County income tax council" means a council established by section 2 of this chapter.

"County taxpayer", as it relates to a particular county, means any individual:

(1) who resides in that county on the date specified in section 20 of this chapter; or

(2) who:

(A) maintains the taxpayer's principal place of business or employment in that county on the date specified in section 20 of this chapter and who does not reside on that same date in another county in which the county option income tax, the county adjusted income tax, or the county economic development income tax is in effect, **if the term applies to a tax rate imposed under a provision of this chapter other than section 9.4 of this chapter; or**

(B) maintains the taxpayer's principal place of business or employment in that county on the date specified in section 20 of this chapter and who on that same date resides in another county in which the county adjusted gross income tax, the county option income tax, or the county economic development income tax is in effect, if the term applies to a tax rate imposed under section 9.4 of this chapter.

"Department" refers to the Indiana department of state revenue.

"Fiscal body" has the same definition that the term is given in IC 36-1-2-6.

"Homestead" has the meaning set forth in IC 6-1.1-12-37.

"Qualified residential property" refers to any of the following:

(1) An apartment complex.

(2) section 26 of this chapter;

on the adjusted gross income of resident county taxpayers who reside in the county where the county taxpayer maintains the county taxpayer's principal place of business or employment.

SECTION 9. IC 6-3.5-7-7.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2012]: **Sec. 7.7. (a) This section applies if a taxpayer is obligated in the same calendar year to pay:**

(1) a tax imposed under section 7.5 of this chapter in a county where the taxpayer has a principal place of business or employment; and

(2) a tax imposed under this chapter in a county where the taxpayer resides.

(b) A taxpayer is eligible for a credit against the tax imposed by a county where the taxpayer resides. The amount of the credit is equal to the amount of the tax paid under section 7.5 of this chapter in the county where the taxpayer has a principal place of business or employment.

SECTION 10. [EFFECTIVE JANUARY 1, 2012] **(a) The changes made by this act to the following sections of the Indiana Code apply only to taxable years (as defined in IC 6-3-1-16) and employer remittances made after December 31, 2011:**

IC 6-3.5-1.1-1
IC 6-3.5-1.1-4.5
IC 6-3.5-1.1-4.7
IC 6-3.5-6-1
IC 6-3.5-6-9.4
IC 6-3.5-6-9.7
IC 6-3.5-7-3
IC 6-3.5-7-7.5
IC 6-3.5-7-7.7.

(b) This SECTION expires January 1, 2015.

LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6545 | **NOTE PREPARED:** Jan 9, 2011
BILL NUMBER: | **BILL AMENDED:**

SUBJECT: Allocation of Local Income Taxes Between Counties.

FIRST AUTHOR: | **BILL STATUS:**
FIRST SPONSOR:

FUNDS AFFECTED: X **GENERAL** | **IMPACT:** State & Local
DEDICATED
FEDERAL

Summary of Legislation: This bill provides that an individual who has a principal place of employment or business in a county other than the individual's county of residence is required to pay a County Adjusted Gross Income Tax (CAGIT), County Option Income Tax (COIT), or County Economic Development Tax (CEDIT) imposed by the county where the individual works at a rate that is one-fourth the rate imposed on residents of the county under those taxes. It provides a credit against any tax imposed by the individual's county of residence in the amount of the tax paid to the county where the individual has the individual's principal place of employment or business.

Effective Date: January 1, 2012.

Explanation of State Expenditures: *Department of State Revenue (DOR)*: The DOR will incur additional expenses to revise tax forms, instructions, and computer programs to implement the requirements of this bill. The DOR's current level of resources should be sufficient to implement these requirements.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: *Summary* - This bill could reallocate about $115 M in CAGIT, COIT and CEDIT revenue, potentially affecting all counties imposing these taxes. Reallocation of local option income tax (LOIT) revenue will depend upon the taxable income of individuals whose principal place of employment or business is a county other than their county of residence. This estimate is based on taxable income

reported on individual income tax returns for tax year 2008 (the most recent year available), with projections based on county-level wage and salary growth forecasts. The potential revenue that could be generated by this bill may vary above or below this estimate depending on changes in employment and commuting patterns. Any changes in LOIT revenue resulting from this bill will be accounted for through certified distributions as determined by the State Budget Agency.

The table below provides estimates by county based upon the bill's provisions. The estimates account for any additional revenue that could be generated and offset by the credit allowed against the resident county taxpayer's liability for any LOIT imposed by the county of residence.

County	Estimated Impact	County	Estimated Impact
Adams	($175,000)	Lawrence	($278,000)
Allen	$700,000	Madison	($940,000)
Bartholomew	$830,000	Marion	$41.8 M
Benton	($78,000)	Marshall	($387,000)
Blackford	($267,000)	Martin	$467,000
Boone	($4.0 M)	Miami	($353,000)
Brown	($488,000)	Monroe	$318,000
Carroll	($663,000)	Montgomery	$404,000
Cass	$11,000	Morgan	($2.2 M)
Clark	$1.4 M	Newton	($195,000)
Clay	($370,000)	Noble	($207,000)
Clinton	($74,000)	Ohio	($71,000)
Crawford	($168,000)	Orange	($75,000)
Daviess	$26,000	Owen	($461,000)
Dearborn	$68,000	Parke	($204,000)
Decatur	$183,000	Perry	($132,000)
DeKalb	$327,000	Pike	($257,000)
Delaware	($246,000)	Porter	($443,000)
Dubois	$491,000	Posey	($401,000)
Elkhart	$1.9 M	Pulaski	$119,000
Fayette	$100,000	Putnam	($655,000)
Floyd	($326,000)	Randolph	($353,000)

Fountain	($307,000)	Ripley	$212,000
Franklin	($460,000)	Rush	($278,000)
Fulton	($133,000)	St. Joseph	($237,000)
Gibson	($102,000)	Scott	($7,000)
Grant	$605,000	Shelby	($1.0 M)
Greene	($570,000)	Spencer	($99,000)
Hamilton	($15.9 M)	Starke	($428,000)
Hancock	($2.7 M)	Steuben	($228,000)
Harrison	($506,000)	Sullivan	($417,000)
Hendricks	($6.4 M)	Switzerland	($76,000)
Henry	($943,000)	Tippecanoe	$889,000
Howard	$1.7 M	Tipton	($443,000)
Huntington	($275,000)	Union	($99,000)
Jackson	$238,000	Vanderburgh	$2.7 M
Jasper	$644,000	Vermillion	($371,000)
Jay	$47,000	Vigo	$1.1 M
Jefferson	($179,000)	Wabash	$108,000
Jennings	($386,000)	Warren	($154,000)
Johnson	($6.2 M)	Warrick	($2.2 M)
Knox	$42,000	Washington	($519,000)
Kosciusko	($148,000)	Wayne	$87,000
LaGrange	($173,000)	Wells	($5,000)
Lake	N/A	White	($366,000)
LaPorte	($186,000)	Whitley	($487,000)
N/A = Lake is currently the only county not imposing any LOIT.			

Background Information - Current statute provides that county taxpayers pay any applicable LOIT to their county of residence instead of to the county where they maintain their principal place of employment or business if both counties impose LOIT. Since Lake County is the only county not imposing any LOIT, Lake County residents pay the applicable nonresident LOIT rate to counties where they maintain their principal place of employment or business. This bill only affects counties imposing LOIT, so it would not affect Lake County resident taxpayers.

State Agencies Affected: DOR; State Budget Agency.

Local Agencies Affected: Counties with local option income taxes.

Information Sources: OFMA Income Tax Database 2008; LOIT tax rates as of November 24, 2010; Global Insight, Spring 2010 County/Wage/Salary Disbursement Forecast (for Indiana counties), June 2010.

Fiscal Analyst: Jessica Harmon, 317-232-9854.

LEGISLATIVE SERVICES AGENCY

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Exhibit C
Commission on State Tax and Financing Policy
Meeting #1 Sept. 12, 2011

MEMORANDUM

To: Commission on State Tax and Financing Policy

From: Jim Landers

Re: Commuter Taxpayer Estimates

Date: September 12, 2011

Following are brief explanations of attached tables relating to counts and income of taxpayers who commute to work from their county of residence to another county. The commuter taxpayer counts and taxable income amounts are based on residence and work county information and taxable income information reported on Indiana individual income tax returns for tax year 2008.

Table 1: This table reports: (1) the number of taxpayers commuting from their residence county to another county for work, by county of work; (2) the taxable income of these commuting taxpayers; and (3) the estimated revenue each county could collect from an additional 0.1% income tax rate on taxpayers commuting into the county for work.

Table 2: This table reports: (1) the number of taxpayers commuting from their residence county to another county for work, by county of residence; (2) the taxable income of these commuting taxpayers; and (3) the estimated income tax that these commuting taxpayers would pay to other counties if an additional 0.1% income tax rate is imposed by the county of work.

Table 3: This table reports: (1) commuters in and commuters out for each county; and (2) the net impact of a transfer of revenue between counties for commuting workers equal to a 0.1% tax rate on the commuting workers in lieu of imposing an additional tax rate on commuting workers.

TABLE 1

County	Commuters In	Taxable Income of Commuters In	Tax Liability from 0.1% Add'l. Tax Rate on Commuters In	County	Commuters In	Taxable Income of Commuters In	Tax Liability from 0.1% Add'l. Tax Rate on Commuters In
Adams	2,402	$ 70,150,804	$ 70,151	Lawrence	2,239	$ 71,018,030	$ 71,018
Allen	22,053	$ 780,401,300	$ 780,401	Madison	7,093	$ 266,466,568	$ 266,467
Bartholomew	10,773	$ 353,177,228	$ 353,177	Marion	177,739	$ 8,891,048,236	$ 8,891,048
Benton	660	$ 21,726,179	$ 21,726	Marshall	4,319	$ 114,490,364	$ 114,490
Blackford	961	$ 29,840,715	$ 29,841	Martin	3,272	$ 194,818,608	$ 194,819
Boone	5,282	$ 190,811,331	$ 190,811	Miami	2,085	$ 60,675,566	$ 60,676
Brown	794	$ 20,263,056	$ 20,263	Monroe	14,200	$ 395,175,306	$ 395,175
Carroll	1,268	$ 34,968,544	$ 34,969	Montgomery	2,971	$ 95,372,881	$ 95,373
Cass	2,652	$ 76,151,367	$ 76,151	Morgan	3,319	$ 120,926,995	$ 120,927
Clark	10,294	$ 319,801,847	$ 319,802	Newton	820	$ 20,993,234	$ 20,993
Clay	1,580	$ 47,324,413	$ 47,324	Noble	4,633	$ 142,427,843	$ 142,428
Clinton	2,209	$ 79,221,956	$ 79,222	Ohio	941	$ 23,609,278	$ 23,609
Crawford	491	$ 13,779,508	$ 13,780	Orange	1,610	$ 44,310,070	$ 44,310
Daviess	1,504	$ 45,494,537	$ 45,495	Owen	1,276	$ 38,127,563	$ 38,128
Dearborn	2,898	$ 81,008,233	$ 81,008	Park	804	$ 20,650,602	$ 20,651
Decatur	3,616	$ 111,121,709	$ 111,122	Perry	878	$ 28,438,160	$ 28,438
DeKalb	4,682	$ 170,987,748	$ 170,988	Pike	863	$ 39,670,179	$ 39,670
Delaware	9,073	$ 259,482,314	$ 259,482	Porter	12,211	$ 412,957,630	$ 412,958
Dubois	7,409	$ 195,513,625	$ 195,514	Posey	1,509	$ 72,755,939	$ 72,756
Elkhart	20,501	$ 573,409,251	$ 573,409	Pulaski	1,058	$ 32,142,544	$ 32,143
Fayette	1,472	$ 41,023,554	$ 41,024	Putnam	3,253	$ 83,092,643	$ 83,093
Floyd	9,732	$ 267,655,233	$ 267,655	Randolph	808	$ 29,138,694	$ 29,139
Fountain	1,432	$ 34,060,727	$ 34,061	Ripley	3,849	$ 138,262,675	$ 138,263
Franklin	1,494	$ 37,995,744	$ 37,996	Rush	1,538	$ 41,129,806	$ 41,130
Fulton	1,383	$ 40,663,438	$ 40,663	St. Joseph	10,884	$ 380,881,103	$ 380,881
Gibson	4,332	$ 214,311,256	$ 214,311	Scott	1,670	$ 42,788,079	$ 42,788
Grant	4,238	$ 159,898,808	$ 159,899	Shelby	4,047	$ 137,672,316	$ 137,672
Greene	1,491	$ 45,100,585	$ 45,101	Spencer	1,802	$ 50,031,313	$ 50,031
Hamilton	27,768	$ 1,112,679,454	$ 1,112,679	Starke	950	$ 28,110,687	$ 28,111
Hancock	6,050	$ 221,727,195	$ 221,727	Steuben	1,546	$ 42,260,310	$ 42,260
Harrison	2,609	$ 67,115,075	$ 67,115	Sullivan	1,078	$ 38,140,465	$ 38,140
Hendricks	14,346	$ 491,263,115	$ 491,263	Switzerland	436	$ 12,704,627	$ 12,705
Henry	2,332	$ 67,808,698	$ 67,809	Tippecanoe	16,512	$ 518,880,608	$ 518,881
Howard	9,887	$ 379,839,941	$ 379,840	Tipton	1,326	$ 47,481,450	$ 47,481
Huntington	2,729	$ 84,130,409	$ 84,130	Union	391	$ 10,824,566	$ 10,825
Jackson	4,340	$ 132,492,430	$ 132,492	Vanderburgh	25,577	$ 983,072,585	$ 983,073
Jasper	2,652	$ 77,580,031	$ 77,580	Vermillion	1,398	$ 54,239,092	$ 54,239
Jay	1,420	$ 35,931,802	$ 35,932	Vigo	10,780	$ 307,399,348	$ 307,399
Jefferson	2,988	$ 80,478,988	$ 80,479	Wabash	2,220	$ 61,963,720	$ 61,964
Jennings	1,580	$ 49,249,013	$ 49,249	Warren	541	$ 14,480,990	$ 14,481
Johnson	11,743	$ 359,210,249	$ 359,210	Warrick	3,284	$ 125,956,454	$ 125,956
Knox	1,791	$ 62,545,867	$ 62,546	Washington	844	$ 22,752,753	$ 22,753
Kosciukso	6,392	$ 229,945,788	$ 229,946	Wayne	3,367	$ 88,468,063	$ 88,468
Lagrange	2,997	$ 88,484,091	$ 88,484	Wells	2,821	$ 81,360,526	$ 81,361
Lake	25,778	$ 1,069,276,484	$ 1,069,276	White	2,127	$ 60,126,832	$ 60,127
LaPorte	6,229	$ 217,775,620	$ 217,776	Whitley	3,223	$ 107,563,744	$ 107,564

Source: Legislative Services Agency, September 2011.

TABLE 2

County	Commuters Out	Taxable Income of Commuters Out	Tax Liability from 0.1% Add'l. Tax Rate on Commuters Out	County	Commuters Out	Taxable Income of Commuters Out	Tax Liability from 0.1% Add'l. Tax Rate on Commuters Out
Adams	3,254	$ 95,360,819	$ 95,361	Lawrence	6,171	$ 184,409,922	$ 184,410
Allen	8,856	$ 338,899,795	$ 338,900	Madison	16,143	$ 531,241,115	$ 531,241
Bartholomew	4,142	$ 154,691,166	$ 154,691	Marion	35,204	$ 1,246,597,735	$ 1,246,598
Benton	1,935	$ 54,784,211	$ 54,784	Marshall	5,751	$ 179,784,575	$ 179,785
Blackford	2,460	$ 65,418,236	$ 65,418	Martin	1,697	$ 42,403,110	$ 42,403
Boone	13,898	$ 870,669,979	$ 870,670	Miami	5,174	$ 149,408,905	$ 149,409
Brown	3,843	$ 136,488,482	$ 136,488	Monroe	4,549	$ 191,946,972	$ 191,947
Carroll	5,232	$ 163,295,532	$ 163,296	Montgomery	2,624	$ 86,495,129	$ 86,495
Cass	3,759	$ 118,042,921	$ 118,043	Morgan	17,805	$ 669,152,593	$ 669,153
Clark	7,098	$ 212,770,965	$ 212,771	Newton	2,620	$ 76,875,455	$ 76,875
Clay	5,287	$ 154,955,116	$ 154,955	Noble	7,429	$ 214,939,869	$ 214,940
Clinton	5,205	$ 156,043,146	$ 156,043	Ohio	1,144	$ 28,772,016	$ 28,772
Crawford	2,213	$ 49,519,349	$ 49,519	Orange	2,013	$ 54,241,879	$ 54,242
Daviess	2,388	$ 78,881,312	$ 78,881	Owen	4,583	$ 127,300,730	$ 127,301
Dearborn	2,663	$ 76,054,325	$ 76,054	Park	2,905	$ 86,493,893	$ 86,494
Decatur	2,794	$ 83,584,731	$ 83,585	Perry	2,111	$ 54,877,167	$ 54,877
DeKalb	5,459	$ 165,083,137	$ 165,083	Pike	3,206	$ 88,211,776	$ 88,212
Delaware	6,008	$ 199,465,557	$ 199,466	Porter	24,132	$ 1,060,680,319	$ 1,060,680
Dubois	1,834	$ 53,998,150	$ 53,998	Posey	6,054	$ 206,946,715	$ 206,947
Elkhart	7,032	$ 249,265,749	$ 249,266	Pulaski	1,789	$ 47,026,273	$ 47,026
Fayette	2,519	$ 62,869,005	$ 62,869	Putnam	5,378	$ 185,687,153	$ 185,687
Floyd	7,284	$ 226,809,053	$ 226,809	Randolph	3,772	$ 100,113,963	$ 100,114
Fountain	2,682	$ 75,821,142	$ 75,821	Ripley	3,540	$ 95,503,445	$ 95,503
Franklin	3,666	$ 114,711,749	$ 114,712	Rush	3,613	$ 105,950,964	$ 105,951
Fulton	2,628	$ 72,774,828	$ 72,775	St. Joseph	13,050	$ 466,533,199	$ 466,533
Gibson	4,055	$ 132,411,136	$ 132,411	Scott	3,177	$ 83,707,574	$ 83,708
Grant	4,010	$ 126,786,902	$ 126,787	Shelby	7,747	$ 277,196,548	$ 277,197
Greene	6,393	$ 182,221,997	$ 182,222	Spencer	4,132	$ 125,240,619	$ 125,241
Hamilton	57,331	$ 3,729,089,224	$ 3,729,089	Starke	4,509	$ 123,976,543	$ 123,977
Hancock	19,723	$ 806,251,641	$ 806,252	Steuben	3,087	$ 106,362,680	$ 106,363
Harrison	4,943	$ 137,879,945	$ 137,880	Sullivan	3,523	$ 105,552,699	$ 105,553
Hendricks	38,041	$ 1,697,692,828	$ 1,697,693	Switzerland	1,191	$ 28,505,764	$ 28,506
Henry	7,560	$ 233,111,766	$ 233,112	Tippecanoe	4,211	$ 153,757,448	$ 153,757
Howard	3,762	$ 114,912,112	$ 114,912	Tipton	3,791	$ 131,668,601	$ 131,669
Huntington	5,153	$ 167,669,612	$ 167,670	Union	1,047	$ 27,285,594	$ 27,286
Jackson	3,705	$ 111,828,621	$ 111,829	Vanderburgh	5,629	$ 228,557,824	$ 228,558
Jasper	4,657	$ 159,964,048	$ 159,964	Vermillion	2,837	$ 75,538,988	$ 75,539
Jay	2,300	$ 59,775,359	$ 59,775	Vigo	2,340	$ 82,561,246	$ 82,561
Jefferson	1,641	$ 46,307,296	$ 46,307	Wabash	3,254	$ 98,282,608	$ 98,283
Jennings	4,914	$ 132,830,082	$ 132,830	Warren	2,063	$ 61,185,268	$ 61,185
Johnson	33,310	$ 1,455,259,585	$ 1,455,260	Warrick	16,544	$ 695,334,041	$ 695,334
Knox	1,781	$ 57,287,363	$ 57,287	Washington	4,259	$ 109,376,089	$ 109,376
Kosciukso	6,413	$ 200,281,278	$ 200,281	Wayne	2,320	$ 72,403,754	$ 72,404
Lagrange	4,954	$ 132,508,586	$ 132,509	Wells	4,837	$ 155,297,032	$ 155,297
Lake	9,328	$ 299,237,412	$ 299,237	White	3,944	$ 124,338,173	$ 124,338
LaPorte	8,119	$ 331,046,754	$ 331,047	Whitley	7,288	$ 245,402,336	$ 245,402

Source: Legislative Services Agency, September 2011.

TABLE 3

County	Commuters In	Commuters Out	Net Impact of 0.1% Transfer Instead of Add'l. Tax Rate	County	Commuters In	Commuters Out	Net Impact of 0.1% Transfer Instead of Add'l. Tax Rate
Adams	2,402	3,254	$ (25,210)	Lawrence	2,239	6,171	$ (113,392)
Allen	22,053	8,856	$ 441,502	Madison	7,093	16,143	$ (264,775)
Bartholomew	10,773	4,142	$ 198,486	Marion	177,739	35,204	$ 7,644,451
Benton	660	1,935	$ (33,058)	Marshall	4,319	5,751	$ (65,294)
Blackford	961	2,460	$ (35,578)	Martin	3,272	1,697	$ 152,415
Boone	5,282	13,898	$ (679,859)	Miami	2,085	5,174	$ (88,733)
Brown	794	3,843	$ (116,225)	Monroe	14,200	4,549	$ 203,228
Carroll	1,268	5,232	$ (128,327)	Montgomery	2,971	2,624	$ 8,878
Cass	2,652	3,759	$ (41,892)	Morgan	3,319	17,805	$ (548,226)
Clark	10,294	7,098	$ 107,031	Newton	820	2,620	$ (55,882)
Clay	1,580	5,287	$ (107,631)	Noble	4,633	7,429	$ (72,512)
Clinton	2,209	5,205	$ (76,821)	Ohio	941	1,144	$ (5,163)
Crawford	491	2,213	$ (35,740)	Orange	1,610	2,013	$ (9,932)
Daviess	1,504	2,388	$ (33,387)	Owen	1,276	4,583	$ (89,173)
Dearborn	2,898	2,663	$ 4,954	Park	804	2,905	$ (65,843)
Decatur	3,616	2,794	$ 27,537	Perry	878	2,111	$ (26,439)
DeKalb	4,682	5,459	$ 5,905	Pike	863	3,206	$ (48,542)
Delaware	9,073	6,008	$ 60,017	Porter	12,211	24,132	$ (647,723)
Dubois	7,409	1,834	$ 141,515	Posey	1,509	6,054	$ (134,191)
Elkhart	20,501	7,032	$ 324,144	Pulaski	1,058	1,789	$ (14,884)
Fayette	1,472	2,519	$ (21,845)	Putnam	3,253	5,378	$ (102,595)
Floyd	9,732	7,284	$ 40,846	Randolph	808	3,772	$ (70,975)
Fountain	1,432	2,682	$ (41,760)	Ripley	3,849	3,540	$ 42,759
Franklin	1,494	3,666	$ (76,716)	Rush	1,538	3,613	$ (64,821)
Fulton	1,383	2,628	$ (32,111)	St. Joseph	10,884	13,050	$ (85,652)
Gibson	4,332	4,055	$ 81,900	Scott	1,670	3,177	$ (40,919)
Grant	4,238	4,010	$ 33,112	Shelby	4,047	7,747	$ (139,524)
Greene	1,491	6,393	$ (137,121)	Spencer	1,802	4,132	$ (75,209)
Hamilton	27,768	57,331	$ (2,616,410)	Starke	950	4,509	$ (95,866)
Hancock	6,050	19,723	$ (584,524)	Steuben	1,546	3,087	$ (64,102)
Harrison	2,609	4,943	$ (70,765)	Sullivan	1,078	3,523	$ (67,412)
Hendricks	14,346	38,041	$ (1,206,430)	Switzerland	436	1,191	$ (15,801)
Henry	2,332	7,560	$ (165,303)	Tippecanoe	16,512	4,211	$ 365,123
Howard	9,887	3,762	$ 264,928	Tipton	1,326	3,791	$ (84,187)
Huntington	2,729	5,153	$ (83,539)	Union	391	1,047	$ (16,461)
Jackson	4,340	3,705	$ 20,664	Vanderburgh	25,577	5,629	$ 754,515
Jasper	2,652	4,657	$ (82,384)	Vermillion	1,398	2,837	$ (21,300)
Jay	1,420	2,300	$ (23,844)	Vigo	10,780	2,340	$ 224,838
Jefferson	2,988	1,641	$ 34,172	Wabash	2,220	3,254	$ (36,319)
Jennings	1,580	4,914	$ (83,581)	Warren	541	2,063	$ (46,704)
Johnson	11,743	33,310	$ (1,096,049)	Warrick	3,284	16,544	$ (569,378)
Knox	1,791	1,781	$ 5,259	Washington	844	4,259	$ (86,623)
Kosciukso	6,392	6,413	$ 29,665	Wayne	3,367	2,320	$ 16,064
Lagrange	2,997	4,954	$ (44,024)	Wells	2,821	4,837	$ (73,937)
Lake	25,778	9,328	$ 770,039	White	2,127	3,944	$ (64,211)
LaPorte	6,229	8,119	$ (113,271)	Whitley	3,223	7,288	$ (137,839)

Source: Legislative Services Agency, September 2011.

Exhibit D
Commission on State Tax
and Financing Policy
Meeting #1 Sept. 12, 2011

DISTRIBUTION OF LOIT REVENUE BETWEEN LOCAL UNITS

Presented by the Legislative Services Agency
to the Commission on State Tax & Financing Policy

September 12, 2011

Local Option Income Taxes

- County Adjusted Gross Income Tax (CAGIT)
- County Option Income Tax (COIT)
- County Economic Development Income Tax (CEDIT)
- Local Option Income Taxes (LOITs)
  - LOIT to Freeze Property Tax Levy Growth
  - LOIT for Property Tax Relief
  - LOIT for Public Safety

CAGIT

- Adopted by County Council
- Provides revenue for property tax relief and general government spending purposes
- 56 counties have adopted CAGIT
- Maximum rates:
  - 1% for resident taxpayers.
    - Rate may exceed 1% in 10 counties to fund correctional facilities, courthouse repair, and capital trial costs
  - 0.25% for nonresident taxpayers, if home county has no local option income tax
- 2012 Rates:
  - Average: 1.00%
  - Range: 0.50% - 1.30%

CAGIT Certified Distribution Allocation

CAGIT Rate	Local Property Tax Replacement Credits	Certified Shares
0.50%	50%	50%
0.75%	$33^1/_3$%	$66\ ^2/_3$%
1.00%	25%	75%

- LPTRC: reduces property tax levy for all units of government including schools
- Certified Shares: used only by civil taxing units for additional property tax relief and, in part, for general government purposes

CAGIT: LPTRC and Certified Shares

- LPTRC
  - Apportioned based on the taxing unit's property tax levy
    - Excludes the property tax levy for all debt service incurred after June 30, 2005
    - Includes the taxing unit's share of LPTRC received in the previous year.
- Certified Shares
  - Apportioned based on the taxing unit's property tax levy
    - Includes the property taxes imposed by the county for the county welfare fund in 1999 and for children's welfare funds in 2008
    - Excludes the property tax levy for all debt service incurred after June 30, 2005
    - Includes the taxing unit's share of certified shares received in the previous year

COIT

- Adopted by County Income Tax Council
- Provides revenue for general government spending purposes, optional homestead credits
- **28** counties have adopted COIT
- Maximum rates:
  - 1% for resident taxpayers
    - Rate may exceed 1% in 4 counties to fund correctional facilities
  - ¼ of resident tax rate for nonresidents, if home county has no local option income tax
- 2012 Rates:
  - Average: 0.81%
  - Range: 0.30% - 1.25%

COIT: Homestead Credits

- Counties may provide homestead credits
  - Homestead credits reduce the total amount of certified shares available for allocation to civil units
  - 10 counties currently provide COIT-funded homestead credits

COIT: Certified Shares

- Apportioned to each civil taxing unit based on the unit's property tax levy
  - Includes taxes imposed by the county for the county welfare fund in 1999 and for children's welfare funds in 2008
  - Excludes the property tax levy for all debt service incurred after June 30, 2005
  - Includes the taxing unit's certified shares received in the previous year
- Marion County's revenues are distributed according to the schedule in IC 6-3.5-6-18.5

CEDIT

- Provides revenue for various purposes, including economic development, capital projects, and property tax relief
- **77** counties have adopted CEDIT
- Maximum rates:
  - 0.5% for resident and nonresident taxpayers
    - Rate may exceed 0.5% in 4 counties to fund correctional facilities and a regional development authority.
    - Any county may adopt up to an additional 0.25% rate to provide homestead credits
  - In CAGIT counties, the combined rate may not exceed 1.25% (plus exceptions)
  - In COIT counties, the combined rate may not exceed 1.0% (plus exceptions)
- 2012 Rates
  - Average: 0.36%
  - Range: 0.10% - 0.56%

CEDIT: Certified Shares

- Apportioned to counties, cities, and towns based on property tax levy
  - Includes the property taxes imposed by the county for the county welfare fund in 1999 and for children's welfare funds in 2008
- Counties that adopted CEDIT after June 1, 1992, may elect to distribute CEDIT shares on a population basis

LOIT to Freeze Property Tax Levy Growth

- Provides revenue to replace the normal annual increase in the maximum levy calculation for local units
- Maximum rates:
  - 1% for residents taxpayers.
  - Maximum nonresident rate applicable to CAGIT and COIT counties
- **11** counties have adopted LOIT to freeze property tax levy growth
- 2012 Rates:
  - Average: 0.31%
  - Range: 0.20% - 0.40%

LOIT for Property Tax Relief

- Provides revenue for property tax relief
- Maximum rates:
  - 1% for resident taxpayers
  - Maximum nonresident rate applicable to CAGIT and COIT counties
- **27** counties have adopted LOIT for property tax relief
- 2012 Rates:
  - Average: 0.59%
  - Range: 0.20% - 1.00%

LOIT for Public Safety

- Provides revenue for public safety expenditures by counties, cities, and towns
- Maximum rates:
  - 0.25% for resident taxpayers
  - Maximum nonresident rate applicable to CAGIT and COIT counties
- **18** counties have adopted LOIT for public safety.
- 2012 Rates
  - Average: 0.24%
  - Range: 0.05% - 0.35%

Adoption Deadlines & Effective Dates

- Effective dates for new or increased LOIT rates:

Adoption Date	Effective Date
January 1 – September 30	October 1
October 1 – October 15	November 1
October 16 – October 31	December 1

- Effective dates for rescinded or reduced LOIT rates:

Adoption Date	Effective Date
January 1 – September 30	Later of October 1 or same month as last rate increase
October 1 – October 15	Later of November 1 or same month as last rate increase
October 16 – October 31	December 1

Exhibit E
Commission on State Tax and Financing Policy
Meeting #1 Sept. 12, 2011

CAGIT or COIT Certified Shares
Percentage of Total Shares by Taxing Unit Type
(Includes Only Legacy CAGIT and COIT)

			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
	State Total	Counties	43.3%	43.2%	42.9%	42.4%	42.3%	41.7%	40.7%	40.3%	40.4%	40.3%	41.5%	40.5%
	State Total	Townships	5.6%	5.8%	5.8%	5.9%	5.7%	5.7%	6.0%	5.7%	5.5%	5.5%	5.8%	5.8%
	State Total	Cities and Towns	34.4%	35.0%	36.0%	35.3%	35.2%	35.4%	35.4%	34.8%	33.9%	34.7%	34.4%	35.0%
	State Total	Libraries	7.2%	7.3%	7.5%	7.5%	7.5%	7.4%	7.3%	7.2%	7.0%	7.0%	7.1%	7.2%
	State Total	Special Units	9.4%	8.6%	7.8%	9.0%	9.2%	9.9%	10.6%	12.0%	13.1%	12.5%	11.1%	11.5%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	91 Counties Excluding Marion	Counties	45.8%	45.1%	44.6%	44.4%	44.5%	44.1%	43.2%	43.3%	43.2%	42.6%	42.8%	42.4%
		Townships	5.0%	5.3%	5.3%	5.4%	5.2%	5.1%	5.1%	5.1%	5.2%	5.3%	5.3%	5.2%
		Cities and Towns	39.9%	40.3%	40.6%	40.5%	40.4%	40.7%	41.7%	41.6%	41.7%	42.2%	41.9%	42.4%
		Libraries	7.6%	7.6%	7.8%	7.9%	7.9%	7.9%	7.8%	7.9%	7.8%	7.7%	7.7%	7.7%
		Special Units	1.7%	1.6%	1.7%	1.7%	2.1%	2.2%	2.2%	2.1%	2.1%	2.2%	2.3%	2.3%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
01	Adams	County	51.8%	51.5%	54.0%	54.0%	53.4%	55.0%	57.2%	58.5%	54.0%	57.0%	58.0%	57.8%
01	Adams	Townships	4.0%	4.2%	4.1%	3.8%	3.4%	3.3%	3.4%	3.3%	3.7%	3.5%	3.5%	3.6%
01	Adams	Cities and Towns	33.7%	33.4%	31.8%	32.4%	33.9%	32.2%	30.8%	29.9%	33.1%	31.0%	30.0%	30.0%
01	Adams	Libraries	6.5%	6.9%	6.5%	6.2%	5.9%	5.9%	5.3%	5.0%	5.6%	5.2%	5.2%	5.2%
01	Adams	Special Units	3.9%	3.9%	3.6%	3.6%	3.4%	3.5%	3.4%	3.3%	3.6%	3.4%	3.4%	3.4%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
02	Allen	County	40.5%	40.4%	42.0%	39.4%	39.2%	39.6%	40.6%	40.7%	38.2%	40.2%	39.5%	40.0%
02	Allen	Townships	3.1%	3.4%	3.6%	3.4%	3.4%	3.1%	3.7%	3.1%	2.8%	2.5%	2.6%	2.5%
02	Allen	Cities and Towns	42.8%	42.7%	41.0%	41.0%	41.0%	42.5%	41.1%	41.8%	45.4%	43.9%	43.3%	43.2%
02	Allen	Libraries	9.4%	9.4%	9.3%	12.3%	12.3%	10.9%	10.9%	10.8%	10.2%	9.7%	9.8%	9.6%
02	Allen	Special Units	4.1%	4.1%	4.1%	3.9%	4.0%	3.8%	3.7%	3.6%	3.4%	3.7%	4.9%	4.7%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
03	Bartholomew	County	40.2%	40.2%	39.7%	43.2%	40.4%	40.7%	37.8%	38.8%	42.0%	40.7%	41.5%	40.8%
03	Bartholomew	Townships	2.9%	2.8%	3.0%	3.5%	3.2%	3.1%	3.3%	3.5%	3.4%	3.4%	3.2%	3.5%
03	Bartholomew	Cities and Towns	50.0%	51.8%	51.2%	48.9%	52.3%	52.1%	53.5%	53.5%	50.5%	51.7%	51.1%	51.3%
03	Bartholomew	Libraries	4.2%	4.2%	4.3%	4.4%	4.1%	4.1%	4.2%	4.2%	4.1%	4.2%	4.2%	4.4%
03	Bartholomew	Special Units	2.8%	1.0%	1.7%	0.0%	0.0%	0.0%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
Percentage of Total Shares by Taxing Unit Type
(Includes Only Legacy CAGIT and COIT)

			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
04	Benton	County	57.9%	59.3%	58.7%	58.5%	57.9%	58.0%	57.2%	56.6%	57.5%	59.0%	59.1%	58.6%
04	Benton	Townships	6.6%	6.2%	5.7%	5.6%	5.4%	5.4%	5.2%	5.0%	4.9%	5.0%	4.9%	4.9%
04	Benton	Cities and Towns	25.4%	23.8%	27.0%	27.6%	28.4%	28.2%	27.5%	28.4%	27.0%	27.0%	26.5%	26.7%
04	Benton	Libraries	10.1%	10.6%	8.6%	8.3%	8.4%	8.5%	10.1%	10.0%	10.6%	9.1%	9.5%	9.7%
04	Benton	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
05	Blackford	County	60.6%	60.9%	59.5%	59.0%	59.4%	59.0%	57.7%	59.3%	53.0%	55.4%	55.1%	54.6%
05	Blackford	Townships	3.8%	3.3%	3.2%	3.9%	3.9%	3.9%	4.0%	4.0%	4.3%	4.2%	4.9%	5.0%
05	Blackford	Cities and Towns	30.0%	30.9%	32.6%	32.3%	31.7%	32.1%	33.1%	31.8%	37.5%	35.1%	34.7%	35.2%
05	Blackford	Libraries	5.6%	4.8%	4.7%	4.7%	5.1%	5.0%	5.2%	4.9%	5.2%	5.3%	5.2%	5.2%
05	Blackford	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
06	Boone	County	53.4%	50.5%	49.9%	48.9%	49.2%	47.5%	46.9%	46.4%	41.9%	39.6%	37.4%	37.4%
06	Boone	Townships	6.0%	5.9%	5.9%	5.7%	6.3%	5.4%	5.0%	4.7%	4.0%	3.7%	4.1%	3.6%
06	Boone	Cities and Towns	30.1%	33.3%	34.0%	35.3%	34.6%	34.3%	36.1%	35.3%	41.9%	45.3%	47.5%	48.1%
06	Boone	Libraries	10.5%	10.2%	10.1%	10.1%	9.8%	12.9%	12.0%	13.7%	12.2%	11.3%	11.0%	10.8%
06	Boone	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
07	Brown	County	72.7%	79.7%	70.9%	74.8%	74.9%	81.2%	80.8%	80.3%	81.8%	84.4%	82.0%	80.9%
07	Brown	Townships	5.3%	5.0%	5.3%	5.4%	4.7%	3.9%	3.8%	3.7%	3.4%	3.4%	4.0%	4.1%
07	Brown	Cities and Towns	8.2%	8.6%	8.6%	8.5%	7.8%	7.2%	6.9%	6.8%	6.3%	5.2%	6.1%	6.2%
07	Brown	Libraries	5.4%	5.9%	10.2%	6.5%	11.7%	7.0%	7.8%	8.5%	7.8%	6.5%	7.3%	7.6%
07	Brown	Special Units	8.4%	0.9%	5.0%	4.8%	0.9%	0.7%	0.7%	0.7%	0.7%	0.6%	0.7%	1.2%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
08	Carroll	County	56.1%	54.7%	54.2%	51.5%	52.4%	52.5%	52.5%	53.4%	53.4%	52.5%	53.3%	52.6%
08	Carroll	Townships	6.9%	8.4%	8.4%	8.3%	8.6%	8.6%	8.5%	8.4%	8.5%	8.7%	8.9%	8.8%
08	Carroll	Cities and Towns	27.5%	27.8%	28.0%	30.7%	29.8%	29.9%	30.0%	29.5%	29.5%	29.8%	28.7%	29.5%
08	Carroll	Libraries	9.5%	9.1%	9.4%	9.6%	9.2%	8.9%	9.0%	8.8%	8.7%	9.0%	9.1%	9.1%
08	Carroll	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
Percentage of Total Shares by Taxing Unit Type
(Includes Only Legacy CAGIT and COIT)

			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
09	Cass	County	49.8%	48.6%	47.7%	48.2%	48.4%	51.6%	52.2%	52.8%	51.9%	48.2%	50.5%	48.1%
09	Cass	Townships	4.2%	3.9%	4.1%	4.3%	4.3%	3.9%	3.8%	3.8%	3.8%	4.3%	4.8%	4.5%
09	Cass	Cities and Towns	39.6%	41.5%	42.3%	41.9%	42.0%	38.3%	36.8%	36.4%	37.2%	39.6%	36.3%	39.1%
09	Cass	Libraries	6.4%	6.0%	5.8%	5.6%	5.3%	5.4%	4.9%	4.8%	4.8%	5.4%	5.8%	5.6%
09	Cass	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%	2.2%	2.2%	2.3%	2.5%	2.7%	2.6%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
10	Clark	County	N/A	N/A	N/A	N/A	34.8%	32.1%	34.4%	34.2%	35.4%	30.3%	28.3%	28.5%
10	Clark	Townships	N/A	N/A	N/A	N/A	2.4%	2.5%	2.4%	2.5%	2.4%	2.5%	2.2%	2.2%
10	Clark	Cities and Towns	N/A	N/A	N/A	N/A	51.4%	54.5%	53.0%	53.0%	51.7%	55.8%	58.5%	58.4%
10	Clark	Libraries	N/A	N/A	N/A	N/A	6.8%	6.3%	5.6%	5.5%	5.3%	5.7%	5.6%	5.2%
10	Clark	Special Units	N/A	N/A	N/A	N/A	4.7%	4.7%	4.6%	4.8%	5.3%	5.7%	5.4%	5.7%
							100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
11	Clay	County	60.9%	60.1%	60.3%	60.4%	58.2%	59.2%	59.0%	57.4%	57.0%	55.3%	55.9%	57.6%
11	Clay	Townships	7.2%	7.6%	7.3%	7.0%	7.1%	6.7%	6.6%	6.6%	6.5%	6.7%	7.0%	7.5%
11	Clay	Cities and Towns	27.8%	28.1%	28.3%	28.5%	30.8%	30.1%	30.5%	31.9%	31.5%	32.3%	31.2%	29.9%
11	Clay	Libraries	4.1%	4.2%	4.0%	4.1%	3.9%	4.0%	4.0%	4.1%	4.9%	5.5%	5.6%	4.8%
11	Clay	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%	0.3%	0.3%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
12	Clinton	County	48.7%	60.8%	54.5%	49.0%	47.2%	49.0%	48.4%	46.5%	44.8%	43.7%	43.4%	43.3%
12	Clinton	Townships	4.7%	3.9%	4.4%	5.1%	5.2%	5.5%	5.3%	5.6%	5.6%	5.8%	6.3%	6.1%
12	Clinton	Cities and Towns	38.4%	28.7%	33.4%	36.8%	38.9%	36.5%	37.4%	38.7%	39.8%	40.3%	39.6%	40.0%
12	Clinton	Libraries	7.4%	6.0%	7.1%	8.4%	8.0%	8.3%	8.3%	8.5%	9.0%	9.5%	10.0%	9.8%
12	Clinton	Special Units	0.8%	0.6%	0.6%	0.6%	0.7%	0.7%	0.6%	0.7%	0.7%	0.7%	0.7%	0.7%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
13	Crawford	County	77.8%	77.6%	77.3%	75.7%	77.6%	78.3%	79.1%	81.5%	82.1%	82.0%	82.2%	81.8%
13	Crawford	Townships	3.4%	3.1%	3.1%	3.1%	2.7%	2.6%	2.4%	2.0%	2.2%	2.2%	2.2%	2.3%
13	Crawford	Cities and Towns	4.9%	5.2%	5.5%	5.3%	5.0%	5.1%	4.6%	4.1%	4.0%	4.0%	3.9%	4.1%
13	Crawford	Libraries	2.9%	2.9%	3.0%	3.6%	3.3%	2.9%	2.7%	2.6%	2.6%	2.7%	2.8%	2.8%
13	Crawford	Special Units	11.1%	11.2%	11.2%	12.4%	11.3%	11.1%	11.3%	9.8%	9.1%	9.1%	9.0%	9.1%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
Percentage of Total Shares by Taxing Unit Type
(Includes Only Legacy CAGIT and COIT)

			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
14	Daviess	County	51.3%	56.0%	58.1%	58.0%	62.6%	60.9%	61.4%	63.9%	64.1%	64.5%	66.6%	65.8%
14	Daviess	Townships	4.0%	4.3%	4.8%	3.9%	3.7%	3.5%	3.5%	3.1%	3.1%	3.1%	3.1%	3.0%
14	Daviess	Cities and Towns	37.7%	32.0%	31.4%	31.3%	26.0%	28.7%	28.2%	26.5%	26.4%	26.0%	23.8%	25.2%
14	Daviess	Libraries	5.1%	6.2%	4.3%	5.4%	4.0%	3.6%	3.7%	3.5%	3.5%	3.5%	3.3%	3.4%
14	Daviess	Special Units	1.8%	1.5%	1.4%	1.3%	3.7%	3.2%	3.1%	3.0%	2.9%	2.9%	3.2%	2.5%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
15	Dearborn	County	51.5%	51.0%	49.7%	48.0%	48.2%	51.1%	50.6%	50.1%	51.6%	54.8%	54.9%	55.5%
15	Dearborn	Townships	2.3%	3.1%	3.1%	3.1%	2.9%	2.8%	2.7%	3.0%	3.0%	2.6%	2.5%	2.8%
15	Dearborn	Cities and Towns	35.7%	35.4%	38.0%	38.9%	39.5%	37.3%	38.0%	37.6%	36.2%	34.9%	34.2%	34.4%
15	Dearborn	Libraries	9.6%	9.8%	9.2%	10.0%	9.3%	8.8%	8.7%	9.4%	9.1%	7.8%	8.3%	7.3%
15	Dearborn	Special Units	0.9%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
16	Decatur	County	54.6%	54.2%	54.2%	51.8%	52.8%	55.3%	55.8%	54.4%	56.3%	57.1%	59.1%	55.9%
16	Decatur	Townships	5.3%	5.7%	5.3%	5.3%	4.7%	4.6%	4.5%	4.2%	4.5%	4.4%	4.9%	4.6%
16	Decatur	Cities and Towns	31.5%	31.9%	32.0%	34.0%	33.7%	31.8%	31.5%	33.2%	31.1%	30.7%	29.1%	31.7%
16	Decatur	Libraries	6.8%	6.7%	6.8%	6.5%	6.5%	6.1%	6.0%	6.2%	5.8%	5.7%	4.7%	5.6%
16	Decatur	Special Units	1.8%	1.4%	1.7%	2.4%	2.3%	2.2%	2.2%	2.1%	2.2%	2.0%	2.1%	2.1%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
17	DeKalb	County	48.5%	45.2%	44.0%	47.6%	46.0%	47.3%	46.7%	47.1%	49.6%	49.8%	49.2%	49.8%
17	DeKalb	Townships	4.3%	4.3%	4.5%	4.0%	3.8%	3.8%	4.1%	3.8%	3.5%	3.4%	3.2%	3.1%
17	DeKalb	Cities and Towns	39.8%	42.3%	43.3%	40.8%	42.5%	41.1%	41.4%	41.0%	39.2%	38.9%	39.4%	38.9%
17	DeKalb	Libraries	6.2%	6.9%	6.8%	6.6%	6.9%	6.7%	6.8%	7.0%	6.7%	6.9%	7.2%	7.2%
17	DeKalb	Special Units	1.2%	1.2%	1.4%	1.1%	0.9%	1.1%	1.1%	1.1%	1.0%	1.0%	1.0%	1.1%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
18	Delaware	County	41.7%	42.3%	41.5%	40.9%	43.1%	42.7%	41.1%	41.9%	39.6%	43.1%	45.9%	43.5%
18	Delaware	Townships	2.9%	2.8%	3.0%	3.8%	3.9%	3.7%	4.3%	4.3%	4.4%	4.2%	4.2%	4.1%
18	Delaware	Cities and Towns	36.5%	35.3%	34.8%	34.6%	33.9%	34.0%	34.4%	34.2%	35.9%	33.8%	31.7%	33.8%
18	Delaware	Libraries	4.4%	5.6%	5.7%	5.8%	5.5%	5.5%	5.7%	5.5%	5.5%	5.4%	5.0%	5.0%
18	Delaware	Special Units	14.5%	14.0%	15.1%	14.9%	13.7%	14.0%	14.5%	14.1%	14.7%	13.5%	13.2%	13.6%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
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			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
19	Dubois	County	39.9%	40.6%	42.8%	43.3%	43.5%	42.3%	43.0%	43.2%	42.3%	43.1%	43.1%	42.4%
19	Dubois	Townships	2.7%	2.8%	2.6%	2.6%	2.6%	2.5%	2.5%	2.6%	2.7%	2.7%	2.8%	2.7%
19	Dubois	Cities and Towns	51.2%	50.4%	48.7%	48.4%	48.3%	49.6%	49.1%	48.7%	47.3%	46.0%	45.9%	45.0%
19	Dubois	Libraries	4.5%	4.7%	4.4%	4.4%	4.2%	4.2%	4.2%	4.1%	6.4%	6.8%	6.9%	8.6%
19	Dubois	Special Units	1.6%	1.6%	1.5%	1.3%	1.4%	1.3%	1.2%	1.3%	1.3%	1.4%	1.3%	1.3%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
20	Elkhart	County	42.7%	41.1%	42.3%	42.6%	42.9%	42.9%	40.3%	40.5%	39.9%	38.9%	39.3%	38.4%
20	Elkhart	Townships	5.3%	5.5%	5.3%	5.1%	5.4%	5.2%	6.0%	5.7%	6.4%	6.6%	6.9%	6.8%
20	Elkhart	Cities and Towns	45.4%	46.6%	45.6%	45.4%	44.7%	44.9%	46.5%	46.5%	46.5%	47.4%	46.8%	47.6%
20	Elkhart	Libraries	6.7%	6.8%	6.8%	6.9%	7.0%	7.0%	7.2%	7.3%	7.2%	7.2%	7.0%	7.2%
20	Elkhart	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
21	Fayette	County	47.9%	47.0%	44.0%	47.5%	45.1%	46.5%	46.1%	45.6%	45.2%	45.8%	47.4%	46.9%
21	Fayette	Townships	1.9%	1.9%	1.9%	1.7%	1.5%	1.5%	1.5%	1.5%	1.5%	1.6%	1.7%	1.7%
21	Fayette	Cities and Towns	46.0%	46.9%	49.6%	46.6%	49.7%	48.0%	48.3%	48.6%	49.6%	48.8%	46.7%	47.2%
21	Fayette	Libraries	4.3%	4.2%	4.5%	4.2%	3.7%	4.0%	4.1%	4.2%	3.7%	3.9%	4.2%	4.2%
21	Fayette	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
22	Floyd	County	N/A	N/A	N/A	N/A	40.8%	38.4%	38.8%	40.3%	36.4%	40.6%	43.7%	42.2%
22	Floyd	Townships	N/A	N/A	N/A	N/A	3.0%	3.7%	3.7%	3.3%	1.7%	1.2%	1.1%	1.1%
22	Floyd	Cities and Towns	N/A	N/A	N/A	N/A	47.4%	48.8%	48.7%	47.7%	46.2%	43.6%	40.4%	41.1%
22	Floyd	Libraries	N/A	N/A	N/A	N/A	7.6%	7.8%	7.6%	7.6%	7.1%	6.0%	5.3%	5.6%
22	Floyd	Special Units	N/A	N/A	N/A	N/A	1.2%	1.2%	1.1%	1.1%	8.6%	8.6%	9.5%	10.0%
							100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
23	Fountain	County	61.5%	59.9%	60.8%	65.5%	63.5%	63.3%	65.0%	62.7%	63.4%	63.1%	63.7%	63.0%
23	Fountain	Townships	5.8%	5.7%	5.0%	4.3%	4.7%	4.6%	4.6%	4.6%	4.8%	4.6%	4.6%	4.8%
23	Fountain	Cities and Towns	26.2%	28.2%	28.1%	24.8%	25.5%	26.2%	24.4%	25.9%	25.6%	26.3%	25.7%	25.8%
23	Fountain	Libraries	6.5%	6.3%	6.1%	5.4%	6.3%	6.0%	5.9%	6.8%	6.2%	6.0%	6.0%	6.4%
23	Fountain	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
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			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
24	Franklin	County	67.6%	69.1%	70.8%	69.5%	69.9%	68.3%	68.6%	69.2%	63.8%	61.9%	63.3%	62.7%
24	Franklin	Townships	4.5%	4.6%	4.6%	4.2%	3.9%	3.9%	3.8%	3.7%	4.1%	4.1%	4.4%	4.5%
24	Franklin	Cities and Towns	17.8%	19.7%	18.7%	20.5%	21.1%	21.6%	21.6%	21.3%	22.4%	22.8%	21.1%	21.6%
24	Franklin	Libraries	5.5%	6.0%	5.9%	5.8%	5.1%	6.2%	6.0%	5.7%	9.8%	11.2%	11.2%	11.2%
24	Franklin	Special Units	4.5%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
25	Fulton	County	54.5%	53.6%	52.3%	52.4%	52.6%	52.4%	52.6%	53.7%	53.5%	50.3%	50.3%	49.7%
25	Fulton	Townships	5.6%	6.5%	5.7%	5.9%	7.5%	5.6%	5.6%	5.6%	4.9%	5.2%	5.5%	5.4%
25	Fulton	Cities and Towns	27.5%	28.7%	30.3%	29.4%	28.5%	29.2%	29.4%	28.8%	26.0%	26.7%	26.7%	27.8%
25	Fulton	Libraries	12.4%	11.2%	11.7%	12.3%	11.4%	12.9%	12.4%	11.9%	11.9%	13.2%	13.8%	13.6%
25	Fulton	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.6%	4.5%	3.7%	3.6%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
26	Gibson	County	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
26	Gibson	Townships	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
26	Gibson	Cities and Towns	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
26	Gibson	Libraries	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
26	Gibson	Special Units	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
27	Grant	County	45.9%	47.7%	50.3%	50.7%	48.4%	48.4%	44.9%	44.0%	46.0%	45.7%	48.5%	46.8%
27	Grant	Townships	2.9%	2.2%	2.5%	3.1%	2.4%	2.9%	2.7%	2.4%	2.4%	2.4%	2.6%	2.7%
27	Grant	Cities and Towns	44.5%	43.3%	40.1%	39.1%	42.6%	42.1%	46.0%	46.9%	45.5%	45.6%	42.6%	43.8%
27	Grant	Libraries	6.7%	6.8%	7.1%	7.1%	6.7%	6.6%	6.4%	6.6%	6.2%	6.3%	6.3%	6.8%
27	Grant	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
28	Greene	County	66.8%	66.0%	66.1%	65.1%	66.1%	66.8%	67.1%	67.6%	67.3%	66.3%	66.5%	66.2%
28	Greene	Townships	8.4%	9.1%	8.3%	8.7%	8.8%	8.7%	8.3%	8.0%	7.8%	8.0%	7.9%	7.4%
28	Greene	Cities and Towns	18.7%	18.7%	19.6%	19.7%	18.8%	18.6%	18.6%	18.5%	18.8%	19.7%	19.4%	18.9%
28	Greene	Libraries	6.1%	6.2%	6.0%	6.4%	6.2%	6.0%	6.0%	6.0%	6.0%	6.1%	6.2%	7.5%
28	Greene	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
Percentage of Total Shares by Taxing Unit Type
(Includes Only Legacy CAGIT and COIT)

			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
29	Hamilton	County	39.6%	39.3%	37.9%	37.6%	38.0%	34.7%	33.8%	32.3%	32.4%	31.3%	30.0%	30.5%
29	Hamilton	Townships	7.7%	8.7%	8.4%	7.9%	7.4%	6.9%	6.7%	7.0%	8.2%	8.1%	8.2%	7.0%
29	Hamilton	Cities and Towns	43.9%	43.8%	44.9%	46.0%	46.9%	51.0%	51.9%	52.9%	51.4%	53.0%	54.6%	55.5%
29	Hamilton	Libraries	8.8%	8.2%	8.8%	8.5%	7.7%	7.0%	7.2%	7.4%	7.7%	7.2%	6.9%	6.7%
29	Hamilton	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
30	Hancock	County	48.7%	47.1%	49.5%	48.9%	45.7%	46.5%	42.1%	42.0%	42.8%	41.3%	41.2%	41.1%
30	Hancock	Townships	8.2%	9.4%	8.7%	9.8%	10.6%	10.7%	13.0%	14.7%	12.6%	13.8%	14.2%	15.1%
30	Hancock	Cities and Towns	38.4%	35.8%	34.6%	34.7%	34.7%	33.5%	35.0%	34.3%	35.6%	36.1%	35.9%	35.9%
30	Hancock	Libraries	4.6%	7.7%	7.1%	6.6%	9.0%	9.3%	10.0%	9.0%	9.0%	8.8%	8.7%	7.9%
30	Hancock	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
31	Harrison	County	81.8%	82.7%	77.6%	74.4%	73.4%	72.9%	74.3%	76.0%	75.8%	73.8%	73.5%	73.4%
31	Harrison	Townships	4.8%	5.7%	5.1%	5.0%	4.8%	5.1%	4.9%	4.7%	4.8%	4.9%	4.8%	4.7%
31	Harrison	Cities and Towns	8.1%	7.3%	7.0%	7.1%	7.8%	7.2%	6.6%	6.3%	6.5%	6.6%	6.7%	6.8%
31	Harrison	Libraries	2.5%	2.4%	7.6%	11.4%	12.2%	12.8%	11.9%	10.8%	10.8%	10.7%	11.1%	11.2%
31	Harrison	Special Units	2.8%	2.0%	2.8%	2.1%	1.9%	1.9%	2.2%	2.1%	2.2%	4.0%	3.9%	4.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
32	Hendricks	County	40.2%	37.5%	36.3%	35.7%	35.3%	31.1%	32.9%	33.6%	36.5%	35.6%	34.8%	35.4%
32	Hendricks	Townships	10.8%	12.5%	11.8%	11.8%	14.1%	14.8%	11.9%	11.1%	9.7%	9.8%	9.7%	9.4%
32	Hendricks	Cities and Towns	36.9%	39.6%	40.4%	42.0%	41.1%	45.0%	46.3%	46.3%	45.4%	46.1%	47.7%	47.1%
32	Hendricks	Libraries	12.1%	10.4%	11.5%	10.5%	9.5%	9.1%	8.9%	9.0%	8.4%	8.5%	7.8%	8.1%
32	Hendricks	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
33	Henry	County	47.8%	48.1%	46.9%	49.5%	56.6%	56.1%	56.7%	54.6%	50.6%	51.7%	50.5%	50.2%
33	Henry	Townships	5.6%	5.8%	5.4%	4.6%	5.2%	4.3%	4.1%	4.2%	4.5%	4.4%	4.6%	4.7%
33	Henry	Cities and Towns	40.7%	39.2%	41.5%	40.1%	32.2%	31.0%	31.8%	31.3%	33.9%	34.4%	35.6%	35.9%
33	Henry	Libraries	5.9%	7.0%	6.3%	5.8%	6.0%	8.6%	7.4%	9.9%	11.1%	9.4%	9.3%	9.2%
33	Henry	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
Percentage of Total Shares by Taxing Unit Type
(Includes Only Legacy CAGIT and COIT)

			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
34	Howard	County	35.2%	37.6%	33.4%	35.3%	39.0%	44.7%	35.1%	34.3%	33.0%	32.6%	33.7%	33.2%
34	Howard	Townships	1.4%	1.5%	4.0%	4.1%	4.6%	3.4%	4.0%	3.4%	3.4%	3.6%	3.5%	3.6%
34	Howard	Cities and Towns	55.5%	54.2%	55.4%	52.8%	47.9%	42.2%	53.3%	54.9%	56.0%	56.2%	54.9%	55.2%
34	Howard	Libraries	6.8%	5.5%	6.4%	6.8%	7.3%	8.3%	6.6%	6.3%	6.5%	6.5%	6.8%	6.9%
34	Howard	Special Units	1.2%	1.2%	0.7%	1.0%	1.2%	1.4%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
35	Huntington	County	38.9%	40.9%	39.7%	39.9%	40.9%	39.8%	39.0%	39.0%	38.7%	37.5%	39.6%	38.3%
35	Huntington	Townships	3.4%	3.8%	3.2%	3.1%	3.1%	3.0%	3.0%	2.9%	3.1%	3.3%	3.4%	3.4%
35	Huntington	Cities and Towns	50.4%	48.0%	50.1%	49.5%	49.9%	47.9%	48.2%	48.1%	48.7%	50.0%	47.5%	48.9%
35	Huntington	Libraries	6.5%	6.5%	6.2%	6.4%	6.2%	9.3%	9.1%	9.3%	8.8%	8.4%	8.6%	8.6%
35	Huntington	Special Units	0.8%	0.8%	0.7%	1.0%	0.0%	0.0%	0.8%	0.8%	0.8%	0.8%	0.9%	0.9%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
36	Jackson	County	34.3%	36.3%	35.8%	36.6%	36.6%	32.4%	32.4%	37.2%	38.8%	42.8%	43.9%	42.9%
36	Jackson	Townships	3.5%	3.2%	3.1%	3.2%	3.1%	3.3%	3.1%	3.0%	2.9%	2.8%	2.7%	2.6%
36	Jackson	Cities and Towns	50.9%	49.4%	49.6%	49.5%	51.3%	53.0%	53.5%	48.9%	48.4%	45.4%	44.2%	45.3%
36	Jackson	Libraries	10.9%	10.9%	11.1%	10.5%	8.8%	11.1%	10.7%	10.7%	9.6%	8.9%	9.0%	9.0%
36	Jackson	Special Units	0.3%	0.2%	0.5%	0.2%	0.2%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
37	Jasper	County	64.0%	59.2%	62.9%	61.3%	59.5%	60.3%	60.6%	60.6%	62.4%	62.4%	64.1%	63.1%
37	Jasper	Townships	6.1%	6.9%	6.2%	6.8%	6.4%	6.2%	6.0%	6.0%	6.2%	6.1%	5.8%	5.8%
37	Jasper	Cities and Towns	18.0%	19.6%	18.1%	18.6%	20.0%	19.9%	19.4%	19.6%	19.1%	19.2%	17.3%	18.4%
37	Jasper	Libraries	11.8%	14.2%	12.8%	13.3%	14.1%	13.5%	14.0%	13.9%	12.3%	12.2%	12.9%	12.6%
37	Jasper	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
38	Jay	County	52.8%	49.2%	54.5%	53.1%	51.6%	52.3%	53.8%	53.7%	54.0%	53.6%	53.8%	54.6%
38	Jay	Townships	4.9%	5.1%	3.8%	4.3%	3.9%	3.9%	3.7%	3.7%	3.6%	3.6%	3.0%	3.2%
38	Jay	Cities and Towns	34.9%	37.8%	34.6%	35.3%	36.8%	36.3%	35.1%	35.3%	35.2%	35.6%	35.6%	34.9%
38	Jay	Libraries	7.4%	7.9%	7.0%	7.3%	7.7%	7.6%	7.4%	7.3%	7.2%	7.2%	7.6%	7.3%
38	Jay	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
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			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
39	Jefferson	County	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
39	Jefferson	Townships	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
39	Jefferson	Cities and Towns	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
39	Jefferson	Libraries	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
39	Jefferson	Special Units	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
40	Jennings	County	60.1%	65.3%	59.5%	63.7%	56.8%	64.5%	64.0%	65.5%	67.4%	66.7%	65.7%	65.7%
40	Jennings	Townships	4.1%	3.9%	3.8%	4.2%	3.6%	3.3%	3.3%	2.9%	3.0%	3.7%	4.0%	4.1%
40	Jennings	Cities and Towns	25.3%	20.4%	26.2%	25.0%	28.5%	23.8%	24.1%	23.8%	24.3%	24.2%	25.0%	24.8%
40	Jennings	Libraries	9.1%	9.3%	9.3%	5.8%	9.8%	7.2%	7.4%	6.7%	4.0%	4.1%	4.1%	4.2%
40	Jennings	Special Units	1.4%	1.1%	1.2%	1.3%	1.3%	1.2%	1.2%	1.1%	1.2%	1.2%	1.2%	1.2%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
41	Johnson	County	36.1%	36.5%	35.4%	37.6%	35.7%	34.8%	32.7%	31.5%	31.3%	31.2%	30.4%	30.3%
41	Johnson	Townships	1.0%	1.4%	1.2%	1.4%	1.4%	1.3%	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%
41	Johnson	Cities and Towns	46.6%	45.0%	44.9%	43.4%	44.1%	40.0%	43.6%	45.7%	45.8%	45.2%	45.6%	47.6%
41	Johnson	Libraries	10.4%	11.2%	11.4%	10.6%	11.1%	11.5%	10.6%	10.5%	11.1%	10.6%	9.8%	8.8%
41	Johnson	Special Units	6.0%	5.9%	7.1%	7.0%	7.6%	12.4%	11.8%	11.0%	10.6%	11.8%	13.1%	12.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
42	Knox	County	N/A	N/A	N/A	44.0%	42.8%	41.3%	41.6%	45.1%	45.8%	46.4%	47.8%	47.0%
42	Knox	Townships	N/A	N/A	N/A	4.5%	4.6%	4.3%	4.2%	3.9%	3.9%	4.0%	3.9%	3.7%
42	Knox	Cities and Towns	N/A	N/A	N/A	39.5%	41.0%	42.2%	42.2%	39.4%	39.0%	38.3%	36.7%	37.8%
42	Knox	Libraries	N/A	N/A	N/A	6.2%	5.8%	6.0%	5.9%	6.0%	5.7%	5.0%	5.6%	5.6%
42	Knox	Special Units	N/A	N/A	N/A	5.7%	5.7%	6.2%	6.1%	5.6%	5.5%	6.3%	6.0%	5.9%
						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
43	Kosciusko	County	38.4%	38.1%	38.9%	38.2%	35.8%	36.6%	37.0%	38.1%	37.5%	37.9%	36.9%	35.0%
43	Kosciusko	Townships	8.4%	9.2%	8.5%	8.1%	8.2%	8.4%	8.4%	8.1%	8.4%	8.4%	8.2%	10.8%
43	Kosciusko	Cities and Towns	43.5%	43.3%	43.6%	44.5%	47.3%	46.0%	45.9%	44.8%	44.6%	44.1%	45.6%	45.0%
43	Kosciusko	Libraries	9.7%	9.3%	9.0%	9.2%	8.7%	9.0%	8.8%	9.0%	9.5%	9.5%	9.3%	9.2%
43	Kosciusko	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
44	LaGrange	County	64.8%	67.0%	64.8%	64.7%	63.4%	64.7%	64.5%	65.0%	65.3%	65.1%	64.5%	63.5%
44	LaGrange	Townships	6.4%	6.2%	6.3%	6.3%	6.8%	6.7%	6.6%	6.5%	6.6%	6.8%	6.7%	6.8%
44	LaGrange	Cities and Towns	22.1%	20.3%	21.9%	22.3%	22.8%	21.9%	22.3%	22.1%	21.9%	22.0%	22.6%	23.2%
44	LaGrange	Libraries	5.1%	4.9%	5.0%	5.1%	5.2%	5.1%	4.9%	4.8%	4.5%	4.5%	4.6%	4.7%
44	LaGrange	Special Units	1.6%	1.6%	1.9%	1.6%	1.8%	1.6%	1.7%	1.7%	1.6%	1.6%	1.6%	1.7%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
45	Lake	County	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
45	Lake	Townships	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
45	Lake	Cities and Towns	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
45	Lake	Libraries	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
45	Lake	Special Units	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
46	LaPorte	County	43.0%	43.2%	44.9%	45.6%	45.3%	45.0%	46.0%	48.8%	46.7%	Not Available		
46	LaPorte	Townships	2.7%	2.7%	2.9%	2.7%	2.9%	2.8%	2.9%	2.9%	2.9%	Not Available		
46	LaPorte	Cities and Towns	38.6%	38.6%	37.7%	37.3%	36.9%	37.5%	36.9%	36.9%	38.3%	Not Available		
46	LaPorte	Libraries	8.4%	7.8%	7.9%	7.7%	7.8%	7.8%	7.9%	7.9%	7.8%	Not Available		
46	LaPorte	Special Units	7.3%	7.7%	6.7%	6.7%	7.1%	6.9%	6.2%	3.5%	4.4%	Not Available		
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%			
47	Lawrence	County	44.6%	41.9%	42.9%	43.5%	44.1%	43.9%	45.3%	45.9%	44.6%	45.2%	46.0%	44.6%
47	Lawrence	Townships	2.3%	2.4%	2.6%	2.7%	2.7%	2.6%	2.4%	2.7%	2.9%	3.0%	3.1%	3.1%
47	Lawrence	Cities and Towns	39.6%	42.9%	42.2%	42.1%	41.8%	42.0%	39.9%	39.1%	40.0%	40.1%	39.1%	40.3%
47	Lawrence	Libraries	8.1%	8.0%	7.6%	7.1%	7.1%	7.1%	6.8%	6.5%	6.7%	6.6%	6.8%	6.9%
47	Lawrence	Special Units	5.4%	4.8%	4.7%	4.5%	4.4%	4.4%	5.6%	5.7%	5.8%	5.1%	5.1%	5.1%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
48	Madison	County	36.5%	36.9%	35.6%	37.7%	37.9%	37.4%	37.9%	39.1%	41.1%	42.5%	44.2%	42.5%
48	Madison	Townships	2.8%	2.6%	2.8%	3.1%	3.1%	3.1%	3.1%	3.3%	3.1%	3.2%	3.5%	3.1%
48	Madison	Cities and Towns	53.1%	52.8%	53.6%	51.8%	51.7%	52.5%	51.9%	50.4%	48.2%	46.3%	44.7%	46.6%
48	Madison	Libraries	7.5%	7.6%	7.9%	7.3%	7.3%	7.0%	7.1%	7.2%	7.5%	7.9%	7.5%	7.8%
48	Madison	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
Percentage of Total Shares by Taxing Unit Type
(Includes Only Legacy CAGIT and COIT)

			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
49	Marion	County	30.9%	33.0%	32.5%	31.2%	30.3%	28.0%	28.8%	27.1%	29.6%	30.7%	36.7%	32.7%
49	Marion	Townships	8.5%	8.6%	8.6%	8.7%	8.8%	8.6%	10.1%	8.3%	6.9%	6.5%	7.8%	8.5%
49	Marion	Cities and Towns	6.7%	6.6%	6.7%	6.5%	5.9%	5.5%	5.1%	4.8%	2.9%	3.9%	5.0%	5.7%
49	Marion	Libraries	5.6%	5.6%	5.6%	5.0%	5.2%	4.6%	4.6%	4.2%	3.8%	4.0%	4.8%	5.2%
49	Marion	Special Units	48.4%	46.1%	46.5%	48.6%	49.7%	53.2%	51.4%	55.5%	56.7%	54.8%	45.7%	47.9%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
50	Marshall	County	43.0%	41.4%	39.4%	39.8%	41.7%	43.1%	43.6%	44.4%	44.1%	46.9%	46.5%	46.1%
50	Marshall	Townships	5.6%	5.9%	6.3%	7.9%	7.6%	7.6%	7.5%	7.0%	7.1%	6.9%	7.1%	7.1%
50	Marshall	Cities and Towns	41.6%	42.9%	44.4%	42.5%	40.4%	40.1%	39.7%	39.5%	39.8%	37.7%	37.7%	37.9%
50	Marshall	Libraries	8.4%	8.6%	8.5%	8.8%	9.3%	9.2%	9.2%	9.1%	9.0%	8.5%	8.7%	8.9%
50	Marshall	Special Units	1.3%	1.3%	1.4%	1.0%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
51	Martin	County	69.9%	69.5%	69.5%	68.6%	69.5%	67.2%	70.8%	70.9%	70.3%	71.1%	70.8%	70.1%
51	Martin	Townships	4.3%	4.0%	4.4%	4.8%	4.4%	4.7%	5.4%	6.0%	6.1%	5.8%	6.0%	6.2%
51	Martin	Cities and Towns	20.1%	20.7%	20.4%	20.9%	20.6%	22.1%	21.8%	20.8%	21.0%	20.5%	20.8%	21.0%
51	Martin	Libraries	1.9%	1.9%	2.0%	2.0%	2.0%	2.1%	2.0%	2.2%	2.6%	2.5%	2.4%	2.7%
51	Martin	Special Units	3.7%	3.8%	3.7%	3.7%	3.5%	3.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
52	Miami	County	48.5%	50.1%	57.4%	54.9%	55.1%	54.6%	53.7%	54.9%	56.0%	52.6%	52.5%	52.1%
52	Miami	Townships	3.7%	3.7%	3.5%	3.5%	3.7%	3.6%	3.5%	3.3%	3.5%	2.9%	3.6%	3.6%
52	Miami	Cities and Towns	44.4%	43.0%	36.2%	38.8%	38.4%	39.0%	39.9%	38.9%	37.6%	41.8%	41.2%	41.5%
52	Miami	Libraries	3.3%	3.1%	2.9%	2.8%	2.8%	2.9%	3.0%	2.9%	2.9%	2.7%	2.7%	2.8%
52	Miami	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
53	Monroe	County	42.1%	41.6%	36.0%	36.2%	39.6%	41.9%	39.4%	37.2%	39.2%	40.2%	41.9%	39.9%
53	Monroe	Townships	4.9%	5.1%	6.0%	6.1%	5.6%	5.8%	5.8%	6.2%	5.9%	5.8%	5.8%	6.0%
53	Monroe	Cities and Towns	38.3%	38.5%	42.3%	41.7%	39.4%	37.6%	40.0%	41.4%	42.0%	40.6%	39.6%	39.8%
53	Monroe	Libraries	10.3%	10.2%	10.7%	10.7%	10.0%	9.4%	9.5%	9.6%	9.6%	10.0%	9.4%	10.6%
53	Monroe	Special Units	4.3%	4.6%	4.9%	5.4%	5.4%	5.3%	5.3%	5.6%	3.3%	3.4%	3.3%	3.6%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
Percentage of Total Shares by Taxing Unit Type
(Includes Only Legacy CAGIT and COIT)

			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
54	Montgomery	County	46.8%	46.1%	42.4%	42.9%	48.9%	47.2%	41.9%	44.4%	48.7%	47.4%	46.7%	47.6%
54	Montgomery	Townships	6.6%	6.7%	6.1%	6.1%	4.9%	5.6%	5.6%	5.2%	5.2%	5.0%	5.8%	5.1%
54	Montgomery	Cities and Towns	40.3%	40.9%	45.5%	44.8%	40.7%	41.4%	44.5%	39.6%	37.5%	38.3%	38.2%	38.3%
54	Montgomery	Libraries	6.2%	6.4%	6.0%	6.2%	5.4%	5.8%	8.0%	10.9%	8.6%	9.3%	9.4%	9.0%
54	Montgomery	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
55	Morgan	County	45.7%	44.9%	45.9%	44.3%	41.9%	42.9%	40.3%	41.9%	43.2%	42.7%	40.7%	43.0%
55	Morgan	Townships	10.2%	11.5%	11.2%	12.1%	12.8%	14.5%	14.4%	13.7%	13.1%	13.6%	13.1%	13.4%
55	Morgan	Cities and Towns	36.7%	36.6%	35.3%	35.7%	37.1%	34.5%	35.1%	34.0%	34.1%	33.8%	36.1%	34.4%
55	Morgan	Libraries	6.5%	6.5%	6.8%	6.7%	7.0%	7.1%	8.4%	7.9%	7.9%	8.5%	8.2%	8.1%
55	Morgan	Special Units	1.0%	0.5%	0.8%	1.2%	1.2%	1.1%	1.8%	2.5%	1.6%	1.4%	1.9%	1.1%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
56	Newton	County	72.5%	71.7%	71.2%	68.3%	68.8%	68.9%	71.8%	66.0%	65.9%	67.7%	67.6%	68.1%
56	Newton	Townships	7.3%	7.9%	7.8%	8.7%	8.4%	8.6%	7.7%	7.3%	7.7%	7.4%	7.5%	7.6%
56	Newton	Cities and Towns	12.8%	12.7%	12.4%	13.7%	13.4%	13.0%	11.9%	11.3%	12.2%	11.6%	11.6%	11.6%
56	Newton	Libraries	7.4%	7.6%	8.5%	9.3%	9.4%	9.4%	8.6%	15.4%	14.1%	13.4%	13.4%	12.7%
56	Newton	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
57	Noble	County	45.5%	44.7%	43.3%	42.6%	42.3%	43.3%	43.1%	42.8%	45.0%	44.9%	44.9%	44.7%
57	Noble	Townships	6.1%	6.3%	6.5%	6.6%	6.7%	6.0%	5.9%	5.6%	5.4%	5.4%	5.6%	5.7%
57	Noble	Cities and Towns	40.1%	39.4%	38.9%	39.9%	39.7%	39.8%	40.3%	39.2%	38.2%	37.3%	36.6%	36.6%
57	Noble	Libraries	8.3%	9.6%	9.7%	9.6%	10.0%	9.6%	9.4%	11.2%	10.3%	11.3%	11.7%	11.7%
57	Noble	Special Units	0.0%	0.0%	1.5%	1.2%	1.4%	1.3%	1.3%	1.2%	1.1%	1.1%	1.2%	1.2%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
58	Ohio	County	72.4%	70.6%	70.0%	73.1%	72.7%	72.8%	72.1%	74.4%	73.8%	72.9%	71.5%	69.4%
58	Ohio	Townships	3.4%	3.9%	3.9%	3.8%	3.8%	3.7%	3.7%	3.3%	3.3%	3.3%	3.5%	3.8%
58	Ohio	Cities and Towns	18.4%	18.2%	19.0%	17.6%	18.0%	18.0%	18.7%	17.5%	18.2%	18.9%	19.8%	21.2%
58	Ohio	Libraries	5.8%	5.6%	5.5%	5.5%	5.4%	5.4%	5.4%	4.8%	4.8%	4.9%	5.2%	5.6%
58	Ohio	Special Units	0.0%	1.7%	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
Percentage of Total Shares by Taxing Unit Type
(Includes Only Legacy CAGIT and COIT)

			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
59	Orange	County	61.1%	61.2%	58.7%	57.2%	54.1%	52.2%	51.4%	51.1%	51.3%	51.6%	51.3%	49.1%
59	Orange	Townships	2.1%	2.0%	1.8%	1.9%	2.1%	2.2%	2.1%	2.5%	2.6%	2.9%	2.8%	2.8%
59	Orange	Cities and Towns	28.0%	27.5%	26.7%	28.1%	30.5%	31.5%	32.3%	32.1%	30.2%	29.7%	29.9%	32.5%
59	Orange	Libraries	3.6%	3.6%	5.7%	5.8%	6.0%	6.3%	6.1%	6.0%	7.1%	6.8%	6.9%	6.7%
59	Orange	Special Units	5.2%	5.6%	7.1%	7.0%	7.3%	7.9%	8.1%	8.3%	8.7%	9.0%	9.1%	8.9%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
60	Owen	County	74.9%	70.0%	68.0%	68.5%	69.6%	69.1%	69.1%	69.1%	66.2%	66.1%	65.8%	66.0%
60	Owen	Townships	6.0%	7.1%	7.5%	7.1%	8.1%	7.5%	6.9%	6.7%	5.9%	4.9%	5.3%	5.0%
60	Owen	Cities and Towns	10.6%	11.4%	13.0%	13.3%	11.3%	12.5%	12.5%	12.7%	15.5%	16.2%	15.9%	16.0%
60	Owen	Libraries	8.5%	11.5%	11.4%	11.2%	11.0%	11.0%	11.5%	11.6%	11.7%	11.8%	12.0%	12.0%
60	Owen	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	1.0%	1.0%	1.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
61	Parke	County	74.2%	74.8%	73.4%	74.6%	76.1%	76.2%	74.0%	73.7%	73.3%	72.9%	72.9%	73.1%
61	Parke	Townships	6.2%	5.9%	7.2%	7.2%	6.4%	6.2%	9.0%	9.1%	9.1%	9.7%	9.6%	9.2%
61	Parke	Cities and Towns	15.2%	14.9%	15.0%	14.0%	13.0%	13.2%	12.8%	12.9%	13.1%	13.0%	13.1%	13.2%
61	Parke	Libraries	4.5%	4.5%	4.4%	4.2%	4.4%	4.5%	4.3%	4.4%	4.5%	4.4%	4.5%	4.5%
61	Parke	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
62	Perry	County	54.8%	54.8%	56.6%	54.9%	54.8%	55.6%	54.6%	55.4%	54.3%	53.3%	53.4%	52.8%
62	Perry	Townships	2.3%	2.2%	2.0%	2.0%	1.8%	1.7%	1.8%	1.8%	1.9%	2.0%	2.1%	2.1%
62	Perry	Cities and Towns	34.6%	34.2%	32.6%	30.7%	31.9%	32.3%	32.4%	31.8%	32.7%	33.3%	33.0%	33.7%
62	Perry	Libraries	7.2%	7.8%	7.8%	11.8%	10.7%	9.7%	10.5%	10.3%	10.6%	10.8%	10.9%	11.0%
62	Perry	Special Units	1.0%	1.0%	0.9%	0.6%	0.8%	0.7%	0.6%	0.6%	0.6%	0.6%	0.6%	0.5%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
63	Pike	County	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
63	Pike	Townships	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
63	Pike	Cities and Towns	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
63	Pike	Libraries	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
63	Pike	Special Units	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

CAGIT or COIT Certified Shares
Percentage of Total Shares by Taxing Unit Type
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			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
64	Porter	County	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
64	Porter	Townships	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
64	Porter	Cities and Towns	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
64	Porter	Libraries	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
64	Porter	Special Units	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
65	Posey	County	N/A	N/A	N/A	N/A	N/A	N/A	N/A	59.5%	60.2%	61.3%	62.4%	61.7%
65	Posey	Townships	N/A	N/A	N/A	N/A	N/A	N/A	N/A	8.7%	8.8%	8.7%	8.6%	8.7%
65	Posey	Cities and Towns	N/A	N/A	N/A	N/A	N/A	N/A	N/A	22.1%	21.3%	20.8%	19.6%	20.8%
65	Posey	Libraries	N/A	N/A	N/A	N/A	N/A	N/A	N/A	9.1%	9.0%	8.6%	8.8%	8.2%
65	Posey	Special Units	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.6%	0.6%	0.6%	0.6%	0.6%
										100.0%	100.0%	100.0%	100.0%	100.0%
66	Pulaski	County	74.6%	72.9%	73.0%	73.7%	74.0%	74.2%	73.7%	74.2%	76.3%	73.6%	71.4%	71.6%
66	Pulaski	Townships	5.1%	5.9%	5.9%	6.0%	5.9%	6.0%	5.9%	5.9%	5.5%	6.1%	6.3%	6.1%
66	Pulaski	Cities and Towns	12.5%	12.3%	12.8%	12.2%	12.1%	11.6%	11.6%	11.2%	10.4%	11.8%	12.0%	11.8%
66	Pulaski	Libraries	7.8%	8.9%	8.3%	8.1%	8.0%	8.2%	8.7%	8.7%	7.8%	8.4%	10.4%	10.5%
66	Pulaski	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
67	Putnam	County	56.3%	55.4%	54.9%	50.6%	56.7%	54.6%	54.6%	56.2%	57.2%	53.5%	51.5%	52.2%
67	Putnam	Townships	4.7%	4.4%	4.4%	4.4%	4.3%	3.5%	3.6%	3.3%	3.5%	4.1%	4.1%	4.0%
67	Putnam	Cities and Towns	29.2%	30.4%	30.6%	34.9%	29.8%	31.9%	31.8%	31.0%	30.2%	32.9%	34.2%	34.8%
67	Putnam	Libraries	8.1%	7.5%	7.7%	7.4%	7.1%	7.0%	7.0%	6.7%	6.6%	6.9%	7.5%	5.9%
67	Putnam	Special Units	1.8%	2.3%	2.4%	2.7%	2.1%	3.0%	3.0%	2.8%	2.4%	2.6%	2.7%	3.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
68	Randolph	County	57.0%	57.0%	55.2%	57.3%	57.2%	56.6%	57.8%	57.5%	55.8%	53.8%	56.1%	53.1%
68	Randolph	Townships	3.5%	3.9%	5.6%	3.7%	4.0%	4.0%	3.9%	3.8%	4.1%	4.2%	4.2%	4.4%
68	Randolph	Cities and Towns	34.9%	34.7%	34.7%	35.5%	35.5%	36.0%	35.0%	35.4%	36.6%	38.4%	36.3%	39.0%
68	Randolph	Libraries	4.5%	4.5%	4.4%	3.5%	3.3%	3.4%	3.3%	3.3%	3.5%	3.6%	3.4%	3.5%
68	Randolph	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
Percentage of Total Shares by Taxing Unit Type
(Includes Only Legacy CAGIT and COIT)

			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
69	Ripley	County	62.0%	63.0%	62.7%	61.8%	61.1%	61.8%	61.3%	62.3%	63.0%	66.2%	66.4%	65.9%
69	Ripley	Townships	3.2%	3.6%	3.8%	4.1%	3.9%	3.8%	3.7%	3.9%	4.0%	3.7%	3.6%	3.5%
69	Ripley	Cities and Towns	28.3%	29.5%	27.1%	27.2%	27.7%	27.1%	27.2%	26.6%	26.2%	23.5%	23.2%	23.3%
69	Ripley	Libraries	3.7%	3.8%	4.8%	5.4%	5.5%	5.5%	5.9%	5.6%	5.2%	5.1%	5.3%	5.9%
69	Ripley	Special Units	2.8%	0.0%	1.6%	1.6%	1.8%	1.8%	1.9%	1.7%	1.7%	1.5%	1.5%	1.5%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
70	Rush	County	54.7%	55.7%	51.7%	52.2%	51.3%	54.1%	53.8%	53.1%	49.7%	53.2%	56.0%	53.8%
70	Rush	Townships	4.6%	4.6%	4.9%	5.1%	4.8%	4.4%	4.5%	4.4%	4.1%	4.1%	4.5%	4.5%
70	Rush	Cities and Towns	38.0%	36.9%	40.6%	39.8%	41.1%	38.9%	39.1%	40.1%	43.5%	40.3%	37.1%	39.3%
70	Rush	Libraries	2.8%	2.8%	2.7%	2.8%	2.8%	2.6%	2.6%	2.4%	2.7%	2.5%	2.3%	2.5%
70	Rush	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
71	St. Joseph	County	43.3%	41.4%	40.5%	37.4%	39.0%	38.7%	39.7%	43.4%	42.7%	38.4%	39.0%	37.1%
71	St. Joseph	Townships	3.2%	3.9%	3.6%	4.0%	4.6%	4.6%	3.9%	3.8%	4.0%	4.4%	4.6%	5.3%
71	St. Joseph	Cities and Towns	42.8%	43.8%	44.1%	45.8%	43.3%	44.1%	43.9%	41.5%	41.7%	45.8%	44.3%	45.1%
71	St. Joseph	Libraries	6.8%	7.0%	7.1%	8.0%	7.7%	7.9%	8.0%	7.6%	8.0%	7.4%	8.1%	8.9%
71	St. Joseph	Special Units	3.9%	3.9%	4.7%	4.8%	5.4%	4.7%	4.4%	3.7%	3.7%	4.0%	3.9%	3.7%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
72	Scott	County	59.8%	61.9%	63.1%	61.6%	62.1%	61.6%	62.6%	61.1%	64.2%	62.7%	63.0%	61.8%
72	Scott	Townships	3.6%	3.5%	3.9%	4.0%	4.3%	4.4%	4.2%	4.3%	4.0%	4.2%	4.2%	4.3%
72	Scott	Cities and Towns	29.5%	28.0%	27.6%	28.0%	27.2%	27.5%	26.7%	28.0%	25.7%	26.8%	26.5%	27.4%
72	Scott	Libraries	5.8%	5.4%	5.3%	5.3%	5.2%	5.4%	5.2%	5.4%	5.0%	5.2%	5.3%	5.4%
72	Scott	Special Units	1.3%	1.2%	0.0%	1.2%	1.2%	1.3%	1.2%	1.2%	1.1%	1.1%	1.1%	1.2%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
73	Shelby	County	46.9%	43.5%	46.1%	45.9%	46.7%	44.8%	46.5%	51.0%	48.6%	43.7%	43.5%	42.0%
73	Shelby	Townships	4.4%	4.5%	3.8%	3.6%	3.7%	3.8%	3.6%	3.1%	3.3%	3.5%	3.5%	3.8%
73	Shelby	Cities and Towns	45.2%	48.3%	44.6%	45.3%	44.4%	46.0%	44.8%	42.0%	45.1%	49.9%	50.0%	51.1%
73	Shelby	Libraries	3.5%	3.8%	5.5%	5.1%	5.2%	5.4%	5.1%	3.9%	3.0%	2.9%	3.0%	3.1%
73	Shelby	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
Percentage of Total Shares by Taxing Unit Type
(Includes Only Legacy CAGIT and COIT)

			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
74	Spencer	County	N/A	N/A	65.9%	65.8%	65.0%	65.1%	66.7%	68.0%	67.2%	68.3%	64.7%	66.7%
74	Spencer	Townships	N/A	N/A	6.6%	7.1%	6.2%	6.2%	6.4%	6.5%	6.5%	6.1%	6.9%	6.2%
74	Spencer	Cities and Towns	N/A	N/A	12.6%	12.6%	12.5%	12.8%	13.3%	13.2%	13.3%	12.9%	14.3%	13.5%
74	Spencer	Libraries	N/A	N/A	14.1%	13.6%	15.5%	15.1%	12.8%	11.6%	12.2%	11.9%	13.2%	12.7%
74	Spencer	Special Units	N/A	N/A	0.8%	0.9%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.9%	0.9%
					100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
75	Starke	County	54.9%	56.2%	58.2%	57.4%	57.5%	62.4%	61.5%	60.1%	58.9%	54.8%	55.4%	53.3%
75	Starke	Townships	8.4%	7.7%	7.7%	7.3%	7.8%	7.8%	7.8%	7.6%	8.1%	9.0%	9.4%	9.8%
75	Starke	Cities and Towns	21.7%	21.0%	20.1%	20.7%	20.9%	16.7%	18.6%	19.3%	19.7%	21.6%	20.3%	21.9%
75	Starke	Libraries	12.3%	12.6%	11.5%	12.0%	11.4%	10.9%	10.1%	10.7%	11.0%	12.1%	12.2%	12.4%
75	Starke	Special Units	2.6%	2.5%	2.5%	2.6%	2.5%	2.2%	2.1%	2.3%	2.3%	2.5%	2.7%	2.6%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
76	Steuben	County	55.7%	51.9%	53.4%	54.8%	52.2%	52.2%	50.7%	50.7%	49.4%	50.1%	51.4%	50.2%
76	Steuben	Townships	4.8%	6.1%	5.4%	5.2%	5.2%	5.1%	5.1%	6.5%	6.9%	6.1%	6.5%	6.7%
76	Steuben	Cities and Towns	34.5%	35.9%	34.5%	33.3%	32.7%	33.1%	34.5%	33.2%	34.8%	34.8%	33.4%	34.3%
76	Steuben	Libraries	3.4%	4.3%	5.0%	5.3%	8.3%	7.7%	7.9%	7.7%	7.1%	7.2%	7.0%	7.0%
76	Steuben	Special Units	1.6%	1.7%	1.8%	1.4%	1.6%	1.8%	1.9%	1.8%	1.8%	1.8%	1.7%	1.8%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
77	Sullivan	County	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
77	Sullivan	Townships	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
77	Sullivan	Cities and Towns	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
77	Sullivan	Libraries	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
77	Sullivan	Special Units	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
78	Switzerland	County	78.8%	78.9%	80.4%	82.6%	80.3%	78.0%	79.4%	79.5%	79.5%	79.7%	79.4%	78.8%
78	Switzerland	Townships	5.9%	5.6%	5.9%	5.2%	5.0%	5.2%	5.1%	5.3%	5.5%	5.5%	5.6%	5.8%
78	Switzerland	Cities and Towns	10.2%	10.5%	8.4%	6.9%	9.8%	10.9%	10.1%	9.8%	9.9%	9.6%	9.6%	10.0%
78	Switzerland	Libraries	5.1%	5.0%	5.3%	5.3%	4.8%	5.9%	5.5%	5.3%	5.1%	5.2%	5.3%	5.4%
78	Switzerland	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
Percentage of Total Shares by Taxing Unit Type
(Includes Only Legacy CAGIT and COIT)

			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
79	Tippecanoe	County	47.8%	39.7%	41.2%	38.1%	40.6%	40.9%	40.9%	44.1%	43.8%	43.7%	44.4%	44.2%
79	Tippecanoe	Townships	2.8%	3.0%	2.9%	2.9%	2.7%	2.7%	2.7%	2.4%	2.4%	2.8%	2.7%	2.8%
79	Tippecanoe	Cities and Towns	42.4%	48.4%	47.4%	49.9%	47.2%	46.4%	46.6%	44.8%	44.4%	44.2%	43.4%	43.6%
79	Tippecanoe	Libraries	5.1%	6.8%	6.3%	6.8%	7.3%	7.3%	7.1%	6.1%	6.9%	6.8%	6.8%	6.8%
79	Tippecanoe	Special Units	1.9%	2.1%	2.1%	2.2%	2.1%	2.7%	2.7%	2.6%	2.5%	2.5%	2.6%	2.6%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
80	Tipton	County	46.2%	46.8%	47.4%	43.9%	46.7%	46.3%	41.9%	41.1%	41.3%	43.6%	44.0%	44.0%
80	Tipton	Townships	7.0%	7.5%	6.9%	8.0%	7.5%	7.6%	7.4%	7.4%	7.6%	7.5%	7.4%	7.3%
80	Tipton	Cities and Towns	34.4%	34.2%	35.9%	36.7%	34.5%	34.8%	40.0%	41.4%	40.3%	37.9%	37.6%	38.0%
80	Tipton	Libraries	10.7%	10.0%	9.8%	10.0%	9.7%	9.8%	9.4%	8.8%	9.5%	9.6%	9.6%	9.3%
80	Tipton	Special Units	1.7%	1.5%	0.0%	1.4%	1.5%	1.5%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
81	Union	County	65.5%	64.8%	67.2%	66.3%	65.8%	67.9%	65.3%	66.3%	67.4%	64.1%	64.4%	61.3%
81	Union	Townships	3.9%	4.0%	3.7%	3.8%	3.5%	2.7%	2.8%	2.9%	3.1%	3.3%	3.5%	4.1%
81	Union	Cities and Towns	22.1%	22.3%	20.5%	21.2%	22.2%	17.4%	19.0%	18.9%	18.2%	20.2%	19.6%	20.3%
81	Union	Libraries	8.6%	8.8%	8.6%	8.7%	8.5%	12.0%	13.0%	11.8%	11.3%	12.3%	12.5%	14.3%
81	Union	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
82	Vanderburgh	County	45.4%	43.5%	43.6%	45.3%	45.9%	44.6%	44.1%	44.2%	43.5%	42.7%	43.7%	42.6%
82	Vanderburgh	Townships	3.2%	3.3%	3.5%	3.2%	2.8%	2.8%	2.7%	2.7%	2.7%	2.7%	2.8%	2.6%
82	Vanderburgh	Cities and Towns	45.1%	46.3%	46.0%	44.5%	43.2%	42.7%	44.3%	43.6%	44.3%	44.9%	43.0%	43.9%
82	Vanderburgh	Libraries	6.3%	6.9%	7.0%	7.0%	8.1%	10.0%	8.9%	8.6%	8.5%	8.6%	9.1%	9.0%
82	Vanderburgh	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%	1.0%	1.1%	1.4%	1.9%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
83	Vermillion	County	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
83	Vermillion	Townships	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
83	Vermillion	Cities and Towns	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
83	Vermillion	Libraries	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
83	Vermillion	Special Units	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
84	Vigo	County	N/A	N/A	N/A	N/A	38.1%	39.6%	39.5%	41.1%	40.9%	38.6%	42.0%	41.0%
84	Vigo	Townships	N/A	N/A	N/A	N/A	1.9%	2.0%	2.0%	2.0%	1.8%	1.9%	2.0%	2.0%
84	Vigo	Cities and Towns	N/A	N/A	N/A	N/A	40.0%	39.7%	39.8%	38.4%	37.7%	37.8%	36.4%	37.6%
84	Vigo	Libraries	N/A	N/A	N/A	N/A	7.4%	6.7%	6.6%	6.4%	6.1%	6.2%	6.7%	6.7%
84	Vigo	Special Units	N/A	N/A	N/A	N/A	12.6%	11.9%	12.1%	12.0%	13.5%	15.4%	12.9%	12.7%
							100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
85	Wabash	County	42.1%	44.2%	41.5%	40.4%	43.3%	42.8%	42.2%	41.8%	41.6%	44.3%	42.7%	42.9%
85	Wabash	Townships	5.8%	5.0%	4.8%	5.5%	5.2%	5.2%	5.1%	5.0%	5.1%	5.4%	5.4%	5.4%
85	Wabash	Cities and Towns	47.1%	46.2%	48.9%	49.2%	46.9%	47.2%	47.0%	47.4%	47.5%	44.1%	45.9%	46.5%
85	Wabash	Libraries	5.0%	4.6%	4.9%	4.9%	4.7%	4.8%	5.7%	5.7%	5.8%	6.2%	6.0%	5.2%
85	Wabash	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
86	Warren	County	77.3%	77.8%	75.5%	76.9%	75.7%	75.4%	77.4%	78.2%	78.7%	77.2%	76.6%	76.8%
86	Warren	Townships	4.9%	5.0%	5.7%	6.3%	5.7%	5.4%	5.6%	5.6%	5.1%	5.5%	5.5%	5.6%
86	Warren	Cities and Towns	10.4%	10.1%	11.0%	9.4%	10.8%	11.1%	9.7%	9.3%	9.0%	9.8%	9.9%	10.3%
86	Warren	Libraries	3.7%	3.6%	4.0%	4.3%	4.7%	4.8%	4.4%	4.1%	4.5%	4.3%	5.0%	4.4%
86	Warren	Special Units	3.8%	3.5%	3.8%	3.2%	3.2%	3.3%	2.9%	2.9%	2.7%	3.1%	3.0%	2.9%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
87	Warrick	County	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
87	Warrick	Townships	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
87	Warrick	Cities and Towns	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
87	Warrick	Libraries	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
87	Warrick	Special Units	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
88	Washington	County	61.0%	59.1%	58.4%	58.0%	57.5%	57.4%	56.9%	57.2%	64.9%	64.6%	65.0%	62.8%
88	Washington	Townships	4.5%	4.4%	4.3%	5.3%	5.2%	5.1%	5.2%	5.2%	5.1%	5.1%	5.1%	5.6%
88	Washington	Cities and Towns	26.6%	26.6%	26.4%	26.1%	26.3%	26.6%	27.0%	26.9%	26.0%	26.1%	25.4%	26.8%
88	Washington	Libraries	3.4%	2.4%	3.5%	3.3%	3.6%	3.5%	3.5%	3.4%	2.9%	3.1%	3.3%	3.6%
88	Washington	Special Units	4.5%	7.6%	7.4%	7.3%	7.3%	7.4%	7.4%	7.3%	1.1%	1.1%	1.1%	1.2%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CAGIT or COIT Certified Shares
Percentage of Total Shares by Taxing Unit Type
(Includes Only Legacy CAGIT and COIT)

			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
89	Wayne	County	41.0%	40.4%	39.6%	38.8%	42.4%	41.0%	39.4%	39.7%	41.0%	39.3%	41.3%	41.2%
89	Wayne	Townships	3.8%	3.6%	3.3%	5.0%	4.1%	3.9%	4.1%	4.1%	3.9%	4.0%	4.2%	4.2%
89	Wayne	Cities and Towns	39.7%	40.1%	40.2%	39.5%	37.1%	38.5%	39.7%	39.7%	38.9%	40.0%	37.8%	37.5%
89	Wayne	Libraries	7.1%	7.4%	7.2%	6.9%	5.4%	5.6%	5.4%	5.5%	5.4%	5.4%	4.7%	5.2%
89	Wayne	Special Units	8.4%	8.5%	9.8%	9.7%	11.0%	11.1%	11.3%	11.1%	10.7%	11.3%	11.9%	11.9%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
90	Wells	County	54.7%	57.8%	58.6%	56.3%	53.5%	52.4%	54.5%	54.0%	51.4%	49.6%	49.6%	48.9%
90	Wells	Townships	4.4%	3.3%	5.3%	5.4%	4.4%	5.7%	4.9%	4.0%	4.0%	4.2%	4.2%	4.5%
90	Wells	Cities and Towns	29.0%	28.4%	26.0%	28.4%	31.0%	30.9%	29.9%	30.8%	32.3%	33.5%	33.1%	33.5%
90	Wells	Libraries	11.9%	10.5%	10.1%	9.9%	11.1%	11.0%	10.6%	11.2%	12.3%	12.7%	13.0%	13.1%
90	Wells	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
91	White	County	56.4%	58.1%	55.7%	54.1%	58.8%	60.1%	59.5%	60.2%	59.3%	59.0%	59.4%	59.0%
91	White	Townships	4.5%	4.4%	5.0%	5.8%	5.1%	5.1%	5.4%	5.4%	5.5%	5.7%	5.6%	5.6%
91	White	Cities and Towns	27.6%	27.5%	28.8%	30.3%	27.3%	28.4%	28.6%	28.2%	28.8%	28.8%	28.5%	29.1%
91	White	Libraries	11.6%	10.0%	10.5%	9.8%	8.9%	6.5%	6.5%	6.2%	6.4%	6.5%	6.4%	6.3%
91	White	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
92	Whitley	County	58.3%	57.2%	56.9%	54.2%	57.2%	56.5%	56.5%	55.8%	53.9%	54.6%	56.1%	55.2%
92	Whitley	Townships	8.6%	8.9%	9.7%	9.7%	9.5%	9.4%	9.5%	9.3%	9.0%	8.8%	8.9%	9.2%
92	Whitley	Cities and Towns	24.2%	25.2%	25.4%	27.8%	25.1%	25.8%	25.8%	26.3%	26.9%	26.3%	25.4%	25.2%
92	Whitley	Libraries	8.9%	8.7%	8.1%	8.3%	8.2%	8.3%	8.3%	8.5%	10.2%	10.3%	9.5%	10.4%
92	Whitley	Special Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Exhibit F
Commission on State Tax and Financing Policy
Meeting #1 Sept. 12, 2011

To: Commission on State Tax and Financing Policy
From: Association of Indiana Counties
Date: September 12, 2011
Re: **Local Income Tax Distributions**

First established in the 1970s, local income taxes have been amended considerably since to make a confusing and unwieldy system. The Association of Indiana Counties believes that the current system of local income tax distributions can be improved making it more equitable for the taxpayers and units of government.

Three main challenges currently exist:

- Basing the income tax distribution on the relative share of each units property tax levy incentivizes hirer spending with more income tax revenue.
- Adopting body often receives small share of overall revenue.
- Property tax relief extremely complex and creates inequities by basing relief on levy share.

Suggested Changes

Distribution:

- Establish off the top percentage to county for county wide services.
  Ex. of 20% and 10% provided
- Distribute remainder by both levy share and population share of each unit.
  Ex. of 40% (pop.) / 40% (levy) and 45% (pop.) / 45% (levy) provided
    - County population would only count residents living in the unincorporated part of the county.
    - Townships only included as part of population measure.
    - Townships included in public safety LOIT.
    - Special Districts and specific county legislation not included in examples.

Rates:

- Consolidate to two rates:
    - General revenue rate distributed under new system.
    - Property tax relief rate distributed as credits uniformly to all taxpayers in the county.

Allen County Local Income Tax Shift Analysis

Non Property Tax Relief Local Option Credits $ 51,084,470

					COIT / LOIT / CEDIT Revenues Distributed					
Type	Unit	Unit Name	Levy for Distribution	Population For Distribution	Distrib_1 20% to Co	Distrib_2 40% by Levy	Distrib_3 40% by Pop	Total Distribution	Current LOIT Revenues	Difference
1	0000	ALLEN CNTY	65,339,408	128,113	10,216,894	7,216,154	7,367,352	24,800,400	15,058,042	9,742,358
2	0001	ABOITE TWP	563,314			62,213	-	62,213	60,624	1,589
2	0002	ADAMS TWP	548,122			60,535	-	60,535	55,632	4,903
2	0003	CEDAR CREEK TWP	175,074			19,335	-	19,335	18,478	857
2	0004	EEL RIVER TWP	11,525			1,273	-	1,273	4,286	(3,013)
2	0005	JACKSON TWP	17,579			1,941	-	1,941	1,797	144
2	0006	JEFFERSON TWP	113,930			12,583	-	12,583	11,645	938
2	0007	LAFAYETTE TWP	5,311			587	-	587	573	14
2	0008	LAKE TWP	82,588			9,121	-	9,121	8,472	649
2	0009	MADISON TWP	96,095			10,613	-	10,613	11,653	(1,040)
2	0010	MARION TWP	94,744			10,464	-	10,464	9,704	760
2	0011	MAUMEE TWP	111,016			12,261	-	12,261	12,057	204
2	0012	MILAN TWP	98,019			10,825	-	10,825	10,124	701
2	0013	MONROE TWP	49,720			5,491	-	5,491	5,089	402
2	0014	PERRY TWP	645,260			71,263	-	71,263	43,763	27,500
2	0015	PLEASANT TWP	24,603			2,717	-	2,717	2,505	212
2	0016	SCIPIO TWP	11,459			1,266	-	1,266	1,165	101
2	0017	SPRINGFIELD TWP	215,439			23,793	-	23,793	16,422	7,371
2	0018	ST. JOSEPH TWP	681,516			75,267	-	75,267	69,110	6,157
2	0019	WASHINGTON TWP	353,305			39,019	-	39,019	36,174	2,845
2	0020	WAYNE TWP	2,837,416			313,367	-	313,367	284,639	28,728
3	0100	FORT WAYNE CIV. CITY	106,024,105	205,727		11,709,415	11,830,675	23,540,090	29,268,865	(5,728,775)
3	0424	NEW HAVEN CIV. CITY	5,543,730	12,406		612,255	713,428	1,325,683	1,463,722	(138,039)
3	0465	WOODBURN CIV. CITY	173,252	1,579		19,134	90,803	109,937	134,576	(24,639)
3	0476	ZANESVILLE CIV. TOWN	4,200	602		464	34,619	35,083	7,056	28,027
3	0522	GRABILL CIV. TOWN	281,574	1,113		31,097	64,005	95,102	111,385	(16,283)
3	0523	HUNTERTOWN CIV. TOWN	310,967	1,771		34,344	101,844	136,188	225,584	(89,396)
3	0524	MONROEVILLE CIV. TOWN	205,713	1,236		22,719	71,078	93,797	113,185	(19,388)
3	0968	LEO-CEDARVILLE	400,851	2,782		44,270	159,984	204,254	246,946	(42,692)
		Total	185,019,835	355,329	10,216,894	20,433,788	20,433,788	51,084,470	47,293,273	3,791,197

Allen County Local Income Tax Shift Analysis - AIC Assignment - Revision A

Non Property Tax Relief Local Option Credits	$ 51,084,470

					COIT / LOIT / CEDIT Revenues Distributed					
Type	Unit	Unit Name	Prop Tax Levy for Distribution	Population For Distribution	Distrib_1 10% to Co	Distrib_2 45% by Levy	Distrib_3 45% by Pop	Total Distribution	Current LOIT Revenues	Difference
1	0000	ALLEN CNTY	65,339,408	128,113	5,108,447	8,118,173	8,288,271	21,514,891	15,058,042	6,456,849
2	0001	ABOITE TWP	563,314			69,990	-	69,990	60,624	9,366
2	0002	ADAMS TWP	548,122			68,102	-	68,102	55,632	12,470
2	0003	CEDAR CREEK TWP	175,074			21,752	-	21,752	18,478	3,274
2	0004	EEL RIVER TWP	11,525			1,432	-	1,432	4,286	(2,854)
2	0005	JACKSON TWP	17,579			2,184	-	2,184	1,797	387
2	0006	JEFFERSON TWP	113,930			14,155	-	14,155	11,645	2,510
2	0007	LAFAYETTE TWP	5,311			660	-	660	573	87
2	0008	LAKE TWP	82,588			10,261	-	10,261	8,472	1,789
2	0009	MADISON TWP	96,095			11,939	-	11,939	11,653	286
2	0010	MARION TWP	94,744			11,772	-	11,772	9,704	2,068
2	0011	MAUMEE TWP	111,016			13,793	-	13,793	12,057	1,736
2	0012	MILAN TWP	98,019			12,178	-	12,178	10,124	2,054
2	0013	MONROE TWP	49,720			6,178	-	6,178	5,089	1,089
2	0014	PERRY TWP	645,260			80,171	-	80,171	43,763	36,408
2	0015	PLEASANT TWP	24,603			3,057	-	3,057	2,505	552
2	0016	SCIPIO TWP	11,459			1,424	-	1,424	1,165	259
2	0017	SPRINGFIELD TWP	215,439			26,767	-	26,767	16,422	10,345
2	0018	ST. JOSEPH TWP	681,516			84,676	-	84,676	69,110	15,566
2	0019	WASHINGTON TWP	353,305			43,897	-	43,897	36,174	7,723
2	0020	WAYNE TWP	2,837,416			352,538	-	352,538	284,639	67,899
3	0100	FORT WAYNE CIV. CITY	106,024,105	205,727		13,173,092	13,309,509	26,482,602	29,268,865	(2,786,263)
3	0424	NEW HAVEN CIV. CITY	5,543,730	12,406		688,787	802,606	1,491,394	1,463,722	27,672
3	0465	WOODBURN CIV. CITY	173,252	1,579		21,526	102,153	123,679	134,576	(10,897)
3	0476	ZANESVILLE CIV. TOWN	4,200	602		522	38,946	39,468	7,056	32,412
3	0522	GRABILL CIV. TOWN	281,574	1,113		34,984	72,006	106,990	111,385	(4,395)
3	0523	HUNTERTOWN CIV. TOWN	310,967	1,771		38,636	114,575	153,211	225,584	(72,373)
3	0524	MONROEVILLE CIV. TOWN	205,713	1,236		25,559	79,963	105,522	113,185	(7,663)
3	0968	LEO-CEDARVILLE	400,851	2,782		49,804	179,982	229,786	246,946	(17,160)
		Total	185,019,835	355,329	5,108,447	22,988,012	22,988,012	51,084,470	47,293,273	3,791,197

Hamilton County Local Income Tax Shift Analysis

Non Property Tax Relief Local Option Credits $ 82,355,904

					COIT / LOIT / CEDIT Revenues Distributed					
Type	Unit	Unit Name	Levy for Distribution	Population For Distribution	Distrib_1 20% to Co	Distrib_2 40% by Levy	Distrib_3 40% by Pop	Total Distribution	Current LOIT Revenues	Difference
1	0000	HAMILTON COUNTY	48,994,709	151,787	16,471,181	9,977,593	18,211,168	44,659,942	25,132,639	19,527,303
2	0001	ADAMS TWP.	175,014			35,641	-	35,641	86,355	(50,714)
2	0002	CLAY TWP.	7,320,515			1,490,796	-	1,490,796	3,602,175	(2,111,379)
2	0003	DELAWARE TWP.	641,031			130,544	-	130,544	207,238	(76,694)
2	0004	FALL CREEK TWP.	940,983			191,628	-	191,628	755,216	(563,588)
2	0005	JACKSON TWP.	253,189			51,561	-	51,561	102,356	(50,795)
2	0006	NOBLESVILLE TWP.	773,390			157,498	-	157,498	474,905	(317,407)
2	0007	WASHINGTON TWP.	715,899			145,790	-	145,790	357,658	(211,868)
2	0008	WAYNE TWP.	214,725			43,728	-	43,728	68,552	(24,824)
2	0009	WHITE RIVER TWP.	209,681			42,701	-	42,701	102,734	(60,033)
3	0323	CARMEL CIV. CITY	35,993,200	37,733		7,329,883	4,527,147	11,857,030	18,452,059	(6,595,029)
3	0413	NOBLESVILLE CIV. CITY	23,724,790	28,590		4,831,467	3,430,184	8,261,650	11,128,754	(2,867,104)
3	0639	ARCADIA CIV. TOWN	292,562	1,747		59,579	209,602	269,182	145,943	123,239
3	0640	ATLANTA CIV. TOWN	84,083	761		17,123	91,304	108,427	41,636	66,791
3	0641	CICERO CIV. TOWN	1,303,963	4,303		265,547	516,267	781,815	681,600	100,215
3	0642	FISHERS CIV. TOWN	25,634,781	37,835		5,220,429	4,539,384	9,759,814	9,758,532	1,282
3	0643	SHERIDAN CIV. TOWN	1,030,687	2,520		209,896	302,346	512,241	477,198	35,043
3	0644	WESTFIELD CIV. City	13,459,401	9,293		2,740,958	1,114,960	3,855,917	5,013,168	(1,157,251)
		Total	161,762,603	274,569	16,471,181	32,942,362	32,942,362	82,355,904	76,588,718	5,767,186

Hamilton County Local Income Tax Shift Analysis

Non Property Tax Relief Local Option Credits	$ 82,355,904

					COIT / LOIT / CEDIT Revenues Distributed					
Type	Unit	Unit Name	Prop Tax Levy for Distribution	Population For Distribution	Distrib_1 10% to Co	Distrib_2 45% by Levy	Distrib_3 45% by Pop	Total Distribution	Current LOIT Revenues	Difference
1	0000	HAMILTON COUNTY	48,994,709	151,787	8,235,590	11,224,792	20,487,564	39,947,947	25,132,639	14,815,308
2	0001	ADAMS TWP.	175,014			40,096	-	40,096	86,355	(46,259)
2	0002	CLAY TWP.	7,320,515			1,677,146	-	1,677,146	3,602,175	(1,925,029)
2	0003	DELAWARE TWP.	641,031			146,862	-	146,862	207,238	(60,376)
2	0004	FALL CREEK TWP.	940,983			215,581	-	215,581	755,216	(539,635)
2	0005	JACKSON TWP.	253,189			58,006	-	58,006	102,356	(44,350)
2	0006	NOBLESVILLE TWP.	773,390			177,185	-	177,185	474,905	(297,720)
2	0007	WASHINGTON TWP.	715,899			164,014	-	164,014	357,658	(193,644)
2	0008	WAYNE TWP.	214,725			49,194	-	49,194	68,552	(19,358)
2	0009	WHITE RIVER TWP.	209,681			48,038	-	48,038	102,734	(54,696)
3	0323	CARMEL CIV. CITY	35,993,200	37,733		8,246,119	5,093,040	13,339,159	18,452,059	(5,112,900)
3	0413	NOBLESVILLE CIV. CITY	23,724,790	28,590		5,435,400	3,858,957	9,294,357	11,128,754	(1,834,397)
3	0639	ARCADIA CIV. TOWN	292,562	1,747		67,027	235,803	302,829	145,943	156,886
3	0640	ATLANTA CIV. TOWN	84,083	761		19,264	102,717	121,980	41,636	80,344
3	0641	CICERO CIV. TOWN	1,303,963	4,303		298,741	580,801	879,541	681,600	197,941
3	0642	FISHERS CIV. TOWN	25,634,781	37,835		5,872,983	5,106,808	10,979,790	9,758,532	1,221,258
3	0643	SHERIDAN CIV. TOWN	1,030,687	2,520		236,133	340,139	576,271	477,198	99,073
3	0644	WESTFIELD CIV. City	13,459,401	9,293		3,083,577	1,254,330	4,337,907	5,013,168	(675,261)
		Total	161,762,603	274,569	8,235,590	37,060,157	37,060,157	82,355,904	76,588,718	5,767,186

Posey County Local Income Tax Shift Analysis

Non Property Tax Relief Local Option Credits	$ 4,750,117

					COIT / LOIT / CEDIT Revenues Distributed					
Type	Unit	Unit Name	Prop Tax Levy for Distribution	Population For Distribution	Distrib_1 10% to Co	Distrib_2 45% by Levy	Distrib_3 45% by Pop	Total Distribution	Current Loc Opt Revenues	Difference
1	0000	POSEY COUNTY	9,078,886	15,476	475,012	1,370,890	1,276,757	3,122,658	3,264,569	(141,911)
2	0001	BETHEL TWP.	15,828			2,390	-	2,390	1,984	406
2	0002	BLACK TWP.	794,515			119,970	-	119,970	102,219	17,751
2	0003	CENTER TWP.	17,574			2,654	-	2,654	2,204	450
2	0004	HARMONY TWP.	30,892			4,665	-	4,665	4,886	(221)
2	0005	LYNN TWP.	59,268			8,949	-	8,949	7,428	1,521
2	0006	MARRS TWP.	281,606			42,522	-	42,522	35,305	7,217
2	0007	POINT TWP.	19,454			2,938	-	2,938	2,439	499
2	0008	ROBB TWP.	57,018			8,610	-	8,610	7,151	1,459
2	0009	ROBINSON TWP.	150,565			22,735	-	22,735	18,781	3,954
2	0010	SMITH TWP.	45,215			6,827	-	6,827	5,687	1,140
3	0419	MOUNT VERNON CIV. CITY	3,130,181	7,478		472,650	616,929	1,089,578	960,484	129,094
3	0835	CYNTHIANA CIV. TOWN	67,971	693		10,263	57,172	67,435	20,916	46,519
3	0836	GRIFFIN CIV. TOWN	12,104	160		1,828	13,200	15,028	3,706	11,322
3	0837	NEW HARMONY CIV. TOWN	149,511	916		22,576	75,569	98,145	46,013	52,132
3	0838	POSEYVILLE CIV. TOWN	245,617	1,187		37,088	97,926	135,014	75,861	59,153
		Total	14,156,205	25,910	475,012	2,137,553	2,137,553	4,750,117	4,559,633	190,484

Posey County Local Income Tax Shift Analysis

Non Property Tax Relief Local Option Credits $ 4,750,117

Type	Unit	Unit Name	Levy for Distribution	Population For Distribution	COIT / LOIT / CEDIT Revenues Distributed: Distrib_1 20% to Co	Distrib_2 40% by Levy	Distrib_3 40% by Pop	Total Distribution	Current Loc Opt Revenues	Difference
1	0000	POSEY COUNTY	9,078,886	15,476	950,023	1,218,569	1,134,895	3,303,487	3,264,569	38,918
2	0001	BETHEL TWP.	15,828			2,124	-	2,124	1,984	140
2	0002	BLACK TWP.	794,515			106,640	-	106,640	102,219	4,421
2	0003	CENTER TWP.	17,574			2,359	-	2,359	2,204	155
2	0004	HARMONY TWP.	30,892			4,146	-	4,146	4,886	(740)
2	0005	LYNN TWP.	59,268			7,955	-	7,955	7,428	527
2	0006	MARRS TWP.	281,606			37,797	-	37,797	35,305	2,492
2	0007	POINT TWP.	19,454			2,611	-	2,611	2,439	172
2	0008	ROBB TWP.	57,018			7,653	-	7,653	7,151	502
2	0009	ROBINSON TWP.	150,565			20,209	-	20,209	18,781	1,428
2	0010	SMITH TWP.	45,215			6,069	-	6,069	5,687	382
3	0419	MOUNT VERNON CIV. CITY	3,130,181	7,478		420,133	548,381	968,514	960,484	8,030
3	0835	CYNTHIANA CIV. TOWN	67,971	693		9,123	50,819	59,943	20,916	39,027
3	0836	GRIFFIN CIV. TOWN	12,104	160		1,625	11,733	13,358	3,706	9,652
3	0837	NEW HARMONY CIV. TOWN	149,511	916		20,067	67,173	87,240	46,013	41,227
3	0838	POSEYVILLE CIV. TOWN	245,617	1,187		32,967	87,046	120,012	75,861	44,151
		Total	14,156,205	25,910	950,023	1,900,047	1,900,047	4,750,117	4,559,633	190,484

Exhibit G
Commission on State Tax and Financing Policy
Meeting #1 Sept. 12, 2011

LEGISLATIVE SERVICES AGENCY

200 West Washington Street, Suite 301
Indianapolis, Indiana 46204-2789
Tel: (317) 232-9588 Fax: (317) 232-2554

To: Members of Commission on State Tax and Financing Policy

From: Ed Gohmann, Staff Attorney

Date: September 12, 2011

Re: Background Information Concerning Fire Protection Territories

Following is information that I thought might be helpful to you as the Commission studies issues related to fire protection territories.

Please contact me at 234-1411 or egohmann@iga.in.gov if you have any questions or if you need any additional information.

I. Governing Statutes

Fire Protection Territories are governed by IC 36-8-19. (See the attached.)

II. Establishing a Fire Protection Territory

The determination to establish a fire protection territory is made by the legislative bodies of the units of local government involved. The ordinance or resolution must be adopted after January 1 but before April 1 of a year.

There is no statutory process under which landowners or citizens can directly initiate the establishment of a fire protection territory. (Note that in the case of fire protection district, landowners may initiate proceedings to have the district created. To do so, they must file a petition with the county auditor. The petition must be signed by the lesser of: (1) 20% of the landowners within the proposed district (with a minimum of 500 signatures); or (2) a majority of the landowners within the proposed district.)

The legislative bodies of at least two contiguous units (townships, municipalities, and counties) that wish to establish a fire protection territory must adopt identical ordinances (if

the unit is a county or municipality) or resolutions (if the unit is a township) authorizing those units to become a party to an agreement for the establishment of a fire protection territory.

The ordinances or resolutions establishing the fire protection territory must specify which of the participating units is designated as the "provider unit" -- the participating unit that is responsible for providing the fire protection services within the territory.

The proposed ordinance or resolution to establish a fire protection territory may be adopted only after the legislative body holds a public hearing to receive public comment on the ordinance or resolution.

In the 2011 legislative session, a statute was enacted to prohibit a member of a unit's legislative body from voting on a proposal to join or establish a fire protection territory if that member is also an employee of another unit that is a participating unit in the fire protection territory or that is proposing to become a participating unit in the fire protection territory. See IC 36-8-19-16.3

III. No Remonstrance Procedure

The statutes governing fire protection territories do not provide a mechanism to remonstrate directly against the proposed establishment of a fire protection territory.

(Note that under the fire protection district statutes, a petition against the establishment of district may be presented to the county legislative body.)

IV. No Referendum Process

Note that in the statutory process to create a fire protection territory there is no requirement for a referendum by affected citizens on the question of whether the district or territory should be established.

V. A Fire Protection District is a Not Separate Political Subdivision

Note that a fire protection territory is not a separate political subdivision.

VI. Governance of Fire Protection Territories

Designated Provider Unit

One of the participating units in the fire protection territory is designated as the "provider unit" responsible for providing the fire protection services within the territory. The specific powers and duties of a fire protection territory are typically set forth in an interlocal cooperation agreement entered into by the participating units.

Budget

Under IC 36-8-19-8, after a fire protection territory has been established by the participating

units, the designated provider unit must establish a fire protection territory fund from which all expenses of operating and maintaining the fire protection services within the territory will be paid.

The provider unit, with the assistance of each of the other participating units, is required to annually budget the necessary money to meet the expenses of operation and maintenance of the fire protection services within the territory, plus a reasonable operating balance, not to exceed 20% of the budgeted expenses.

Tax Levy

IC 36-8-19-8 specifies that "the provider unit shall establish the tax levy required to fund the estimated budget. The amount budgeted ... shall be considered a part of each of the participating unit's budget."

The tax levied for a fire protection territory may be levied at either: (1) a uniform rate on all taxable property within the territory; or (2) different rates for the units included within the territory, so long as a tax rate applies uniformly to all of a unit's taxable property within the territory. The statute was amended in 2011 to explicitly specify that if a uniform tax rate is levied within a territory when the territory is formed, different tax rates may be levied for the participating units included within the territory in subsequent years

IC 6-1.1-18.5-10.5 provides that the Department of Local Government Finance (DLGF) may increase the maximum permissible property tax levy that would otherwise apply to a unit to meet the unit's obligations to a fire protection territory. To obtain an increase in the unit's maximum permissible property tax levy, the unit must submit a petition to the DLGF in the year immediately preceding the first year in which the unit will levy a tax to support the fire protection territory. The DLGF is required to make a final determination of the unit's budget, property tax levy, and property tax rate for the fire protection territory. In making its determination, the DLGF is required to consider the amount that the unit is obligated to provide to meet the expenses of operation and maintenance of the fire protection services within the territory, including the participating unit's reasonable share of an operating balance for the fire protection territory. The amount of the adjustments authorized by the DLGF are implemented over the number of years -- not exceeding three years -- as requested by the petitioning unit.

VII. Dissolution or Withdrawal

If a participating unit elects to withdraw from a fire protection, the unit must after January 1 but before April 1, adopt an ordinance or a resolution (depending on the type of unit) providing for the withdrawal. The withdrawal is effective July 1 of the year that the ordinance or resolution is adopted.

VIII. Recent Legislation

Who May Vote on the Formation of a Fire Protection Territory

As noted above, the following provision governing who may vote on a proposal to join or

establish a fire protection territory was added by HEA 1004 from the 2011 legislative session.

> IC 36-8-19-6.3
> **Sec. 6.3. A member of the legislative body of a unit may not vote on a proposed ordinance or resolution authorizing the unit to become a party to an agreement to join or establish a fire protection territory if that member is also an employee of:**
> **(1) another unit that is a participating unit in the fire protection territory; or**
> **(2) another unit that is proposing to become a participating unit in the fire protection territory.**

Different Tax Rates in Subsequent Years

The following provision concerning tax rates was amended by HEA 1004 from the 2011 legislative session. The provision specifies that if a uniform tax rate is levied within a territory when the territory is formed, different tax rates may be levied for the participating units included within the territory in subsequent years

> IC 36-8-19-7
> Sec. 7. **(a)** A tax levied under this chapter ~~must~~ **may** be levied at:
> (1) a uniform rate upon all taxable property within the territory; or
> (2) different rates for the **participating** units included within the territory, so long as a tax rate applies uniformly to all of a unit's taxable property within the territory.
> **(b) If a uniform tax rate is levied upon all taxable property within a territory upon the formation of the territory, different tax rates may be levied for the participating units included within the territory in subsequent years.**

Additional Public Hearing Requirements

The following provision was added by HEA 1004 from the 2011 legislative session. The provision imposes additional requirements to the public hearing process that must be carried out before a fire protection territory is established. Note that this provision is temporary and expires June 30, 2012.

> SECTION 163. [EFFECTIVE UPON PASSAGE] **(a) In addition to any other requirements under IC 36-8-19-6(a), before the legislative body of a unit that desires to become part of a fire protection territory may adopt an ordinance or a resolution to form a territory, the legislative body of the unit must (notwithstanding IC 36-8-19-6(a)) do the following:**
> **(1) Hold a public hearing at least thirty (30) days before adopting an ordinance or a resolution to form a territory at which the legislative body makes available to the public the following information:**
> **(A) The property tax levy, property tax rate, and budget to be imposed or adopted during the first year of the territory for each of the units that would participate in the proposed fire protection territory.**
> **(B) The estimated effect of the proposed reorganization in the following years on taxpayers in each of the units that would participate in the proposed fire protection territory, including the expected property tax rates, property tax levies, expenditure levels, service levels, and annual debt service payments.**
> **(C) The estimated effect of the proposed reorganization to other units**

in the county in the following years and to local option income taxes, excise taxes, and property tax circuit breaker credits.

(D) A description of the planned services and staffing levels to be provided in the proposed fire protection territory.

(E) A description of any capital improvements to be provided in the proposed fire protection territory.

(2) Hold at least one (1) additional public hearing before adopting an ordinance or a resolution to form a territory to receive public comment on the proposed ordinance or resolution.

The legislative body must give notice of the hearings under IC 5-3-1.

(b) In addition to the information required by IC 36-8-19-6(b), the notice required under that section must include the proposed levies and tax rates for each participating unit.

(c) This SECTION expires June 30, 2012.

DLGF Review of Fire Protection Territories in Hancock County

The following provision was added by HEA 1004 from the 2011 session. It requires the DLGF to review the tax rates and levies for each fire protection territory located in Hancock County. The DLGF is required to reconsider adjusting the tax levies for the participating units and whether different tax rates for fire protection services should be applied for the participating units included within the territory.

SECTION 164. [EFFECTIVE UPON PASSAGE] **(a) The department of local government finance shall review the tax rates and levies for each fire protection territory that is located in Hancock County and that has a uniform tax rate throughout the territory. The department of local government finance shall reconsider adjusting the tax levies for the participating units and whether different tax rates for fire protection services should be applied for the participating units included within the territory. In conducting its review, the department of local government finance shall consider the following factors and discuss the factors with each participating unit in the territory:**

(1) The population and change in population of each unit in the territory.

(2) The assessed valuation and change of assessed valuation of real property in each unit in the territory.

(3) The cost of providing fire service to each unit in the territory.

(4) Comparisons to other jurisdictions providing similar fire service.

(5) Previous tax rates and levies for fire protection.

(6) Future needs and planned or expected expenses for fire service.

(7) Other factors as determined by the department.

(b) This SECTION expires June 30, 2012.

I have also attached a memo from the DLGF outlining the 2011 legislative changes concerning fire protection territories.

IC 36-8-19

Chapter 19. Fire Protection Territories

IC 36-8-19-0.1

Application of certain amendments to chapter

Sec. 0.1. The addition of section 8.7 of this chapter by P.L.83-1998 applies only to purchases that occur after June 30, 1998.
As added by P.L.220-2011, SEC.678.

IC 36-8-19-0.3

Legalization of certain resolutions adopted before July 1, 2007

Sec. 0.3. A resolution adopted by a township under this chapter before July 1, 2007, that would have been valid under this chapter, as in effect on July 1, 2007, is legalized and validated.
As added by P.L.220-2011, SEC.679.

IC 36-8-19-1

Application of chapter

Sec. 1. Except as provided in section 1.5 of this chapter, this chapter applies to any geographic area that is established as a fire protection territory.
As added by P.L.37-1994, SEC.3. Amended by P.L.326-1995, SEC.1; P.L.227-2005, SEC.50.

IC 36-8-19-1.5

Consolidation of fire departments in county containing consolidated city

Sec. 1.5. (a) If the fire department of a township is consolidated under IC 36-3-1-6.1, after the effective date of the consolidation the township may not establish a fire protection territory under this chapter.

(b) A fire protection territory that is established before the effective date of the consolidation in a township in which the township's fire department is consolidated under IC 36-3-1-6.1 becomes part of the geographic area in which the fire department of a consolidated city provides fire protection services.
As added by P.L.227-2005, SEC.51. Amended by P.L.1-2006, SEC.583.

IC 36-8-19-2

"Participating unit" defined

Sec. 2. As used in this chapter, "participating unit" refers to a unit that adopts an ordinance or a resolution under section 6 of this chapter.
As added by P.L.37-1994, SEC.3. Amended by P.L.47-2007, SEC.1.

IC 36-8-19-3

"Provider unit" defined

Sec. 3. As used in this chapter, "provider unit" refers to the participating unit that is responsible for providing the fire protection

services within the territory.
As added by P.L.37-1994, SEC.3.

IC 36-8-19-4
"Territory" defined

Sec. 4. As used in this chapter, "territory" refers to a fire protection territory established under this chapter.
As added by P.L.37-1994, SEC.3.

IC 36-8-19-5
Fire protection territory of contiguous units; establishment; purposes; boundaries

Sec. 5. (a) Subject to subsections (b) and (c), the legislative bodies of at least two (2) contiguous units may establish a fire protection territory for any of the following purposes:

(1) Fire protection, including the capability for extinguishing all fires that might be reasonably expected because of the types of improvements, personal property, and real property within the boundaries of the territory.

(2) Fire prevention, including identification and elimination of all potential and actual sources of fire hazard.

(3) Other purposes or functions related to fire protection and fire prevention.

(b) Not more than one (1) unit within the proposed territory may be designated as the provider unit for the territory.

(c) The boundaries of a territory need not coincide with those of other political subdivisions.
As added by P.L.37-1994, SEC.3.

IC 36-8-19-6
Ordinance or resolution for establishing territory

Sec. 6. (a) To establish a fire protection territory, the legislative bodies of each unit desiring to become a part of the proposed territory 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 units desiring to become a part of the proposed territory.

(2) The ordinance or resolution is adopted after January 1 but before April 1.

(3) The ordinance or resolution authorizes the unit to become a party to an agreement for the establishment of a fire protection territory.

(4) The ordinance or resolution is adopted after the legislative body holds a public hearing to receive public comment on the proposed ordinance or resolution. The legislative body must give notice of the hearing under IC 5-3-1.

(b) The notice required under this section shall include all of the following:

(1) A list of the provider unit and all participating units in the proposed territory.
(2) The date, time, and location of the hearing.
(3) The location where the public can inspect the proposed ordinance or resolution.
(4) A statement as to whether the proposed ordinance or resolution requires uniform tax rates or different tax rates within the territory.
(5) The name and telephone number of a representative of the unit who may be contacted for further information.

(c) The ordinance or resolution adopted under this section shall include at least the following:
(1) The boundaries of the proposed territory.
(2) The identity of the provider unit and all other participating units desiring to be included within the territory.
(3) An agreement to impose:
(A) a uniform tax rate upon all of the taxable property within the territory for fire protection services; or
(B) different tax rates for fire protection services for the units desiring to be included within the territory, so long as a tax rate applies uniformly to all of a unit's taxable property within the territory.
(4) The contents of the agreement to establish the territory.

(d) An ordinance or a resolution adopted under this section takes effect July 1 of the year the ordinance or resolution is adopted.
As added by P.L.37-1994, SEC.3. Amended by P.L.240-2001, SEC.3; P.L.47-2007, SEC.2.

IC 36-8-19-6.3
Restrictions on voting on proposed ordinance or resolution

Sec. 6.3. A member of the legislative body of a unit may not vote on a proposed ordinance or resolution authorizing the unit to become a party to an agreement to join or establish a fire protection territory if that member is also an employee of:
(1) another unit that is a participating unit in the fire protection territory; or
(2) another unit that is proposing to become a participating unit in the fire protection territory.
As added by P.L.172-2011, SEC.159.

IC 36-8-19-6.5
Agreement to change provider unit

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.

As added by P.L.182-2009(ss), SEC.441.

IC 36-8-19-7

Tax levy rate; different tax rates authorized

Sec. 7. (a) A tax levied under this chapter may be levied at:

(1) a uniform rate upon all taxable property within the territory; or

(2) different rates for the participating units included within the territory, so long as a tax rate applies uniformly to all of a unit's taxable property within the territory.

(b) If a uniform tax rate is levied upon all taxable property within a territory upon the formation of the territory, different tax rates may be levied for the participating units included within the territory in subsequent years.

As added by P.L.37-1994, SEC.3. Amended by P.L.240-2001, SEC.4; P.L.172-2011, SEC.160.

IC 36-8-19-7.5

Local option and excise tax distributions to participating units

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 is 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.

As added by P.L.182-2009(ss), SEC.442.

IC 36-8-19-8

Fire protection territory fund; establishment; purposes; budget; tax levies

Sec. 8. (a) Upon the adoption of identical ordinances or resolutions, or both, by the participating units under section 6 of this chapter, the designated provider unit must establish a fire protection territory fund from which all expenses of operating and maintaining the fire protection services within the territory, including repairs, fees, salaries, depreciation on all depreciable assets, rents, supplies, contingencies, and all other expenses lawfully incurred within the territory shall be paid. The purposes described in this subsection are the sole purposes of the fund, and money in the fund may not be used for any other expenses. Except as allowed in subsections (d) and (e) and section 8.5 of this chapter, the provider unit is not authorized to transfer money out of the fund at any time.

(b) The fund consists of the following:

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

(2) Any money transferred to the fund by the provider unit as authorized under subsection (d).

(3) Any receipts from a false alarm fee or service charge imposed by the participating units under IC 36-8-13-4.

(4) Any money transferred to the fund by a participating unit under section 8.6 of this chapter.

(c) The provider unit, with the assistance of each of the other participating units, shall annually budget the necessary money to meet the expenses of operation and maintenance of the fire protection services within the territory, plus a reasonable operating balance, not to exceed twenty percent (20%) of the budgeted expenses. Except as provided in IC 6-1.1-18.5-10.5, after estimating expenses and receipts of money, the provider unit shall establish the tax levy required to fund the estimated budget. The amount budgeted under this subsection shall be considered a part of each of the participating unit's budget.

(d) If the amount levied in a particular year is insufficient to cover the costs incurred in providing fire protection services within the territory, the provider unit may transfer from available sources to the fire protection territory fund the money needed to cover those costs. In this case:

(1) the levy in the following year shall be increased by the amount required to be transferred; and

(2) the provider unit is entitled to transfer the amount described in subdivision (1) from the fund as reimbursement to the provider unit.

(e) If the amount levied in a particular year exceeds the amount necessary to cover the costs incurred in providing fire protection services within the territory, the levy in the following year shall be

reduced by the amount of surplus money that is not transferred to the equipment replacement fund established under section 8.5 of this chapter. The amount that may be transferred to the equipment replacement fund may not exceed five percent (5%) of the levy for that fund for that year. Each participating unit must agree to the amount to be transferred by adopting an ordinance (if the unit is a county or municipality) or a resolution (if the unit is a township) that specifies an identical amount to be transferred.

(f) The tax under this section is subject to the tax levy limitations imposed under IC 6-1.1-18.5-10.5.

As added by P.L.37-1994, SEC.3. Amended by P.L.326-1995, SEC.2; P.L.82-2001, SEC.4; P.L.240-2001, SEC.5; P.L.47-2007, SEC.3; P.L.128-2008, SEC.7; P.L.182-2009(ss), SEC.443.

IC 36-8-19-8.5

Equipment replacement fund; property tax levy; maximum property tax rate

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. The property tax rate for the

levy imposed under this section may not exceed three and thirty-three hundredths cents ($0.0333) per one hundred dollars ($100) of assessed value. 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) 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.

As added by P.L.326-1995, SEC.3. Amended by P.L.36-2000, SEC.10; P.L.90-2002, SEC.500; P.L.256-2003, SEC.39; P.L.47-2007, SEC.4.

IC 36-8-19-8.6

Transfer of money from participating unit to fire protection territory fund or fire protection territory equipment replacement fund

Sec. 8.6. (a) A participating unit may adopt an ordinance or a resolution to transfer any money belonging to the participating unit to:

(1) the fire protection territory fund established under section 8 of this chapter;

(2) the fire protection territory equipment replacement fund established under section 8.5 of this chapter; or

(3) both funds described in subdivisions (1) and (2).

(b) An ordinance or a resolution adopted under this section must state both of the following:

(1) The amount of money transferred to either fund.

(2) The source of the money.

(c) The transfer of money from a participating unit to a fire protection territory before July 1, 2008, is legalized.

As added by P.L.128-2008, SEC.8.

IC 36-8-19-8.7

Purchase of firefighting equipment on installment conditional sale or mortgage contract

Sec. 8.7. After a sufficient appropriation for the purchase of firefighting apparatus and equipment, including housing, is made and is available, the participating units, with the approval of the fiscal body of each participating unit, may purchase the firefighting apparatus and equipment for the territory on an installment conditional sale or mortgage contract running for a period not exceeding:

(1) six (6) years; or

(2) fifteen (15) years for a territory that:

(A) has a total assessed value of sixty million dollars ($60,000,000) or less, as determined by the department of local government finance; and

(B) is purchasing the firefighting equipment with funding from the:

(i) state or its instrumentalities; or

(ii) federal government or its instrumentalities.

The purchase shall be amortized in equal or approximately equal installments payable on January 1 and July 1 each year.

As added by P.L.83-1998, SEC.4. Amended by P.L.90-2002, SEC.501; P.L.178-2002, SEC.135.

IC 36-8-19-9

Avoidance of duplication of tax levies; preexisting indebtedness

Sec. 9. (a) The department of local government finance, when approving a rate and levy fixed by the provider unit, shall verify that a duplication of tax levies does not exist within participating units, so that taxpayers do not bear two (2) levies for the same service, except as provided by subsection (b) or (c).

(b) A unit that incurred indebtedness for fire protection services before becoming a participating unit under this chapter shall continue to repay that indebtedness by levies within the boundaries of the unit until the indebtedness is paid in full.

(c) A unit that agreed to the borrowing of money to purchase fire protection equipment while a participating unit under this chapter shall continue to repay the unit's share of that indebtedness by imposing a property tax within the boundaries of the unit until the indebtedness is paid in full. The department of local government finance shall determine the amount of the indebtedness that represents the unit's fair share, taking into account the equipment purchased, the useful life of the equipment, the depreciated value of the equipment, and the number of years the unit benefited from the equipment.

As added by P.L.37-1994, SEC.3. Amended by P.L.326-1995, SEC.4; P.L.90-2002, SEC.502.

IC 36-8-19-10

Disbandment of existing fire departments

Sec. 10. This chapter does not require a municipality or township to disband its fire department unless its legislative body consents by ordinance (if the unit is a municipality) or resolution (if the unit is a township) to do so.

As added by P.L.37-1994, SEC.3. Amended by P.L.47-2007, SEC.5.

IC 36-8-19-11

Annexation of territory

Sec. 11. Any area that is part of a territory and that is annexed by a municipality that is not a part of the territory ceases to be a part of the territory when the municipality begins to provide fire protection services to the area.

As added by P.L.37-1994, SEC.3.

IC 36-8-19-12

Adjustments to tax levy; entry year of participants

Sec. 12. In the same year that a tax levy is imposed under this chapter, each respective participating unit's tax levies attributable to providing fire protection services within the unit shall be reduced by an amount equal to the amount levied for fire protection services in the year immediately preceding the year in which each respective unit became a participating unit.

As added by P.L.37-1994, SEC.3.

IC 36-8-19-13

Withdrawal from territory; ordinance or resolution; effect of adoption

Sec. 13. (a) If a unit elects to withdraw from a fire protection territory established under this chapter, the unit must after January 1 but before April 1, adopt an ordinance (if the unit is a county or municipality) or a resolution (if the unit is a township) providing for the withdrawal. An ordinance or resolution adopted under this section takes effect July 1 of the year that the ordinance or resolution is adopted.

(b) If an ordinance or a resolution is adopted under subsection (a):

(1) the unit's maximum permissible ad valorem property tax levy with respect to fire protection services shall be initially increased by the amount of the particular unit's previous year levy under this chapter; and

(2) additional increases with respect to fire protection services levy amounts are subject to the tax levy limitations under IC 6-1.1-18.5, except for the part of the unit's levy that is necessary to retire the unit's share of any debt incurred while the unit was a participating unit.

As added by P.L.37-1994, SEC.3. Amended by P.L.326-1995, SEC.5; P.L.47-2007, SEC.6.

IC 36-8-19-14

Payment of line of duty health care expenses for firefighters

Sec. 14. (a) A provider unit shall pay for the care of a full-time, paid firefighter who:

(1) suffers an injury; or

(2) contracts an illness;

during the performance of the firefighter's duty.

(b) The provider unit shall pay for the following expenses incurred by a firefighter described in subsection (a):

(1) Medical and surgical care.

(2) Medicines and laboratory, curative, and palliative agents and means.

(3) X-ray, diagnostic, and therapeutic service, including during the recovery period.

(4) Hospital and special nursing care if the physician or surgeon

in charge considers it necessary for proper recovery.

(c) Expenditures required by subsection (a) shall be paid from the fund used by the provider unit for payment of the costs attributable to providing fire protection services in the provider unit.

(d) A provider unit that has paid for the care of a firefighter under subsection (a) has a cause of action for reimbursement of the amount paid under subsection (a) against any third party against whom the firefighter has a cause of action for an injury sustained because of, or an illness caused by, the third party. The provider unit's cause of action under this subsection is in addition to, and not in lieu of, the cause of action of the firefighter against the third party.

As added by P.L.150-2002, SEC.5.

IC 36-8-19-15

Dissolution of fire protection territory; reversion of title to real property

Sec. 15. (a) For purposes of this section, a fire protection territory is dissolved if all participating units withdraw from the fire protection territory as provided in section 13 of this chapter.

(b) When a fire protection territory dissolves, title to any real property transferred to the provider unit reverts to the participating unit that transferred the real property to the provider unit.

As added by P.L.128-2008, SEC.9.

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE

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TO: All Counties, Municipalities, and Townships

FROM: Brian E. Bailey, Commissioner BEB

RE: Voting for Agreements to Join or Establish a Fire Territory; Fire Territory Tax Rates; Public Hearing and Notice Requirements

DATE: May 27, 2011

Introduction

House Enrolled Act 1004 ("HEA 1004") introduces changes that affect the establishment and funding of fire protection territories. Specifically, HEA 1004 adds IC 36-8-19-6.3 and non-code Section 163 and amends IC 36-8-19-7. This memorandum addresses these changes.

Voting for Agreements to Join or Establish a Fire Protection Territory

HEA 1004 adds a new section to IC 36-8-19, which addresses limitations on voting for an agreement to join or establish a fire protection territory.

Indiana Code 36-8-19-6.3 provides that:

> A member of the legislative body of a unit may not vote on a proposed ordinance or resolution authorizing the unit to become a party to an agreement to join or establish a fire protection territory if that member is also an employee of:
>
> 1) another unit that is a participating unit in the fire protection territory; or
> 2) another unit that is proposing to become a participating unit in the fire protection territory.

For example, if John Doe is a board member for Township A and the fire chief for Town B's fire department, John would not be able to vote on the agreement between Township A and Town B to form a fire protection territory. Likewise, if John Doe is the fire chief for a fire protection territory consisting of Township A and Town B and also a board member of Township C, John could not vote on Township C's agreement to join the fire protection territory.

Fire Protection Territory Tax Rates

HEA 1004 amends IC 36-8-19-7 to provide that a tax levied for a fire protection territory may be levied at:

1) a uniform rate upon all taxable property within the territory; or

2) different rates for the participating units included within the territory, so long as a tax rate applies uniformly to all of a unit's taxable property within the territory.

If a uniform tax rate is levied upon all taxable property within a territory upon the formation of the territory, different tax rates may be levied for the participating units included within the territory in subsequent years.

Public Hearing and Notice Requirements

HEA 1004 also adds non-code Section 163 ("Section"), which imposes public hearing requirements on the establishment of a fire protection territory. The Section provides that in addition to any other requirements under IC 36-8-19-6(a), which governs the ordinance or resolution establishing the territory, the legislative body must (notwithstanding IC 36-8-19-6(a)) do the following before it may adopt the ordinance or resolution:

1) Hold a public hearing at least 30 days before adopting an ordinance or a resolution to form a territory at which the legislative body makes available to the public the following information:
   A. The property tax levy, property tax rate, and budget to be imposed or adopted during the first year of the territory for each of the units that would participate in the proposed territory.
   B. The estimated effect of the proposed reorganization in the following years on taxpayers in each of the units that would participate in the proposed territory, including the expected property tax rates, property tax levies, expenditure levels, service levels, and annual debt service payments.
   C. The estimated effect of the proposed reorganization to other units in the county in the following years and to local option income taxes, excise taxes, and property tax circuit breaker credits.
   D. A description of the planned services and staffing levels to be provided in the proposed territory.
   E. A description of any capital improvements to be provided in the proposed territory.

2) Hold at least one additional public hearing before adopting an ordinance or a resolution to form a territory to receive public comment on the proposed ordinance or resolution. The legislative body must give notice of the hearings under IC 5-3-1.

In addition to the information required by IC 36-8-19-6(b), which governs the notice requirements for establishing a territory, the notice required under the Section must include the proposed levies and tax rates for each participating unit. The Section expires June 30, 2012.

Contact Information

Questions may be directed to Staff Attorney Mike Duffy at 317-233-9219 or mduffy@dlgf.in.gov.

Exhibit H
Commission on State Tax and Financing Policy
Meeting #1 Sept. 12, 2011

DRAFT February 14, 2011

SB 222 proposes a 50% tax credit for new investment in a broad range of logistical infrastructure assets, as well as related capital assets supporting the logistical infrastructure of state. Estimating the economic and fiscal impact of this proposed tax credit on output and the state budget requires making a number of assumptions. The case for such a credit, of course, relies on a material response from the privates sector in terms of marginal new investment that, in turn, generates additional economic growth.

Given the importance of the logistics industry to the economy of the state, and the strategic nature of certain key investments, such as the expansion of intermodal rail facilities, we believe, and our analysis bears out, that this credit could spur economic output significantly, on the order of 4.5 times the amount of the credit, itself. Even impressive growth multiplies of this magnitude cannot, however, generate enough to be revenue neutral, to the state, in the very near term. We estimate that it would take approximately 3.5 years to generate enough state tax revenue to offset the amount of the credit taken in the first year; 5 years to offset the amount of the credit taken in the first 2 years, and that by year 7, of the credit, enough marginal economic growth will have resulted that the additional revenue, from the larger tax base, would offset the amount of the credit taken in that year. Subsequent to year 7, the credit should then be self-sustaining. These are, of course, point estimates and involve substantial uncertainty. To illustrate this uncertainty we will describe a few best and worst case scenarios and, in doing so, explain the key assumptions and the economic logic underpinning our analysis.

The most important assumption in our analysis, and perhaps the one fraught with the most uncertainty, relates to the marginal investment this tax credit will spur, relative to what would have been invested otherwise. This tells us not only the size of the credit but forms the basis for determining the incremental economic output from the multiplier. Our assumption, here, rests on a study conducted by the Federal Reserve Bank of San Francisco, which estimates that an tax credit of this magnitude would spur investment by a multiple of 2.7 times the amount that would occur in the absence of the credit. We assume that this level of investment is achieved gradually, by year 5, and that the marginal investment then declines over the subsequent 5 years so that by year 10, the marginal investment is zero. A multiple of 2.7 is admittedly quite dramatic; however, we estimate that it could be achieved on the basis of just a few major projects, along the lines of those this credit is intended to spur. In addition, by assuming this multiple will be achieved only at the peak of the response, in year 5, and that the response will then gradually decline back to zero, we have built a measure of conservatism into the results. To provide a measure of the results sensitivity to this assumption, we note that an incremental investment multiple of 1.45, on average, over 10 years, would make the credit revenue neutral by year 10.

The other key assumption in our analysis relates to the economic output multiplier that is applied to the tax credit, the latter of which is, in SB 222, 50% of the total investment in qualifying logistical infrastructure. The multiplier is applied to only the additional investment, spurred by the credit, and it reflects the incremental economic output not only from the decrease in taxes but, more importantly, from the ripple effects of the additional investment through the economy, in the form of new jobs and services, much of which results an expansion in the manufacturing base. The multiplier value of 4.5 is from the higher end of a range estimates provided in some

very recent and highly-regarded econometric studies. These studies point out that tax credit that spur infrastructure investment generate the highest multipliers due the ripple effects mentioned. Decreasing this multiplier to 1.5, the low end of the range, yields considerably less economic output but shifts the point at which the credit is revenue neutral back only one year, to year 8.

The actual values realized for the investment multiple and the economic multiplier in a regional economy, such as for the state of Indiana, are very much a function of the strategic relevance of a tax credit. We would suggest that the strategic relevance of infrastructure development is very high right now in Indiana, given the long life of infrastructure and significant first-mover advantages that exist in a highly networked industry such as logistics. To illustrate the strategic significance of the industry to the state, consider that Indiana's combined transportation and warehouse industries have gone through two cycles of growth and contraction over the past thirteen years as shown in Figure 1 below. Notably, the late 1990's were a period of growth followed by a downturn in 2001 and limited expansion in 2002 during that short recession. A second period of strong growth followed the 2001-2002 recession in the range of 5 to 9 percent from 2003 to 2006 leading up to the Great Recession beginning in 2008. The most recent year (2009) for which data is available from the Department of Commerce was also Indiana's worse in terms of performance with a 3.7 percent reduction.

Figure 1.
Indiana's Transportation and Warehouse GDP from 1997 to 2009 (in Millions of Dollars)

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
$5,811	$6,170	$6,517	$6,805	$6,735	$6,827	$7,198	$7,725	$8,423	$9,103	$9,220	$9,242	$8,898
Change	6.2%	5.6%	4.4%	-1.0%	1.4%	5.4%	7.3%	9.0%	8.1%	1.3%	0.2%	-3.7%

Source: US Department of Commerce - Bureau of Economic Analysis

It is important to note that the Great Recession not only impacted transportation and warehousing in Indiana for 2009, but also the other four bordering states with Michigan down -6.9 percent, Ohio -6.1 percent, Illinois -3.6 percent, and Kentucky at -1.9 percent. Similar trends in 2009 were seen in many other states including those noted for having aggressive state transportation and warehousing policies including Georgia at -4.1 percent, Utah at -2.4 percent, Arizona at -1.7 percent, and Texas at -1.5 percent. In 2009, Nevada was the only such state showing any growth in transportation and warehousing with a modest increase of 0.7 percent. In short, the Great Recession has affected transportation and warehousing across the United States, and set the stage for what is likely to be a competitive decade ahead in terms of states adopting even more aggressive transportation and warehousing fiscal policies. Such fiscal policies will likely be aimed at a variety of goals including supporting existing transportation and warehousing businesses, stimulating new infrastructure investments and workforce expansions, as well as tempting companies to relocate some or all of their operations across borders.

Respectfully,
Steven L. Jones, Associate Professor of Finance
Mark T. Frohlich, Associate Professor of Operations Management
Indiana University Kelley School of Business, Indianapolis Campus at IUPUI

Illinois

Economic Development Program (EDP) – Page 2

- The purpose of the EDP is to provide assistance in providing direct highway access to new or expanding industrial, distribution or tourism developments.
- Provides up to 50% state matching funds for eligible local agency roadway-related construction and engineering items. Remaining funds are provided by local or private sources.

Intermodal Facilities Promotion Act – Page 2

- The purpose is to encourage business development along Illinois' freight rail lines.
- The Department of Commerce and Economic Opportunity (DECO) will award an annual grant of up to $3 million for fiscal years 2010 through 2016

Rail Freight Program (RFP) – Page 3

- RFP provides capital assistance to communities, railroads and shippers to preserve and improve rail freight service in Illinois.
- Illinois Dept. of Transportation (IDOT) provides low interested loans to finance rail improvements and, in some cases, provide grants.

Truck Access Route Program (TARP) – Page 3

- TARP assists local government agencies in upgrading roads to accommodate 80,000 pound trucks.
- IDOT provides up to $30,000 per lane mile and $15,000 per intersection. State participation will not exceed 50% of the total construction cost or $600,000, whichever is less.

Business Development Public Infrastructure Program (BDPIP) – Page 3

- BDPIP is designed to provide grants to units of local government for public improvements on behalf of businesses undertaking a major expansion or relocation project that will result in substantial private investment and the creation and/or retention of a large amount of Illinois jobs.
- At least one private sector job must be created or retained for every $10,000 awarded by the department. Typically, the department will limit its assistance to $500,000 or less.

Port District Loan Program – Page 3

- Provides loans to Illinois port districts to facilitate and enhance the utilization of Illinois' navigable waterways and the development of inland intermodal freight facilities.
- Up to $3 million of loan funds are available on a competitive basis.

Ohio

Freight Development/Rail Spur Program – Page 4

- The Ohio Rail Development Commission (ORDC) provides assistance to companies for new rail and rail-related infrastructure.
- ORDC provides grants to projects which retain or create at least 25 jobs. If the project does not meet the job retention/creation requirement, ORDC provides a 5-year loan at a rate equal to 2/3 of prime rate at the time of loan closing.

Rail Line Acquisition Program – Page 4

- ORDC provides assistance to acquire rail lines to prevent cessation of service or preserve the line or right of way for future rail development. ORDC will consider providing assistance if the acquisition can enhance the line's viability

Railroad Rehabilitation Program – Page 5

- ORDC provides assistance to public and private entities for the rehabilitation of rail lines in Ohio to improve safety and efficiency.

Warehouse Machinery & Equipment Sales Tax Exemption – Page 5

- Provides an exemption from the entire State and County sales tax for companies that purchase eligible warehousing machinery and equipment.
- Machinery and equipment must be used primarily (51%) in storing, transporting, mailing or handling inventory in warehouse/distribution center or similar facility if the inventory handled by the facility is primarily distributed outside Ohio to retail stores owned by the business or affiliated group that owns the facility or distributed by means of direct marketing.

Warehouse Inventory Tax Exemption – Page 6

- Provides an exemption from the personal property tax on qualifying inventory.
- Applies to inventory such as goods brought into Ohio for storage without additional processing and then distributed outside of the state. This tax exemption should be claimed on the Ohio Personal Property Tax Return.

Illinois

Economic Development Program (EDP)

The purpose of the EDP program is to provide assistance in improving highway access to new or expanding industrial distribution or tourism developments. The intent is to make available state matching funds that will be a positive contribution in the location-selection process and to target those projects which will expand the state's existing job base or create new employment opportunities. The focus of the program is on the retention and creation of primary jobs. Funding will be available to construct highway facilities that provide direct access to industrial, distribution or tourism developments. The program is designed to assist in those situations where development of these types of facilities is imminent. Projects which only improve opportunities for development or are speculative in nature are not eligible for EDP funding. Projects providing access to retail establishments, office parks, government facilities or school/universities are not eligible for EDP funding.

The EDP program is designed to provide up to 50 percent state matching funds for eligible local agency roadway-related construction and engineering items. The remaining funds will be provided by local or private sources. This basic funding arrangement may be altered on a case-by-case basis for projects involving improvements on roads under state jurisdiction. The EDP is a program for reimbursement of a portion of eligible costs of an approved project and is not a grant program.

All candidate projects must be constructed to Motor Fuel Tax standards and, in addition, must have a local government sponsor (a county, municipality, township or other taxing body). If a project is selected for funding, a joint local-state agreement must be executed between the governmental entities involved to serve as the basis of understanding for financial responsibilities.

It has been a long standing departmental requirement that the local sponsor provide their financial share of the improvement. Our EDP policy was based on the intent that the locals have a financial responsibility towards the project as well and should have a vested interest in the project. EDP policy requires that the locals provide matching funds and that state funds from other state agencies cannot be used towards the local match.

However, for those businesses that are EDP eligible and have been approved for both EDP and other state agency (such as DCEO) infrastructure improvement funds, we will allow the amount of those funds the sponsor receives to be subtracted from the total amount of the project cost. The department will then calculate the EDP participation from the remaining balance of those items which are EDP eligible. It is critical for the department to coordinate this effort between all affected parties as early as possible. The local project sponsor should report any outside funding sources to IDOT as soon as possible.

If the outside agency funds are not reported on the initial EDP application, they must be reported prior to execution of an intergovernmental agreement between the department and local sponsor. Should the department receive notification from the local sponsor of their intent to use other state funds after the EDP commitment was made, this may cause the department to review its commitment and alter the EDP funds allocated to the project.

The cost-effectiveness of each investment of EDP dollars is a major factor in the evaluation of proposed projects. Priority considerations are:

- Need for the highway improvement and imminence of development.
- Compatibility of the proposed roadway with the design of the existing roadway system.
- Primary jobs created or retained in Illinois and total developer site cost estimate.
- Annual and peak day attendance at tourist developments.
- Commitment of the industrial/distribution/tourist development to the site to be served by facility.
- Willingness of the sponsoring local government to participate in the local share of the improvement cost.

Source: Illinois Dept. of Transportation; http://www.dot.state.il.us/edp/edp.html

Intermodal Facilities Promotion Act

The purpose of the legislation is to encourage business development along Illinois' freight-rail lines. State income taxes attributed to jobs created at an intermodal facility will be placed in the *Intermodal Facilities Promotion Fund.* The Illinois Department of Commerce and Economic Development will administer the fund to reimburse developers and railroads for infrastructure improvements. The department will award an annual grant of up to $3 million for fiscal years 2010 through 2016.

The bill is in response to CenterPoint Properties plans to build an intermodal terminal in Joliet, Illinois that will be operated by Union Pacific Railroad.

Source: State of Illinois; http://www.illinois.gov/PressReleases/ShowPressRelease.cfm?SubjectID=1&RecNum=7782

Rail Freight Program (RFP)

The purpose of the RFP is to provide capital assistance to communities, railroads and shippers to preserve and improve rail freight service in Illinois. The primary role of the program is to facilitate investments in rail service by serving as a link between interested parties and channeling government funds to projects that achieve statewide economic development. IDOT will generally provide low interest loans to finance rail improvements and, in some cases, provide grants. The focus is on projects with the greatest potential for improving access to markets and maintaining transportation cost savings, and where state participation will leverage private investments to foster permanent solutions to rail service problems. A benefit/cost ratio is used to evaluate potential rail freight projects.

Requests for RFP funds require the following information:

- A general description of the project and a location map depicting the beginning and ending points.
- Benefits expected from the project (e.g., job creation and retention, transportation saving, etc.)
- The name of the industries involved, and the name, title, address and telephone number of the principal contact for the project.
- An engineer's cost estimate, if available

Source: Illinois Dept. of Transportation; http://www.dot.state.il.us/rfp.html

Truck Access Route Program (TARP)

The purpose of the TARP is to help local government agencies upgrade roads to accommodate 80,000 pound trucks. The routes are to provide access to points of loading and unloading and to facilities for food, fuel, truck repair and driver test. Projects must connect to a truck route and end at another truck route or truck generator. IDOT will provide up to $30,000 per lane mile and $15,000 per intersection. The state participation will not exceed 50 percent of the total construction cost or $600,000, whichever is less. Each fall IDOT solicits local projects that can be constructed during the upcoming fiscal year. The following information is required for application:

- A general description of the project and a location map
- An engineer's cost estimate of the improvement
- Amount and source of local matching funds

Source: Illinois Dept. of Transportation; http://www.dot.state.il.us/tarp.html

Business Development Public Infrastructure Program (BDPIP)

The BDPIP program is designed to provide grants to units of local government for public improvements on behalf of businesses undertaking a major expansion or relocation project that will result in substantial private investment and the creation and/or retention of a large amount of Illinois jobs. The infrastructure improvements must be made for public benefit and on public property and must directly result in the creation or retention of private sector jobs. The local government must demonstrate clear need for financial assistance to undertake the improvements. Grant eligibility and amounts are determined by the amount of investment and job creation or retention involved.

The Program helps to fund public infrastructure projects. There is no maximum amount of infrastructure funds which may be invested in any one project. However, the amounts must be commensurate with the number of jobs created or retained. For this program, at least one private sector job must be created or retained for every $10,000 awarded by the department. Typically, the department will limit its assistance to $500,000 or less.

Source: Illinois Department of Commerce and Economic Opportunity; http://www.commerce.state.il.us/dceo/Bureaus/Business_Development/Grants/bdpip.htm

Port District Loan Program

The Illinois Department of Commerce and Economic Opportunity (DCEO) administers the Port District Revolving Loan Program. DCEO is authorized by the Illinois Small Business Development Act (30 ILCS 750/9-11) a/k/a the Port Development Revolving Loan Program to provide loans to Illinois port districts to facilitate and enhance the utilization of Illinois' navigable waterways and the development of inland intermodal freight facilities. Up to $3 million loan funds will be made available on a competitive basis.

Source: Illinois Department of Commerce and Economic Opportunity; http://www.commerce.state.il.us/dceo/Bureaus/Business_Development/Loan+Programs/Port+District+Loan+Program.htm

Ohio

Freight Development/Rail Spur Program Summary

The ORDC provides assistance to companies for new rail and rail-related infrastructure. The goal of this program is to promote the retention and development of Ohio companies through the use of effective rail transportation. Additionally, companies who are considering adding rail to existing operations in the state are also eligible under this program. ORDC works closely with the Ohio Department of Development and other public and private development related organizations to provide assistance to companies.

Grant funding is generally limited to projects where significant job creation or retention is involved (25 or more jobs). Applicants must commit to job creation/retention numbers subject to contractual clawbacks. Further, applicants are required to commit to rail usage, also subject to clawbacks.

ORDC loan financing is available to qualified applicants even when jobs are not being created or retained. ORDC's standard loan package is a five year loan term and an interest rate which equals 2/3 of prime at the time of the loan closing. Collateral or a letter of credit is required. For funding consideration, an applicant may need to provide some or all of the following information:

1. Briefly describe overall company, including parent organization if applicable. Include products made, locations of plants, markets served, overall size in terms of sales volumes and employees, and other relevant data.
2. Provide detailed description of the project including:
   - How new plant or expansion (project) fits into the company's operations.
   - Investment broken down by building, land, equipment and machinery, and inventory;
   - Building description (sq. ft.), land (acreage), equipment and machinery, and uses;
   - Products to be produced, services rendered, markets served, and major competitors;
   - Map, diagram, building layout plan or other graphic showing the location of the new plant or plant expansion including the existing and proposed rail infrastructure;
   - Description of rail construction including the length of new track, new turnouts, description of related track rehabilitation and related information;
   - Detailed cost estimate of all new rail infrastructure and any track rehabilitation work; and
   - Projected time frame for new plant construction/expansion.
3. Describe benefits resulting from new plant or expansion, including:
   - Number of jobs company will commit to create within three years;
   - Number of jobs company will commit to retain;
   - Average hourly wage for jobs created or retained;
   - Number of new rail carloads company will commit to generate within three years; and
   - Additional benefits to Ohio.
4. Statement regarding whether any of the jobs created will result from displacing jobs at any other Ohio facility.
5. Provide a listing of incentives and their value to the company or project provided by: Local Sources; Other State Agencies; Federal Agencies; and The Serving Railroad Company.

Source: Ohio Dept. of Transportation;
http://www.dot.state.oh.us/Divisions/Rail/Programs/freight/Pages/FreightRailDevelopment.aspx

Rail Line Acquisition Program

The ORDC provides assistance for the acquisition of rail lines to prevent cessation of service or preserve the line or right of way for future rail development. ORDC will also consider providing assistance to acquire a line if the acquisition can enhance the line's viability. For funding consideration, an applicant may need to provide some or all of the following information:

1. Acquisition cost and financing plan, including why the line acquisition cannot be financed through private lenders.
2. Copy of rail line appraisal, or evidence of the valuation.
3. Pro Forma or other business plan detailing service plans after acquisition.
4. Evidence of clear title by seller.
5. Describe Rail Line to be acquired including:
   - Mileposts and end points of entire line; mileposts of line portion to be acquired;
   - Location map, track charts, and ZITS maps;
   - Connections to other railroads from line;
   - Rail users on the line along with commodities shipped & received for the last three years;
   - Overhead traffic on the line by volume and commodity for last three years; and
   - Description of line condition and detailed breakdown of track rehabilitation needs.

6. Describe Project Benefits, including:
   - Explanation of importance of rail line for rail users and overhead traffic;
   - Breakdown of the number of people employed by rail-dependent rail users ;
   - Explanation of importance of rail line to rail users including rail-truck cost differentials.
7. Project future increased usage of the line by:
   - Existing customers; and
   - Potential new customers.
8. Provide a listing and description of industrial parks and sites located along the line including availability of other key infrastructure such as sewer, water, roads, electricity, gas, etc.
9. Describe any additional sources of revenue generation associated with the property (i.e. cellular telephone towers, fiber optic lines, billboards, etc.)

Source: Ohio Dept. of Transportation;
http://www.dot.state.oh.us/Divisions/Rail/Programs/freight/Pages/RailLineAcquisitionProgramSummary.aspx

Railroad Rehabilitation Program

The ORDC provides assistance to public and private entities for the rehabilitation of rail lines in the state of Ohio to improve safety and efficiency. For funding consideration, an applicant may need to provide some or all of the following information:

1. Physical description of the rail line/structures including:
   - Mileposts and end points of entire line;
   - Location map, track charts, and ZITS maps, of entire line;
   - Connections to other railroads from the line;
   - Rail users located along the line along with commodities shipped and received for the last three years;
   - Overhead traffic on the line by volume and commodity for last three years; and
   - Profit/Loss statements for operation of the rail line in the last three years.
2. Physical description of Rehabilitation Project including:
   - Description of work by milepost;
   - Detailed cost estimate of work; and
   - Description of how work will be performed (i.e., by bid, force account, etc.) Note: a pre-audit procedure may be required for all force account work.
3. Description of Project Benefits including:
   - Itemization of savings to railroad (i.e. reduced crew time, derailments, maintenance);
   - Description of benefits/importance of the project to rail users and overhead traffic;
   - Breakdown of the number of people employed by rail users;
   - Anticipated useful life of the improvement; and
   - Anticipated safety benefits resulting from the improvement.
4. Projection of future increased usage of the line by existing and potential new customers.
5. Description of industrial parks/sites located along the line including existing infrastructure.
6. Sources of revenue generated by the line.
7. For the last three (3) years:
   - Average net profit / mile
   - Average net investment / mile

Source: Ohio Dept. of Transportation;
http://www.dot.state.oh.us/Divisions/Rail/Programs/freight/Pages/RailroadRehabilitationProgramSummary.aspx

Ohio Warehouse Machinery and Equipment Sales Tax Exemption

Provides an exemption from state and county sales tax for companies that purchase eligible warehousing equipment. Includes machinery and equipment used primarily (51%) in storing, transporting, mailing or handling inventory in a warehouse, distribution center or similar facility if the inventory handled by the facility is primarily distributed outside Ohio to retail stores owned by the business or affiliated group that owns the Ohio facility or distributed by means of direct marketing.

Source: Ohio Department of Development; http://www.development.ohio.gov/Business/Tax_Credit.htm

Warehouse Inventory Tax Exemption

Provides an exemption from the personal property tax on qualifying inventory. Claimed as part of the Personal Property Tax return. Inventory brought into Ohio from out of state, held for storage only with no further processing and then distributed back outside of the state, will be subject to a reduced personal tangible property assessment rate. "Held for Storage Only" is a specific standard of eligibility that may preclude the value of some inventory being shipped directly to customers from qualifying for the reduced assessment rate.

Source: Ohio Department of Development; http://www.development.ohio.gov/Business/Tax_Credit.htm