IC 20-4-16

Chapter 16. Financial Responsibilities Involved in Annexing Territory

IC 20-4-16-1

Definitions

Sec. 1. As used in this chapter, the following terms shall have the following meanings:

(a) "City" or "town" shall be a city or town which conducts its school as school city or school town or as part of a consolidated or metropolitan school corporation.

(b) "Annexing school corporation" shall be the school corporation of any city or town which annexes territory.

(c) "Original school corporation" shall be a school corporation from whom territory is annexed.

(d) "Annexed territory" shall be the territory annexed from an original school corporation by such city or town.

(e) "Tax receipts" shall be the amounts received from the tax levy for the tuition and special school funds by the original school corporation from the annexed territory.

(Formerly: Acts 1957, c.112, s.1.) As amended by P.L.2-1988, SEC.509.

IC 20-4-16-2

Apportioning tax receipts in year of annexation

Sec. 2. Whenever any city or town shall have annexed territory from an original school corporation and shall have assumed the responsibility for providing educational facilities for the children of school age residing in the annexed territory prior to the end of the calendar year in which such annexation occurs, the auditor or auditors of the county or counties in which the annexed territory is located shall pay to the treasurer of the annexing school corporation a proportion of the tax receipts payable in such year equal to the number of months and any major fraction of a month, excluding in such calculation, however, any time falling within the summer recess, during which the annexing school corporation provides such educational facilities divided by nine (9).

(Formerly: Acts 1957, c.112, s.2.)

IC 20-4-16-3

Apportioning tax receipts in year following annexation

Sec. 3. Whenever any city or town shall have annexed territory from an original school corporation after March 1 of any calendar year and shall have assumed the responsibility for providing educational facilities for the children of school age residing in the annexed territory during the calendar year following the year in which such annexation occurs, the auditor or auditors of the county or counties in which the annexed territory is located shall pay to the treasurer of the annexing school corporation a proportion of the tax receipts payable in such following calendar year equal to the number

of months and any major fraction of a month, excluding in such calculation, however, any time falling within the summer recess, during which the annexing school corporation provides such educational facilities during such following calendar year divided by nine (9).
(Formerly: Acts 1957, c.112, s.3.)

IC 20-4-16-4
Apportionment of tax receipts based on number of children in annexed territory

Sec. 4. In the event the annexing school corporation assumed the responsibility for providing educational facilities for only a part of the children of school age residing in the annexed territory during any period, then such school corporation shall receive a proportion of the amounts to be received by it under sections 2 and 3 of this chapter during such period, equal to the proportion of such children with respect to which it assumes such responsibility, to the total of such children in the annexed territory.
(Formerly: Acts 1957, c.112, s.4.) As amended by P.L.2-1988, SEC.510.

IC 20-4-16-5
Date on which annexing school corporations will assume responsibility for education; computation of transfer tuition costs

Sec. 5. (a) The governing bodies of the annexing and original school corporations may mutually agree upon a date on which the annexing school corporation shall assume responsibility for providing facilities for all or a part of the children of school age residing in the annexed territory, and no payment provided in sections 2, 3, and 4 of this chapter shall be made until such annexing school corporation shall have assumed responsibility for providing such educational facilities. In the absence of such agreement, the annexing school corporation shall assume responsibility for providing educational facilities on the first day of July after the first day of May next succeeding such annexation. In no event shall the payment under this chapter to the annexing school corporation, on account of taxes collected in the name of the original school corporation for any calendar year, exceed the amount which would be due from the original school corporation to the annexing school corporation for transfer tuition for the portion of such year during which the children from the annexed territory were educated by the annexing school corporation, had such children still been residents during such time of the original school corporation.

(b) Such amount of transfer tuition shall be computed on the basis of the per capita cost of maintaining the school or schools of the annexing school corporation for the school year ending within the calendar year for which tax receipts are to be paid to the annexing school corporation. Such per capita cost shall be determined in the manner provided by the statutes of the state of Indiana governing the computation of transfer tuition costs.

(Formerly: Acts 1957, c.112, s.5; Acts 1959, c.105, s.1.) As amended by P.L.2-1988, SEC.511.

IC 20-4-16-6

Application of chapter; transfer of territory from one school corporation to another exempted

Sec. 6. This chapter does not apply to any annexation by a civil city or town in a county having a population of more than one hundred forty-five thousand (145,000) but less than one hundred forty-eight thousand (148,000). This chapter does not require the transfer of any territory from one (1) school corporation to another in such a county, as a result of any annexation by a civil city or town in the county.

As added by P.L.138-1986, SEC.1. Amended by P.L.12-1992, SEC.106; P.L.170-2002, SEC.119.