



Department of Local Government Finance

ILMCT Regional Meetings Fall 2021

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DLGF Webinar Series

- The Department will be hosting a series of webinars held virtually every month.
- The webinars are held at both 10 a.m. or 2 p.m. EST and will last for approximately one hour.
- The Department will provide one (1) hour of continuing education credit per class.

May 19, 2021	Budget Overview & Budget Workshop Preparation	PowerPoint	PDF	Video	Survey	CE Form
				FAQ's		
June 16, 2021	Legislative Overview	PowerPoint	PDF	Video	Survey	CE Form
				FAQ's		
July 15, 2021	Referenda Legislation Overview	PowerPoint	PDF	Video	Survey	CE Form
July 21, 2021	Compliance Review Process Overview	PowerPoint	PDF	Video	Survey	CE Form
				FAQ's		
August 18, 2021	Budget Notices, Adoption, Calendar, and Submission Overview	PowerPoint	PDF	Video	Survey	CE Form
September 15, 2021	Gateway Overview					

- The August 18 webinar focused on reports, submissions, and deadlines between July 15 and November 8.
- On September 15, the webinar will focus on the various reports available through Gateway.



Agenda

- DLGF Webinar Series
- Local Income Tax General Overview
 - State Calculations
 - Unit Calculations
 - LIT (SBA and DLGF) Reports
- Local Income Tax 2022 Overview



Local Income Tax General Overview



State Agencies involved with LIT



State Agency Overview

- There are several State agencies that play a role in the collection, calculation, distribution, and auditing of LIT:
 - Department of Revenue (“DOR”)
 - State Budget Agency (“SBA”)
 - Department of Local Government Finance (“DLGF”)
 - Auditor of State (“AOS”)
 - State Board of Accounts (“SBOA”)



LIT – Department of Revenue (“DOR”)

- DOR is responsible for informing taxpayers and employers of newest county total LIT rates and the process for paying income tax. DOR collects LIT for the State.
- Income Tax info and resources for taxpayers
<https://www.in.gov/dor/business-tax/withholding-income-tax/>
Annual Department Notice
<https://www.in.gov/dor/files/dn01.pdf>



LIT – State Budget Agency (“SBA”)

- SBA is responsible for reconciling and certifying the total amount of LIT money by county and by LIT type.
- Certification process includes accounting for collections, refunds, amendments, adjustments, and corrections.
- SBA: Local Income Tax Data Reports
<https://www.in.gov/sba/budget-information/local-income-tax-data/>



LIT – Auditor of State (“AOS”)

- The Auditor of the State is responsible for distributing LIT to local government.
- At the beginning of each month, AOS distributes 1/12th of the SBA certified totals to the auditor of each county.



LIT – State Board of Accounts

- SBOA is responsible the development of the chart of accounts used by the all-unit types.
- SBOA will also audit units to determine that LIT distributions were used in a manner consistent with statute for each type of LIT.



LIT – Department of Local Government Finance

- The Department serves two key functions with respect to LIT calculation and distribution process.
 - 1) Calculation, creation, and distribution of Unit Level Reports for all LIT Distributions
 - 2) Review and approval for county wide LIT changes



LIT Collection and Configuration



LIT Collection

- LIT certified totals are calculated based on the formula described in IC 6-3.6-9-4.
- LIT distributions are collected during the State fiscal year (July 1 – June 30), then distributed to local government in the following calendar year (January 1 – December 31).
- While certain months have a higher collection rates than others, the State collects LIT year-round.



LIT Collection – Sample Distribution Year 2019

Processed Collections¹
July 2017 – December 2017

Divided by

CY 2016 Tax Rate Average

+

Processed Collections^{1,2}
January 2018 – June 2018

Divided by

CY 2017 Tax Rate Average

- The calculation above is an oversimplification of process to certify the amount LIT Distribution for 2019.
 - Note 1: There are allowable adjustments outlined in statute.
 - Note 2: Estimates may be used if actuals are not available.

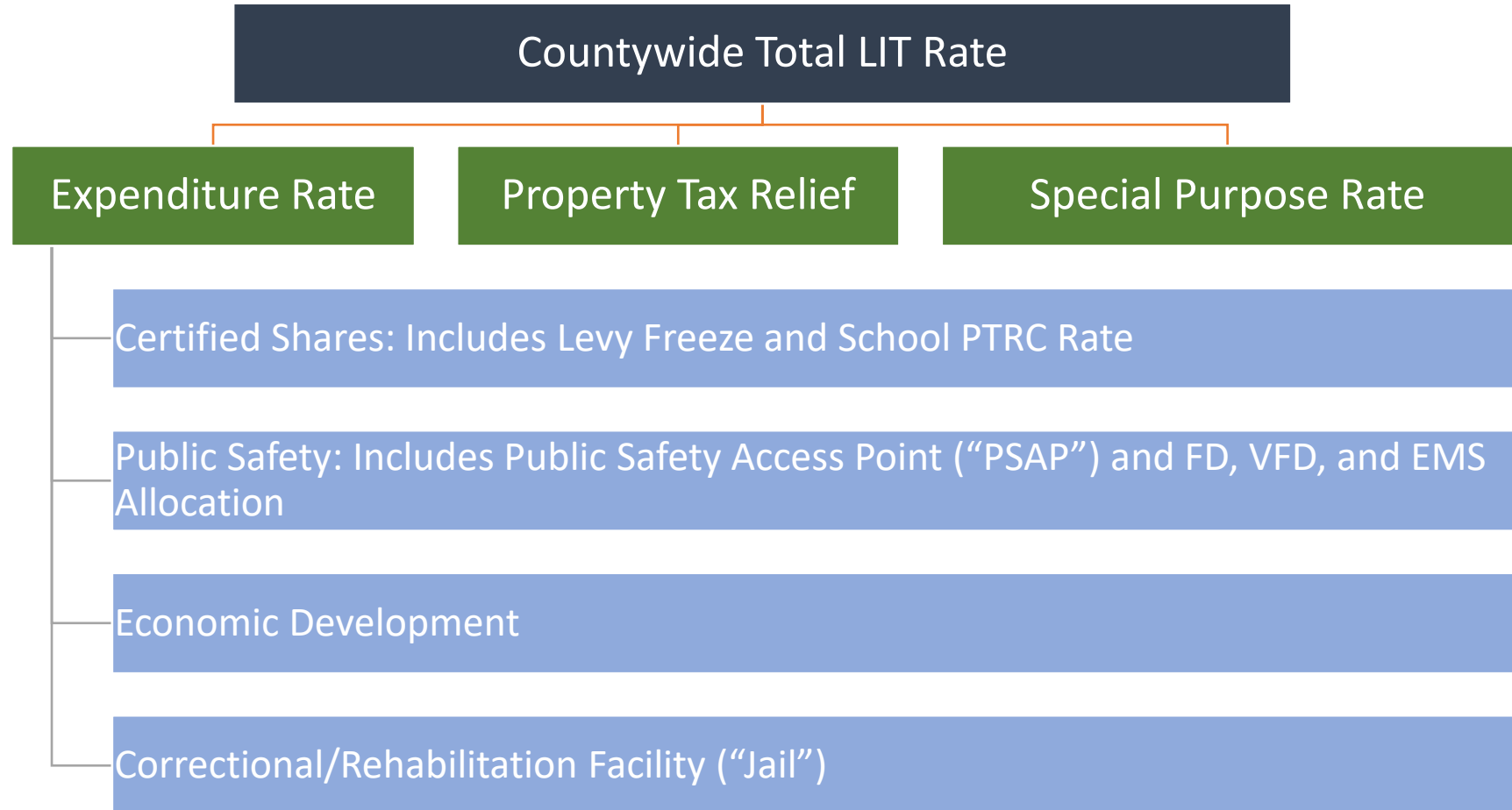


LIT Configuration

- Each county has a certified county LIT rate, but the countywide rate is comprised of smaller LIT types and rates.
- LIT Types:
 - Expenditure Rate
 - Property Tax Relief Rate
 - Special Purpose/Legislation



LIT Configuration





LIT Type: Expenditure Rate

- IC 6-3.6-6-2 confirms that the expenditure rate is collectively capped at 2.5% for 91 of 92 counties.
- County expenditure rate includes:
 - Certified Shares
 - Public Safety
 - Economic Development
 - Correctional and Rehabilitation Facility



LIT Reports – Certified Shares Uses

- **IC 6-3.6-6-17 Certified shares; uses**
Sec. 17. A civil taxing unit may use its certified shares for any of the purposes of the civil taxing unit



LIT Reports – Public Safety Uses

- IC 6-3.6-2-14 "Public safety"
- "Public safety" refers to the following:
 - (1) A police and law enforcement system to preserve public peace and order.
 - (2) A firefighting and fire prevention system.
 - (3) Emergency ambulance services (as defined in IC 16-18-2-107).
 - (4) Emergency medical services (as defined in IC 16-18-2-110).
 - (5) Emergency action (as defined in IC 13-11-2-65).
 - (6) A probation department of a court.



LIT Reports – Public Safety Uses

- IC 6-3.6-2-14 "Public safety"
- "Public safety" refers to the following:
 - (7) Confinement, supervision, services under a community corrections program (as defined in IC 35-38-2.6-2), or other correctional services for a person who has been:
 - (A) diverted before a final hearing or trial under an agreement that is between the county prosecuting attorney and the person or the person's custodian, guardian, or parent and that provides for confinement, supervision, community corrections services, or other correctional services instead of a final action described in clause (B) or (C);
 - (B) convicted of a crime; or
 - (C) adjudicated as a delinquent child or a child in need of services



LIT Reports – Public Safety Uses

- IC 6-3.6-2-14 "Public safety"
- "Public safety" refers to the following:
 - (8) A juvenile detention facility under IC 31-31-8.
 - (9) A juvenile detention center under IC 31-31-9.
 - (10) A county jail.
 - (11) A communications system (as defined in IC 36-8-15-3), an enhanced emergency telephone system (as defined in IC 36-8-16-2, before its repeal on July 1, 2012), a PSAP (as defined in IC 36-8-16.7-20) that is part of the statewide 911 system (as defined in IC 36-8-16.7-22) and located within the county, or the statewide 911 system (as defined in IC 36-8-16.7-22).
 - (12) Medical and health expenses for jailed inmates and other confined persons.



LIT Reports – Public Safety Uses

- **IC 6-3.6-2-14 "Public safety"**
- "Public safety" refers to the following:
 - (12) Medical and health expenses for jailed inmates and other confined persons.
 - (13) Pension payments for any of the following:
 - (A) A member of a fire department (as defined in IC 36-8-1-8) or any other employee of the fire department.
 - (B) A member of a police department (as defined in IC 36-8-1-9), a police chief hired under a waiver under IC 36-8-4-6.5, or any other employee hired by the police department.
 - (C) A county sheriff or any other member of the office of the county sheriff.
 - (D) Other personnel employed to provide a service described in this section.
 - (14) Law enforcement training



LIT Reports – Economic Development Uses

- **IC 6-3.6-10-2 Economic development purposes; use of revenue**
- Sec. 2. A county, city, or town may use revenue allocated for economic development
- purposes under IC 6-3.6-6-9 for any combination of the following purposes:
 - (1) To pay all or a part of the interest owed by a private developer or user on a loan extended by a financial institution or other lender to the developer or user if the proceeds of the loan are or are to be used to finance an economic development project.
 - (2) For the retirement of bonds for economic development projects.
 - (3) For leases or for leases or bonds entered into or issued before the date the county economic development income tax (IC 6-3.5-7 repealed) was imposed if the purpose of the lease or bonds would have qualified as a purpose under this article at the time the lease was entered into or the bonds were issued.



LIT Reports – Economic Development Uses

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- Sec. 2. A county, city, or town may use revenue allocated for economic development purposes under IC 6-3.6-6-9 for any combination of the following purposes:
 - (4) The construction or acquisition of, or remedial action with respect to, a capital project for which the unit is empowered to issue general obligation bonds or establish a fund under any statute listed in IC 6-1.1-18.5-9.8.
 - (5) The retirement of bonds issued under any provision of Indiana law for a capital project.
 - (6) The payment of lease rentals under any statute for a capital project.



LIT Reports – Economic Development Uses

- **IC 6-3.6-10-2 Economic development purposes; use of revenue**
- Sec. 2. A county, city, or town may use revenue allocated for economic development
- purposes under IC 6-3.6-6-9 for any combination of the following purposes:
 - (7) Contract payments to a nonprofit corporation whose primary corporate purpose is to assist government in planning and implementing economic development projects.
 - (8) Operating expenses of a governmental entity that plans or implements economic development projects.
 - (9) Funding of a revolving fund established under IC 5-1-14-14.
 - (10) For a regional venture capital fund or a local venture capital fund.
 - (11) For any lawful purpose for which money in any of its other funds may be used



LIT Type: Property Tax Relief

- IC 6-3.6-5-6 confirms that the county property tax relief rate cannot exceed 1.25%.
- LIT collected for property tax relief is applied to the county tax bills as a credit, then distributed to local government during the semiannual property tax settlement.



Property Tax Relief

- In addition to selecting a rate, the county must identify how the relief will be applied:
 - (1) Homesteads Properties (1%)
 - (2) Residential property, long term care property, agricultural land, and other tangible property (2%)
 - (3) Nonresidential real property, personal property, and other tangible property (3%)
 - (4) For residential property (IC 6-1.1-20.6-4)



Special Purpose/Legislation Income Tax

- 23 counties have had legislation passed under IC 6-3.6-7 that allowed the county to pass and maintain a county specific LIT rate.
- The specific legislation outlines the rate, duration, and usage for the income tax.



Changing LIT Configurations



Changing LIT Configurations

- As the funding needs within a county change, local officials may change their LIT configuration.
- **When the LIT configuration is adopted will determine when the LIT tax rate will change and when the units will begin receiving a new LIT monthly distribution.**



LIT Configuration – Rate Change

- IC 6-3.6-3-3 identifies when the LIT ordinances will go into effect. If a LIT configuration is amended, when will the rate change?

LIT Adoption Date	Rate Change Effective Date
Nov. 1, 2020 – Aug. 31, 2021	Oct. 1, 2021
Sept. 1, 2021 – Oct. 31, 2021	Jan. 1, 2022
Nov. 1, 2021 – Aug. 31, 2022	Oct. 1, 2022



LIT Configuration – Distribution Change

- IC 6-3.6-3-3 identifies when the LIT ordinances will go into effect. If a LIT configuration is amended, when will the distribution change?

LIT Adoption Date	Distribution Change Effective Date
Nov. 1, 2020 – Oct. 31, 2021	Jan. 1, 2022
Nov. 1, 2021 – Oct. 31, 2022	Jan. 1, 2023



LIT Reports



LIT Reports

- LIT values are released by SBA and DLGF three times during the budget season.
- Each report will contain the most up to date information available, including any LIT changes adopted by the county.

Report Name	SBA Deadline	DLGF Deadline
2022 LIT Estimate #1	Before August 2, 2021	August 16, 2021
2022 LIT Estimate #2	Before October 1, 2021	October 16, 2021
2022 LIT Certified	November 1, 2021	November 1, 2021



LIT Reports – SBA

- The SBA report is summarized at the county level.
- SBA reports the current distribution amounts and the current rates for each county.
- SBA reports are the source material for the DLGF calculations, then later for the AOS monthly distributions.



LIT Reports – SBA County Wide (Sample #1)

Local Income Tax Distribution Amounts

Estimated CY 2022 Certified Distributions

Certified August 2, 2021

County Name	Expenditure: Certified Shares IC 6-3.6-6-10	Expenditure: Public Safety IC 6-3.6-6-8	Expenditure: Economic Development IC 6-3.6-6-9	Expenditure: LIT Correctional or Rehabilitation Facilities (IC 6-3.6-6-2.7)	Property Tax Relief IC 6-3.6-5	Special Purpose IC 6-3.6-7 ¹	Total
Adams	\$4,947,863	\$2,061,610	\$3,298,575	\$0	\$3,084,168	\$0	\$13,392,216
Allen	\$52,110,447	\$10,809,053	\$57,287,984	\$0	\$39,766,508	\$0	\$159,973,992
Bartholomew	\$31,733,635	\$1,269,345	\$6,346,727	\$5,077,382	\$0	\$0	\$44,427,089
Benton	\$2,028,115	\$507,029	\$507,029	\$0	\$588,153	\$0	\$3,630,326
Blackford	\$2,352,183	\$588,046	\$588,046	\$0	\$0	\$0	\$3,528,275
Boone	\$35,775,982	\$17,887,991	\$0	\$0	\$0	\$0	\$53,663,973
Brown	\$5,662,013	\$929,174	\$929,174	\$0	\$1,858,347	\$0	\$9,378,708
Carroll	\$8,306,603	\$457,720	\$762,867	\$1,017,156	\$1,017,156	\$0	\$11,561,502



LIT Reports – SBA County Wide (Sample #2)

Local Income Tax Rate Amounts Estimated CY 2022 Certified Distributions Certified August 2, 2021

County Name	Expenditure: Certified Shares IC 6-3.6-6-10	Expenditure: Public Safety IC 6-3.6-6-8	Expenditure: Economic Development IC 6-3.6-6-9	Expenditure: LIT Correctional or Rehabilitation Facilities (IC 6-3.6-6-2.7)	Property Tax Relief IC 6-3.6-5	Special Purpose IC 6-3.6-7 ¹	Total
Adams	0.6000%	0.2500%	0.4000%	0.0000%	0.3740%	0.0000%	1.6240%
Allen	0.4821%	0.1000%	0.5300%	0.0000%	0.3679%	0.0000%	1.4800%
Bartholomew	1.2500%	0.0500%	0.2500%	0.2000%	0.0000%	0.0000%	1.7500%
Benton	1.0000%	0.2500%	0.2500%	0.0000%	0.2900%	0.0000%	1.7900%
Blackford	1.0000%	0.2500%	0.2500%	0.0000%	0.0000%	0.0000%	1.5000%
Boone	1.0000%	0.5000%	0.0000%	0.0000%	0.0000%	0.0000%	1.5000%
Brown	1.5234%	0.2500%	0.2500%	0.0000%	0.5000%	0.0000%	2.5234%
Carroll	1.6333%	0.0900%	0.1500%	0.2000%	0.2000%	0.0000%	2.2733%



LIT Reports – DLGF Unit Report

- The SBA report is the source of the DLGF report, but the DLGF report contains more detail.
- In addition to separating the countywide figures into unit level information, several of the LIT Types are separated into even smaller siloes in order to calculate each unit's distribution amount.

STATE OF INDIANA
INDIANA DEPARTMENT OF LOCAL GOVERNMENT FINANCE

Section 1

2022 Local Income Tax Distributions
 Calculations based on SBA Certified Totals on August 02, 2021

County 25 Fulton

Expenditure Rate - Certified Shares Revenue	4,431,561	Expenditure Rate - Public Safety Revenue	2,437,359	Expenditure Rate - Economic Development Revenue	886,312
		PSAP Distribution	620,419		
IC 6-3.6-6-3(a)(2) Distribution	1,107,890	Public Safety Distribution	1,816,940		
Certified Shares Distribution	3,323,671				

Section 2

<u>Unit</u>	<u>Expenditure Rate - Certified Shares</u> IC 6-3.6-6-3(a)(2) <u>Distribution</u>	<u>Certified Shares</u> <u>Distribution</u>	<u>Total Expenditure</u> <u>Rate - Certified</u> <u>Shares Distribution</u>	<u>Public Safety</u> <u>Distribution</u>	<u>Economic</u> <u>Development</u> <u>Distribution</u>
FULTON COUNTY	337,892	1,589,477	1,927,369	1,118,936	563,711
AUBBEENAUBBEE TOWNSHIP	4,895	19,472	24,367	0	0
HENRY TOWNSHIP	6,559	26,091	32,650	0	0
LIBERTY TOWNSHIP	3,684	14,655	18,339	0	0
NEWCASTLE TOWNSHIP	3,488	13,876	17,364	0	0
RICHLAND TOWNSHIP	2,580	10,262	12,842	0	0
ROCHESTER TOWNSHIP	13,521	53,785	67,306	0	0
UNION TOWNSHIP	7,507	29,862	37,369	0	0
WAYNE TOWNSHIP	2,596	10,326	12,922	0	0
ROCHESTER CIVIL CITY	209,493	833,354	1,042,847	586,651	271,128
AKRON CIVIL TOWN	19,172	76,266	95,438	53,688	24,845
FULTON CIVIL TOWN	3,753	14,928	18,681	10,509	4,797
KEWANNA CIVIL TOWN	16,839	66,986	83,825	47,156	21,831

Section 3

In addition to the above distributions, below is the certified revenue to be generated by local income tax rates imposed within the county for the following purposes:

Property Tax Relief	2,127,149	Special Purpose	1,107,890
Jail LIT	886,312		

Section 4

County 25 Fulton

Expenditure Rate - Certified Shares Revenue	4,431,561
IC 6-3.6-6-3(a)(2) Distribution	1,107,890
Certified Shares Distribution	3,323,671

Expenditure Rate - Public Safety Revenue	2,437,359
PSAP Distribution	620,419
Public Safety Distribution	1,816,940

Expenditure Rate - Economic Development Revenue	886,312
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Unit

ROCHESTER COMMUNITY SCHOOL
CORPORATION

CASTON SCHOOL CORPORATION

TIPPECANOE VALLEY SCHOOL CORPORATION

CULVER COMMUNITY SCHOOL CORPORATION

EASTERN PULASKI COMMUNITY SCHOOL CORP

AKRON CARNEGIE PUBLIC LIBRARY

KEWANNA PUBLIC LIBRARY

FULTON COUNTY PUBLIC LIBRARY

FULTON COUNTY SOLID WASTE MGMT DIST

FULTON COUNTY AIRPORT AUTHORITY

TOTAL:

<u>Expenditure Rate - Certified Shares</u> IC 6-3.6-6-3(a)(2) <u>Distribution</u>	<u>Certified Shares</u> <u>Distribution</u>	<u>Total Expenditure</u> <u>Rate - Certified</u> <u>Shares Distribution</u>	<u>Public Safety</u> <u>Distribution</u>	<u>Economic</u> <u>Development</u> <u>Distribution</u>
140,830	0	140,830	0	0
69,983	0	69,983	0	0
95,628	0	95,628	0	0
17,247	0	17,247	0	0
10,359	0	10,359	0	0
16,807	66,858	83,665	0	0
7,330	29,159	36,489	0	0
93,819	373,208	467,027	0	0
0	0	0	0	0
23,908	95,106	119,014	0	0
1,107,890	3,323,671	4,431,561	1,816,940	886,312

County 25 Fulton

Expenditure Rate - Certified Shares Revenue	4,431,561	Expenditure Rate - Public Safety Revenue	2,437,359	Expenditure Rate - Economic Development Revenue	886,312
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Certified Shares Distribution	3,323,671				
		<div> <div>Expenditure Rate - Certified Shares</div> <div>IC 6-3.6-6-3(a)(2) Distribution</div> <div>Certified Shares Distribution</div> <div>Total Expenditure Rate - Certified Shares Distribution</div> <div>Public Safety Distribution</div> <div>Economic Development Distribution</div> </div>			
<u>Unit</u>					
ROCHESTER COMMUNITY SCHOOL CORPORATION		140,830	0	140,830	0
CASTON SCHOOL CORPORATION		69,983	0	69,983	0
TIPPECANOE VALLEY SCHOOL CORPORATION		95,628	0	95,628	0
CULVER COMMUNITY SCHOOL CORPORATION		17,247	0	17,247	0
EASTERN PULASKI COMMUNITY SCHOOL CORP		10,359	0	10,359	0
AKRON CARNEGIE PUBLIC LIBRARY		16,807	66,858	83,665	0
KEWANNA PUBLIC LIBRARY		7,330	29,159	36,489	0
FULTON COUNTY PUBLIC LIBRARY		93,819	373,208	467,027	0
FULTON COUNTY SOLID WASTE MGMT DIST		0	0	0	0
FULTON COUNTY AIRPORT AUTHORITY		23,908	95,106	119,014	0
TOTAL:		1,107,890	3,323,671	4,431,561	1,816,940
					886,312



LIT – Certified Shares Initial Calculation

The DLGF's calculation of the Certified Shares is based on IC 6-3.6-6-12.

	SBA CY Certified Share Total
(minus)	CAGIT (School) PTRC^{1,2}
(minus)	<u>LIT Levy Freeze³</u>
	DLGF Certified Share Starting total

Note 1: School PTRC is only applied former CAGIT Counties

Note 2: School PTRC portion is equal to the first .25 of the county certified share rate. The first .25 is different than 25% of the total rate.

Note 3: Not covered in this presentation, but only applies to a handful of counties in the State.



LIT – Certified Shares Unit Calculation

- In the second step of the calculation, a specific distribution is assigned to each unit.
- The distribution for each unit is based on the percentage the unit makes up of the total for the entire county.
- Below is an example of how \$750 could be split:

Unit	Unit Factor	Distribution Percent	Distribution Amount
County	100	$100 / 160 = 63\%$	$63\% * 750 = 468.75$
Township 1	10	$10 / 160 = 6\%$	$6\% * 750 = 46.88$
Township 2	15	$15 / 160 = 9\%$	$9\% * 750 = 70.31$
City A	35	$35 / 160 = 22\%$	$22\% * 750 = 164.06$
	160	100%	\$750



LIT – Certified Shares Unit Calculation

- 2021 Certified Levy (Current Year)
- + 2021 Certified Shares (Current Year)
- + 2021 Certified Shares (School PTRC) (Current Year)
- +/- Fire Territory Adjustment
- Post 2005 Debt Levies
- Allocation Amount Calculation¹
- + Welfare Allocation Amount²
- Attributed Allocation Amount Calculation

Note 1: There is an adjustments made for certain units with a \$0 levy and solid waste districts (optional).

Note 2: The Welfare Allocation is applied to the county unit as per IC 6-3.6-2-18. The amount is fixed.



LIT – Certified Shares Unit Calculation

Each part of the Certified Share total distribution uses a different calculation method which includes different recipients.

Allocation Amount (IC 6-3.6-6-3(a)(2))

In former CAGIT counties, a portion of the Certified Shares are distributed to all units including schools.

Attributed Allocation Amount

In all counties, Certified Shares are distributed to all units excluding schools.

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		<u>Expenditure Rate - Certified Shares</u>		<u>Total Expenditure</u>	
<u>Unit</u>		<u>IC 6-3.6-6-3(a)(2)</u>	<u>Certified Shares</u>	<u>Rate - Certified</u>	<u>Public Safety</u>
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STATE OF INDIANA
INDIANA DEPARTMENT OF LOCAL GOVERNMENT FINANCE

2022 Local Income Tax Distributions
 Calculations based on SBA Certified Totals on August 02, 2021

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<u>Unit</u>	<u>Expenditure Rate - Certified Shares</u> IC 6-3.6-6-3(a)(2) <u>Distribution</u>	<u>Certified Shares</u> <u>Distribution</u>	<u>Total Expenditure</u> <u>Rate - Certified</u> <u>Shares Distribution</u>	<u>Public Safety</u> <u>Distribution</u>	<u>Economic</u> <u>Development</u> <u>Distribution</u>
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ROCHESTER CIVIL CITY	209,493	833,354	1,042,847	586,651	271,128
AKRON CIVIL TOWN	19,172	76,266	95,438	53,688	24,845
FULTON CIVIL TOWN	3,753	14,928	18,681	10,509	4,797
KEWANNA CIVIL TOWN	16,839	66,986	83,825	47,156	21,831

In addition to the above distributions, below is the certified revenue to be generated by local income tax rates imposed within the county for the following purposes:

Property Tax Relief	2,127,149	Special Purpose	1,107,890
Jail LIT	886,312		



LIT – Public Safety Initial Calculation

- The DLGF's calculation of the Public Shares is based on IC 6-3.6-6-8.

SBA CY Public Safety Total
(minus) PSAP Allocation
DLGF Public Safety Starting total



LIT – Public Safety Unit Calculation

- The DLGF's calculation of the Public Shares is based on IC 6-3.6-6-8.
- There are two distribution methods for Public Safety:
 1. Distribution to counties, cities, and towns based on **Attributed Allocation Amount**.
 2. Distribution to counties, cities, and towns based on **certified levy**.

STATE OF INDIANA
INDIANA DEPARTMENT OF LOCAL GOVERNMENT FINANCE

2022 Local Income Tax Distributions
 Calculations based on SBA Certified Totals on August 02, 2021

County 25 Fulton

Expenditure Rate - Certified Shares Revenue	4,431,561	Expenditure Rate - Public Safety Revenue	2,437,359	Expenditure Rate - Economic Development Revenue	886,312
IC 6-3.6-6-3(a)(2) Distribution	1,107,890	PSAP Distribution	620,419		
Certified Shares Distribution	3,323,671	Public Safety Distribution	1,816,940		

<u>Unit</u>	<u>Expenditure Rate - Certified Shares</u> IC 6-3.6-6-3(a)(2) <u>Distribution</u>	<u>Certified Shares</u> <u>Distribution</u>	<u>Total Expenditure</u> <u>Rate - Certified</u> <u>Shares Distribution</u>	<u>Public Safety</u> <u>Distribution</u>	<u>Economic</u> <u>Development</u> <u>Distribution</u>
FULTON COUNTY	337,892	1,589,477	1,927,369	1,118,936	563,711
AUBBEENAUBBEE TOWNSHIP	4,895	19,472	24,367	0	0
HENRY TOWNSHIP	6,559	26,091	32,650	0	0
LIBERTY TOWNSHIP	3,684	14,655	18,339	0	0
NEWCASTLE TOWNSHIP	3,488	13,876	17,364	0	0
RICHLAND TOWNSHIP	2,580	10,262	12,842	0	0
ROCHESTER TOWNSHIP	13,521	53,785	67,306	0	0
UNION TOWNSHIP	7,507	29,862	37,369	0	0
WAYNE TOWNSHIP	2,596	10,326	12,922	0	0
ROCHESTER CIVIL CITY	209,493	833,354	1,042,847	586,651	271,128
AKRON CIVIL TOWN	19,172	76,266	95,438	53,688	24,845
FULTON CIVIL TOWN	3,753	14,928	18,681	10,509	4,797
KEWANNA CIVIL TOWN	16,839	66,986	83,825	47,156	21,831

In addition to the above distributions, below is the certified revenue to be generated by local income tax rates imposed within the county for the following purposes:

Property Tax Relief	2,127,149	Special Purpose	1,107,890
Jail LIT	886,312		



LIT – Economic Development Unit Calculation

- The DLGF's calculation of the Economic Development is based on IC 6-3.6-6-9.
- There are two distribution methods for Economic Development:
 1. Distribution to counties, cities, and towns based on population.
 2. Distribution to counties, cities, and towns based on certified levy.



2022 LIT Distributions, COVID, and the Budget



Statewide LIT Growth

- As a State, the total income tax distributions have steadily increased each year, but many counties and taxing units will see a decrease in their LIT distribution in 2022.

Local Income Tax	Statewide LIT Distribution	Percentage Increase from Prior Year
2018	\$2,444,462,863	
2019	\$2,625,724,461	107%
2020	\$2,831,182,586	108%
2021	\$3,008,524,145	106%
2022 (Estimated)	\$2,948,835,379	98%



LIT Reduction Contributing Factors

- Executive Order (“EO”) 20-31 changed the 2021 distribution collection period from 12 months to 14 months.
- The extended collection period buoyed the 2021 distribution.
- The EO also, indirectly, created a 10-month collection period for the 2022 distribution.



LIT Reduction Contributing Factors

- The statewide the “return count,” the number of individuals that actually filed, was down 4.3%
- The average “rate of return,” the reported earnings, was down 3%.
- The federal stimulus money collected was not taxable.
- There are statutory limits on the amount of unemployment insurance that is taxable.



Statewide LIT Growth



- LIT Memo – August 12, 2021
- <https://www.in.gov/dlgf/files/memos/caa8609869aa7a996826aeb5bafa2e3420ed4ee2.pdf>
- Statewide LIT Report – August 11, 2021
- <https://www.in.gov/dlgf/files/2022-reports/210813-2022-Estimated-Local-Income-Tax-Distributions.pdf>



Contact Us



Resources

- DLGF Webinars: <https://www.in.gov/dlgf/continuing-education/webinars/>
- **You Tube** Training Videos
 - www.youtube.com/user/DLGFgateway
 - <https://www.in.gov/dlgf/budget-forms-and-information/>
- User Guides 
- Information Icons 
- DLGF Memos
 - <https://www.in.gov/dlgf/memos-and-presentations/memos/>
- Email
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Budget Field Representative Map:

https://www.in.gov/dlgf/files/Budget_Field_Reps.pdf

Gateway Support:

Support@dlgf.in.gov

DLGF Customer Service Survey:

[Customer Survey](#)