
STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: County, City, and Town Officials

FROM: Fred Van Dorp, Budget Director

DATE: February 17, 2022

SUBJECT: Local Income Tax Templates, Pre-Review, Submission Procedures
Ind. Code § 6-3.6

The Department of Local Government Finance (“Department”) issues this memorandum, which applies to the release of templates for the public notices, ordinances, resolutions, and general procedural requirements associated with the administration of the Local Income Tax (“LIT”) under Ind. Code § 6-3.6. This memorandum supersedes all previous memoranda on the subject. This memorandum does not take the place of Indiana law. The Department and all local units of government are bound to due dates and responsibilities as outlined in the law. In the event any part of this memorandum conflicts with Indiana law, Indiana law governs.

LIT PRESUBMISSION REVIEW

As per Ind. Code § 6-3.6-3-2, before officially starting a LIT change, an adopting body or governmental entity may submit a draft of the proposed notice, ordinance, or resolution to the Department for a preliminary review. The Department shall provide the submitting entity a written determination of the appropriateness of the notice, ordinance, or resolution, including recommended modifications, within 30 days of receipt. Drafts should be submitted to the Department via email to Budget Director Fred Van Dorp at fvandorp@dlgf.in.gov.

NOTICE TO TAXPAYERS OF HEARING

Prior to adopting an ordinance under Ind. Code § 6-3.6, the adopting body must hold a public hearing on the proposed ordinance. Notice for the public hearing must be provided according to Ind. Code § 5-3-1, which requires the notice to be published one time at least 10 days before the date of the public hearing.

LIT SUBMISSIONS

The county auditor shall record all votes taken on any LIT ordinances presented for a vote and not more than 10 days after the vote, then submit the LIT change to the State in an electronic format approved by the commissioner of the Department. Submissions must be made electronically via the budget application in Gateway. The county auditor will upload the documents below in the “Submit Signed Form 4 and Other Documents” section using the file type of “LIT Ordinance.” Additional instructions can be found on the [Department’s website](#). Incomplete or improperly submitted documents will not be considered by the Department and may delay the implementation of a county’s LIT change.

Ind. Code § 6-3.6-3-2(d) requires the county to submit the following documents:

1. Notice of Public Hearing
2. Adopting ordinance or resolution
3. Vote results on ordinance or resolution

LIT TEMPLATES

The attached templates are available for counties to use to create ordinances or resolutions to adopt new or modify existing:

1. Local Income Tax Rates
2. Property Tax Relief Credit Allocations
3. Public Safety Access Point Rate
4. Levy Freeze Rate

The templates were created to accommodate many of the more common LIT configurations that a county may consider. As such, there may be sections on the templates that are not applicable in certain instances. The adopting body should review the entire template, then remove sections from the template that are not applicable to their county.

ADDITIONAL NOTES ABOUT LIT TEMPLATES

While all counties will go through a similar process for changing their LIT configuration, the specific ordinance or resolution that will be used is based on the counties original LOIT configuration:

In former CAGIT counties or in instances where the county council is the adopting body for the entire county, then the Notice to Taxpayers of Hearing on a proposed ordinance template may be used.

In former COIT counties and former CEDIT (only) counties, when the first member of the Local Income Tax Council proposes a LIT change, they will use the Notice to Taxpayers Hearing on Proposed Local Income Tax resolution template. This resolution must include the ordinance with their proposed changes. The other members of the Local Income Tax Council will use the Notice to Taxpayers Hearing on Proposed Local Income Tax ordinance template.

If you have any additional questions about local income tax, please contact your [Budget Field Representative](#).