
STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: All Township Officials

FROM: Wesley R. Bennett, DLGF Commissioner

DATE: March 10, 2022

RE: Legislation Affecting Township and Fire Funding Matters

The Department of Local Government Finance (“Department”) issues this memorandum to provide guidance to townships that anticipate making a request to increase their property tax rates under Ind. Code § 6-1.1-18-28, enacted by House Enrolled Act 1065-2020 (“HEA 1065”). **This memorandum supersedes all previous memoranda released by the Department on the same subject matter.**

Ind. Code § 6-1.1-18-28 states that a township may petition the Department to increase the maximum property tax levy for the township firefighting fund under Ind. Code § 36-8-13-4 and that the adjustment is based on a corresponding property tax rate increase. In order to perform the necessary calculations to find the rate increase, the Department provides the attached worksheet which will function also as a request form. The pages that follow contain detailed instructions for completing the worksheet. For repeat filers, please take note of the calculation in Step 4 which will adjust the Eligible Rate Increase for the unit.

A township must include with the request form a written statement or resolution from the township board authorizing permission to submit this request.

Please send the request form to the [Budget Division Field Representative](#) for the county in which the township resides. Note that the due date for submissions has changed. HEA 1065 requires submission of the request no later than **March 31, 2022**.

Instructions for Completing Township Firefighting Levy Increase Request (Ind. Code § 6-1.1-18-28)

Section I. Description of Service Area

This section will outline the parameters used to identify the service area for purposes of determining the population of the township's fire protection and emergency service area.

- A. Are there municipalities wholly contained within the boundaries of the service area? If the answer to this question is 'Yes,' please list the municipalities.
- B. Are there municipalities only partially contained within the boundaries of the service area? If the answer to this question is 'Yes,' please list the municipalities.

Section II. Determining Rate Increase

Proceed with each STEP as follows:

STEP ONE: Determine the percentage increase in population within the fire protection and emergency services area during the ten (10) year period immediately preceding the year in which the petition is submitted. Per Ind. Code § 6-1.1-18-28(b), the most recently available population data issued by the Census Bureau during the ten (10) year period may be used.

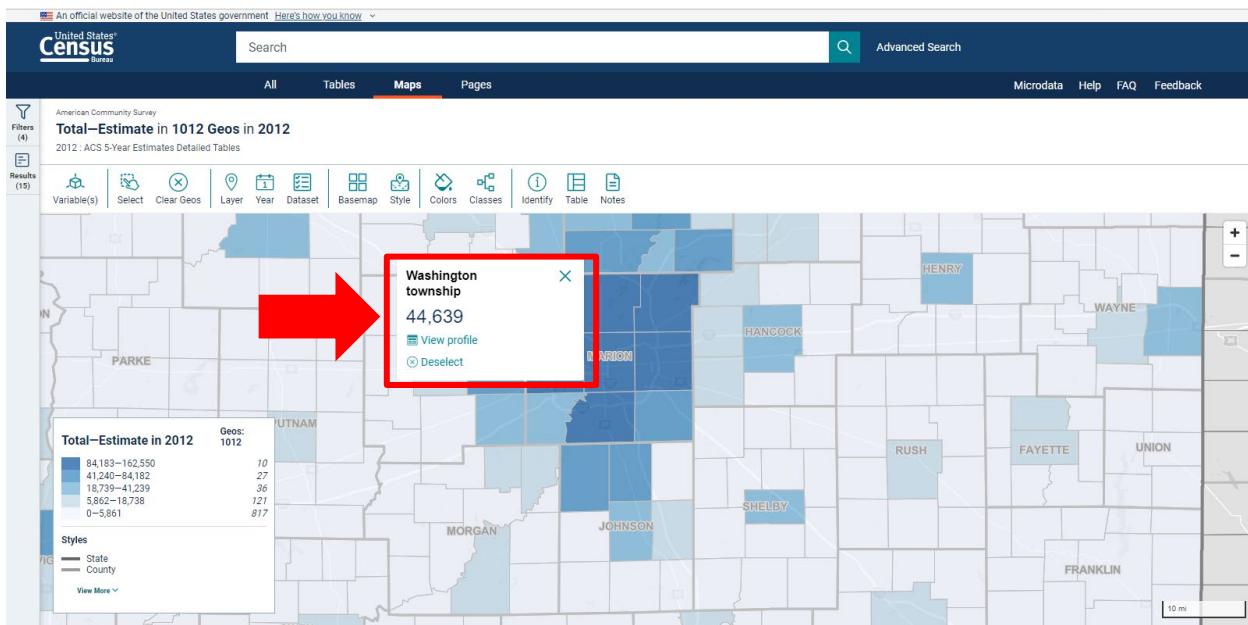
- A. Determine the 2011 American Community Survey ("ACS") Population estimate, adjusted to exclude political subdivisions in the unit and that are not in the unit's service area.

A.1 The Census Bureau provides population estimates for 2011 on its website based on the ACS 5-Year Estimates ("ACS 2011 Population Estimate"). The best method the Department can identify to find population estimates broken down by township are as follows:

- a. Click on this link: [County Subdivision Selection Map](#)

This will open a searchable map of the United States broken down by county subdivisions (i.e., townships) for each state.

- Click on the appropriate township in Indiana. After clicking on the township, a pop-up window will appear. The population estimate for 2011 will appear in the pop-up window. It is not necessary to click on "View profile" and clicking on it in this window will show the 2020 Census count. See Part B, below.



(Image for illustration purposes, only.)

A.2. Provide population counts for all political subdivisions NOT in the service area. The population count should not include the population numbers for any municipality listed under the applicable township if the township does not provide fire and emergency services in that municipality.

- If a municipality is only partly contained within the township and the number of municipal residents also in the township is not easily known, the Department will not object to using the 2010 Federal Decennial Census numbers for the township in the document “Indiana: 2010 Population and Housing Unit Counts, issued September 2012,” available on the Census Bureau website at [this link](#). The best place to find this information is on page 13, Table 8 – Population and Housing Units: 1990 to 2010; and Area Measurements and Density: 2010. This table breaks down the population for 2010 by county and then by township.

A.3. Subtract A.1. by A.2. This will yield an **Adjusted 2011 ACS Estimate**.

B. Determine 2020 Census Population Count, adjusted to exclude political subdivisions in the unit, not in the unit’s service area.

Indiana Code 1-1-3.5-3(d) states that the population for a political subdivision is determined by the most recent federal decennial census unless the statute specifically provides otherwise. For purposes of STEP ONE, the procedure should be followed for submissions that are due by March 31, 2022.

Part B will generally mirror the steps taken in Part A, except for the following:

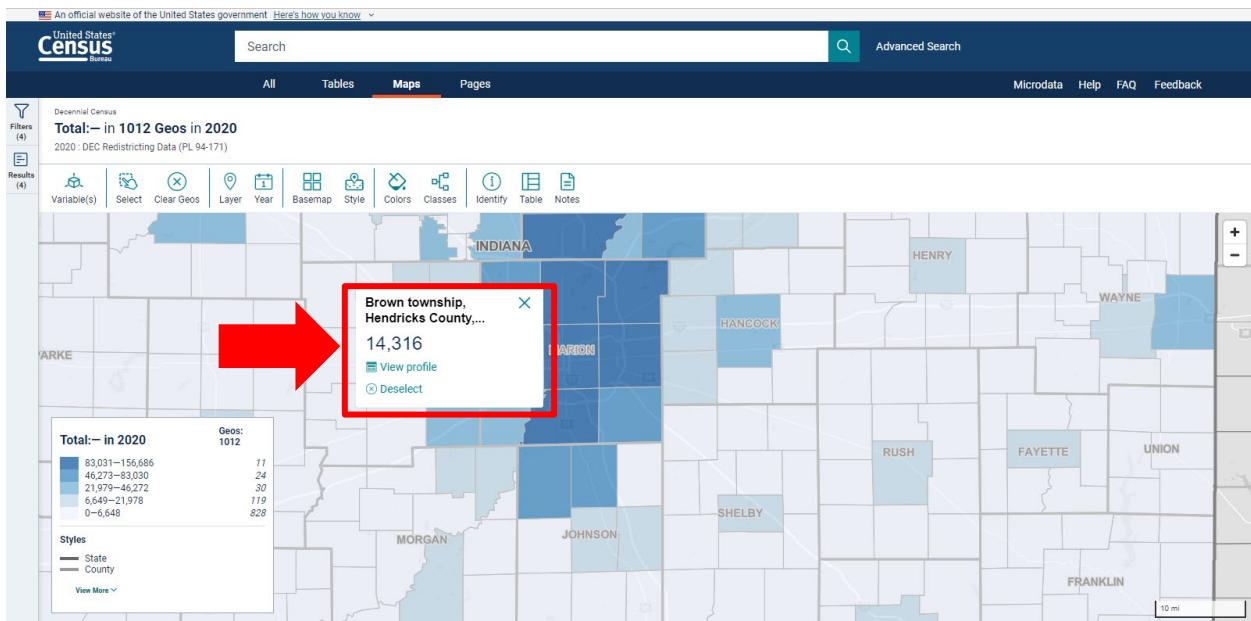
B.1. The Census Bureau had announced that it will not release the 2021 American Community Survey population estimates for the State of Indiana. Therefore, use the 2020 Census Population

counts. As of the release of this memorandum, the Census Bureau has not released any publications regarding Indiana's 2020 Census results. Therefore, the 2020 Census count can be found in the same way as finding the 2011 population estimates in Part A.

- a. Click on this link: [County Subdivision Selection Map](#)

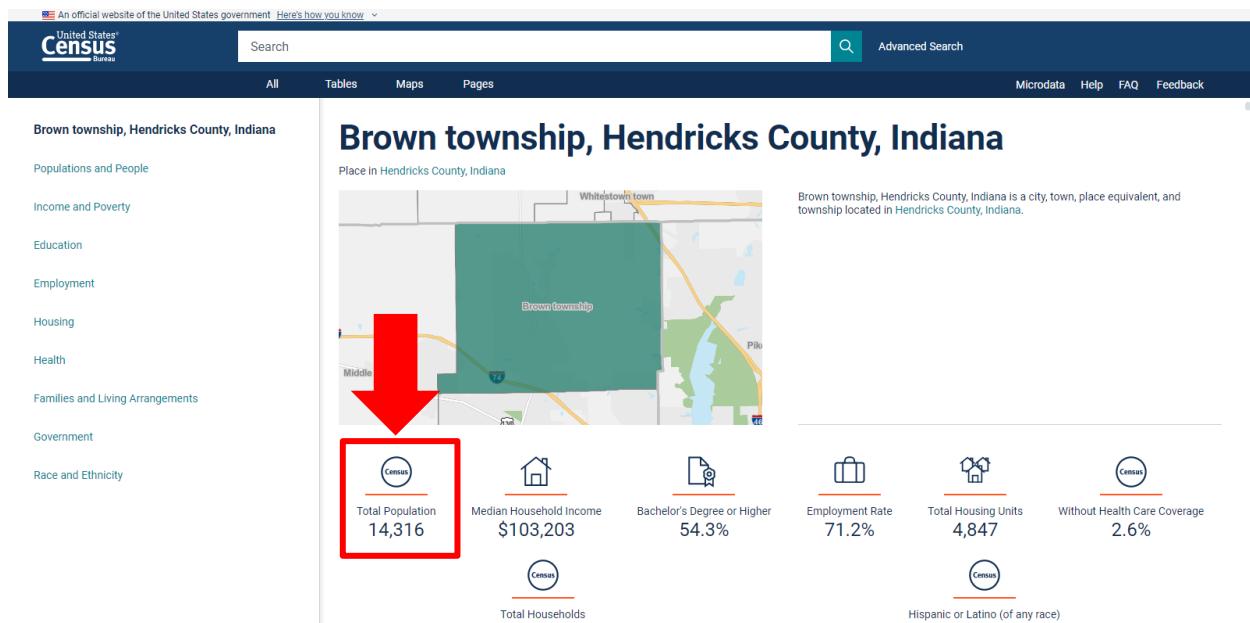
This will open a searchable map of the United States broken down by county subdivisions (i.e., townships) for each state.

- Click on the appropriate township in Indiana. After clicking on the township, a pop-up window will appear. The 2020 Census Count will appear in the pop-up window.



(Image for illustration purposes, only.)

- It is not necessary to click on "View profile". However, clicking on it will make a new screen appear. The population figure under the map will be the 2020 Census Count.

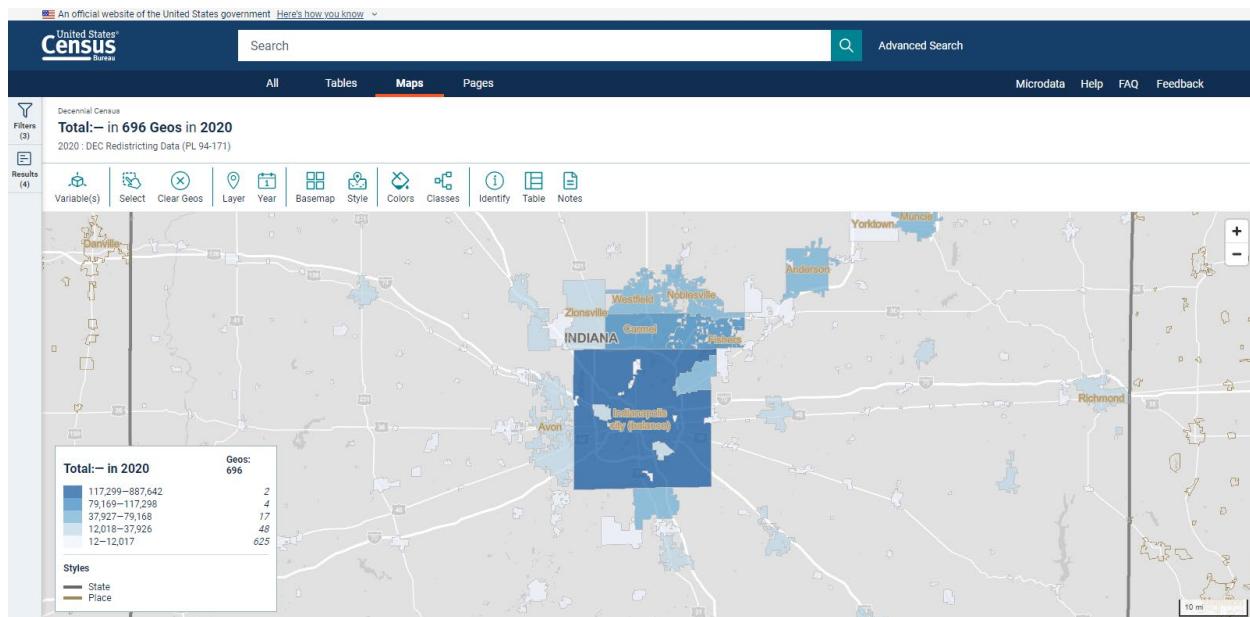


(Image for illustration purposes, only.)

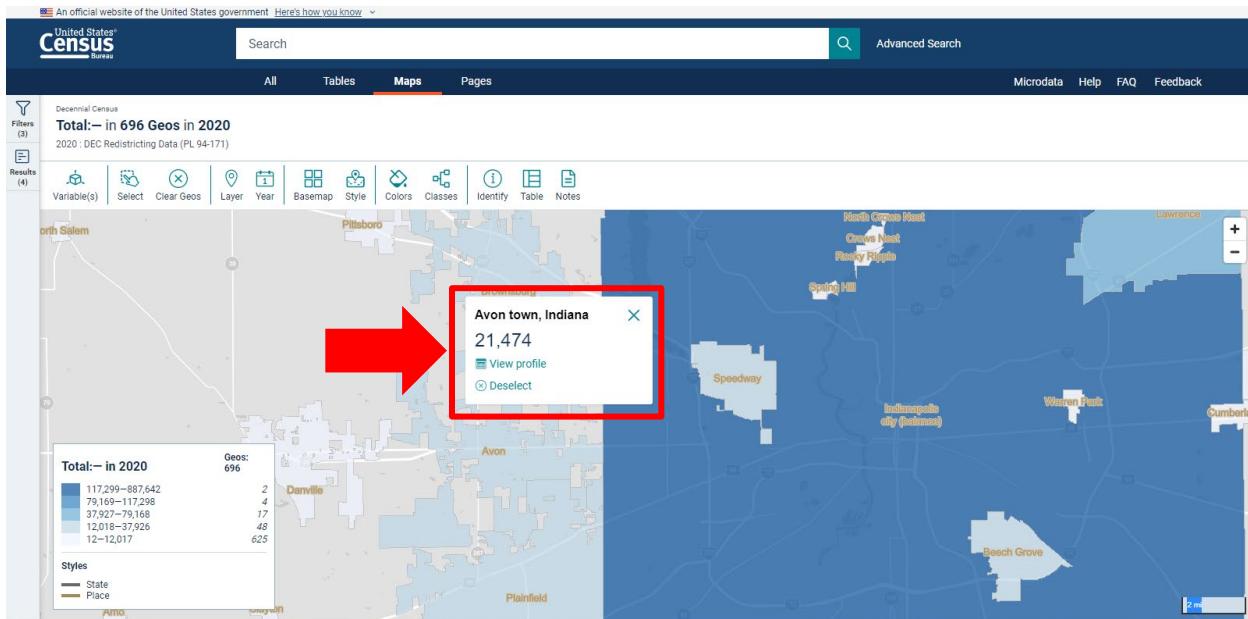
B.2. Provide population counts for all political subdivisions NOT in the service area. As with part A.2., the population count used for 2020 should not include the population numbers for any municipality listed under the applicable township, if the township does not provide fire and emergency services in that municipality.

- To find the municipal population counts, click on this link: [Place Map](#).

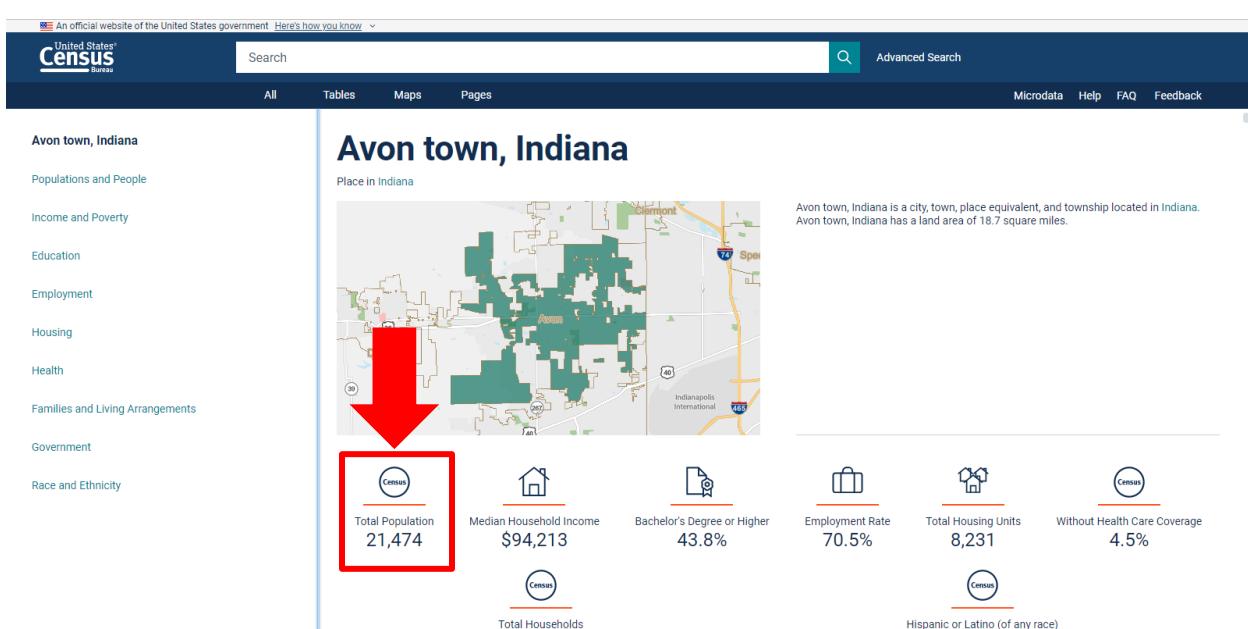
This will open a searchable map of the United States broken down by place (i.e., municipalities) for each state.



b. For each municipality that resides in the township and is not in the township's fire service area, click on the space within the municipal boundaries. A pop-up window will appear. The 2020 Census count will appear in the pop-up window.



c. It is not necessary to click on “View profile”. However, clicking on it will make a new screen appear. The population figure under the map will be the 2020 Census Count.



B.3. Subtract B.1. by B.2. This will yield an **Adjusted 2020 Population Count**.

C. Determine the average increase. Subtract the result of Part B by the result of Part A. Divide this difference by the result of Part A. This will yield a percentage increase. This percentage may be rounded to the nearest percent (1% or 0.01).

Townships should use these resources to determine population estimates. Whether a township relies on the Census information, the Department will be using these resources to verify the submissions.

STEP TWO: Subtract the STEP ONE amount by six percent (6% or 0.06). If the result is greater than zero (0), use the result for STEP THREE. Otherwise, use zero (0).

STEP THREE: Take the lesser of the STEP TWO result or fifteen-hundredths (0.15).

STEP FOUR: If the rate was increased under Ind. Code § 6-1.1-12-28 for the township within the immediately preceding ten (10) year period, the STEP THREE result is further reduced by the sum of the rate increases made in the immediately preceding ten (10) year period. The **Eligible Rate Increase** will be determined as follows:

- For townships that submitted a request under Ind. Code § 6-1.1-18-28 in 2021, apply the following equation:

$$\begin{array}{ccc} \text{STEP} & \text{STEP} & \text{STEP} \\ \text{THREE} & - & \text{FOUR} \\ \text{Amount} & & \text{Amount} \\ & & \text{certified in} \\ & & 2021 \end{array}$$

Fill in the blank with the STEP FOUR amount. If the STEP FOUR amount is less than zero (0), fill in the blank with zero (0).

- For townships that did not submit a request under Ind. Code § 6-1.1-18-28 in 2021, this STEP will equal the STEP THREE amount. Fill in the blank with the STEP THREE amount.

The Department will certify the Eligible Rate Increase upon review of the township's petition. Per Ind. Code § 6-1.1-18-28(b) and (c), the Eligible Rate Increase shall be used to determine the increase to the township's firefighting fund maximum levy. The Department will not include the levy increase in its certification. The levy increase shall be calculated using the formula provided under Ind. Code § 6-1.1-18-28(c)(2).