



Department of Local Government Finance

2022 Legislative Overview

Dave Marusarz
Deputy General
Counsel

Emily Crisler
General Counsel

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Disclaimer

- This presentation and other Department of Local Government Finance materials are not a substitute for the law. The following is not legal advice, just an informative presentation. The Indiana Code always governs.



Agenda

- Assessment Legislation
- Credits, Deductions & Exemptions Legislation
- Economic Development Legislation
- Fire & EMS Funding Legislation
- Local Budgeting Legislation



Assessment Legislation



Property Record Cards

- House Enrolled Act 1260
 - Specifies that county assessing officials must provide electronic access to property record cards on the county's official website.
 - Beginning July 1, 2022, taxpayers' official Indiana Residential Property Record Card (SF 50055), Indiana Commercial and Industrial Property Record Card (SF 50056), and Indiana Agricultural Property Record Card (SF 50057) must be available on the county website or through the county's geographic information system.



State Distributable Property

- House Enrolled Act 1260
 - Adds a new statute (Ind. Code § 6-1.1-8-25.5), which specifies that a local assessing official must notify the Department when any fixed property owned or used by a public utility company goes from being assessed as state distributable property to property that will be assessed locally.
 - The Department will also be required to notify a company subject to state distributable property tax if any of the property previously assessed by the Department is now to be assessed locally.

SEC. 9 – *Effective July 1, 2022*



State Distributable Property

- For purposes of this notification, a “public utility company” is defined to income company that is subject to taxation under Ind. Code § 6-1.1-8, including:
 - (1) Bridge Companies
 - (2) Bus Companies
 - (3) Light, Heat, or Power Companies
 - (4) Pipe Line Companies
 - (5) Railroad Companies
 - (6) Railcar Companies
 - (7) Sleeping Car Companies
 - (8) Telephone, Telegraph, or Cable Companies
 - (9) Tunnel Companies



PTABOA Annual Report

- House Enrolled Act 1260
 - Amends Ind. Code § 6-1.1-28-12, which outlines the requirements for the PTABOA Annual Report that is submitted to the Department and the Legislative Services Agency (“LSA”) through Gateway.
 - Additionally, the submission deadline for the PTABOA Annual Report has been changed from April 1 to January 15.

SEC. 43 – *Effective July 1, 2022*



PTABOA Annual Report

- House Enrolled Act 1260
 - New PTABOA Annual Report items will include:
 - (1) Total Number of Parcels
 - (2) Total Reduction in AV Requested by Appellants
 - (3) Total Reduction in AV Approved by PTABOA
 - (4) Length of Time for Appeal
 - (5) Number of Appeals Withdrawn
 - (6) Number of Appeals for Each Property Type
 - (7) Number of Appeals Where a Taxpayer is Represented by a Tax Representative or Attorney

SEC. 43 – *Effective July 1, 2022*



Formal Complaints to DLGF

- House Enrolled Act 1260
 - Specifies that the Department may not review a written complaint that is related to a matter that is under appeal with a county PTABOA, the Indiana Board of Tax Review, or the Indiana Tax Court.

SEC. 45 – *Effective July 1, 2022*



Pro Hac Vice Admission

- House Enrolled Act 1260
 - Specifies the Department is no longer required to approve out-of-state lawyers for temporary admission.
 - For representation of a taxpayer at a PTABOA hearing, an attorney who is a member in good standing of any other state bar may be granted temporary admission to the Indiana bar by a court of competent jurisdiction.

SEC. 44 – *Effective July 1, 2022*



BPP & Places of Worship

- House Enrolled Act 1260
 - Churches and religious societies that have filed business personal property tax returns for five (5) years and who were exempt from taxes in those five (5) years will not have to file business personal property returns going forward unless either of the following occur:
 1. Change in ownership; or
 2. Other change occurs resulting in property no longer being eligible for exemption.

SEC. 6 – Effective January 1, 2023



Self-Service Storage Facilities

- Senate Enrolled Act 382
 - Under current law, assessing officials may use any of the three (3) standard assessment approaches to assess self-service storage facilities: (1) reproduction cost less depreciation; (2) comparative sales; and (3) capitalization of income.

SEC. 12 – *Effective July 1, 2022*



Self-Service Storage Facilities

- Senate Enrolled Act 382
 - With the new language in Ind. Code § 6-1.1-4-46, the true tax value of a self-service storage facility must be determined based solely on the land and the improvements, less normal depreciation, and normal obsolescence.
 - Additionally, the value of self-service storage facilities must be equal to the lowest value computed under the three (3) standard assessment approaches, excluding any business intangible value.

SEC. 12 – *Effective July 1, 2022*



Annual Adjustments – Agricultural Improvements

- Senate Enrolled Act 119
 - Specifies that the annual adjustment factors used for residential, commercial, or industrial properties do not apply to agricultural improvements.
 - The residential part of agricultural properties shall be adjusted using a factor from the same geographic area for similar residences.

SEC. 1 – Effective July 1, 2022



Commercial Properties

- Senate Enrolled Act 145
 - Specifies that new commercial retail properties with at least 100,000 square feet that is occupied by a single retailer will be assessed under the cost approach for the first five (5) years of occupancy, so long as the property was not vacated by the original occupant or substantially and adversely impacted by a change in a roadway or traffic pattern.

SEC. 1 – Effective January 1, 2023



Commercial Property

- Senate Enrolled Act 145
 - The assessment under the cost approach will be based on the standard construction cost per square foot provided by the Department.
 - Additionally, depreciation may not be based on data derived from the sales comparison or income capitalization approaches, and the value of land may be determined based on the sales comparison approach.

SEC. 1 – Effective January 1, 2023



Commercial Property

- Senate Enrolled Act 145
 - When requesting a review of the assessment, a taxpayer may present an appraisal based on the cost approach as evidence that the actual construction cost was lower than the standard construction cost per square foot determined by the Department.
 - Parties to any appeal may enter into a written agreement stipulating to the true tax value of the property.

SEC. 1 – Effective January 1, 2023



Commercial Property

- Senate Enrolled Act 145
 - Provides that the fiscal officer of the county may establish a separate account for the tax receipts that are attributable to the property tax assessment that is the subject of review.

SEC. 1 – Effective January 1, 2023



Credits, Deductions & Exemptions Legislation



Mortgage Deduction

- House Enrolled Act 1260
 - Repeals the mortgage deduction in its entirety, effective January 1, 2023.
 - This means that beginning January 1, 2023, individuals will no longer be able to apply for this property tax deduction, and county auditors will no longer apply the mortgage deduction to property tax bills beginning with the 2023 Pay 2024 cycle.

SEC. 12 – Effective January 1, 2023



Homestead Deduction

- House Enrolled Act 1260
 - In addition to the repeal of the Mortgage Deduction, HEA 1260 increases the deduction amount for the Homestead Deduction by \$3,000. For 2023 Pay 2024, the Homestead Deduction will be the lesser of:
 - (1) Sixty percent (60%) of the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property; or
 - (2) \$48,000.

SEC. 22 – Effective January 1, 2023



Eligibility Clarification for Certain Tax Incentives

- 2019 Legislation
 - During the 2019 Legislative Session, Senate Enrolled Act 280-2019 (“SEA 280”) contained several revisions for the Over 65 Deduction, the Over 65 Circuit Breaker Credit, and the Disabled Veteran Deduction.
 - For each property tax incentive, the eligibility criteria was revised to state that any increases in the assessed value of a property based solely on an annual adjustment or trending under Ind. Code § 6-1.1-4-4.5 were not to be considered when determining eligibility.



Eligibility Clarification for Certain Tax Incentives

- 2020 Legislation
 - Provided additional clarification during the 2020 Legislative Session with House Enrolled Act 1113-2020 (“HEA 1113-2020”), which specified that for the purpose of determining the assessed value of real property for an individual who has received the Over 65 Deduction, the Disabled Veteran Deduction or the Over 65 Circuit Breaker Credit, any subsequent increase in assessed value should not be considered unless the increase is attributable to physical improvements to the property.



Eligibility Clarification for Certain Tax Incentives

- House Enrolled Act 1260
 - Specifies that an individual will remain eligible for the Over 65 Deduction, the Disabled Veteran Deduction or the Over 65 Circuit Breaker Credit, as long as the increase in assessed value is not attributable to a substantial renovation or new improvement to the property.

SEC. 19, 20, 42 – Effective July 1, 2022



Eligibility Clarification for Certain Tax Incentives

- House Enrolled Act 1260
 - Also provides that an individual who received the deduction or credit in a previous year may be eligible, even if the assessed value of the qualifying property has increased above the assessed value limitations provided in statute.

SEC. 19, 20, 42 – Effective July 1, 2022



Eligibility Clarification for Certain Tax Incentives

- House Enrolled Act 1260
 - Additionally, assessors will be required to provide a report to the county auditor of any substantial renovation or new improvements to the property receiving the Over 65 Deduction, the Disabled Veteran Deduction or the Over 65 Circuit Breaker Credit.

SEC. 19, 20, 42 – Effective July 1, 2022



Over 65 Deduction

- House Enrolled Act 1260
 - Increases the assessed value limitations for the Over 65 Deduction from \$200,000 to \$240,000.

SEC. 19 – *Effective July 1, 2022*



PTABOAs & Exemptions

- House Enrolled Act 1260
 - Amends Ind. Code § 6-1.1-11-4 to clarify that the property tax assessment board of appeals (“PTABOA”) may review, adjust, and retract property tax exemptions.
 - *Specifies that the PTABOA may review the ongoing eligibility of an exemption and the board may disapprove any exemption after the year it is approved if they have received evidence that the taxpayer is no longer eligible for the exemption.*

SEC. 11 – Effective March 21, 2022



BPP & Exempt Returns

- Under current law, taxpayers who have less than \$80,000 of depreciable asset acquisition costs in a county are exempt from personal property tax; however, these taxpayers are still required to file a business personal property return claiming the exemption.

NOTE: For taxpayers with less than \$80,000 in acquisition costs to report within the county, legislation was passed in 2021 which exempts this property. If you are declaring this exemption, check this box, enter the total acquisition cost of your personal property in the county, and complete only sections I, II, and IV of this form. If you are declaring this exemption through this form, you also need to file a Form 104.

 \$ _____

RETURN THIS FORM TO THE APPLICABLE ASSESSOR BY MAY 16, 2022.

An exemption granted under IC 6-1.1-10 or any other statute supersedes this exemption. In other words, a taxpayer whose personal property is exempt because the taxpayer applied for and was granted an exemption by the county must follow all applicable procedures for the approved exemption, which may include fully completing the personal property return.

If property is in more than one (1) location, what is the address for the location where the sum of acquisition costs for the property is greatest?



BPP & Exempt Returns

- Senate Enrolled Act 382
 - With the new language in Section 11 of SEA 382, a taxpayer who has filed a return claiming the exemption for a year and who continues to qualify for the exemption will not have to file a return to claim the exemption in subsequent years.

SEC. 11 – Effective January 1, 2023



NEW – Agricultural Abatement

- Senate Enrolled Act 119
 - Establishes an abatement for new farm equipment and new agricultural improvements.
 - *This new abatement may be established using the same procedures for a tax abatement under current law (Ind. Code § 6-1.1-12.1) for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, and new information technology equipment.*

SEC. 2-13 – Effective July 1, 2022



NEW – Agricultural Abatement

- Senate Enrolled Act 119
 - However, unlike the other forms of abatement, the abatement schedule for new farm equipment and new agricultural improvements is limited to not more than five (5) years.

SEC. 2-13 – *Effective July 1, 2022*



NEW – Agricultural Abatement

- Senate Enrolled Act 119
 - “New farm equipment” is defined to include tangible personal property:
 - (1) Installed after June 30, 2022, in an area that will be predominately used for agricultural purposes;
 - (2) Used in direct production, extraction, harvesting, or processing of agricultural commodities on land classified as agricultural land;
 - (3) Acquired in an arms length transaction; and
 - (4) Applicant has never used property in Indiana before installation.

SEC. 2 – *Effective July 1, 2022*



NEW – Agricultural Abatement

- Senate Enrolled Act 119
 - “New agricultural improvement” is defined to include any improvement made to land classified as agricultural land for tax purposes that is placed in service after December 31, 2022, and that will be predominately used for agricultural purposes for a period specified by the designating body as a condition of being declared an economic revitalization area.
 - *The term includes a barn, grain bin, or silo.*

SEC. 2 – Effective July 1, 2022



Public-Private Agreements

- Senate Enrolled Act 166
 - Specifies that tangible property (including without limitation, land, personal property, real property, and improvement to land) is exempt from property taxation if the property is used as a part of or is incorporated into a transportation facility under a public-private agreement executed in accordance with Ind. Code § 5-23-8-1(b) or a development agreement executed in accordance with Ind. Code § 5-23-8-1(b).

SEC. 10 – *Effective July 1, 2022*



Public-Private Agreements

- Senate Enrolled Act 166
 - Defines “transportation facility” to include any new or existing road, highway, toll highway, bridge, tunnel, railroad (as defined in Ind. Code § 8-3-1-2), or intermodal facility, located in the jurisdiction of a governmental body.

SEC. 7 – *Effective July 1, 2022*



Economic Development Legislation



Residential Properties and TIF Districts

- House Enrolled Act 1260
 - For an allocation established after June 30, 2024, “residential property” refers to:
 1. the AV of property allocated to the 1% homestead land and improvement category in the county tax & billing software system; and
 2. the residential AV as defined for purposes of calculating the LIT rate for PTRC allocated to residential property.

SEC. 50; 70-75 – Effective July 1, 2022



Residential Properties and TIF Districts

- House Enrolled Act 1260
 - Therefore, when determining the residential property that is to go into the base assessed value for an allocation area created after June 30, 2024, the auditor must use the AV as reported in county tax and billing software under the 1% homestead land and improvement category in addition to what is reported as residential AV for purposes of LIT PTRC.
 - Can exclude the PTRC portion if the county does not have a LIT rate for PTRC.

SEC. 50; 70-75 – Effective July 1, 2022



Residential Properties and TIF Districts

- House Enrolled Act 1260
 - Keep in mind the effective date is July 1, 2022, but it only applies to allocation areas formed after June 30, 2024.
 - This will not affect any allocation areas established before July 1, 2024, including allocation areas currently in existence.

SEC. 50; 70-75 – Effective July 1, 2022



Residential Properties and TIF Districts

- House Enrolled Act 1260
 - The purpose of this is two-fold:
 - (1) To give county tax and billing software vendors time to make any adjustments to their systems.
 - (2) To prevent any adverse effects to debt obligations that are or will be paid for from revenue captured from allocation areas created before the tax and billing systems can be updated.

SEC. 50; 70-75 – Effective July 1, 2022



Infrastructure Development Zones

- House Enrolled Act 1260
 - The county assessor may exempt designated infrastructure development broadband assets located in an infrastructure development zone of a “centrally assessed” telephone or cable company.
 - The county auditor must reduce the certified assessed values for each applicable property that qualifies for this exemption.

SEC. 10; 28 – *Effective July 1, 2022*



Infrastructure Development Zones

- House Enrolled Act 1260
 - The telephone or cable company must file an annual report with the county assessor no later than July 1 of each assessment year.
 - This report must include sufficient information necessary to identify the broadband infrastructure investments eligible to be exempt from property taxes.

SEC. 10; 28 – *Effective July 1, 2022*



Mini-Mill Assessments

- House Enrolled Act 1002
 - Applies to “mini-mills,” or mills that produce steel using an electric arc furnace.
 - Applies to mini-mill equipment (other than special tools and permanently retired equipment) that is owned, leased, or used by a mini-mill or an entity that is >50% owned by an affiliate of a mini-mill.

SEC. 2 – *Effective July 1, 2022*



Mini-Mill Assessments

- House Enrolled Act 1002
 - The taxpayer may elect to calculate the true tax value of mini-mill equipment by:

Adjusted Cost **X** **Applicable Percentage Set forth in Pool No. 5 Depreciation Table**

SEC. 2 – Effective July 1, 2022



Mini-Mill Assessments

- House Enrolled Act 1002
 - The valuation rules found in 50 IAC 4.2-4-4, 4.2-4-6, and 4.2-4-7 do not apply.
 - Taxpayer cannot make an election if the Department certifies that there are outstanding bond obligation that would be impaired as a result of the election.

SEC. 2 – *Effective July 1, 2022*



Mini-Mill Assessments

- House Enrolled Act 1002
 - If the election is made:
 - The mini-mill equipment is entitled to all exemptions, credits, & deductions it qualifies for.
 - The 30% floor will not apply to mini-mill equipment & the equipment will not count toward the 30% floor as applied to the taxpayer's other depreciable personal property.

SEC. 2 – *Effective July 1, 2022*



Mini-Mill Assessments

- House Enrolled Act 1002
 - Starting with the January 1, 2023, assessment date, a taxpayer may make an election on the business personal property tax return.
 - If at least 50% of the adjusted cost of property that is reported in Pool No. 5 is attributable to mini-mill equipment, the taxpayer may elect to calculate the true tax value of all of that property as mini-mill equipment.

SEC. 2 – *Effective July 1, 2022*



Innovative Development Districts

- Senate Enrolled Act 361
 - The Indiana Economic Development Corporation (“IEDC”) may establish an innovative development district (“IDD”) as an allocation area for property tax, income tax, or sales tax.
 - For costs and benefits of a proposed investment to be less than \$2 billion.
 - The IDD may not last more than 30 years except as approved by the budget committee.

SEC. 28 – *Effective July 1, 2022*



Innovative Development Districts

- Senate Enrolled Act 361
 - IEDC must have the cooperation of the executive of each unit where an IDD will be located. An IDD may not be established over an existing allocation area.
 - The IDD will serve as an allocation area for property taxes, income tax, and sales tax.

SEC. 28 – *Effective July 1, 2022*



Innovative Development Districts

- Senate Enrolled Act 361
 - Taxes generated from the incremental AV, incremental income tax, and sales tax in the IDD will go into a Local Innovation Development Fund created by the IEDC.
 - IEDC must transfer at least 12% of the incremental property taxes to the local units located in the IDD. Property taxes transferred will not reduce the maximum levy or be considered as part of the maximum levy for any unit.

SEC. 28 – *Effective July 1, 2022*



Innovative Development Districts

- Senate Enrolled Act 361
 - The IEDC or a unit executive may exempt any commercial or industrial property located in the IDD and built or put into service after the IDD was created. Notice must be given to the county assessor & auditor to give the exemption or to remove it.
 - The Department, SBOA, or DOR may prescribe forms, and may only adopt rules after submitting a report to the budget committee describing the rules & recommending statutory changes.
 - TIF neutralization will be required for real property in the IDD.

SEC. 28 – *Effective July 1, 2022*



Fire & EMS Funding Legislation



Fire Territory Max Levy Adjustment

- House Enrolled Act 1246
 - Adds IC 6-1.1-18-29.5 to allow the provider unit of a fire territory to increase the maximum levy for the territory's operating fund.
 - The amount of the increase is calculated from the percent rate of growth in population of the participating units in the territory over the previous 10-year period, using available Census data, that is over 6% and not more than 15%.
 - The percent is then converted to a tax rate. The tax rate is then applied to the pay-2023 CNAV to find the amount of levy added to the maximum. This is a permanent increase.

SEC. 1 – *Effective March 11, 2022*



Fire Territory Max Levy Adjustment

- House Enrolled Act 1246
 - The provider unit must submit a written petition to the Department no later than August 1, 2022, and April 1 of every year thereafter.
 - HEA 1246 does not exclude territories that have added population by new participating units joining it.
 - A request can be submitted every year, but subsequent rate increases will be reduced by any approved rate increases over the previous 10-year period.

SEC. 1 – *Effective March 11, 2022*



Fire Territory Max Levy Phase-in

- House Enrolled Act 1246 – Sec. 2, 7-9
 - Only applies to fire territories formed after December 31, 2022.
 - Allows a levy for a fire territory to be phased-in over a period of no more than 5 years. The phase-in is subject to review by the Department.

SEC. 2, 7-9 – *Effective July 1, 2022*



Fire Territory Max Levy Phase-in

- If a territory's levy is phased-in, the max levy for each participating unit to support its obligations to the territory will be increased by an amount equal to
 - The levy the participating unit needs in the ensuing year to fund its share of the territory's budget as stated in the ordinance or resolution wherein the unit joins the territory, minus
 - The participating unit's levy to support the territory in the current calendar year.



Fire Territory Max Levy Phase-in

- Key Takeaways:
 1. The ordinance/resolution that the unit adopts to join the fire territory must include the unit's share of the territory's operating budget.
 2. Each participating unit will adopt a levy to fund its share of the territory's budget.
 3. The territory's maximum levy will be a composite of the combined levies that each participating unit adopts to fund the territory.



Fire Territories and TIF Districts

- House Enrolled Act 1246 – Sec. 3 & 6
 - Property tax revenues attributable to a levy for a fire territory operating or equipment replacement fund cannot be captured by an allocation area established within a participating unit of the territory after December 31, 2021.
 - Effective date is retroactive to January 1, 2022.



Local Income Tax for EMS

- House Enrolled Act 1246 – Sec. 4 & 5
 - Only applies to counties that provide and pay for all of the emergency medical services in the county.
 - County council may adopt a LIT rate of no more than 0.2% to pay for EMS services.

SEC. 4-5 – *Effective July 1, 2022*



Local Income Tax for EMS

- House Enrolled Act 1246 – Sec. 4 & 5
 - Tax rate cannot be in effect for more than 25 years and must expire on December 31 of the year a county becomes ineligible for the tax rate.
 - Revenue collected from this tax rate will be distributed along with Jail & PSAP LIT rate revenue before other distributions from the expenditure rate are made.

SEC. 4-5 – *Effective July 1, 2022*



Local Budgeting Legislation



Amended CNAV Submissions

- House Enrolled Act 1260
 - Specifies that amended certified net assessed value submissions must be sent by county auditors to the Department by no later than September 1.
 - Current law only specifies that amended CNAV submissions have to be provided to the Department before budget certification.

SEC. 35 – *Effective July 1, 2022*



Amended CNAV Submissions

- House Enrolled Act 1260
 - Additionally, current law requires that the county auditor must hold a public hearing before amending the certification of net assessed values, unless the amendment: (1) corrects a mathematical error; (2) adds the assessed value of omitted property; or (3) will not result in a tax rate increase.
 - Section 35 of HEA 1260 removes these exceptions and requires a public hearing in all cases.

SEC. 35 – *Effective July 1, 2022*



Cumulative Funds & Trending

- Under current law, the maximum tax rates for certain cumulative funds must be adjusted each year to neutralize the increases in assessed value from annual adjustment and general reassessments.
- After the tax rate is reduced, a taxing unit may re-establish a cumulative fund at the maximum statutory rate.



Cumulative Funds & Trending

- House Enrolled Act 1260
 - Removes the requirement to adjust maximum tax rates after reassessment or annual adjustment for cumulative funds.
 - Maximum rates will no longer be adjusted and taxing units that adopt the maximum statutory rate will no longer have to re-establish the following cumulative funds to maintain the statutory maximum rate.

SEC. 36; 76 – *Effective July 1, 2022*



Cumulative Funds & Trending

- House Enrolled Act 1260
 - (1) Cumulative Channel Maintenance – Fund 0990 (IC 8-10-5-17)
 - (2) Cumulative Airport Building – Fund 2190 (IC 8-22-3-25)
 - (3) Special Cumulative Airport Building – Fund 8190 (IC 8-22-3-25)
 - (4) Cumulative Conservancy Improvement – Fund 2393 (IC 14-33-21-5)
 - (5) Fire Protection Territory Equipment Replacement – Fund 8692 (IC 36-8-19-8.5)
 - (6) Cumulative Capital Development – Fund 2391 (IC 36-9-14.5)/(IC 36-9-15.5)
 - (7) Township Cumulative Vehicle – Fund 1090 (IC 36-9-17.5-4)
 - (8) Township Cumulative Park & Recreation – Fund 1390 (IC 36-10-7.5-19)
 - (9) Cumulative Public Safety Officers Survivor's Health Coverage – Fund 0193 (IC 36-8-8-14.2)



Three-Year Growth Appeals

- Current law allows taxing units to appeal for a higher maximum levy if the unit's three-year average assessed value growth percentage exceeds the statewide average max levy growth quotient ("MLGQ") for the same time period by at least 2%.
- The current formula includes transitional calculations that adjust for the implementation of the statewide inventory deduction (2006 Pay 2007) and the supplemental standard homestead deduction (2008 Pay 2009).



Three-Year Growth Appeals

- House Enrolled Act 1260
 - Beginning with three-year growth appeal submissions for the 2023 budget cycle, the transitional calculations for the inventory deduction and the supplemental standard homestead deduction will no longer be included in the eligibility calculation.

SEC. 37 – *Effective July 1, 2022*



Property Tax Referendum

- House Enrolled Act 1260
 - Specifies the calculations that must be done when determining the estimated percent average tax increase for a proposal to continue or extend an existing referendum.
 - *Will only apply to a tax levy or an operating or school safety referendum for school corporations.*

SEC. 51; 53; 54; 56 – Effective July 1, 2022



Property Tax Referendum

- House Enrolled Act 1260
 - When estimating a proposed referendum levy's average property tax impact on business property, Step 1 of the calculation requires determining the average assessed value of business property. Current law requires determining the average assessed value of "homestead" property.
 - Applies to a referendum for a controlled project, school operating expenses, or school safety expenses.

SEC. 42; 52; 55 – Effective July 1, 2022



Airport Loans

- House Enrolled Act 1260
 - Removes the requirement under Ind. Code § 8-22-2-18.5 for all airport loan contracts to be submitted to the Department for approval or disapproval.

SEC. 49 – *Effective July 1, 2022*



10-Year Lease Agreements

- House Enrolled Act 1260
 - Removes the requirement under Ind. Code § 36-1-10 for the Department to approve all noncapital lease agreements with a term exceeding ten (10) years.

SEC. 68-69 – *Effective July 1, 2022*



Town Fiscal Management

- Senate Enrolled Act 163
 - Authorizes a town with a population of more than 34,000 to adopt an ordinance establishing the office of town controller that is appointed by the town legislative body.
 - Legislation also outlines the duties for a town controller and the remaining town clerk.

SEC. 8-9 – *Effective July 1, 2022*



Township Budgets

- Senate Enrolled Act 304
 - Requires a township board to meet and adopt the township's budget even if the board intends for the most recent annual appropriations and annual tax levy of the township to be continued for the ensuing budget year.
 - Specifies that the township trustee is required to file the budget adopted by the township legislative body with the Department as required under Ind. Code § 6-1.1-17-5(d).

SEC. 7 – *Effective July 1, 2022*



Township Budgets

- Senate Enrolled Act 304
 - Any township trustee that fails to timely file the township budget commits a Class A misdemeanor and may be removed from office by an action under Ind. Code § 5-8-1-35.
 - Section 6 of SEA 304 outlines a new process for removing a township trustee from office.

SEC. 6-7 – *Effective July 1, 2022*



Additional Information?

- Additional information related to the various legislative changes from the 2022 Legislative Session can be found at the Department's website at:
 - <https://www.in.gov/dlgf/memos-and-presentations/memos/>



Questions?

Emily Crisler, General Counsel

emcrisler@dlgf.in.gov

David Marusarz, Deputy General Counsel

dmarusarz@dlgf.in.gov

Jennifer Thuma, Deputy General Counsel

jthuma@dlgf.in.gov