

# STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



INDIANA GOVERNMENT CENTER NORTH  
100 NORTH SENATE AVENUE N1058(B)  
INDIANAPOLIS, IN 46204  
PHONE (317) 232-3777  
FAX (317) 974-1629

**TO: All Township Officials**

**FROM: Jason Cockerill, Commissioner**

**DATE: March 14, 2025**

**RE: Legislation Affecting Township 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.**

Indiana 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 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 **April 1, 2025**.

**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:

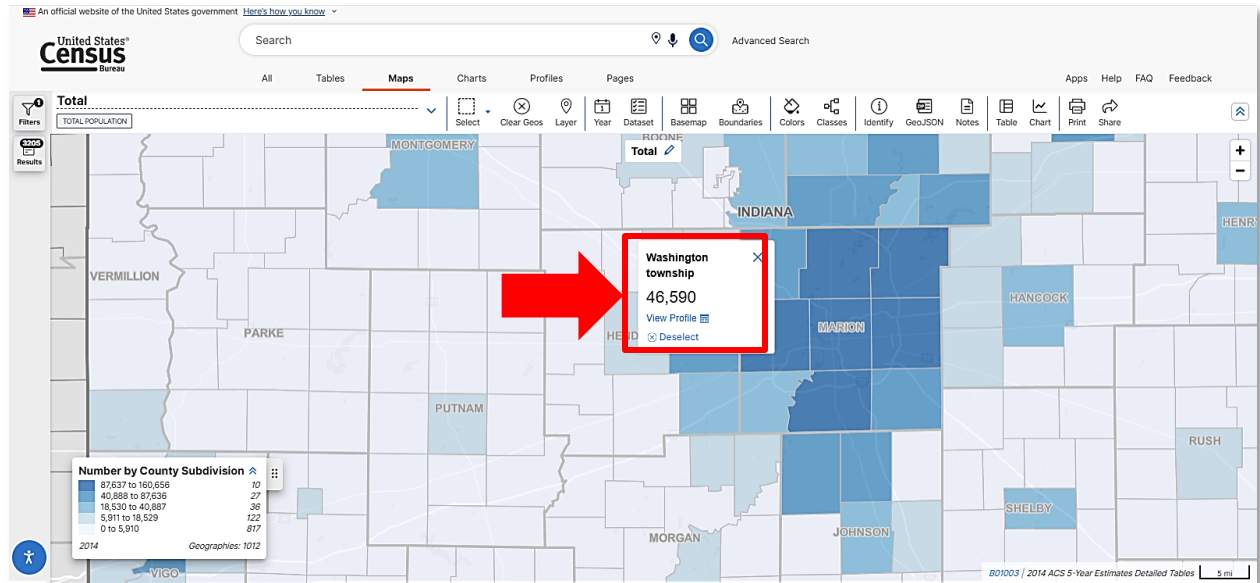
**STEP ONE:** Determine the percentage increase in population within the fire protection and emergency services area during the ten (10) year period immediately preceding the year in which the petition is submitted. Per Ind. Code § 6-1.1-18-28(b), the most recently available population data issued by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

*How to Determine Adjusted 2014 ACS Estimate*

- Determine the 2014 American Community Survey ("ACS") Population estimate, adjusted to exclude political subdivisions in the unit and that are not in the unit's service area.

**PART A:** The Census Bureau provides population estimates for 2014 on its website based on the ACS 5-Year Estimates ("ACS 2014 Population Estimate"). The best method the Department can identify to find population estimates broken down by township is as follows:

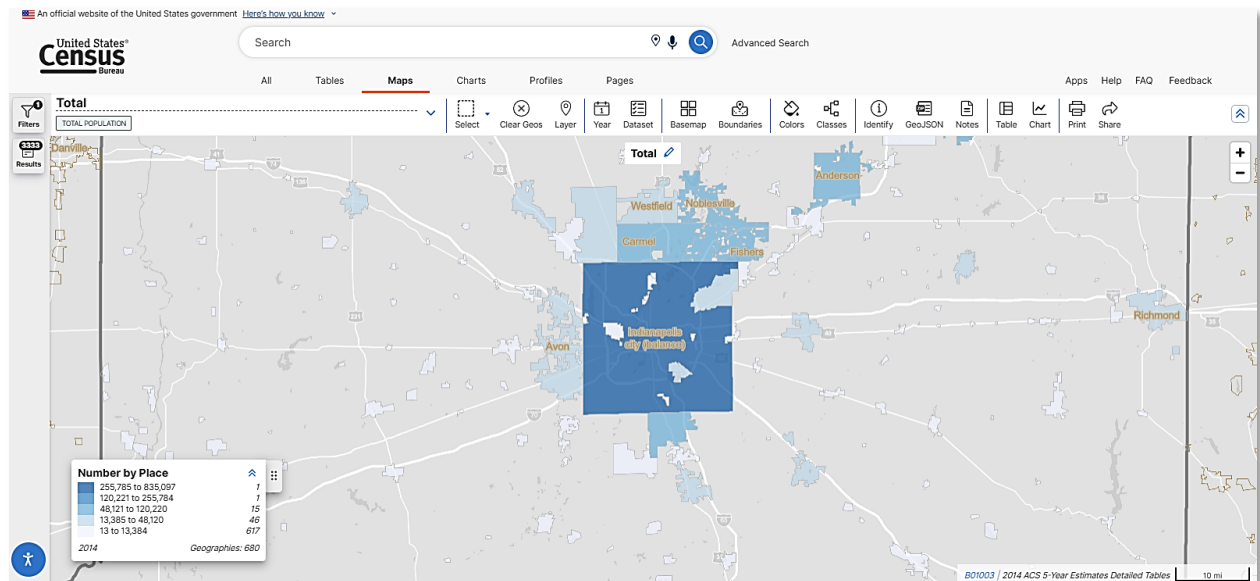
- Click on this link: [County Subdivision Selection Map](#) [This will open a searchable map of the United States broken down by county subdivision (i.e., townships) for each state.]
- Click on the appropriate township in Indiana. After clicking on the township, a pop-up window will appear. The population estimate for 2014 will appear in the pop-up window.



(Image Only for Illustration Purposes)

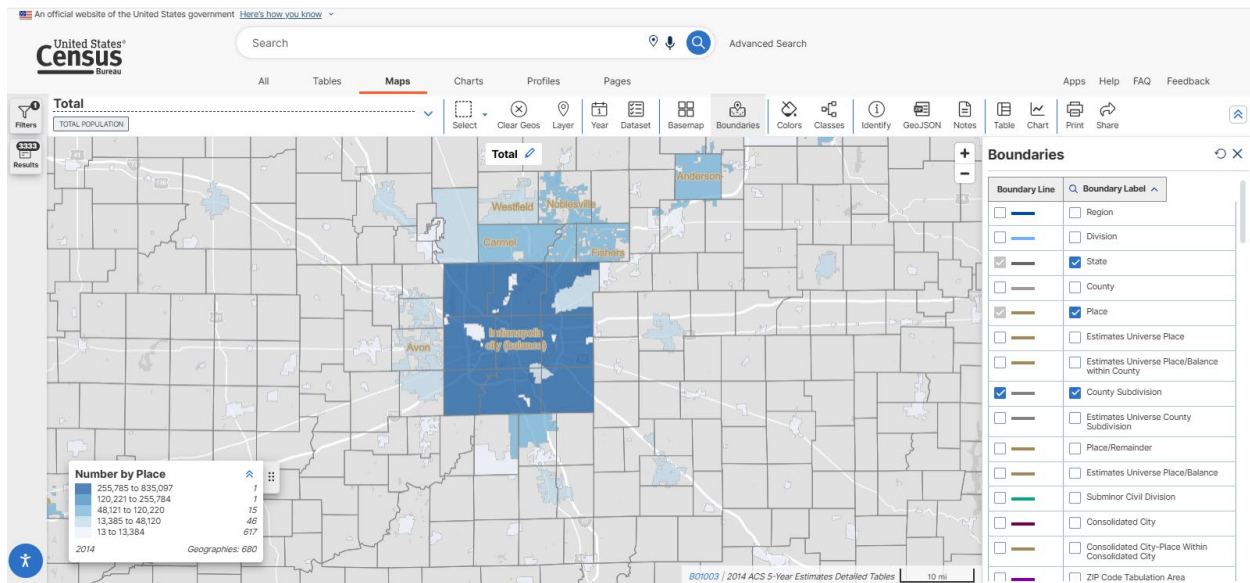
**PART B:** Provide population counts for all political subdivisions NOT in the service area. The population count should not include the population numbers for any municipality listed under the applicable township if the township does not provide fire and emergency services in that municipality.

- When the entirety of a municipality is located in a township, use the “Place” geography filter.
- 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.]



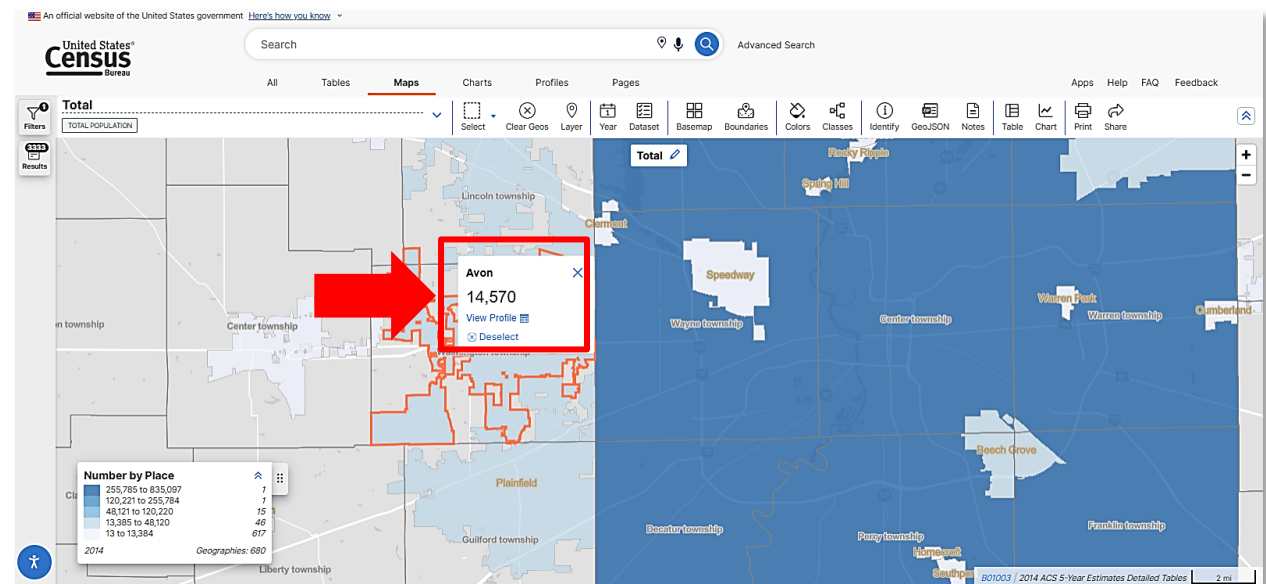
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- It is helpful to open the “Boundaries” submenu and click “County Subdivision.” This will show the township boundaries to better discern whether a municipality resides entirely within the township or not.



(Image Only for Illustration Purposes)

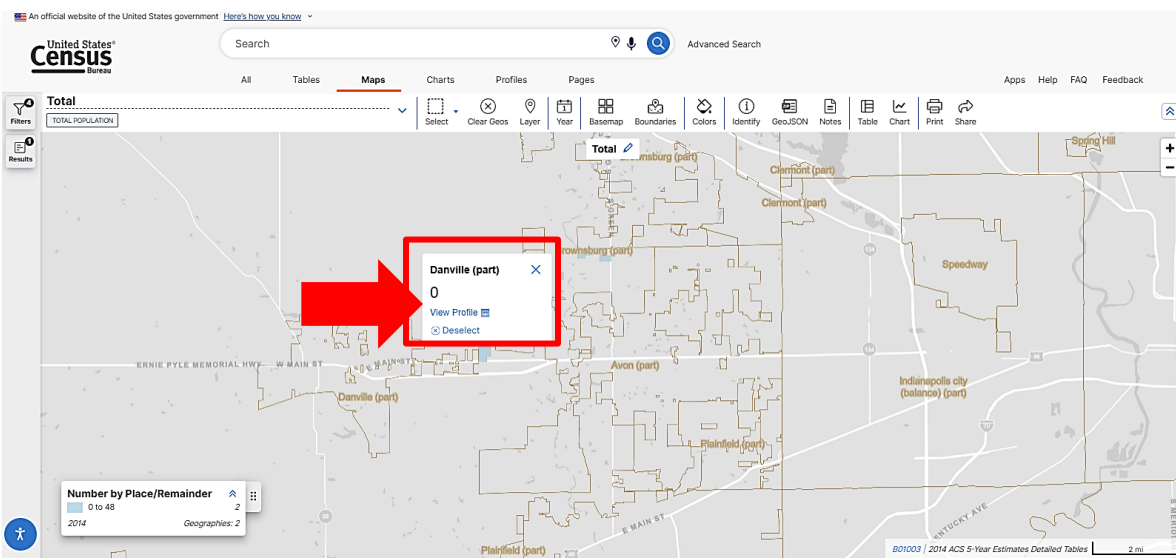
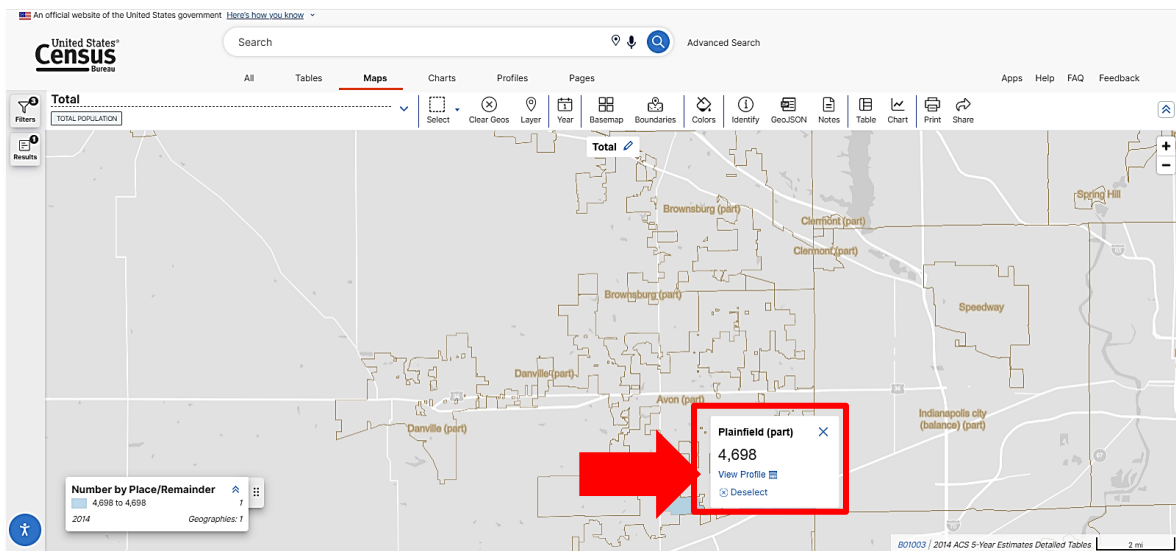
- Click on the appropriate municipality in Indiana. After clicking on the township, a pop-up window will appear. The population estimate for 2014 will appear in the pop-up window.

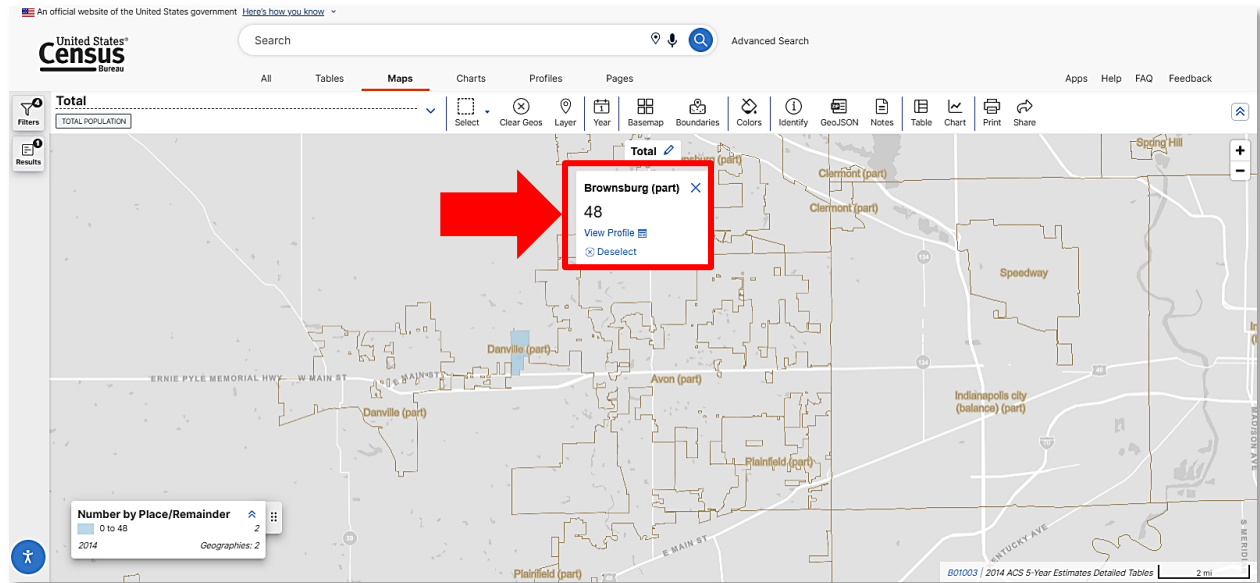


(Image Only for Illustration Purposes)

- When a municipality is located in multiple townships, use the “Place/Remainder” geography filter.
  - To find the partial population counts for municipalities, follow this process:

- Open this link: [2014 ACS Map](#).
  - Click “Filters” on the left-hand side.
  - Click “All geographies”.
  - Scroll down and click “Place/Remainder”.
  - Click “Indiana”.
  - Click on the appropriate county.
  - Click on the appropriate township.
  - Click on each municipality (part) that should be excluded. If necessary, select multiple municipalities.
- Return to the searchable map. Municipal boundaries will be outlined. The parts of municipalities selected above will appear shaded. Click on the appropriate municipal part to find the 2014 ACS estimate count for that part.





(Image Only for Illustration Purposes)

- Subtract PART A by PART B This will yield an **Adjusted 2014 ACS Estimate**.

#### *How to Determine Adjusted 2023 Population Count*

- Determine the 2023 ACS Estimate, adjusted to exclude political subdivisions in the unit, not in the unit's service area.

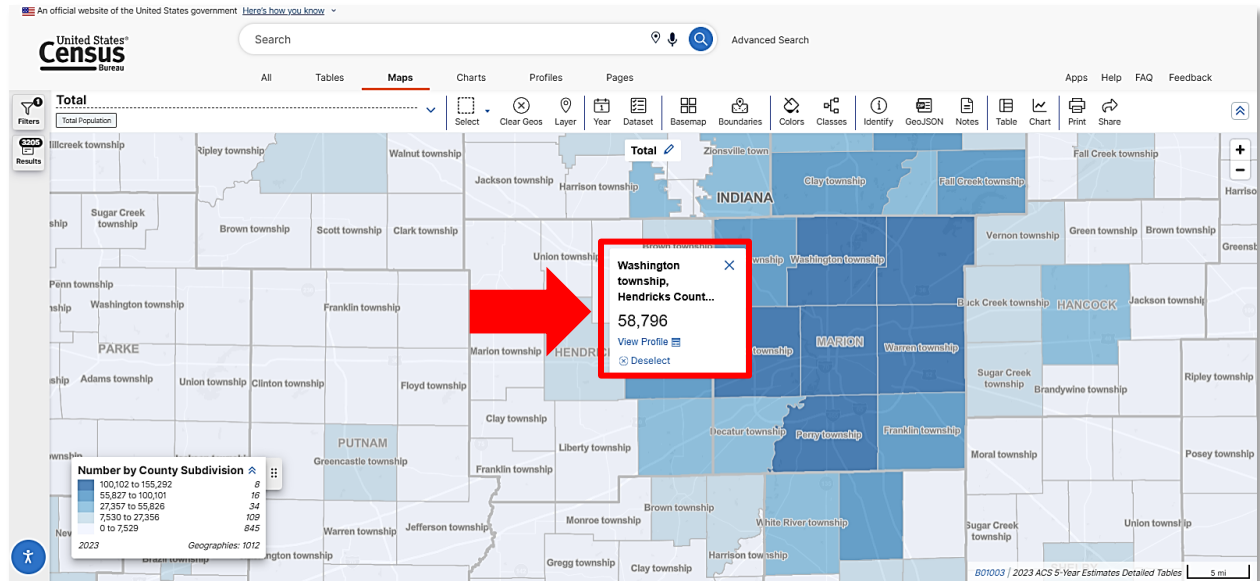
Indiana Code § 1-1-3.5-3(d) states that the population for a political subdivision is determined by the most recent federal decennial census unless the statute specifically provides otherwise. For purposes of STEP ONE, the procedure should be followed for submissions that are due by April 1, 2025.

Determining this estimate will generally mirror the steps taken for the *Adjusted 2014 ACS Estimate*, except for the following:

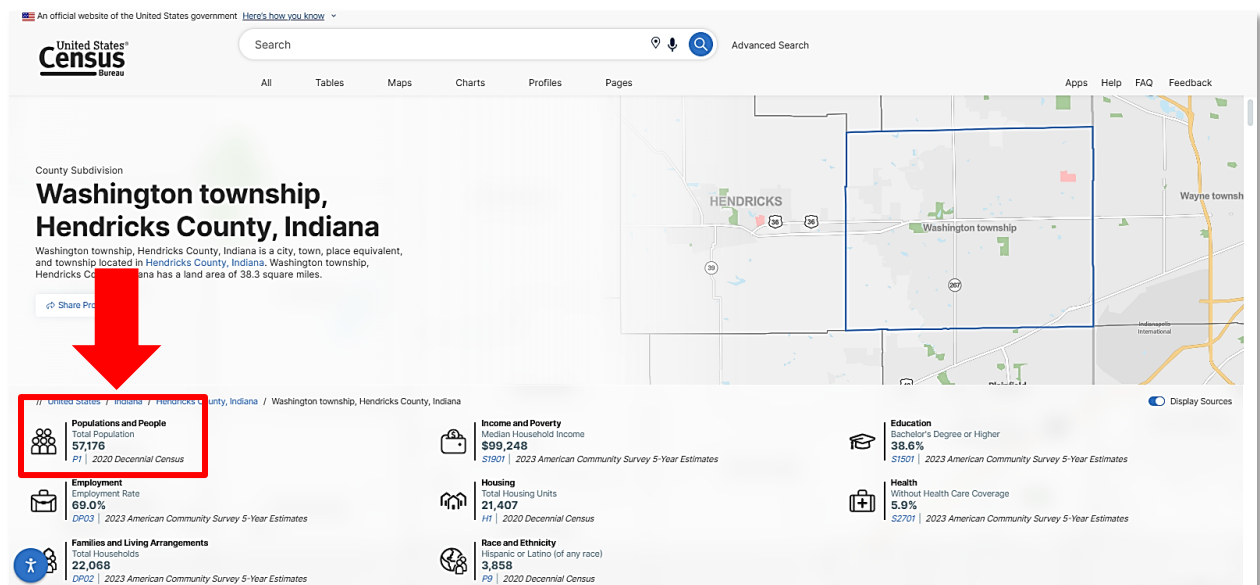
**PART A:** The Census Bureau has released the 2023 American Community Survey population estimates for the State of Indiana. Therefore, the 2023 ACS population estimates can be found in the same way as finding the *Adjusted 2014 ACS Estimate*.

- Click on this link: [County Subdivision Selection Map](#) [This will open a searchable map of the United States broken down by county subdivision (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 2023 ACS population estimate will appear in the pop-up window.





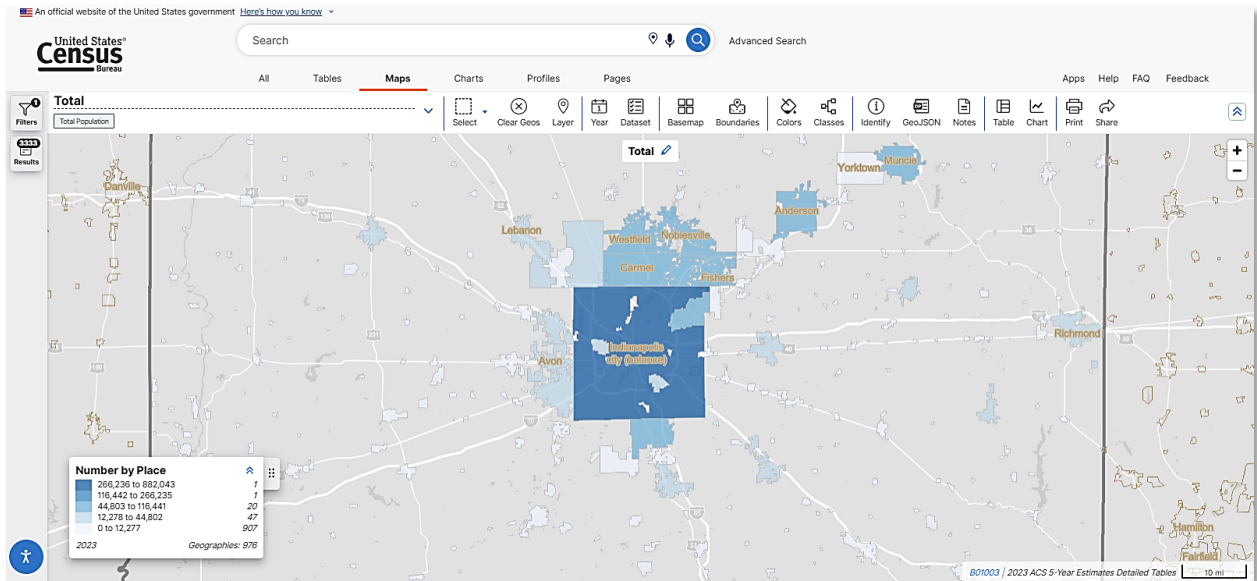
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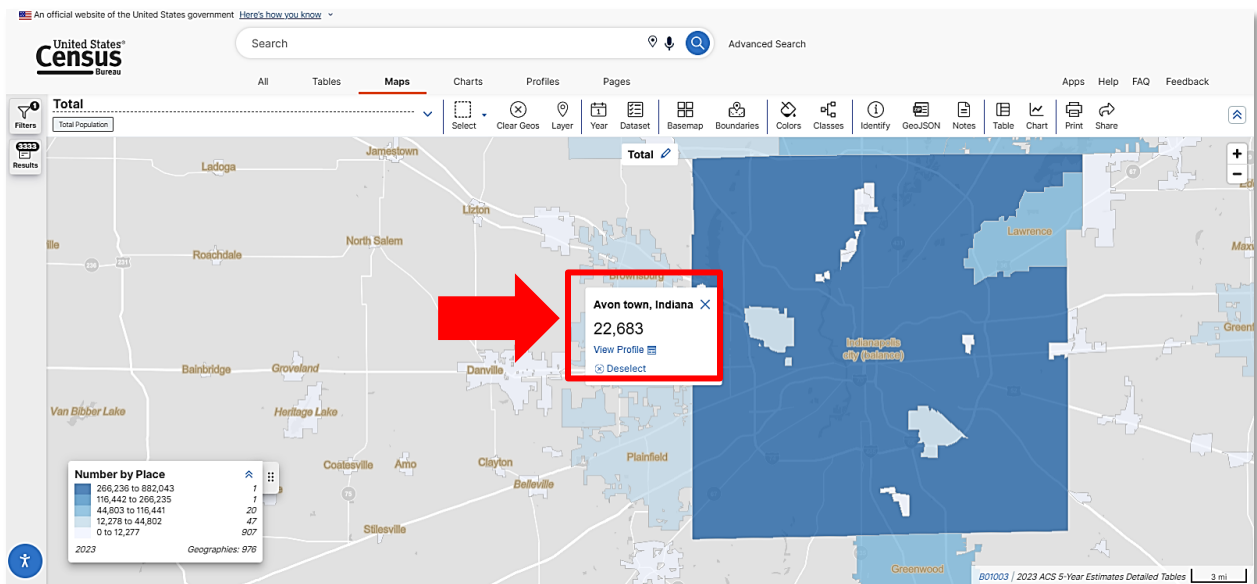
(Image Only for Illustration Purposes)

**PART B:** Provide population counts for all political subdivisions NOT in the service area. As with the *Adjusted 2014 ACS Estimate*, the population count used for 2023 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.]

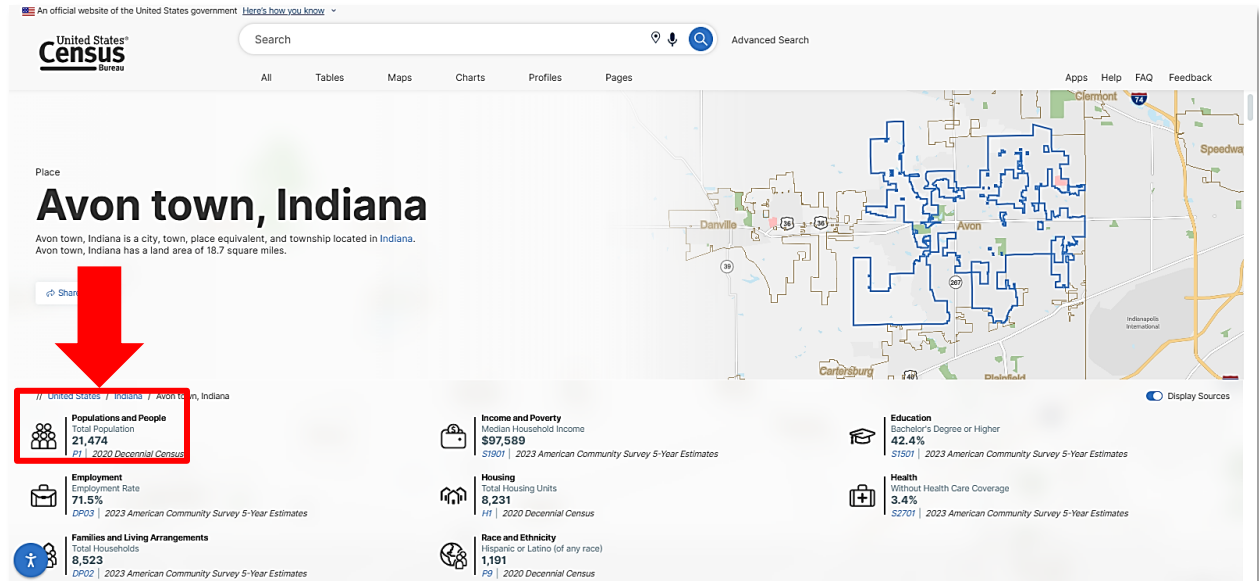


- For each municipality that resides in the township and is not in the township's fire service area, click on the space within the municipal boundaries. A pop-up window will appear. The 2023 ACS population estimate will appear in the pop-up window.



(Image Only for Illustration Purposes)





(Image Only for Illustration Purposes)

- To find the population counts for a municipality not wholly contained within the township, follow the same process as the *Adjusted 2014 ACS Estimate – Part B*, but use the estimates for 2023: [2023 ACS Map](#).

- Subtract PART A by PART B. This will yield an **Adjusted 2023 Population Count**.

### How to Determine the Average Increase

- Subtract the result of the *Adjusted 2023 Population County* by the result of the *Adjusted 2014 ACS Estimate*. Divide this difference by the result of the *Adjusted 2014 ACS Estimate*. 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 2020, 2021, 2022, 2023, or 2024, apply the following equation:

$$\begin{array}{ccccc} \text{STEP THREE} & & \text{STEP FOUR} & & \\ \text{Amount} & - & \text{Sum of amounts} & = & \text{STEP} \\ & & \text{certified in 2020} & & \text{FOUR} \\ & & \text{through 2024} & & \text{Amount} \end{array}$$

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 2020 through 2024, 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).