
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) 232-8779

Certification of Local Option Income Tax Jay

Operating (Levy Freeze) LOIT

Indiana Code 6-3.5-1.1-24 requires the Department of Local Government Finance and the Department of Revenue to certify the rate that must be imposed in a county to raise tax revenues as specified.

2009 Rate Certified in 2007:	0.40000%
2009 Rate Certified in 2008 (adjusted for statutory policy changes):	0.34000%
<u>The certified rate is to be used as follows:</u>	
Rate for Levy Freeze:	0.33935%
Rate for Property Tax Relief*:	0.00060%

*This rate is in addition to any rate adopted by Jay County under IC 6-3.5-1.1-26. Collections in excess of the amount needed to cover levy growth shall be applied as property tax relief under IC 6-3.5-1.5-1, version (b), subsection (d), unless a new ordinance is passed to the contrary: "Notwithstanding IC 6-3.5-1.1-24(h) and IC 6-3.5-6-30(h), if a county has adopted an income tax rate under IC 6-3.5-1.1-24 or IC 6-3.5-6-30 to replace property tax levy growth, the part of the tax rate under IC 6-3.5-1.1-24 or IC 6-3.5-6-30 that was used before January 1, 2009, to reduce levy growth in the county family and children's fund property tax levy and the children's psychiatric residential treatment services property tax levy shall instead be used for property tax relief in the same manner that a tax rate under IC 6-3.5-1.1-26 or IC 6-3.5-6-30[#] is used for property tax relief." Please contact John Mallers at jmallers@dlgf.in.gov with any questions about administering this provision. A memorandum with additional details about the administration of this provision is forthcoming.

Other LOIT Options

Property Tax Relief LOIT

Indiana Code 6-3.5-1.1-26 also allows a county to adopt an additional CAGIT to:

1. Provide local property tax replacement credits to all property;
2. Provide or increase the homestead credit percentage uniformly; or
3. Provide local property tax replacement credits to qualified residential property.

This additional CAGIT can be raised in increments of 0.05% up to a maximum of 1.00%.

Public Safety LOIT

Indiana Code 6-3.5-1.1-25 also allows a county to adopt an additional CAGIT for Public Safety. In order to adopt this additional CAGIT, a county must have adopted a 0.25% rate for the additional CAGIT for Operating (Levy Freeze), the CAGIT for Property Tax Relief, or a combination of both. The Public Safety CAGIT rate can be adopted up to a maximum of 0.25%.

Dated this 7th day of November, 2008.

Cheryl A.W. Musgrave, Commissioner
Department of Local Government Finance

#The DLGF believes this code cite is in error and should actually refer to IC 6-3.5-6-32.