
STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: County Auditors and Redevelopment Commissions

FROM: Fred Van Dorp, Budget Division Director

SUBJECT: Redevelopment Commission Responsibilities Regarding Excess Assessed Valuation

DATE: May 21, 2021

This memorandum provides guidance to county auditors regarding the statutory responsibility of redevelopment commissions to determine and report the amount of any excess assessed value within Tax Increment Finance (“TIF”) districts before June 15 of each year. (IC 36-7-14-39(b)(4)).

Prior to the beginning of the certified net assessed value (“CNAV”) reporting process, the Department of Local Government Finance (“Department”) recommends that each county auditor contact his or her county’s redevelopment commissions to notify them of this responsibility. Reporting the excess assessed value is especially important when a referendum has been approved for a unit or school within the TIF allocation area.

Each redevelopment commission must submit a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. Each redevelopment commission must submit an electronic copy of the notice to the Department. Please note that Section 88 of House Enrolled Act 1271-2021 (“HEA 1271”) changes who sends the notice to the Department, starting July 1, 2021. HEA 1271 provides that county auditors will forward the notice to the Department upon receipt from the redevelopment commission, rather than the redevelopment commission sending the notice to the Department. Because this change is effective July 1, 2021, for notices due on June 15, 2021, redevelopment commissions must send the notice to the Department directly.

Instructions on the electronic submission procedures can be found below. The notice must include either of the following:

- 1) The amount, if any, of excess assessed value, that the commission has determined may be allocated to the respective taxing units.
- 2) A statement that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units.

The county auditor must allocate to the respective taxing units the amount if any, of excess assessed value as determined by the commission. The commission may not authorize an allocation of assessed value to the respective taxing units if to do so would jeopardize the interests of lessors or the bondholders.

If the amount of excess assessed value as determined by the commission is expected to generate more than 200% of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds, plus the amount necessary for other purposes described in IC 36-7-14-39(b)(3), the commission must submit to the legislative body of the unit its determination of the excess assessed value that the commission proposes to allocate to the respective taxing units. The legislative body of the unit may approve the commission's determination or modify the amount of the excess assessed value that will be allocated to the respective taxing units.

Gateway Submission Procedures

All redevelopment commissions will submit the Notice to the Department through [Gateway's Budget application](#). Redevelopment commissions indicating that they do not have excess assessed value still must report that value.

If you have additional questions, please contact Support@dlgf.in.gov.