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# STATE OF INDIANA

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DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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**TO:** All School Officials  
**FROM:** Fred Van Dorp, Director, Budget Division  
**SUBJECT:** School Transportation Excess Levy Appeal  
**DATE:** September 14, 2018

## Introduction

The purpose of this memorandum is to outline the school corporation transportation levy appeal (IC 20-46-8-3).

Pursuant to IC 20-46-8-3, a school corporation may appeal to the Department of Local Government Finance (“Department”) **on or before October 19** for an increase to its transportation maximum levy.

**NOTE: There are presently two versions of IC 20-46-8-3 found in the 2018 Indiana Code. One version was added by House Enrolled Act 1009-2017 (“HEA 1009”) and is effective until January 1, 2019. The other version was added by House Enrolled Act 1167-2018 (“HEA 1167”) and effective starting January 1, 2019. Because HEA 1167 version will not be effective until 2019, the HEA 1009 version is the one to be followed for the 2018-pay-2019 budget cycle. Hence, this memo reflects the appeal process outlined by HEA 1009.**

To be granted an increase by the Department, a school corporation must establish that the increase is necessary because of a transportation operating cost increase of at least 10% over the preceding year as a result of at least one of the following:

- (1) A fuel expense increase.
- (2) A significant increase in the number of students enrolled in the school corporation that need transportation or a significant increase in the mileage traveled by the school corporation’s buses compared with the previous year.
- (3) A significant increase in the number of students enrolled in special education who need transportation or a significant increase in the mileage traveled by the school corporation’s buses due to students enrolled in special education as compared with the previous year.
- (4) Increased transportation costs due to compliance with a court ordered desegregation plan.
- (5) The closure of a school building within the school corporation that results in a significant increase in the distances that students must be transported to attend another school building.

In addition, before the Department may grant a maximum levy increase, the school corporation must establish that the school corporation will be unable to provide transportation services

without an increase. The Department may grant an excess levy that is less than the increase requested by the school corporation.

The Department can only approve a levy (including an excess levy) in an amount that does not exceed that which was initially advertised and adopted by the school corporation. A levy increase resulting from a successful appeal is a permanent increase to the school corporation's operations maximum levy.

*Templates are attached to this document for use in requesting a transportation appeal.*

### **Procedures for Filing an Appeal**

- 1) The school corporation (or appropriate fiscal body) must include the total amount of the excess levy appeal within the maximum estimated levy and on the excess levy appeal line of the Notice to Taxpayers (Budget Form 3). **The appeal amount must be included on both the excess levy appeal line and the estimated operations fund levy line. Failure to include the appeal levy in both places may result in denial of the appeal.**
- 2) The school corporation (or appropriate fiscal body) adopts the school corporation's budgets, rates, and levies for the following year on or before November 1 as required by IC 6-1.1-17-5, and after compliance with all notice and other procedural requirements.
- 3) **Appeal petitions are sent to the Department's Indianapolis office on or before October 19.**
- 4) The Department will review the appeal and make a final decision. The school corporation will be notified of the Department's final action.

School corporation officials must file the following information with the appeal:

- 1) **A copy of Budget Form 3 (Notice to Taxpayers) for the ensuing budget year;**
- 2) **the school board resolution authorizing the appeal;**
- 3) **a completed appeal application (see the attached templates; ALL FIELDS MUST BE COMPLETED); and**
- 4) **any other information supporting the appeal.**

### **Contact Information**

If you have any questions, please contact your Budget Division field representative. Contact information may be found at [https://www.in.gov/dlgf/files/Field\\_Rep\\_Map\\_-\\_Budget.pdf](https://www.in.gov/dlgf/files/Field_Rep_Map_-_Budget.pdf).