

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: County, City and Town Officials

FROM: Fred Van Dorp, Budget Director

SUBJECT: Local Income Tax Templates, Pre Review, Submission Procedures
IC 6-3.6

DATE: April 16, 2019

The Department of Local Government Finance (“Department”) issues this memorandum, which applies to the release of templates for the public notices, ordinances, resolutions, and general procedural requirements associated with the administration of the Local Income Tax (“LIT”) under Indiana Code 6-3.6. This memo supersedes all previous memoranda on the subject. This memo does not take the place of Indiana law. The Department and all local units of government are bound to due dates and responsibilities as outlined in law. In the event any part of this memorandum conflicts with Indiana law, Indiana law governs.

LIT TEMPLATES

The templates can be found in the companion memo to this document. That memo contains templates that counties can use to create ordinances or resolutions to adopt new or modify existing:

1. Local Income Tax Rates
2. Property Tax Relief Credit Allocations
3. Public Safety Access Point Rate
4. Levy Freeze Rate

Please note that templates are created for many of the more common LIT configurations that a county may consider. As such, there may be sections on the template that are not applicable in certain instances. The adopting body should review the entire template, then remove sections from the template that are not applicable to their county.

LIT PRESUBMISSION REVIEW

As per IC 6-3.6-3-2, before officially starting a LIT change, an adopting body or governmental entity may submit a draft of the proposed notice, ordinance, or resolution to the Department for a preliminary review. The Department shall provide the submitting entity a written determination of the appropriateness of the notice, ordinance, or resolution, including recommended modifications, within 30 days of receipt. Drafts should be submitted to the Department via email to Fred Van Dorp at fvandorp@dlgf.in.gov.

LIT SUBMISSIONS

The county auditor shall record all votes taken on any LIT ordinances presented for a vote and not more than 10 days after the vote, then submit the LIT change to the Department and the Department of Revenue (“DOR”) in an electronic format approved by the commissioner of the Department. IC 6-3.6-3-2(d) requires the county to submit the following documents:

1. Notice of Public Hearing
2. Adopting ordinance or resolution
3. Vote results on ordinance or resolution

The submission must be made electronically via the budget application in Gateway. The county auditor will upload the documents above in the “Submit Signed Form 4 and Other Documents” section using the file type of “LIT Ordinance.” Additional instructions can be found in the user guide at https://www.in.gov/dlgf/files/190312_LIT_Ordinance_Upload_Guide.pdf.

Incomplete or improperly submitted documents will not be considered by the Department and may delay the implementation of a county’s LIT change.

The effective dates for LIT changes are dictated by IC 6-3.6-3-3. Local income tax rate changes adopted from January 1 to August 31 become effective on October 1 of the same year. Local income tax rate changes adopted from September 1 to October 31 become effective on January 1 of the following year. Local income tax rate changes adopted from November 1 to December 31 become effective on October 1 of the following year.

If you have questions on the LIT memo or LIT templates, please contact Budget Division Director, Fred Van Dorp at (317) 234-3937 or fvandorp@dlgf.in.gov.