

NOTES TO STATEMENTS

<u>(1) Governor's Recommended Tax Cuts and Credits</u>	FY2026	FY 2027
Inflation Adjusted Income Tax Deductions	\$ (10.5)	\$ (21.6)
No tax on tips	\$ (38.0)	\$ (38.9)
Tax on retirement income phase out	\$ (153.0)	\$ (310.8)
Enhanced Farm Safety Net	\$ (5.7)	\$ (5.7)
Young Beginning Farmer Tax Credit	\$ (0.5)	\$ (1.0)
Sales Tax Holiday	\$ (52.6)	\$ (54.8)
Long-Term Care Savings Accounts	\$ (0.3)	\$ (0.3)
HRA Tax Credit	\$ (5.3)	\$ (3.1)
	\$ (265.9)	\$ (436.2)

(2) Miscellaneous unforecasted revenue includes \$6.2M from dedicated SWCAP, \$12.4M from Individual Support received by the State Operated Facilities, \$492K Office of Administrative Law Proceedings and \$72.3M from surplus lottery revenue. FY 2025 estimates reflect the actuals for FY2024 except for a \$30 million estimate for lottery surplus.

(3) Information on the fiscal impacts of the 2023 legislative session can be found at:

<https://www.in.gov/sba/budget-information/budget-data/2023-2025-budget/>

Information on the fiscal impacts of the 2024 legislative session can be found at:

<https://www.in.gov/sba/files/2024-Post-Session-Report.pdf>

<u>(4) Augmentations:</u>	FY2024	FY2025	FY2026	FY2027
Charter and Innovation Network Distributions	0.4	-	-	-
Department of Child Services Family and Children Fund	38.3	80.0	-	-
Estimated Medicaid/CHIP shortfall	255.2	242.4	-	-
	293.9	322.4	-	-

(5) Judgments and Settlements:

Tort Claims (18740)	6.2	6.2	6.2	6.2
Tort Settlements and Judgments (18730)	10.4	10.4	10.4	10.4
	16.6	16.6	16.6	16.6

For FY 26 and FY 27, appropriations are included in recurring appropriations.

(6) Reversions (Prior Year, Capital, and Reconciliations):

Prior Year Operating Reversions	50.1	20.0	20.0	20.0
Indiana Motorsports Facility Reversion	2.0	2.0	2.0	2.0
Reconciliation of estimated Automatic Taxpayer Refund from 2022 Special Session	65.0	-	-	-
Adjustment to Comptroller	0.3	-	-	-
	117.4	22.0	22.0	22.0

(7) Personnel Services - 27th Pay is intended to fund the general fund obligation of a 27th pay period that will occur in FY2027. This calendar anomaly occurs roughly once every ten years.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided.



January 16, 2024