ITEMS TO REMEMBER

JULY

July	1:	Prove all ledgers for the prior month.
July	4:	Independence Day – Legal Holiday [IC 1-1-9-1]
July	15:	Deadline to upload monthly bank reconcilements, bank statements, outstanding check lists, approved board minutes, and funds ledger, summarizing total receipts, disbursements, and balances by fund for May 2025 to Gateway. [Amended State Examiner Directive 2018-1]
July	20:	If your monthly average tax withheld is more than $1,000, the 20th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue. [IC 6-1.1-20.6-11.1]
July	30:	If your monthly average tax withheld is $1,000 or less, the 30th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.
July	31:	Last day to file Employer's Quarterly Federal Tax Return, Form 941, with the Internal Revenue Service for payment of federal tax withheld.
July	31:	Last day to file report with the Indiana Department of Workforce Development for the quarter ending June 30.
July	31:	All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. [IC 5-13-6-1(e)]

AUGUST

August	1:	Prove all ledgers for the prior month.
August	1:	At their first meeting in August, the county fiscal body shall review the estimated property tax levy limits and the estimated reductions due to circuit breakers for each Township. The county fiscal body will either prepare and distribute a written recommendation for the taxing units or the county auditor will distribute the minutes of the meeting to all Townships after the minutes are approved by the fiscal body. [IC 6-1.1-17-3.6]

ITEMS TO REMEMBER (Continued)

August	4:	Post a verified statement showing the indebtedness of the Township in detail and giving the number and total amount of outstanding orders, warrants, and accounts. [IC 36-6-4-10]
August	15:	Deadline to upload monthly bank reconcilements, bank statements, outstanding check lists, approved board minutes, and funds ledger, summarizing total receipts, disbursements, and balances by fund for June 2025 to Gateway. [Amended State Examiner Directive 2018-1]
August	20:	If your monthly average tax withheld is more than $1,000, the 20th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.
August	30:	If your monthly average tax withheld is $1,000 or less, the 30th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.
August	31:	All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. [IC 5-13-6-1(e)]

SEPTEMBER

September	1:	Prove all ledgers for the prior month.
September	1:	Last day for units with appointed boards to submit proposed 2025 budgets, tax rates, and tax levies to county fiscal body or other appropriate fiscal body for binding adoption, as applicable. [IC 6-1.1-17-20]
September	1:	Labor Day – Legal Holiday [IC 1-1-9-1]
September	15:	Deadline to upload monthly bank reconcilements, bank statements, outstanding check lists, approved board minutes, and funds ledger, summarizing total receipts, disbursements, and balances by fund for July 2025 to Gateway. [Amended State Examiner Directive 2018-1]
September	20:	If your monthly average tax withheld is more than $1,000, the 20th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.

ITEMS TO REMEMBER (Continued)

September	30:	If your monthly average tax withheld is $1,000 or less, the 30th is the last day to report and make payment for the balance of State and County Income Tax withheld in the prior month to Indiana Department of Revenue.
September	30:	All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. [IC 5-13-6-1(e)]
September	30:	All townships must adopt a capital improvement plan not later than September 30 of each calendar year, and they must submit a copy of the adopted capital improvement plan to the department of local government finance in the manner prescribed by the department. [IC 36-6-9-7]

PROCEDURE IN EMERGENCY APPROPRIATIONS

If the proper officers of any township determine the need for expenditure of more money in the current year than was provided for in the approved annual budget, the following process is required:

(1) In all cases of additional appropriations, the governing body must meet and determine that they desire to appropriate for the expenditure of more money than was appropriated in the annual budget. When this condition has been determined, notice currently must be given to taxpayers by publication and posting as required by IC 5-3-1-2(b). In the case of additional appropriations, the notice is required to be published one (1) time at least ten (10) days before the date of the hearing, and the notice is required to state the time and place at which the public hearing will be held. Said notice to taxpayers should be made as required by the Department of Local Government Finance (DLGF). Effective January 1, 2026, the proper officers of a political subdivision shall hold a public hearing after submitting the following information regarding the proposed additional appropriation to the DLGF via Gateway: the amount of the additional appropriation; the name of the affected fund; the name and account number of the affected account; and the date, time, and place at which the political subdivision or appropriate fiscal body will hold a public hearing on the proposed additional appropriation.

(2) The governing body determines whether to proceed with the proposal. An approval may not be in excess of the amount advertised, but can be less than requested. The governing body must adopt a resolution of additional appropriations.

(3) If a township proposes an additional appropriation from a fund that receives property tax levied under IC 6-1.1, the additional appropriation must be reported to and approved by the Department of Local Government Finance in the manner prescribed by the Department of Local Government Finance. A township may make an additional appropriation without the approval of the Department of Local Government Finance if it is from a fund that does not receive property tax, however, those appropriations shall be reported to the Department of Local Government Finance. After the public hearing, the proper officers of a township shall file a certified copy of the final proposal and any other relevant information to the Department of Local Government Finance no later than fifteen (15) days after the additional appropriation is adopted by the governing body.

(4) Upon receipt of the certified copy of a proposal for additional appropriations, the Department of Local Government Finance will, in not less than fifteen (15) days after it receives the certificate, determine (in writing) if sufficient funds are available or will be available. The Department of Local Government Finance shall limit the additional appropriation to revenues available or to be made available, which have not been previously appropriated.

(5) If the Department of Local Government Finance disapproves an additional appropriation under IC 6-1.1-18-5, the Department of Local Government Finance shall specify the reason for its disapproval on the determination sent to the township.

A township may request a reconsideration of a determination of the Department of Local Government Finance under this section by filing a written request for reconsideration. A request for reconsideration must: (1) be filed with the Department of Local Government Finance within fifteen (15) days of the receipt of the determination by the political subdivision; and (2) state with reasonable specificity the reason for the request. The Department of Local Government Finance must act on a request for reconsideration within fifteen (15) days of receiving the request.

CONFLICT OF INTEREST FORMS

IC 35-44.1-1-4(c) provides that among other ways a public servant does not commit a conflict of interest offense if they make a disclosure that meets the requirements of section (d). Section (d) requires the public servant to file a written disclosure. The disclosure is required to describe the contract or purchase to be made by the governmental entity and the pecuniary interest that the public servant has in the contract or purchase. The disclosure must also be affirmed under the penalty of perjury, be submitted to the governmental entity and be accepted by the governmental entity in a public meeting of the governmental entity before final action on the purchase or contract, and must be filed with the state board of accounts and the circuit court clerk in the county where the township takes final action on the purchase or contract within fifteen (15) days of the final action.

The State Board of Accounts has developed a state form in which a public servant can file that will meet the disclosure requirements of IC 35-44.1-1-4. The form can be completed electronically or scanned to an electronic file and should be uploaded to the state's Gateway website. The tool can be found on the Gateway home page (https://gateway.ifionline.org/) right under the official's login.

If the public servant is unsure whether a situation warrants the filing of a conflict of interest disclosure, it is recommended to consult local legal counsel.

NEW LAWS AFFECTING TOWNSHIPS

The following is a Digest of some of the laws passed by the 2025 Regular and Special Sessions of the General Assembly affecting Townships. Please note the effective dates. Some of the laws do not pertain directly to Townships but are included for ready reference to the covered subject matter.

The Digest is not intended as an expression of legal interpretation. The Digest is also not intended to be all inclusive. References in the Digest will be to the Indiana Code in the following form (Amends IC 20-26-1-4) (Amends Indiana Code, Title 20, Article 26, Chapter 1, Section 4). The final version of each Public Law can be found on the Indiana General Assembly website (http://iga.in.gov/). If you have any questions regarding legal interpretation, please consult your Township attorney.

Public Law 28-2025, House Enrolled Act 1033 – Effective July 1, 2025
Retainage requirements

Amends IC 5-16-5.5-3.5; IC 36-1-12-14

Changes the maximum amount of retainage for certain state and local public works projects from: (1) 10% to 6% of the dollar value of all work satisfactorily completed until the public work is 50% complete; and (2) 5% to 3% of the dollar value of all work satisfactorily completed until the public work is substantially complete. Removes the requirement of a minimum amount of retainage for certain state and local public works projects.

NEW LAWS AFFECTING TOWNSHIPS
(Continued)

Public Law 158-2025, House Enrolled Act 1134 – Effective July 1, 2025
Executive Session

Amends IC 5-14-1.5-6.1;

Allows meetings of a state or local agency governing body concerning the following topics to be held in executive session: (1) Employee health care options with respect to special exceptions to coverage. (2) Employee specific compensation or employment matters of individual employees (excluding general discussion of employee compensation during a budget process). (3) Employee handbook changes. (3) Review of negotiations on the performance of publicly bid contracts, when public knowledge may result in increased cost. (4) Solicitation of contract proposals containing a bidder's proprietary information.

Public Law 86-2025, House Enrolled Act 1198 – Effective July 1, 2025
Local public work projects

Amends IC 36-1-12-3; IC 36-1-12-4; IC 36-1-12-4.7; IC 36-1-12-4.9; IC 36-1-12-7; IC 36-1-12-24

Changes the amount of a public work project that a board may perform using its own workforce, without awarding a contract, from an estimated cost of less than $250,000 to an estimated cost of less than $375,000, adjusted annually to account for inflation. Provides that the department of local government finance shall annually publish the adjusted cost estimate threshold on the department's website. Removes the distinction between a political subdivision that is a school corporation and a political subdivision that is not a school corporation for the cost of a public work project that is not subject to certain procedures. Provides that if a federal grant is to be issued to fund a portion of the construction on a public work project, the successful bidder has 90 days to proceed with the contract. Provides that plans and specifications approved by an architect or engineer are not required for certain public work on a public building.

Public Law 230-2025, House Enrolled Act 1427 – Various Effective Dates
Department of Local Government Finance

Amends IC 4-12-1-20; IC 4-13.6-5-4; IC 5-1-11-1; IC 5-1-11-6; IC 5-13-8-9; IC 5-13-9-4; IC 5-13-9-5; IC 5-13-9-11; IC 5-14-3.7-2; IC 5-14-3.8-3.5; IC 5-14-9-6; IC 5-14-9-8; IC 6-1.1-3-7; IC 6-1.1-3-7.2; IC 6-1.1-3-28; IC 6-1.1-3-29; IC 6-1.1-4-4.5; IC 6-1.1-4-13.6; IC 6-1.1-8-24.5; IC 6-1.1-8-28; IC 6-1.1-8-45; IC 6-1.1-8.5-3; IC 6-1.1-10-16; IC 6-1.1-10-18.5; IC 6-1.1-10-36.5; IC 6-1.1-10-46; IC 6-1.1-12-13; IC 6-1.1-12-14; IC 6-1.1-12-14.5; IC 6-1.1-12-15; IC 6-1.1-12-17.8; IC 6-1.1-12-17.9; IC 6-1.1-12-43; IC 6-1.1-12-46; IC 6-1.1-15-3; IC 6-1.1-15-4; IC 6-1.1-17.1; IC 6-1.1-17-5.4; IC 6-1.1-17-20; IC 6-1.1-17-20.3; IC 6-1.1-22-8.1; IC 6-1.1-22-8.1; IC 6-1.1-24-17.5; IC 6-1.1-28-1; IC 6-1.1-30-18; IC 6-1.1-37-4; IC 6-1.1-37-10; IC 6-1.1-51.3-2; IC 6-1.5-5-2; IC 6-1.5-5-5; IC 6-3-2.1-4; 6-3-2.1-5; IC 6-3.1-40-5; IC 6-3.1-40-6; IC 6-3.1-40-7; IC 6-3.6-6-8; IC 6-3-6.6-12; IC 6-3.6-7-8.5; IC 6-3.6-7-21; IC 6-3.6-9-15; IC 6-6-5-5; IC 6-6-5-5.2; IC 6-6-6.5-13; IC 6-8.1-9.5-10; IC 6-8.1-10-2.1; IC 6-8.1-10-6; IC 6-9-2.5-7; IC 6-9-2.5-7.5; IC 6-9-2.5-7.7; IC 6-9-14-6; IC 6-9-18-3; IC 6-9-18-6; IC 6-9-27-3; IC 6-9-27-5; IC 6-9-47.5-4; IC 6-9-47.5-9; IC 8-1-34-24; IC 14-27-6-40; IC 16-46-10-3; IC 20-24-7-6; IC 20-24-8-5; IC 20-48-1-4; IC 36-2-2-4; IC 36-2-2-5; IC 36-2-3.5-1; IC 36-2-6-18 IC 36-3-5-8; IC 36-7-18-31; IC 36-10-3-24; IC 36-10-8-16; IC 36-10-9-15; IC 36-10-10-20; IC 36-10-11-21; IC 36-10-13-8

Repealed IC 6-1.1-3-26; IC 6-1.1-3-27; IC 6-1.1-51.3-3; IC 6-1.1-51.3-4; IC 6-2.5-5-58; IC 6-3.1-40-3; IC 6-3.1-40-9; IC 6-9-18-6.5

NEW LAWS AFFECTING TOWNSHIPS
(Continued)

Added IC 6.1.1-4-47; IC 6-1.1-10-51; IC 6-1.1-18.5-31; IC 6-1.1-18.5-31.5; IC 6-1.1-18.5-32; IC 6-1.1-22-19; IC 6-1.1-24-0.9; IC 6-1.1-30-18.5; IC 6-1.1-50.1; IC 6-1.1-51; IC 6-3-1-41; IC 6-3-1-42; IC 6-3-1-43; IC 6-3-2-3.3; IC 6-31-40-9.5; IC 6-31-40-11; IC 6-3.1-40-12; IC 6-3.6-9-17.6; IC 6-9-14-9; IC 6-9-27-5.5; IC 6-9-29-8; IC 6-9-29.5-5; IC 6-9-38; IC 6-9-60; IC 6-9-61; IC 6-9-62; IC 6-9-63; IC 6-9-64; IC 6-9-65; IC 6-9-66; IC 6-9-67; IC 6-9-68; IC 6-9-69; IC 6-9-70; IC 6-9-71; IC 6-9-72; IC 6-9-73; IC 6-9-74; IC 6-9-75; IC 6-9-76; IC 6-9-77; IC 12-15-1.3-18.7; IC 20-46-1-23; IC 35-52-6-85; IC 35-52-6-85.5; IC 35-52-6-85.6; IC 35-52-6-85.7; IC 36-7-4-6.5; IC 36-7.5-6-5; IC 36-8-28

Increases the threshold that applies to public works projects for which the department of natural resources may use its employees to perform the labor and supervision for the project. Removes the sunset of provisions that authorize the sale of bonds at a negotiated sale. Amends provisions pertaining to the investment of public funds in certain depositories. Requires the fiscal officer (rather than the executive) of a political subdivision to upload certain contracts to the Indiana transparency website (website). Permits the political subdivision to identify an individual other than the fiscal officer to upload contracts to the website. Provides that the change to the agricultural base rate in Senate Bill 1 does not apply for the January 1, 2025, assessment date to land in inventory. Repeals the increase in the personal property tax exemption for the 2025 assessment in Senate Bill 1, but retains the increase of the personal property tax exemption to $2,000,000 for the 2026 assessment date and thereafter. Removes an exception to provisions added in Senate Bill 1 exempting depreciable personal property placed in service after January 1, 2025, from the 30% minimum valuation floor if property tax revenue that is attributable to the depreciable personal property is pledged as payment for bonds, leases, or other obligations. Repeals the local property tax credits for veterans enacted in Senate Bill 1 and reinstates the property tax deductions in current law for veterans that were expired under Senate Bill 1. Provides that the personal property online submission portal (portal) may be used to file a personal property return until 2026. Repeals (effective January 1, 2026) the provision requiring the establishment of the portal and makes corresponding changes. Adds requirements for the filing of a petition for review of land values. Amends a provision pertaining to the assessment of solar land. Provides for the assessment of community land trust property and a property tax credit for community land trust property. For purposes of public utility companies, specifies that the period of time that a taxpayer may file an objection with the department of local government finance (DLGF) is not later than 15 days after the notice is postmarked. Provides, for particular calendar years, that all or part of a building is deemed to serve a charitable purpose and is exempt from property taxation if it is owned by certain nonprofit entities. Establishes a maximum entry fee per unit that may be charged by a continuing care retirement community to qualify for the property tax exemption. Adds, for particular calendar years, continuing care retirement communities, small house health facilities, and qualified residential treatment providers to the list of exempt entities for purposes of another property tax exemption. Provides that the DLGF may (as opposed to shall) adopt certain rules with respect to property of an exempt organization used in a nonexempt trade or business. Amends the requirements that must be satisfied to receive a property tax exemption for property used by a for-profit provider of early childhood education. Establishes a partial property tax exemption for an employer that provides child care on the employer's property for the employer's employees and certain other employees. Amends certain notice and procedural provisions applicable to proceedings before the Indiana board of tax review. Clarifies the deadline for submitting amended certified net assessed value amounts. Specifies the calculation of the maximum permissible property tax levy for certain units that fail to comply with certain budget and tax levy review and adoption procedures. Adds provisions that: (1) require the DLGF to increase the maximum permissible property tax levy for certain qualifying municipalities for property taxes first due and payable in 2025 to include all debt service levies of the qualifying municipality for property taxes first due and payable in 2025; (2) specify that the adjustment is a one time and permanent increase; (3) modify the: (A) local income tax trust account threshold percentage of a county that contains a qualifying municipality (for purposes of determining whether the county shall receive a supplemental distribution); and (B) certified share allocation determination for a qualifying municipality; and (4) prohibit

NEW LAWS AFFECTING TOWNSHIPS
(Continued)

the use funds from the state general fund to make up certain local income tax related shortfalls. Provides temporary one time increases for the maximum permissible ad valorem property tax levies for Shelby County and the Shelby County solid waste management district. Provides that the county treasurer is not required to mail or transmit a statement for property that is exempt from taxation and does not have a reported assessed value. Requires the DLGF, in a manner determined by the DLGF, to include on the coupon page of each property tax statement educational information regarding the eligibility and procedures for various property tax benefits available to certain taxpayers. Provides that a tract or item of real property owned by a political subdivision may not be sold at a tax sale. Removes a provision requiring the county executive to provide an annual report to the legislative council concerning certain tax sales. Provides that property tax assessment board of appeals members' terms must be staggered for a two year period and begin on January 1. Provides that a property tax payment made by a check processing company received after the due date for the property taxes is considered to be made on or before the due date if the taxpayer provides reasonable evidence that the payments were made on or before the due date. Reestablishes the deduction for aircraft entitling a taxpayer to a deduction from the assessed value of abatement property in each year in which the abatement property is subject to taxation for ad valorem property taxes. Provides a sales tax exemption for sales by agricultural commodity trade associations made at the state fair. Provides certain sourcing rules for the adjusted gross income of an investment partnership. Defines "investment partnership" and other related terms. Specifies that an electing entity or pass through entity shall be permitted to claim a credit for taxes withheld or paid on the entity's behalf. Allows an electing entity to make elections to claim certain state tax liability credits and sets forth requirements that apply to those elections. Expands the physician practice ownership tax credit against state tax liability to practicing physicians (instead of only primary care physicians) who have an ownership interest in a physician practice and meet other eligibility criteria. Limits the total amount of physician practice ownership tax credits that may be awarded in a state fiscal year. Specifies that a volunteer fire department that applies to the county adopting body for a distribution of local income tax revenue that is allocated to public safety purposes must do so through the fiscal officer of the unit served by the department. Allows the Fountain County council to adopt a resolution to make a one time transfer from the county jail revenue fund to the county general fund to be used for specified purposes. Allows revenue generated from a special purpose local income tax rate in Starke County to be used to operate and maintain the county jail and related facilities. Increases the amount of the local collection assistance fee. Provides a presumption of reasonable cause exception to the penalty for failure to file a return in the case of certain small partnerships. Amends the provisions to conform to the reasonable cause exception applicable to the failure to file penalty available under federal tax procedures (IRS Rev. Proc. 84-35, 1984-1 C.B. 509). Authorizes numerous local units to impose food and beverage taxes. Allows the town of Shipshewana to increase its food and beverage tax. Removes language excluding transactions that occur at a historic hotel from the Orange County food and beverage tax and amends provisions that apply to the uses of the tax revenue. Repeals provisions authorizing the imposition of food and beverage taxes in Wayne County. Reallocates the amounts of revenue received from the Vanderburgh County innkeeper's tax that is deposited in certain funds. Authorizes certain counties to impose an innkeeper's tax under separate enabling statutes. Allows Brown County to increase its innkeeper's tax rate. Prohibits the deposit or transfer of money in an innkeeper's or food and beverage tax fund into any other fund, or deposit or transfer of money from any other fund into an innkeeper's or food and beverage tax fund. Requires a local unit that imposes a food and beverage tax (as part of its required annual reporting) to provide to the state board of accounts a consolidated financial statement for the preceding year. Requires the state board of accounts to: (1) determine whether or not local units imposing a food and beverage tax, and other entities that receive a distribution of food and beverage tax revenue, are in compliance with current reporting requirements and applicable statutory requirements; and (2) submit a report of its findings to the legislative council. Provides for a reduction of the percentage of gross revenue to be paid to a unit of local government by a holder of a cable franchise. Requires the office of the secretary of family and social services to apply to the United States Department of Health and Human Services for an amendment to each home and community based services Medicaid waiver for certain eligibility criteria related to asset

NEW LAWS AFFECTING TOWNSHIPS
(Continued)

limit thresholds. Specifies that certain school corporation property tax referenda are eligible to be on the ballot in an election held in the fall of 2025. Applies certain access to financial data requirements to charter schools. Restores language in a provision amended by Senate Bill 1 regarding optional revenue sharing with charter schools. Specifies that a minimum population for application of certain provisions concerning: (1) the assessment of industrial facilities; (2) the general government of counties; and (3) the division of powers of certain counties; is 450,000 (instead of 400,000). Allows a county fiscal body to make loans of money for not more than 10 years (rather than five years under current law) and issue notes for the purpose of refunding those loans. Allows a person who is: (1) engaged in the business of renting or furnishing, for periods of less than 30 days, certain lodging facilities located within an economic development district; and (2) liable for a special benefits assessment for the property; to charge a fee of not more than $1 per night. Provides that the northwest Indiana regional development authority must be reimbursed for amounts deposited in the blighted property demolition fund not later than July 1, 2027 (instead of July 1, 2026). Requires local units to make semiannual fire service reports to the state fire marshal which, in turn, is required to submit the data reported to the legislative council. Provides for funding for cultural institutions. Urges the legislative council to assign to the appropriate interim study committee the task of studying certain issues relating to property exempt for charitable purposes. Amends a 2025 law requiring certain disclosures concerning appointed officers to provide that if an appointed board is a subgroup of an elected body that is appointed entirely: (1) from the body's elected members; and (2) by a member or members of the elected body; the appointed board may publish a board member's name and elected title in the board's meeting notice or agenda with a link or web address to the website where information of each board member's appointment and term is published. Removes provisions enacted by HEA 1001-2025 that: (1) treated the local government investment pool as a financial institution; and (2) considered the seven day yield published weekly by the treasurer of state to be a quote for purposes of the law governing the deposit and investment of public funds. Provides that money in the Pokagon Band Tribal-state compact fund is continuously appropriated for the purposes of the fund. Provides that funding to a local board of health from the local public health fund may only be used for Indiana residents who are lawfully present in the United States. Resolves conflicts.

Public Law 173-2025, House Enrolled Act 1461 – Various Effective Dates
Road funding

Amends	IC 6-3.5-4-2; IC 6-3.5-4-12; IC 6-3.5-5-2; IC 6-3.5-5-14; IC 8-14-1-4; IC 8-14-1-5; IC 8-14-3-3; IC 8-14-9-5; IC 8-14.5-6-1; IC 8-14.5-7-5; IC 8-15-3-36; IC 8-15.5-1-2; IC 8-15.7-1-5; IC 8-16-3-1; IC 8-17-4.1-1; IC 8-23-7-22; IC 8-23-7-23; IC 8-23-30-1; IC 8-23-30-2; IC 8-23-30-6; IC 8-23-30-7; IC 9-21-5-2; IC 34-28-5-5; IC 36-9-42.2-4.5
Added	IC 5-23-8-4; IC 6-3.1-38.1; IC 8-14-1-4.1; IC 8-14-1-5.1; IC 8-14-9-2.5; IC 8-17-1-0.3; IC 8-17-1-46; IC 8-23-23-6; IC 8-23-30-1.5; IC 8-23-30-5; IC 36-6-9-4; IC 36-6-9-5; IC IC 36-6-9-7; IC 36-6-9-12; IC 36-6-10

Makes various changes to provisions concerning roads and transportation. Allows a taxpayer to claim a credit against state income tax liability for certain qualified railroad expenditures and qualified new rail infrastructure expenditures. Specifies the amount of the credit. Limits the total amount of credits that may be allowed in a state fiscal year and provides for the expiration of the credit. Increases the maximum rate a county containing a consolidated city (consolidated city) may impose for the county wheel tax and the county vehicle excise tax and specifies the purposes for which the proceeds of those taxes must be appropriated. Beginning in 2026, lowers the percentage of funds distributed to counties, cities, and towns (local units) from the motor vehicle highway account that must be used for construction, reconstruction, and preservation of a local unit's highways if certain conditions related to pavement quality are satisfied. Amends

NEW LAWS AFFECTING TOWNSHIPS
(Continued)

provisions pertaining to the Indiana finance authority's authorization to issue revenue bonds or notes, including grant anticipation revenue bonds or notes, to finance highway and road construction projects. Allows the Indiana department of transportation (department) to submit a request to the Federal Highway Administration for a waiver to toll lanes on interstate highways. Provides that, if a request for a waiver to toll lanes on interstate highways is granted, the general assembly is not required to enact a statute before tolling may occur. Allocates responsibility for bridges in a county between that county and a municipality based on the size and location of the bridge. Allows a local county road and bridge board to undertake low water crossing projects. Requires the department to ensure that information regarding funding sources for low water crossing projects is made available to county boards of commissioners and county highway departments. Provides that money in the local road and bridge matching grant (matching fund) must be allocated, transferred, and distributed for specified purposes. Specifies the timing of those allocations, transfers, and distributions. Imposes conditions on the allocations, transfers, and distributions made from the matching fund, including, in state fiscal years beginning after June 30, 2027, limitations on the ability of a local unit to apply for a grant in certain circumstances. Allows local units to use grants from the matching fund for low water crossing projects. Reduces the required local matching amounts and increases the population thresholds that apply to certain local units, if the department approves a grant from the matching fund. Restates a provision allocating 50% of the amount available in the matching fund to local units with a population of less than 50,000. Increases the speed limit on Interstate Highway 465. Requires all townships to annually adopt a capital improvement plan, which must include the balance of all unrestricted funds that exceed the township's budget for the following year. Provides that a township must transfer 30% of the amount of the balance of all unrestricted funds that exceed the township's budget for the following year to the township roads and infrastructure fund. Requires a township board to adopt a resolution if favor of providing money for the improvement and maintenance of roads and infrastructure within the township before a township transfers money for such projects. Provides, for purposes of the provisions regarding township capital improvement plans and township roads and infrastructure funds, that unrestricted funds are cash reserves that are not obligated, committed, encumbered, or restricted for specified purposes. Urges the legislative council to assign to the interim study committee on roads and transportation the study of appropriate road funding formulas. Makes conforming changes.

Additional Public Laws affecting Townships passed during 2025 session:

P.L. 213	HEA 1001	State budget
P.L. 68	SEA 1	Local government finance

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