



Budgeting & New Legislation

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Agenda

- 2015 Status Update
- 2016 Budgets
 - Timeline
- Online Notices
- County Review
 - Nonbinding Recommendations
 - Binding Adoptions
- New Legislation



2015 Status Update

**On time billing
for all 92
counties!
THANK YOU!**





2016 Budgets



2016 Timeline

- August 3, 2015
- Deadline to submit 2015 pay 2016 certified net assessed values (CNAVs) to the Department through Gateway.
- Submission of CNAVs generally determine the order in which a county's budget will be reviewed.



2016 Timeline

- September 1, 2015
- Deadline for taxing units to submit necessary information to county council or city/town fiscal body for nonbinding recommendation or binding adoption.
- Submission is to be completed through Gateway.
- It is the taxing unit's responsibility to submit this information by the deadline.



2016 Timeline

- September 14, 2015
- Last possible day for posting of proposed 2016 budget, levy, and notice to taxpayers of public hearing (Budget Form 3) through Gateway.
- At least 10 days before public hearing.
- For units subject to binding adoption, the appropriate fiscal body is responsible for the proper submission of the notice.



2016 Timeline

- October 1, 2015
- Last day for county fiscal body to complete review and issue nonbinding recommendations to taxing units on proposed 2016 budgets, levies, and tax rates.



2016 Timeline

- October 23, 2015
- Last possible day for taxing units to hold a public hearing on the 2016 budget.
- **Must be held at least 10 days before the budget adoption.**



2016 Timeline

- November 2, 2015
- Last possible day for budget adoption.
- **Submission of all budget forms through Gateway must occur within 2 days after budget adoption.**



Online Notices



Online Notices

- Online budget notices allow taxpayers to access the Form 3 information at any time once submitted.
- The Department must provide a phone number that taxpayers can call to request mailed copies of the Form 3s.
- Again this year, each county unit is responsible for publishing a notice in two newspapers that includes information with the Internet address for the public to view budgets and the phone number to request copies of Form 3s.



Online Notices

- New this year is a subscription service for anyone to sign up to receive an email alert when a unit submits its Form 3 on Gateway.
 - Subscribers will also receive alerts when a unit modifies its budget notice.
- From the Budget Notices page, click Alert Me for a unit for which you'd like to receive an email.
- Then you'll be prompted to enter your email address.
- You may click Alert Me multiple times.
- Click "Save Subscriptions".



Online Notices

- The Budget Notices page can be accessed via <http://budgetnotices.in.gov/>

INDIANA
Gateway Budget Notices for Local Government

Search by Address Unit Look-Up Budget Corrections Fiscal Schools About What are Alerts?

Welcome to Budget Notices
Email: Save
Sign up for Budget Alerts Here
Save Subscriptions
Warning: You have unsaved selection

Unit Look-up

Budget Year: 2015

County: 29 - Hamilton

Taxing District: ALL

Unit Type: ALL

[Find My Taxing District!](#)

Taxpayers are advised to check back within 7 days of the public hearing to see if the unit of government has made any revisions to the initial advertisement.

Taxing Unit	2014 Certified Levy	2015 Proposed Budget	2015 Proposed Levy	Public Hearing	Adoption Meeting	Budget Notice	
0000 - Hamilton County	\$54,156,439	\$154,469,509	\$63,958,757	10/1/2014	10/13/2014	8/21/2014	<input checked="" type="checkbox"/> Alert Me
0001 - Adams Township	\$325,996	\$601,750	\$335,283	9/11/2014	10/9/2014	8/21/2014	<input type="checkbox"/> Alert Me
0002 - Clay Township	\$5,334,112	\$9,405,520	\$5,909,982	9/23/2014	10/7/2014	8/18/2014	<input type="checkbox"/> Alert Me
0003 - Delaware Township	\$837,454	\$1,432,502	\$1,135,000	9/10/2014	10/15/2014	8/28/2014	<input type="checkbox"/> Alert Me
0004 - Fall Creek Township	\$526,338	\$1,068,713	\$759,000	9/17/2014	10/29/2014	9/2/2014	<input type="checkbox"/> Alert Me
0005 - Jackson Township	\$874,705	\$1,313,000	\$1,062,298	9/3/2014	9/23/2014	8/18/2014	<input type="checkbox"/> Alert Me
0006 - Noblesville Township	\$1,738,530	\$2,381,748	\$1,861,605	9/30/2014	10/10/2014	9/11/2014	<input type="checkbox"/> Alert Me



Online Notices

- The Budget Notices page can be accessed from the Department home page at: <http://in.gov/dlgf/>

The screenshot shows the IN.gov website header with the logo, navigation menu, and search bar. The main content area includes a 'DLGF HOME' sidebar, a 'Learn about the Appeal Process' banner, and a 'DLGF Quick Links' section. The 'Online Services' section is highlighted with a red circle, and the 'Online Budget Notices' link is circled in red. The 'Top FAQs' section is also visible.

IN.gov A State that Works DLGF Search MIKE PENCE

About Indiana Agriculture & Environment Business & Employment Education & Training Family & Health Law & Justice Public Safety Taxes & Finance Tourism & Transportation

Department of Local Government Finance Expand / Collapse

DLGF HOME

- About Us
- Memos & Presentations
- News & Calendar
- Contact Us
- Distressed Unit Appeals Board
- Legislation & Policy Information
- County Specific Information
- Reports and Data
- Contact Your Local Officials

INFORMATION FOR TAXPAYERS

- Overview
- Understanding Your Tax Bill
- Referendum Information
- Assessments
- Property Tax Appeals Process
- Property Tax Deductions
- Forms
- Township Look Up

INFORMATION FOR LOCAL GOVERNMENT

DLGF Quick Links

- Status Maps
- Gateway Budget Data of Local Governments
- Petition and Remonstrance & Referendum Processes
- Online Budget Notices
- Contact Your Local Officials
- Personal Property Forms

Online Services

- Search Budget Notices
- Indiana Gateway for Government Units
- County Tax Bill Calculator
- Search Assessed Value Database
- Search Sales Disclosure Database
- Search Past Tax Bill Database
- Sales Disclosure Application
- Forms.IN.gov

MORE ONLINE SERVICES »

SUBSCRIBER CENTER »

Top FAQs I Want To...

1. How much property tax do I owe?
2. Where can I locate a form?
3. How are property taxes determined and calculated?
4. Where can I find out how much homes have sold for in my area?
5. Why haven't I received my tax bill?
6. My taxes are too high, what can I do? Why did my taxes go up so much?



County Review



Nonbinding Recommendations

- Information to be provided by any taxing unit that proposes to levy a property tax in the ensuing year.
 - Proposed budget, levy, and tax rate for non-school units.
 - Proposed levy and tax rate for schools.
 - Note that for schools, a review must be completed, however a nonbinding recommendation does not need to be issued.



Nonbinding Recommendations

- Taxing units included:
 - Any taxing unit (other than the county unit) that is not subject to binding adoption of its proposed budgets and levy by an appropriate fiscal body.
 - Taxing units with elected fiscal bodies/boards.
 - Libraries with an appointed board where the growth in the proposed budget is less than the AVGQ.



Nonbinding Recommendations

- County responsibilities – Non-School Units
 - Review the proposed budgets, levies, and tax rates for the taxing unit.
 - Must issue a recommendation regarding the taxing unit's proposed budgets, levies, and tax rates.
 - Must include comparison to Indiana AVGQ and the county's average increase in non-farm personal income for the preceding six years.
 - Must include comparison to increases in the budgets and tax levies of other taxing units in the county.



Nonbinding Recommendations

- County responsibilities – Schools
 - Review the proposed levies and tax rates for the school.
 - No recommendation is required.



Nonbinding Recommendations

- If the taxing unit fails to file the necessary information by September 1, the taxing unit will receive the lesser of its most recent annual appropriations and levies or its advertised/ adopted appropriations and levies for 2016.
- **If the county council fails to perform both the review and recommendation for any required unit by October 1, the county will receive the lesser of the most recent annual appropriations and levies or its advertised/adopted appropriations and levies for 2016.**



Binding Adoptions

- Units subject to binding adoption
 - Taxing units with appointed boards (majority of board unelected).
 - Libraries with appointed boards with growth in the proposed budget which exceeds the AVGQ.
- Proposed budget, levy, and tax rates must be submitted to the appropriate fiscal body by September 1, 2015.
- Appropriate fiscal body is responsible for submitting the required notice of proposed budgets, levies, tax rates, and notice of public hearing to Gateway.



Binding Adoptions

- Appropriate fiscal body must conduct the public hearing for the taxing unit.
- Appropriate fiscal body must adopt the final budget, levy, and tax rate for the taxing unit.
- Fiscal body may reduce or modify but not increase the proposed budget, levy, or tax rate.
- Appropriate fiscal body officer (county auditor in the case of county) serves as the submitter of the budget forms through Gateway.
- Email gateway@dlgf.in.gov to get submission rights, if needed.



New Legislation



PSAPs

- HEA 1475 – Effective July 1, 2015
- If a county contractually assumed from another political subdivision the responsibility of operating a public safety answering point (PSAP), the fiscal body of the parties to the contract can petition the Department to increase the county's maximum levy and to decrease the other unit's maximum levy by the amount levied previously by the other units.
- If such a petition is made, the Department shall adjust the maximum levies.



Local Option Income Taxes

- HEA 1475 – Effective July 1, 2015
- A county in which a Public Safety LOIT is not in effect as of July 1, 2015 may adopt a Public Safety LOIT and adopt a resolution providing that up to 100% of the revenue shall be dedicated to a PSAP.
- A county increasing its Public Safety LOIT rate after July 1, 2015 can adopt a resolution providing that up to 100% of the increase shall be dedicated to a PSAP.



Local Option Income Taxes

- HEA 1475 – Effective July 1, 2015
- A county council or county income tax council may adopt an ordinance to impose a public safety tax rate without also adopting a LOIT Levy Freeze or LOIT for Property Tax Relief rate.



Assessment – Personal Property

- SEA 436 – Effective July 1, 2015
- If the acquisition cost of a taxpayer's total business personal property (BPP) in a county is less than \$20,000 for an assessment date, the taxpayer's business personal property in the county for that assessment date is exempt from taxation.
- Taxpayer must file an annual notarized certification stating that the personal property is exempt.



BPP Exemptions – Optional Fee

- HEA 1472 – Effective July 1, 2015
- County Councils may adopt an ordinance to impose a local service fee on each person that files a certification statement under IC 6-1.1-3-7.2 for BPP with acquisition costs less than \$20,000.
- For assessment dates after December 31, 2015.
- Maximum amount is \$50 annually.



Super Abatement

- From 2014
- SEA 001 – Effective July 1, 2015
- Created a “super abatement” whereby the designating body may establish an abatement schedule for select business personal property under IC 6-1.1-12.1-4.5. A super abatement schedule must specify the percentage amount of the deduction for each year of the deduction, and may not exceed 20 years.



Super Abatement

- If a taxpayer is granted a super abatement that exceeds ten years, the designating body must conduct a public hearing to review the taxpayer's compliance with the statement of benefits provided to the designating body after the tenth year of the abatement.



Business Personal Property Exemptions

- From 2014
- SEA 001 – Effective July 1, 2015
- Allows counties to offer exemptions on all new business personal property.
- Taxpayer places in service after the ordinance is adopted or after a date specified in the ordinance.
- Not previously used in Indiana before acquisition.



Business Personal Property Exemptions

- County income tax council must adopt ordinance.
- Public hearing before adoption; IC 5-3-1 applies.
- Copies of ordinance to the Department & county auditor.
- Exempts all new BPP.



Business Personal Property Exemptions

- BPP already placed in service or previously used in Indiana as of adoption date or effective date is still taxed.
- County income tax council may repeal or amend ordinance, but any BPP that was exempt due to ordinance remains exempt.
- No application or personal property tax return required.



Assessment – Big Box Stores

- SEA 436 – Effective March 1, 2014
- For the 2014 assessment date and future assessment dates, real property that is:
 - A limited market or special purpose property (commonly referred to as a big box retail building);
 - At least 50,000 square feet; and
 - Occupied by the original owner or tenant.
- Improvements with an effective age of 10 years or less shall be assessed based on the cost approach, less depreciation and obsolescence.



Assessment – Big Box Stores

- SEA 436 – Effective March 1, 2014
- Land value shall be assessed separately.
- If a taxpayer requests a review of improvements with an effective age of 10 years or less, the taxpayer must provide information on the actual construction costs.
- If the actual construction costs are greater than the value derived from the cost approach, the AV of the improvements shall be the actual costs less depreciation and obsolescence.



Assessment – Agricultural Land

- SEA 436 – Effective January 1, 2015
- The ag land base rate for the March 1, 2015 assessment date is \$2,050 per acre.
- For the 2016 assessment date and future years, the base rate is equal to the prior year base rate multiplied by the assessed value growth quotient.



Volunteer Firefighters

- HEA 1264 – Effective Upon Passage
- Starting with the 2016 budgets, a member of the fiscal body of a unit (meaning city, town, or township) may not participate in a vote on the adoption of the unit's budget and tax levies if the member is a volunteer firefighter in: (1) a volunteer fire department or (2) a fire department that provides fire protection services to the unit under a contract (excluding a mutual aid agreement) or as the unit's fire department.



Volunteer Firefighters

Continued . . .

- If at least a majority of the members of the unit's fiscal body are precluded from voting on the unit's budget and tax levies, the unit's most recent annual appropriations are continued for the ensuing budget year, subject to the following . . .



Volunteer Firefighters

Continued . . .

- 1) The executive of the unit may petition the county fiscal body for an increase in the unit's budget.
- 2) The executive of the unit may petition the county fiscal body for any additional appropriations.



Volunteer Firefighters

Continued . . .

- Specifically, the executive of the unit may petition the county fiscal body for an increase in the unit's budget and property tax levies. The county fiscal body may grant or deny the petition only after conducting a public hearing on the petition.
- The county fiscal body may adopt any additional
- appropriations of the unit by ordinance before the Department of Local Government Finance may approve the additional appropriation.



Volunteer Firefighters

So how will this all work?

- First, the Department will be asking that each city, town, and township provide it with a letter documenting the composition of the unit's fiscal body. This will help units know if they are subject to this new provision.
- A city, town, or township that anticipates being unable to adopt a 2016 budget (because its fiscal body is composed of a majority of volunteer firefighters) AND that wants an increase to the unit's budgets must, via the unit executive, petition the county fiscal body for the increase and for adoption of any additional appropriations.
- There is no particular format or structure for the unit's petition; a letter would suffice.
- The Department very strongly recommends that the public hearing AND county fiscal body determination occur on or before November 2, 2015!



Volunteer Firefighters

So how will this all work?

- The county fiscal body should issue its determination in the form of an ordinance or resolution.
- The county fiscal body “may grant or deny” the unit’s petition for an increase in its budgets; statute does not authorize the county fiscal body to modify (reduce) the unit’s proposal.
- Notice of the public hearing is governed by the Open Door Law (48-hour notice); to the extent the unit and county fiscal body can coordinate and allow for enough time, the Department strongly recommends that notice of the hearing be published in the correct newspaper(s) at least ten days before the hearing.



Volunteer Firefighters

So how will this all work?

- Upon receipt of the county fiscal body's determination, the city, town, or township must upload a copy of the unit's petition and a copy of the county fiscal body's determination to Gateway within 48 hours of November 2, 2015.
- In this situation, the unit will not have a Form 4 to upload. The unit must still upload all the other budget documentation (e.g., Form 3).
- In the event a city, town, or township subject to IC 36-1-23 fails to comply with that statute, there will be no penalty to the county unit. The city, town, or township's penalty will be certification of the lesser of the unit's prior year budgets, rates, and levies or the unit's proposed budgets, rates, and levies.



Contact the Department

Susan Clark, Budget Division Director

- Telephone: 317.234.3937
- Email: sclark@dlgf.in.gov
- Website: www.in.gov/dlgf
- Contacts: www.in.gov/dlgf/2338.htm