

PROPOSED AMENDMENT

SB 33 # 6

DIGEST

Local income taxes. Deletes provisions allowing a qualified township to apply to the county adopting body for a distribution of local income tax revenue that is allocated to public safety purposes. Provides that a township fire department, volunteer fire department, fire protection territory, or fire protection district may apply to the county adopting body for a distribution of local income tax revenue that is allocated to public safety purposes. Requires the county adopting body to review certain submitted applications at a public hearing. Resets certain provisions enacted in the 2023 session in HEA 1454 regarding distribution of tax revenue allocated to public safety to township fire departments, volunteer fire departments, fire protection territories, or fire protection districts.

1 Page 2, after line 42, begin a new paragraph and insert:
2 "SECTION 2. IC 6-3.6-6-8, AS AMENDED BY P.L.236-2023,
3 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2024]: Sec. 8. (a) This section applies to the allocation of
5 additional revenue from a tax under this chapter to public safety
6 purposes. Funding dedicated for a PSAP under a former tax continues
7 to apply under this chapter until it is rescinded or modified. If funding
8 was not dedicated for a PSAP under a former tax, the adopting body
9 may adopt a resolution providing that all or part of the additional
10 revenue allocated to public safety is to be dedicated for a PSAP. The
11 resolution first applies in the following year and then thereafter until it
12 is rescinded or modified. Funding dedicated for a PSAP shall be
13 allocated and distributed as provided in IC 6-3.6-11-4.
14 (b) Except as provided in subsections (c) and (d), the amount of the
15 certified distribution that is allocated to public safety purposes, and
16 after making allocations under IC 6-3.6-11, shall be allocated to the
17 county and to each municipality in the county that is carrying out or
18 providing at least one (1) public safety purpose. For purposes of this
19 subsection, in the case of a consolidated city, the total property taxes
20 imposed by the consolidated city include the property taxes imposed by
21 the consolidated city and all special taxing districts (except for a public
22 library district, a public transportation corporation, and a health and

1 hospital corporation), and all special service districts. The amount
 2 allocated under this subsection to a county or municipality is equal to
 3 the result of:

4 (1) the amount of the remaining certified distribution that is
 5 allocated to public safety purposes; multiplied by

6 (2) a fraction equal to:

7 (A) in the case of a county that initially imposed a rate for
 8 public safety under IC 6-3.5-6 (repealed), the result of the total
 9 property taxes imposed in the county by the county or
 10 municipality for the calendar year preceding the distribution
 11 year, divided by the sum of the total property taxes imposed in
 12 the county by the county and each municipality in the county
 13 that is entitled to a distribution under this section for that
 14 calendar year; or

15 (B) in the case of a county that initially imposed a rate for
 16 public safety under IC 6-3.5-1.1 (repealed) or a county that did
 17 not impose a rate for public safety under either IC 6-3.5-1.1
 18 (repealed) or IC 6-3.5-6 (repealed), the result of the attributed
 19 allocation amount of the county or municipality for the
 20 calendar year preceding the distribution year, divided by the
 21 sum of the attributed allocation amounts of the county and
 22 each municipality in the county that is entitled to a distribution
 23 under this section for that calendar year.

24 (c) A fire department, volunteer fire department, or emergency
 25 medical services provider that:

26 (1) provides fire protection or emergency medical services within
 27 the county; and

28 (2) is operated by or serves a political subdivision that is not
 29 otherwise entitled to receive a distribution of tax revenue under
 30 this section;

31 may, before July 1 of a year, apply to the adopting body for a
 32 distribution of tax revenue under this section during the following
 33 calendar year. The adopting body shall review an application submitted
 34 under this subsection. ~~and may, before September 1 of a year;~~
 35 **However, after giving notice under IC 5-3-1, the adopting body**
 36 **shall review an application by a township that provided fire**
 37 **protection or emergency medical services in the most recent**
 38 **calendar year and imposed a property tax levy for the provision of**
 39 **fire protection or emergency medical services within the county in**
 40 **the most recent calendar year at a public hearing. The adopting**

1 **body may review multiple applications submitted under this**
 2 **subsection at one (1) public hearing. If applicable, a township shall**
 3 **present and explain its application at the public hearing. Not later**
 4 **than ten (10) days after the public hearing, if applicable, but before**
 5 **September 1 of a year, the adopting body may** adopt a resolution
 6 requiring that one (1) or more of the applicants shall receive a specified
 7 amount of the tax revenue to be distributed under this section during
 8 the following calendar year. The adopting body shall provide a copy of
 9 the resolution to the county auditor and the department of local
 10 government finance not more than fifteen (15) days after the resolution
 11 is adopted. A resolution adopted under this subsection and provided in
 12 a timely manner to the county auditor and the department applies only
 13 to distributions in the following calendar year. Any amount of tax
 14 revenue distributed under this subsection to a fire department,
 15 volunteer fire department, or emergency medical services provider
 16 shall be distributed before the remainder of the tax revenue is allocated
 17 under subsection (b).

18 **(d) A township fire department, volunteer fire department, fire**
 19 **protection territory, or fire protection district that:**

20 **(1) provides fire protection or emergency medical services**
 21 **within a county; and**

22 **(2) is operated by or serves a political subdivision;**

23 **may, before July 1 of a year, apply to the adopting body for a**
 24 **distribution of tax revenue under this section during the following**
 25 **calendar year. The adopting body shall review an application**
 26 **submitted under this subsection. However, after giving notice**
 27 **under IC 5-3-1, the adopting body shall review an application**
 28 **submitted by a township that provided fire protection or**
 29 **emergency medical services in the most recent calendar year and**
 30 **that imposed a property tax levy for the provision of fire protection**
 31 **or emergency medical services within the county in the most recent**
 32 **calendar year at a public hearing. The adopting body may review**
 33 **multiple applications submitted under this subsection at one (1)**
 34 **public hearing. If applicable, a township shall present and explain**
 35 **its application at the public hearing.** From the amount of the certified
 36 distribution that is allocated to public safety purposes, and after making
 37 allocations under IC 6-3.6-11, the adopting body may adopt a
 38 resolution that one (1) or more township fire departments, volunteer
 39 fire departments, fire protection territories, or fire protection districts
 40 shall receive an amount of the tax revenue to be distributed under this

1 section during the following calendar year up to the amount of revenue
2 that is attributable to five one-hundredths of one percent (0.05%) of the
3 tax rate imposed for allocations to public safety purposes. A resolution
4 adopted under this subsection must include information on the service
5 area for each township fire department, volunteer fire department, fire
6 protection territory, or fire protection district, as applicable. Any
7 distribution under this subsection must be based on the assessed value
8 of real property, not including land, that is served by each township fire
9 department, volunteer fire department, fire protection territory, or fire
10 protection district, as applicable. The adopting body shall provide a
11 copy of the resolution to the county auditor and the department of local
12 government finance not more than fifteen (15) days after the resolution
13 is adopted. A resolution adopted under this subsection and provided in
14 a timely manner to the county auditor and the department applies only
15 to distributions in the following calendar year. Any amount of tax
16 revenue distributed under this subsection to a township fire department,
17 volunteer fire department, fire protection territory, or fire protection
18 district, as applicable, shall be distributed before the remainder of the
19 tax revenue is allocated under subsection (b)."

20 Delete pages 3 through 7.

21 Page 8, delete lines 1 through 15.

22 Renumber all SECTIONS consecutively.

(Reference is to SB 33 as printed February 6, 2024.)