

HOUSE BILL No. 1142

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.6.

Synopsis: Local income tax council. Extends the expiration of provisions concerning a county with a single voting bloc and the allocation of votes for a local income tax council.

Effective: Upon passage.

Thompson

January 8, 2025, read first time and referred to Committee on Ways and Means.



First Regular Session of the 124th General Assembly (2025)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2024 Regular Session of the General Assembly.

HOUSE BILL No. 1142



A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-3.6-2-7.4, AS AMENDED BY P.L.137-2024,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 7.4. "County with a single voting bloc" means
4 a county that has a local income tax council in which one (1) city that
5 is a member of the local income tax council or one (1) town that is a
6 member of the local income tax council is allocated more than fifty
7 percent (50%) of the total one hundred (100) votes allocated under
8 IC 6-3.6-3-6(d). This section expires May 31, ~~2025~~; **2026**.

9 SECTION 2. IC 6-3.6-3-5, AS AMENDED BY P.L.137-2024,
10 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 UPON PASSAGE]: Sec. 5. (a) The auditor of a county shall record all
12 votes taken on ordinances presented for a vote under this article and
13 not more than ten (10) days after the vote, send a certified copy of the
14 results to:

- 15 (1) the commissioner of the department of state revenue; and
- 16 (2) the commissioner of the department of local government
17 finance;



1 in an electronic format approved by the commissioner of the
2 department of local government finance.

3 (b) Except as provided in subsection (c), this subsection applies only
4 to a county that has a local income tax council. The county auditor may
5 cease sending certified copies after the county auditor sends a certified
6 copy of results showing that members of the local income tax council
7 have cast a majority of the votes on the local income tax council for or
8 against the proposed ordinance.

9 (c) This subsection applies only to a county with a single voting bloc
10 that proposes to increase (but not decrease) a tax rate in the county. The
11 county auditor may cease sending certified copies of the votes on the
12 local income tax council voting as a whole under section 9.5 of this
13 chapter after the county auditor sends a certified copy of results
14 showing that the individuals who sit on the fiscal bodies of the county,
15 cities, and towns that are members of the local income tax council have
16 cast a majority of the votes on the local income tax council voting as a
17 whole under section 9.5 of this chapter for or against the proposed
18 ordinance. This subsection expires May 31, ~~2025~~. **2026**.

19 SECTION 3. IC 6-3.6-3-6, AS AMENDED BY P.L.137-2024,
20 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 UPON PASSAGE]: Sec. 6. (a) This section applies to a county in
22 which the county adopting body is a local income tax council.

23 (b) In the case of a city or town that lies within more than one (1)
24 county, the county auditor of each county shall base the allocations
25 required by subsections (d) and (e) on the population of that part of the
26 city or town that lies within the county for which the allocations are
27 being made.

28 (c) Each local income tax council has a total of one hundred (100)
29 votes.

30 (d) Each county, city, or town that is a member of a local income tax
31 council is allocated a percentage of the total one hundred (100) votes
32 that may be cast. The percentage that a city or town is allocated for a
33 year equals the same percentage that the population of the city or town
34 bears to the population of the county. The percentage that the county
35 is allocated for a year equals the same percentage that the population
36 of all areas in the county not located in a city or town bears to the
37 population of the county.

38 (e) This subsection applies only to a county with a single voting
39 bloc. Each individual who sits on the fiscal body of a county, city, or
40 town that is a member of the local income tax council is allocated for
41 a year the number of votes equal to the total number of votes allocated
42 to the particular county, city, or town under subsection (d) divided by



1 the number of members on the fiscal body of the county, city, or town.
 2 This subsection expires May 31, ~~2025~~: **2026**.

3 (f) On or before January 1 of each year, the county auditor shall
 4 certify to each member of the local income tax council the number of
 5 votes, rounded to the nearest one hundredth (0.01), each member has
 6 for that year.

7 (g) This subsection applies only to a county with a single voting
 8 bloc. On or before January 1 of each year, in addition to the
 9 certification to each member of the local income tax council under
 10 subsection (f), the county auditor shall certify to each individual who
 11 sits on the fiscal body of each county, city, or town that is a member of
 12 the local income tax council the number of votes, rounded to the
 13 nearest one hundredth (0.01), each individual has under subsection (e)
 14 for that year. This subsection expires May 31, ~~2025~~: **2026**.

15 SECTION 4. IC 6-3.6-3-8, AS AMENDED BY P.L.137-2024,
 16 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 UPON PASSAGE]: Sec. 8. (a) This section applies to a county in
 18 which the county adopting body is a local income tax council.

19 (b) Except as provided in subsection (e), any member of a local
 20 income tax council may present an ordinance for passage. To do so, the
 21 member must adopt a resolution to propose the ordinance to the local
 22 income tax council and distribute a copy of the proposed ordinance to
 23 the county auditor. The county auditor shall treat any proposed
 24 ordinance distributed to the auditor under this section as a casting of all
 25 that member's votes in favor of the proposed ordinance.

26 (c) Except as provided in subsection (f), the county auditor shall
 27 deliver copies of a proposed ordinance the auditor receives to all
 28 members of the local income tax council within ten (10) days after
 29 receipt. Subject to subsection (d), once a member receives a proposed
 30 ordinance from the county auditor, the member shall vote on it within
 31 thirty (30) days after receipt.

32 (d) Except as provided in subsection (h), if, before the elapse of
 33 thirty (30) days after receipt of a proposed ordinance, the county
 34 auditor notifies the member that the members of the local income tax
 35 council have cast a majority of the votes on the local income tax
 36 council for or against the proposed ordinance the member need not
 37 vote on the proposed ordinance.

38 (e) This subsection applies only to a county with a single voting bloc
 39 that proposes to increase (but not decrease) a tax rate in the county. The
 40 fiscal body of any county, city, or town that is a member of a local
 41 income tax council may adopt a resolution to propose an ordinance to
 42 increase a tax rate in the county to be voted on by the local income tax



1 council as a whole as required under section 9.5 of this chapter and
 2 distribute a copy of the proposed ordinance to the county auditor. The
 3 county auditor shall treat the vote tally on the resolution adopted under
 4 this subsection for each individual who is a member of the fiscal body
 5 of the county, city, or town as the voting record for that individual
 6 either for or against the ordinance being proposed for consideration by
 7 the local income tax council as a whole under section 9.5 of this
 8 chapter. This subsection expires May 31, ~~2025~~. **2026**.

9 (f) This subsection applies only to a county with a single voting bloc
 10 that proposes to increase (but not decrease) a tax rate in the county. The
 11 county auditor shall deliver copies of a proposed ordinance the auditor
 12 receives under subsection (e) to the fiscal officers of all members of the
 13 local income tax council (other than the member proposing the
 14 ordinance under subsection (e)) within ten (10) days after receipt.
 15 Subject to subsection (h), once a member receives a proposed
 16 ordinance from the county auditor, the member shall vote on it within
 17 thirty (30) days after receipt. This subsection expires May 31, ~~2025~~.
 18 **2026**.

19 (g) This subsection applies only to a county with a single voting
 20 bloc that proposes to increase (but not decrease) a tax rate in the
 21 county. The fiscal body of each county, city, or town voting on a
 22 resolution to propose an ordinance under subsection (e), or voting on
 23 a proposed ordinance being considered by the local income tax council
 24 as a whole under section 9.5 of this chapter, must take a roll call vote
 25 on the resolution or the proposed ordinance. If an individual who sits
 26 on the fiscal body is absent from the meeting in which a vote is taken
 27 or abstains from voting on the resolution or proposed ordinance, the
 28 fiscal officer of the county, city, or town shall nevertheless consider
 29 that individual's vote as a "no" vote against the resolution or the
 30 proposed ordinance being considered, whichever is applicable, for
 31 purposes of the vote tally under this section and shall note on the vote
 32 tally that the individual's "no" vote is due to absence or abstention. The
 33 fiscal body of each county, city, or town shall certify the roll call vote
 34 on a resolution or a proposed ordinance, either for or against, to the
 35 county auditor as set forth under this chapter. This subsection expires
 36 May 31, ~~2025~~. **2026**.

37 (h) This subsection applies only to a county with a single voting
 38 bloc that proposes to increase (but not decrease) a tax rate in the
 39 county. If, before the elapse of thirty (30) days after receipt of a
 40 proposed ordinance under subsection (e), the county auditor notifies
 41 the member that the individuals who sit on the fiscal bodies of the
 42 county, cities, and towns that are members of the local income tax



1 council have cast a majority of the votes on the local income tax
 2 council for or against a proposed ordinance voting as a whole under
 3 section 9.5 of this chapter, the member need not vote on the proposed
 4 ordinance under subsection (e). This subsection expires May 31, ~~2025~~
 5 **2026**.

6 SECTION 5. IC 6-3.6-3-9.5, AS AMENDED BY P.L.137-2024,
 7 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 UPON PASSAGE]: Sec. 9.5. (a) This section applies to a county:

- 9 (1) in which the county adopting body is a local income tax
 10 council;
 11 (2) that is a county with a single voting bloc; and
 12 (3) that proposes to increase a tax rate in the county.

13 However, the provisions under section 9 of this chapter shall apply to
 14 a county described in subdivisions (1) and (2) that proposes to decrease
 15 a tax rate in the county.

16 (b) A local income tax council described in subsection (a) must vote
 17 as a whole to exercise its authority to increase a tax rate under this
 18 article.

19 (c) A resolution passed by the fiscal body of a county, city, or town
 20 that is a member of the local income tax council exercises the vote of
 21 each individual who sits on the fiscal body of the county, city, or town
 22 on the proposed ordinance, and the individual's vote may not be
 23 changed during the year.

24 (d) This section expires May 31, ~~2025~~ **2026**.

25 SECTION 6. **An emergency is declared for this act.**

