

# Objecting Petition

An Objecting Petition is the instrument used by the taxpayers to take up issues with taxing unit, political subdivision or school budgets or other formal actions **other than Leases, New Debt/Construction and Bonds**. *Leases and Debt often involving New Construction and Major Rehabilitation issues, such as the Muncie Community School's \$55 million dollar bond for their "Multi-Project" major rehabilitation of many of the schools, are confronted using the Petition/Remonstrance processes described elsewhere.* Remember, we are just dealing with Budgets and other formal actions by a taxing unit, political subdivision or school using the Objecting Petition in this dialog.

The Objecting Petition process is relatively simple. Neither, the State Board of Accounts or the Department of Local Government Financing (DLGF), provide any specific forms or formats for it. They can sometimes be found to be hand written and in various formats on various types of papers.

The one thing you must keep in mind though, **only taxpayers (those that have recorded property in THE TAXING UNIT, POLITICAL SUBDIVISION OR SCHOOL DISTRICT) are valid signatures on an Objecting Petition. This DOES NOT include legal registered voters who do not have recorded property.** If there's a "shortcoming" to the Objecting Petition, it is that there is NO process in the law (IC 6-1.1-17) that covers the Procedures for Fixing and Reviewing Budgets, Tax Rates, and Tax Levies, that allows for "formal verification" of the signatures.

The Objecting Petition process requires only 10 signatures, but because of the lack of "verification" it is always wise to get many more signatures than necessary. One needs to stress to people signing Objecting Petitions that they must be both a valid property owner and the property must reside in the Taxing Unit, Political Subdivision or School district. That doesn't mean they need to reside in the district, only own property in the district. So a property owner that lives in Selma, but owns property, maybe a rental, in Center Township would be a valid signature on the City of Muncie, the Center Township, the Muncie Community Schools, etc., etc. Additionally, a household that has "ownership in common", that being, both husband and wife are on the title of the property, may constitute two (2) signatures. However, each must sign different lines on the petition, in their own names only, ie: John M. Doe on line 1, Mary E. Doe on line 2. Not John and Mary Doe on the same line OR Mrs. John Doe on the second line as the wife's signature.

The Objecting Petition needs to contain "specific issues" directed at "specific areas" of a budget or other taxing units' item of objection. It should not be a rambling "diatribe" of dissatisfaction or general objection that cannot be directed to a specific issue.

Objecting Petitions may be filed at two (2) different opportunities during the Budget process:

The first opportunity follows the Taxing Units' Public Hearing on the Budget where an Objecting Petition may be filed within 7 days. This Objecting Petition is filed directly with the Taxing Unit, Political Subdivision or School and the Taxing Unit, Political Subdivision or School must formally respond to each objection and include that response with its Budget at the subsequent Budget Adoption Hearing.

The second opportunity presents itself when the Budget has been approved and the proposed tax rates published by the Auditor. An Objecting Petition may be filed within 10 days of the proposed tax rates publication and is filed directly with the Auditor. This Objecting Petition filed at this opportunity is included with the Budget submission to the State and is considered and heard by the DLGF.

If this issue hasn't been sufficiently covered and additional clarification is needed, please advise/comment at [info@propertytaxrepeal.com](mailto:info@propertytaxrepeal.com)

The rest of this document is a letter I received from a staff attorney for the DLGF with further explanations and timelines. Following that is the Indiana Code in its entirety that covers this subject (IC 6-1.1-17). Highlighted are areas specifically dealing with budget issues and Objecting Petition issues.....

September 6, 2007

Below are the public hearing and objection opportunities available to taxpayers during each political subdivision's budgeting process. The Indiana Code requires that all of these actions be advertised in the local newspaper; each notice will contain a statement of the taxpayer's objection rights, if available.

### **1. Public hearing held by political subdivision**

The officers of each political subdivision must hold a public hearing to fix the budget, tax rate and tax levy for the ensuing budget year according to IC 6-1.1-17-5(a). The objection rights of taxpayers after this public hearing are set forth in IC 6-1.1-17-5(b) and (c) and are as follows:

#### **IC 6-1.1-17-5 Fixing budget, tax rate, and tax levy; meetings; effect of inaction**

\*\*\*

(b) Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy of a political subdivision fixed under subsection (a) by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. The objection petition must specifically identify the provisions of the budget, tax rate, and tax levy to which the taxpayers object.

(c) If a petition is filed under subsection (b), the fiscal body of the political subdivision shall adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing.

\*\*\*\*

NOTE: The statute does not require any special form or formal petition. However, taxpayers must specifically identify what parts of the budget, tax rate, and/or tax levy that they are objecting to in the objecting petition.

### **2. Objection opportunity after proposed rates are published by County Auditor**

According to IC 6-1.1-17-15, the county auditor in each county is required to publish the proposed tax rates for the various funds of each taxing district once they are calculated and approved by each county's board of tax adjustment, or if no board of tax adjustment exists in the county, once they are calculated by the county auditor (IC 6-1.1-17-9(b)). Once published, taxpayers may appeal this action to the county auditor according to the requirements of IC 6-1.1-17-13. IC 6-1.1-17-13 requires:

#### **IC 6-1.1-17-13 Appeal by taxpayers**

(a) Ten (10) or more taxpayers or one (1) taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision may initiate an appeal from the county board of tax adjustment's action on a political subdivision's budget by filing a statement of their objections with the county auditor. The statement must be filed not later than ten (10) days after the publication of the notice required by section 12 of this chapter. The statement shall specifically identify the provisions of the budget and tax levy to which the taxpayers object. The county auditor shall forward the statement, with the budget, to the department of local government finance.

(b) The department of local government finance shall:

(1) subject to subsection (c), give notice to the first ten (10) taxpayers whose names appear on the petition, or to the taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision in the case of an appeal initiated by that taxpayer, of the date, time, and location of the hearing on the objection statement filed under subsection (a);

(2) conduct a hearing on the objection; and

(3) after the hearing:

(A) consider the testimony and evidence submitted at the hearing; and

(B) mail the department's:

(i) written determination; and

(ii) written statement of findings;

to the first ten (10) taxpayers whose names appear on the petition, or to the taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision in the case of an appeal initiated by that taxpayer.

The department of local government finance may hold the hearing in conjunction with the hearing required under IC 6-1.1-17-16.

(c) The department of local government finance shall provide written notice to:

(1) the first ten (10) taxpayers whose names appear on the petition; or

(2) the taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision, in the case of an appeal initiated by that taxpayer; at least five (5) days before the date of the hearing.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.153; P.L.178-2002, SEC.25; P.L.1-2003, SEC.24; P.L.228-2005, SEC.20.*

NOTE: The statute does not require any special form or formal petition, but must be filed with the county auditor. In addition, taxpayers must specifically identify what provisions of the budget and tax levy the taxpayers are objecting to in the objecting petition. Also, this statute used to require that a large percentage of the objecting taxpayers be those that objected after the local unit's public hearing under IC 6-1.1-17-5 (discussed above), but this is no longer a requirement. This objection can be a taxpayer's first objection.

### **3. Public hearing held by DLGF**

According to IC 6-1.1-17-16(c), the DLGF is required to hold a public hearing before it reviews, revises, reduces, or increases a political subdivision's budget by fund, tax rate, or tax levy. These hearings are typically held in late fall. Taxpayers may speak at the public hearings, but the statute does not specifically provide an additional objection opportunity for taxpayers. IC 6-1.1-17-16(c) specifically requires:

#### **IC 6-1.1-17-16 Department of local government finance action on political subdivision budget, tax rate, and tax levy; hearing; limitations; appeal**

\*\*\*

(c) Except as provided in subsections (j) and (k), before the department of local government finance reviews, revises, reduces, or increases a political subdivision's budget by fund, tax rate, or tax levy under this section, the department must hold a public hearing on the budget, tax rate, and tax levy. The department of local government finance shall hold the hearing in the county in which the political subdivision is located. The department of local government finance may consider the budgets by fund, tax rates, and tax levies of several political subdivisions at the same public hearing. At least five (5) days before the date fixed for a public hearing, the department of local government finance shall give notice of the time and place of the hearing and of the budgets by fund, levies, and tax rates to be considered at the hearing. The department of local government finance shall publish the notice in two (2) newspapers of general circulation published in the county. However, if only one (1) newspaper of general circulation is published in the county, the department of local government finance shall publish the notice in that newspaper.

\*\*\*

This is not an exhaustive list of all objection opportunities for taxpayers. Taxpayers may have additional objection rights based on specific actions are taken by local units. These possible additional opportunities are not triggered unless, and until, a local unit takes a specific action. These

actions will be advertised in the local newspaper and will identify any objection rights available to taxpayers.

I hope that this information is helpful.

**Renée C. Lambermont**

Staff Attorney

Indiana Department of Local Government Finance

Indiana Government Center North

100 North Senate Avenue N1058 (B)

Indianapolis, IN 46204

**IC 6-1.1-17**

Chapter 17. Procedures for Fixing and Reviewing Budgets, Tax Rates, and Tax Levies

**IC 6-1.1-17-0.5**

**Exclusions from tax duplicate; county auditor reduction of assessed value**

Sec. 0.5. (a) For purposes of this section, "assessed value" has the meaning set forth in IC 6-1.1-1-3(a).

(b) The county auditor may exclude and keep separate on the tax duplicate for taxes payable in a calendar year the assessed value of tangible property that meets the following conditions:

(1) The assessed value of the property is at least nine percent (9%) of the assessed value of all tangible property subject to taxation by a taxing unit.

(2) The property is or has been part of a bankruptcy estate that is subject to protection under the federal bankruptcy code.

(3) The owner of the property has discontinued all business operations on the property.

(4) There is a high probability that the taxpayer will not pay property taxes due on the property in the following year.

(c) This section does not limit, restrict, or reduce in any way the property tax liability on the property.

(d) For each taxing unit located in the county, the county auditor may reduce for a calendar year the taxing unit's assessed value that is certified to the department of local government finance under section 1 of this chapter and used to set tax rates for the taxing unit for taxes first due and payable in the immediately succeeding calendar year. The county auditor may reduce a taxing unit's assessed value under this subsection only to enable the taxing unit to absorb the effects of reduced property tax collections in the immediately succeeding calendar year that are expected to result from successful appeals of the assessed value of property located in the taxing unit. The county auditor shall keep separately on the tax duplicate the amount of any reductions made under this subsection. The maximum amount of the reduction authorized under this subsection is determined under subsection (e).

(e) The amount of the reduction in a taxing unit's assessed value for a calendar year under subsection (d) may not exceed the lesser of:

(1) two percent (2%) of the assessed value of tangible property subject to assessment in the taxing unit in that calendar year; or

(2) the total amount of reductions in the assessed value of tangible property subject to assessment in the taxing unit that:

(A) applied for the assessment date in the immediately preceding year; and

(B) resulted from successful appeals of the assessed value of the property.

(f) The amount of a reduction under subsection (d) may not be offered in a proceeding before the:

(1) county property tax assessment board of appeals;

(2) Indiana board; or

(3) Indiana tax court;

as evidence that a particular parcel has been improperly assessed.

*As added by P.L.291-2001, SEC.206. Amended by P.L.154-2006, SEC.41.*

**IC 6-1.1-17-1**

**County auditor certified statement; amendment of statement**

Sec. 1. (a) On or before August 1 of each year, the county auditor shall send a certified statement, under the seal of the board of county commissioners, to the fiscal officer of each political subdivision of the county and the department of local government finance. The statement shall contain:

(1) information concerning the assessed valuation in the political subdivision for the next calendar year;

(2) an estimate of the taxes to be distributed to the political subdivision during the last six (6) months of the current calendar year;

(3) the current assessed valuation as shown on the abstract of charges;

(4) the average growth in assessed valuation in the political subdivision over the preceding three (3) budget

years, excluding years in which a general reassessment occurs, determined according to procedures established by the department of local government finance;

(5) the amount of the political subdivision's assessed valuation reduction determined under section 0.5(d) of this chapter; and

(6) any other information at the disposal of the county auditor that might affect the assessed value used in the budget adoption process.

(b) The estimate of taxes to be distributed shall be based on:

(1) the abstract of taxes levied and collectible for the current calendar year, less any taxes previously distributed for the calendar year; and

(2) any other information at the disposal of the county auditor which might affect the estimate.

(c) The fiscal officer of each political subdivision shall present the county auditor's statement to the proper officers of the political subdivision.

(d) Subject to subsection (e) and except as provided in subsection (f), after the county auditor sends a certified statement under subsection (a) or an amended certified statement under this subsection with respect to a political subdivision and before the department of local government finance certifies its action with respect to the political subdivision under section 16(f) of this chapter, the county auditor may amend the information concerning assessed valuation included in the earlier certified statement. The county auditor shall send a certified statement amended under this subsection, under the seal of the board of county commissioners, to:

(1) the fiscal officer of each political subdivision affected by the amendment; and

(2) the department of local government finance.

(e) Except as provided in subsection (g), before the county auditor makes an amendment under subsection (d), the county auditor must provide an opportunity for public comment on the proposed amendment at a public hearing. The county auditor must give notice of the hearing under IC 5-3-1. If the county auditor makes the amendment as a result of information provided to the county auditor by an assessor, the county auditor shall give notice of the public hearing to the assessor.

(f) Subsection (d) does not apply to an adjustment of assessed valuation under IC 36-7-15.1-26.9(d).

(g) The county auditor is not required to hold a public hearing under subsection (e) if:

(1) the amendment under subsection (d) is proposed to correct a mathematical error made in the determination of the amount of assessed valuation included in the earlier certified statement;

(2) the amendment under subsection (d) is proposed to add to the amount of assessed valuation included in the earlier certified statement assessed valuation of omitted property discovered after the county auditor sent the earlier certified statement; or

(3) the county auditor determines that the amendment under subsection (d) will not result in an increase in the tax rate or tax rates of the political subdivision.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.37-1992, SEC.4; P.L.49-1996, SEC.1; P.L.50-1996, SEC.1; P.L.90-2002, SEC.147; P.L.154-2006, SEC.42.*

## **IC 6-1.1-17-2**

### **Budget estimates**

Sec. 2. (a) When formulating an annual budget estimate, the proper officers of a political subdivision shall prepare an estimate of the amount of revenue which the political subdivision will receive from the state for and during the budget year for which the budget is being formulated. These estimated revenues shall be shown in the budget estimate and shall be taken into consideration in calculating the tax levy which is to be made for the ensuing calendar year. However, this section does not apply to funds to be received from the state or the federal government for:

(1) township assistance;

(2) unemployment relief;

(3) old age pensions; or

(4) other funds which may at any time be made available under "The Economic Security Act" or under any other federal act which provides for civil and public works projects.

(b) When formulating an annual budget estimate, the proper officers of a political subdivision shall prepare an estimate of the amount of revenue that the political subdivision will receive under a development agreement

(as defined in IC 36-1-8-9.5) for and during the budget year for which the budget is being formulated. Revenue received under a development agreement may not be used to reduce the political subdivision's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the political subdivision to reduce the property tax levy of the political subdivision for a particular year.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.50-1996, SEC.2; P.L.73-2005, SEC.1; P.L.199-2005, SEC.12; P.L.1-2006, SEC.135.*

### **IC 6-1.1-17-3 Version a**

#### **Notice to taxpayers of estimated budget, tax rates, tax levies, and right to appeal assessed valuation; public hearing; required appropriations**

*Note: This version of section amended by P.L.219-2007, SEC.49. See also following version of this section amended by P.L.224-2007, SEC.5.*

Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

- (1) the estimated budget;
- (2) the estimated maximum permissible levy;
- (3) the current and proposed tax levies of each fund; and
- (4) the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing. Beginning in 2009, the duties required by this subsection must be completed before August 10 of the calendar year. A political subdivision shall provide the estimated budget and levy information required for the notice under subsection (b) to the county auditor on the schedule determined by the department of local government finance.

(b) Beginning in 2009, before August 10 of a calendar year, the county auditor shall mail to the last known address of each person liable for any property taxes, as shown on the tax duplicate, or to the last known address of the most recent owner shown in the transfer book, a statement that includes:

(1) the assessed valuation as of the assessment date in the current calendar year of tangible property on which the person will be liable for property taxes first due and payable in the immediately succeeding calendar year and notice to the person of the opportunity to appeal the assessed valuation under IC 6-1.1-15-1(c);

(2) the amount of property taxes for which the person will be liable to each political subdivision on the tangible property for taxes first due and payable in the immediately succeeding calendar year, taking into account all factors that affect that liability, including:

(A) the estimated budget and proposed tax rate and tax levy formulated by the political subdivision under subsection (a);

(B) any deductions or exemptions that apply to the assessed valuation of the tangible property;

(C) any credits that apply in the determination of the tax liability; and

(D) the county auditor's best estimate of the effects on the tax liability that might result from actions of the county board of tax adjustment or the department of local government finance;

(3) a prominently displayed notation that:

(A) the estimate under subdivision (2) is based on the best information available at the time the statement is mailed; and

(B) based on various factors, including potential actions by the county board of tax adjustment or the department of local government finance, it is possible that the tax liability as finally determined will differ substantially from the estimate;

(4) comparative information showing the amount of property taxes for which the person is liable to each political subdivision on the tangible property for taxes first due and payable in the current year; and

(5) the date, time, and place at which the political subdivision will hold a public hearing on the political subdivision's estimated budget and proposed tax rate and tax levy as required under subsection (a).

(c) The department of local government finance shall:

- (1) prescribe a form for; and



(2) provide assistance to county auditors in preparing; statements under subsection (b). Mailing the statement described in subsection (b) to a mortgagee maintaining an escrow account for a person who is liable for any property taxes shall not be construed as compliance with subsection (b).

(d) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

- (1) in any county of the solid waste management district; and
- (2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

(e) The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(f) A county shall adopt with the county budget and the department of local government finance shall certify under section 16 of this chapter a tax rate sufficient to raise the levy necessary to pay the following:

(1) The cost of child services (as defined in IC 12-19-7-1) of the county payable from the family and children's fund.

(2) The cost of children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1) of the county payable from the children's psychiatric residential treatment services fund.

A budget, tax rate, or tax levy adopted by a county fiscal body or approved or modified by a county board of tax adjustment that is less than the levy necessary to pay the costs described in subdivision (1) or (2) shall not be treated as a final budget, tax rate, or tax levy under section 11 of this chapter.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.45, SEC.5; P.L.34-1994, SEC.1; P.L.33-1994, SEC.1; P.L.1-1996, SEC.41; P.L.51-1996, SEC.1; P.L.49-1996, SEC.2; P.L.2-1997, SEC.17; P.L.50-1996, SEC.3; P.L.90-2002, SEC.148; P.L.178-2002, SEC.23; P.L.256-2003, SEC.14; P.L.73-2005, SEC.2; P.L.234-2005, SEC.3; P.L.162-2006, SEC.3; P.L.219-2007, SEC.49.*

### **IC 6-1.1-17-3 Version b**

#### **Notice to taxpayers of estimated budget, tax rates, tax levies, and right to appeal assessed valuation; public hearing; required appropriations**

*Note: This version of section amended by P.L.224-2007, SEC.5. See also preceding version of this section amended by P.L.219-2007, SEC.49.*

Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

- (1) the estimated budget;
- (2) the estimated maximum permissible levy;
- (3) the current and proposed tax levies of each fund; and
- (4) the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing. Beginning in 2009, the duties required by this subsection must be completed before August 10 of the calendar year. A political subdivision shall provide the estimated budget and levy information required for the notice under subsection (b) to the county auditor on the schedule determined by the department of local government finance.

(b) Beginning in 2009, before August 10 of a calendar year, the county auditor shall mail to the last known address of each person liable for any property taxes, as shown on the tax duplicate, or to the last known address of the most recent owner shown in the transfer book, a statement that includes:

(1) the assessed valuation as of the assessment date in the current calendar year of tangible property on which the person will be liable for property taxes first due and payable in the immediately succeeding calendar year and notice to the person of the opportunity to appeal the assessed valuation under IC 6-1.1-15-1(b);

(2) the amount of property taxes for which the person will be liable to each political subdivision on the tangible property for taxes first due and payable in the immediately succeeding calendar year, taking into

account all factors that affect that liability, including:

- (A) the estimated budget and proposed tax rate and tax levy formulated by the political subdivision under subsection (a);
  - (B) any deductions or exemptions that apply to the assessed valuation of the tangible property;
  - (C) any credits that apply in the determination of the tax liability; and
  - (D) the county auditor's best estimate of the effects on the tax liability that might result from actions of:
    - (i) the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008); or
    - (ii) the department of local government finance;
  - (3) a prominently displayed notation that:
    - (A) the estimate under subdivision (2) is based on the best information available at the time the statement is mailed; and
    - (B) based on various factors, including potential actions by:
      - (i) the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008); or
      - (ii) the department of local government finance;
- it is possible that the tax liability as finally determined will differ substantially from the estimate;
- (4) comparative information showing the amount of property taxes for which the person is liable to each political subdivision on the tangible property for taxes first due and payable in the current year; and
  - (5) the date, time, and place at which the political subdivision will hold a public hearing on the political subdivision's estimated budget and proposed tax rate and tax levy as required under subsection (a).
- (c) The department of local government finance shall:
- (1) prescribe a form for; and
  - (2) provide assistance to county auditors in preparing;

statements under subsection (b). Mailing the statement described in subsection (b) to a mortgagee maintaining an escrow account for a person who is liable for any property taxes shall not be construed as compliance with subsection (b).

(d) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

- (1) in any county of the solid waste management district; and
- (2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

(e) The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(f) A county shall adopt with the county budget and the department of local government finance shall certify under section 16 of this chapter a tax rate sufficient to raise the levy necessary to pay the following:

(1) The cost of child services (as defined in IC 12-19-7-1) of the county payable from the family and children's fund.

(2) The cost of children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1) of the county payable from the children's psychiatric residential treatment services fund.

A budget, tax rate, or tax levy adopted by a county fiscal body or approved or modified by a county board of tax adjustment that is less than the levy necessary to pay the costs described in subdivision (1) or (2) shall not be treated as a final budget, tax rate, or tax levy under section 11 of this chapter.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.45, SEC.5; P.L.34-1994, SEC.1; P.L.33-1994, SEC.1; P.L.1-1996, SEC.41; P.L.51-1996, SEC.1; P.L.49-1996, SEC.2; P.L.2-1997, SEC.17; P.L.50-1996, SEC.3; P.L.90-2002, SEC.148; P.L.178-2002, SEC.23; P.L.256-2003, SEC.14; P.L.73-2005, SEC.2; P.L.234-2005, SEC.3; P.L.162-2006, SEC.3; P.L.224-2007, SEC.5.*

#### **IC 6-1.1-17-4**

##### **Repealed**

*(Repealed by Acts 1981, P.L.45, SEC.105.)*

## **IC 6-1.1-17-5 Version a**

### **Fixing budget, tax rate, and tax levy; meetings; effect of inaction**

*Note: This version of section amended by P.L.219-2007, SEC.50. See also following version of this section amended by P.L.224-2007, SEC.6.*

Sec. 5. (a) The officers of political subdivisions shall meet each year to fix the budget, tax rate, and tax levy of their respective subdivisions for the ensuing budget year as follows:

(1) The board of school trustees of a school corporation that is located in a city having a population of more than one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000), not later than:

(A) the time required in section 5.6(b) of this chapter; or

(B) September 30 if a resolution adopted under section 5.6(d) of this chapter is in effect.

(2) The proper officers of all other political subdivisions, not later than September 30.

Except in a consolidated city and county and in a second class city, the public hearing required by section 3 of this chapter must be completed at least ten (10) days before the proper officers of the political subdivision meet to fix the budget, tax rate, and tax levy. In a consolidated city and county and in a second class city, that public hearing, by any committee or by the entire fiscal body, may be held at any time after introduction of the budget.

(b) Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy of a political subdivision fixed under subsection (a) by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. The objection petition must specifically identify the provisions of the budget, tax rate, and tax levy to which the taxpayers object.

(c) If a petition is filed under subsection (b), the fiscal body of the political subdivision shall adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing.

(d) This subsection does not apply to a school corporation. Each year at least two (2) days before the first meeting of the county board of tax adjustment held under IC 6-1.1-29-4, a political subdivision shall file with the county auditor:

(1) a statement of the tax rate and levy fixed by the political subdivision for the ensuing budget year;

(2) two (2) copies of the budget adopted by the political subdivision for the ensuing budget year; and

(3) two (2) copies of any findings adopted under subsection (c).

Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting.

(e) In a consolidated city and county and in a second class city, the clerk of the fiscal body shall, notwithstanding subsection (d), file the adopted budget and tax ordinances with the county board of tax adjustment within two (2) days after the ordinances are signed by the executive, or within two (2) days after action is taken by the fiscal body to override a veto of the ordinances, whichever is later.

(f) If a fiscal body does not fix the budget, tax rate, and tax levy of the political subdivisions for the ensuing budget year as required under this section, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.57, SEC.1; Acts 1980, P.L.8, SEC.53; Acts 1981, P.L.52, SEC.2; P.L.8-1987, SEC.11; P.L.8-1989, SEC.24; P.L.81-1989, SEC.1; P.L.44-1991, SEC.2; P.L.1-1992, SEC.15; P.L.35-1994, SEC.1; P.L.34-1994, SEC.2; P.L.1-1996, SEC.42; P.L.49-1996, SEC.3; P.L.50-1996, SEC.4; P.L.96-2000, SEC.1; P.L.178-2001, SEC.1; P.L.177-2002, SEC.6; P.L.170-2002, SEC.19; P.L.178-2002,*

*SEC.24; P.L.1-2003, SEC.23; P.L.169-2006, SEC.8; P.L.219-2007, SEC.50.*

## **IC 6-1.1-17-5 Version b**

### **Fixing budget, tax rate, and tax levy; meetings; effect of inaction**

*Note: This version of section amended by P.L.224-2007, SEC.6. See also preceding version of this section amended by P.L.219-2007, SEC.50.*

Sec. 5. (a) The officers of political subdivisions shall meet each year to fix the budget, tax rate, and tax levy of their respective subdivisions for the ensuing budget year as follows:

(1) The fiscal body of a consolidated city and county, not later than the last meeting of the fiscal body in

September.

(2) The fiscal body of a municipality, not later than September 30.

(3) The board of school trustees of a school corporation that is located in a city having a population of more than one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000), not later than:

(A) the time required in section 5.6(b) of this chapter; or

(B) September 20 if a resolution adopted under section 5.6(d) of this chapter is in effect.

(4) The proper officers of all other political subdivisions, not later than September 20.

Except in a consolidated city and county and in a second class city, the public hearing required by section 3 of this chapter must be completed at least ten (10) days before the proper officers of the political subdivision meet to fix the budget, tax rate, and tax levy. In a consolidated city and county and in a second class city, that public hearing, by any committee or by the entire fiscal body, may be held at any time after introduction of the budget.

(b) Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy of a political subdivision fixed under subsection (a) by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. The objection petition must specifically identify the provisions of the budget, tax rate, and tax levy to which the taxpayers object.

(c) If a petition is filed under subsection (b), the fiscal body of the political subdivision shall adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing.

(d) This subsection does not apply to a school corporation. Each year at least two (2) days before the first meeting after September 20 of the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) held under IC 6-1.1-29-4, a political subdivision shall file with the county auditor:

(1) a statement of the tax rate and levy fixed by the political subdivision for the ensuing budget year;

(2) two (2) copies of the budget adopted by the political subdivision for the ensuing budget year; and

(3) two (2) copies of any findings adopted under subsection (c).

Each year the county auditor shall present these items to the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) at the board's first meeting under IC 6-1.1-29-4 after September 20 of that year.

(e) In a consolidated city and county and in a second class city, the clerk of the fiscal body shall, notwithstanding subsection (d), file the adopted budget and tax ordinances with the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) within two (2) days after the ordinances are signed by the executive, or within two (2) days after action is taken by the fiscal body to override a veto of the ordinances, whichever is later.

(f) If a fiscal body does not fix the budget, tax rate, and tax levy of the political subdivisions for the ensuing budget year as required under this section, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.57, SEC.1; Acts 1980, P.L.8, SEC.53; Acts 1981, P.L.52, SEC.2; P.L.8-1987, SEC.11; P.L.8-1989, SEC.24; P.L.81-1989, SEC.1; P.L.44-1991, SEC.2; P.L.1-1992, SEC.15; P.L.35-1994, SEC.1; P.L.34-1994, SEC.2; P.L.1-1996, SEC.42; P.L.49-1996, SEC.3; P.L.50-1996, SEC.4; P.L.96-2000, SEC.1; P.L.178-2001, SEC.1; P.L.177-2002, SEC.6; P.L.170-2002, SEC.19; P.L.178-2002, SEC.24; P.L.1-2003, SEC.23; P.L.169-2006, SEC.8; P.L.224-2007, SEC.6.*

#### **IC 6-1.1-17-5.1**

##### **Repealed**

*(Repealed by P.L.96-2000, SEC.8.)*

#### **IC 6-1.1-17-5.6 Version a**

##### **School corporations; certain cities**

*Note: This version of section amended by P.L.219-2007, SEC.51. See also following version of this section amended by P.L.224-2007, SEC.7.*

Sec. 5.6. (a) This section applies only to a school corporation that is located in a city having a population of more than one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000).

(b) Before February 1 of each year, the officers of the school corporation shall meet to fix the budget for the school corporation for the ensuing budget year, with notice given by the same officers. However, if a resolution adopted under subsection (d) is in effect, the officers shall meet to fix the budget for the ensuing budget year before September 30.

(c) Each year, at least two (2) days before the first meeting of the county board of tax adjustment held under IC 6-1.1-29-4, the school corporation shall file with the county auditor:

- (1) a statement of the tax rate and tax levy fixed by the school corporation for the ensuing budget year;
- (2) two (2) copies of the budget adopted by the school corporation for the ensuing budget year; and

(3) any written notification from the department of local government finance under section 16(i) of this chapter that specifies a proposed revision, reduction, or increase in the budget adopted by the school corporation for the ensuing budget year.

Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting.

(d) The governing body of the school corporation may adopt a resolution to cease using a school year budget year and return to using a calendar year budget year. A resolution adopted under this subsection must be adopted after January 1 and before July 1. The school corporation's initial calendar year budget year following the adoption of a resolution under this subsection begins on January 1 of the year following the year the resolution is adopted. The first six (6) months of the initial calendar year budget for the school corporation must be consistent with the last six (6) months of the final school year budget fixed by the department of local government finance before the adoption of a resolution under this subsection.

(e) A resolution adopted under subsection (d) may be rescinded by a subsequent resolution adopted by the governing body. If the governing body of the school corporation rescinds a resolution adopted under subsection (d) and returns to a school year budget year, the school corporation's initial school year budget year begins on July 1 following the adoption of the rescinding resolution and ends on June 30 of the following year. The first six (6) months of the initial school year budget for the school corporation must be consistent with the last six (6) months of the last calendar year budget fixed by the department of local government finance before the adoption of a rescinding resolution under this subsection.

*As added by P.L.178-2001, SEC.2. Amended by P.L.90-2002, SEC.149; P.L.177-2002, SEC.7; P.L.219-2007, SEC.51.*

## **IC 6-1.1-17-5.6 Version b**

### **School corporations; certain cities**

*Note: This version of section amended by P.L.224-2007, SEC.7. See also preceding version of this section amended by P.L.219-2007, SEC.51.*

Sec. 5.6. (a) This section applies only to a school corporation that is located in a city having a population of more than one hundred five thousand (105,000) but less than one hundred twenty thousand (120,000).

(b) Before February 1 of each year, the officers of the school corporation shall meet to fix the budget for the school corporation for the ensuing budget year, with notice given by the same officers. However, if a resolution adopted under subsection (d) is in effect, the officers shall meet to fix the budget for the ensuing budget year before September 20.

(c) Each year, at least two (2) days before the first meeting after September 20 of the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) held under IC 6-1.1-29-4, the school corporation shall file with the county auditor:

- (1) a statement of the tax rate and tax levy fixed by the school corporation for the ensuing budget year;
- (2) two (2) copies of the budget adopted by the school corporation for the ensuing budget year; and

(3) any written notification from the department of local government finance under section 16(i) of this chapter that specifies a proposed revision, reduction, or increase in the budget adopted by the school corporation for the ensuing budget year.

Each year the county auditor shall present these items to the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) at the board's first meeting after September 20 of that year.

(d) The governing body of the school corporation may adopt a resolution to cease using a school year budget

year and return to using a calendar year budget year. A resolution adopted under this subsection must be adopted after January 1 and before July 1. The school corporation's initial calendar year budget year following the adoption of a resolution under this subsection begins on January 1 of the year following the year the resolution is adopted. The first six (6) months of the initial calendar year budget for the school corporation must be consistent with the last six (6) months of the final school year budget fixed by the department of local government finance before the adoption of a resolution under this subsection.

(e) A resolution adopted under subsection (d) may be rescinded by a subsequent resolution adopted by the governing body. If the governing body of the school corporation rescinds a resolution adopted under subsection (d) and returns to a school year budget year, the school corporation's initial school year budget year begins on July 1 following the adoption of the rescinding resolution and ends on June 30 of the following year. The first six (6) months of the initial school year budget for the school corporation must be consistent with the last six (6) months of the last calendar year budget fixed by the department of local government finance before the adoption of a rescinding resolution under this subsection.

*As added by P.L.178-2001, SEC.2. Amended by P.L.90-2002, SEC.149; P.L.177-2002, SEC.7; P.L.224-2007, SEC.7.*

### **IC 6-1.1-17-6**

#### **Review by county board; revision**

Sec. 6. (a) The county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) shall review the budget, tax rate, and tax levy of each political subdivision filed with the county auditor under section 5 or 5.6 of this chapter. The board shall revise or reduce, but not increase, any budget, tax rate, or tax levy in order:

(1) to limit the tax rate to the maximum amount permitted under IC 6-1.1-18; and

(2) to limit the budget to the amount of revenue to be available in the ensuing budget year for the political subdivision.

(b) The county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) shall make a revision or reduction in a political subdivision's budget only with respect to the total amounts budgeted for each office or department within each of the major budget classifications prescribed by the state board of accounts.

(c) When the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) makes a revision or reduction in a budget, tax rate, or tax levy, it shall file with the county auditor a written order which indicates the action taken. If the board reduces the budget, it shall also indicate the reason for the reduction in the order. The chairman of the county board shall sign the order.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.50-1996, SEC.6; P.L.178-2001, SEC.3; P.L.224-2007, SEC.8.*

### **IC 6-1.1-17-7**

#### **Multiple county political subdivision; filing budget, tax levy, and tax rate; jurisdiction**

Sec. 7. If the boundaries of a political subdivision cross one (1) or more county lines, the budget, tax levy, and tax rate fixed by the political subdivision shall be filed with the county auditor of each affected county in the manner prescribed in section 5 or 5.6 of this chapter. The board of tax adjustment of the county which contains the largest portion of the value of property taxable by the political subdivision, as determined from the abstracts of taxable values last filed with the auditor of state, has jurisdiction over the budget, tax rate, and tax levy to the same extent as if the property taxable by the political subdivision were wholly within the county. The secretary of the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) shall notify the county auditor of each affected county of the action of the board. Appeals from actions of the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) may be initiated in any affected county.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.50-1996, SEC.7; P.L.178-2001, SEC.4; P.L.224-2007, SEC.9.*

### **IC 6-1.1-17-8**

#### **Maximum aggregate tax rate; inadequacy; recommendations**

Sec. 8. (a) If the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) determines that the maximum aggregate tax rate permitted within a political subdivision under IC 6-1.1-18 is inadequate, the county board shall, subject to the limitations prescribed in IC 20-45-4, file its written recommendations in duplicate with the county auditor. The board shall include with its recommendations:

- (1) an analysis of the aggregate tax rate within the political subdivision;
- (2) a recommended breakdown of the aggregate tax rate among the political subdivisions whose tax rates compose the aggregate tax rate within the political subdivision; and
- (3) any other information that the county board considers relevant to the matter.

(b) The county auditor shall forward one (1) copy of the county board's recommendations to the department of local government finance and shall retain the other copy in the county auditor's office. The department of local government finance shall, in the manner prescribed in section 16 of this chapter, review the budgets by fund, tax rates, and tax levies of the political subdivisions described in subsection (a)(2).

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.150; P.L.228-2005, SEC.19; P.L.2-2006, SEC.37; P.L.224-2007, SEC.10.*

### **IC 6-1.1-17-8.5**

#### **Review by department if assessed value reduced; appeal**

Sec. 8.5. (a) If a county auditor reduces a taxing unit's assessed valuation under section 0.5(d) of this chapter, the department of local government finance shall, in the manner prescribed in section 16 of this chapter, review the budget, tax rate, and tax levy of the taxing unit.

(b) The county auditor may appeal to the department of local government finance to reduce a taxing unit's assessed valuation by an amount that exceeds the limits set forth in section 0.5(e) of this chapter. The department of local government finance:

- (1) may require the county auditor to submit supporting information with the county auditor's appeal;
- (2) shall consider the appeal at the time of the review required by subsection (a); and
- (3) may approve, modify and approve, or reject the amount of the reduction sought in the appeal.

*As added by P.L.154-2006, SEC.43.*

### **IC 6-1.1-17-9**

#### **County board; failure to act**

Sec. 9. (a) The county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) shall complete the duties assigned to it under this chapter on or before October 1st of each year, except that in a consolidated city and county and in a county containing a second class city, the duties of this board need not be completed until November 1 of each year.

(b) If the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008) fails to complete the duties assigned to it within the time prescribed in this section or to reduce aggregate tax rates so that they do not exceed the maximum rates permitted under IC 6-1.1-18, the county auditor shall calculate and fix the tax rate within each political subdivision of the county so that the maximum rate permitted under IC 6-1.1-18 is not exceeded.

(c) When the county auditor calculates and fixes tax rates, the county auditor shall send a certificate notice of those rates to each political subdivision of the county. The county auditor shall send these notices within five (5) days after publication of the notice required by section 12 of this chapter.

(d) When the county auditor calculates and fixes tax rates, that action shall be treated as if it were the action of the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008).

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.52, SEC.3; P.L.44-1991, SEC.3; P.L.224-2007, SEC.11.*

### **IC 6-1.1-17-10**

#### **Maximum aggregate tax rate; exceeding; procedure**

Sec. 10. When the aggregate tax rate within a political subdivision, as approved or modified by the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008), exceeds the maximum aggregate tax rate prescribed in IC 6-1.1-18-3(a), the county auditor shall certify the budgets, tax rates, and tax levies of the political subdivisions whose tax rates compose the aggregate tax rate within the political subdivision, as approved or modified by the county board, to the department of local government finance for final review. For purposes of this section, the maximum aggregate tax rate limit exceptions provided in IC 6-1.1-18-3(b) do not apply.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.151; P.L.224-2007, SEC.12.*

### **IC 6-1.1-17-11**

#### **Final budget, tax rate, and tax levy; appeal and review**

Sec. 11. A budget, tax rate, or tax levy of a political subdivision, as approved or modified by the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008), is final unless:

- (1) action is taken by the county auditor in the manner provided under section 9 of this chapter;
- (2) the action of the county board is subject to review by the department of local government finance under section 8 or 10 of this chapter; or
- (3) an appeal to the department of local government finance is

initiated with respect to the budget, tax rate, or tax levy.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.50-1996, SEC.8; P.L.90-2002, SEC.152; P.L.224-2007, SEC.13.*

### **IC 6-1.1-17-12**

#### **Notice to taxpayers of final tax rates**

Sec. 12. As soon as the budgets, tax rates, and tax levies are approved or modified by the county board of tax adjustment (before January 1, 2009) or the county board of tax and capital projects review (after December 31, 2008), the county auditor shall within fifteen (15) days prepare a notice of the tax rates to be charged on each one hundred dollars (\$100) of assessed valuation for the various funds in each taxing district. The notice shall also inform the taxpayers of the manner in which they may initiate an appeal of the county board's action. The county auditor shall post the notice at the county courthouse and publish it in two (2) newspapers which represent different political parties and which have a general circulation in the county.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1981, P.L.52, SEC.4; P.L.224-2007, SEC.14.*

### **IC 6-1.1-17-13**

#### **Appeal by taxpayers**

Sec. 13. (a) Ten (10) or more taxpayers or one (1) taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision may initiate an appeal from the county board of tax adjustment's action on a political subdivision's budget by filing a statement of their objections with the county auditor. The statement must be filed not later than ten (10) days after the publication of the notice required by section 12 of this chapter. The statement shall specifically identify the provisions of the budget and tax levy to which the taxpayers object. The county auditor shall forward the statement, with the budget, to the department of local government finance.

(b) The department of local government finance shall:

- (1) subject to subsection (c), give notice to the first ten (10) taxpayers whose names appear on the petition, or to the taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision in the case of an appeal initiated by that taxpayer, of the date, time, and location of the hearing on the objection statement filed under subsection (a);
- (2) conduct a hearing on the objection; and
- (3) after the hearing:



- (A) consider the testimony and evidence submitted at the hearing; and
  - (B) mail the department's:
    - (i) written determination; and
    - (ii) written statement of findings;
- to the first ten (10) taxpayers whose names appear on the

petition, or to the taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision in the case of an appeal initiated by that taxpayer. The department of local government finance may hold the hearing in conjunction with the hearing required under IC 6-1.1-17-16.

(c) The department of local government finance shall provide written notice to:

(1) the first ten (10) taxpayers whose names appear on the petition; or

(2) the taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision, in the case of an appeal initiated by that taxpayer; at least five (5) days before the date of the hearing.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.153; P.L.178-2002, SEC.25; P.L.1-2003, SEC.24; P.L.228-2005, SEC.20.*

#### **IC 6-1.1-17-14**

##### **Appeal by county auditor if tax rate is below rate needed**

Sec. 14. The county auditor shall initiate an appeal to the department of local government finance if the county fiscal body, the county board of tax adjustment (before January 1, 2009), or the county board of tax and capital projects review (after December 31, 2008) reduces:

(1) a township assistance tax rate below the rate necessary to meet the estimated cost of township assistance;

(2) a family and children's fund tax rate below the rate necessary to collect the levy recommended by the department of child services; or

(3) a children's psychiatric residential treatment services fund tax rate below the rate necessary to collect the levy recommended by the department of child services.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.90-2002, SEC.154; P.L.73-2005, SEC.3; P.L.234-2005, SEC.4; P.L.224-2007, SEC.15.*

#### **IC 6-1.1-17-15**

##### **Appeal by political subdivisions to raise tax rate or tax levy**

Sec. 15. A political subdivision may appeal to the department of local government finance for an increase in its tax rate or tax levy as fixed by the county board of tax adjustment (before January 1, 2009), the county board of tax and capital projects review (after December 31, 2008), or the county auditor. To initiate the appeal, the political subdivision must file a statement with the department of local government finance not later than ten (10) days after publication of the notice required by section 12 of this chapter. The legislative body of the political subdivision must authorize the filing of the statement by adopting a resolution. The resolution must be attached to the statement of objections, and the statement must be signed by the following officers:

(1) In the case of counties, by the board of county commissioners and by the president of the county council.

(2) In the case of all other political subdivisions, by the highest executive officer and by the presiding officer of the legislative body.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.41-1993, SEC.18; P.L.90-2002, SEC.155; P.L.224-2007, SEC.16.*

#### **IC 6-1.1-17-16**

##### **Department of local government finance action on political subdivision budget, tax rate, and tax levy; hearing; limitations; appeal**

Sec. 16. (a) Subject to the limitations and requirements prescribed in this section, the department of local government finance may revise, reduce, or increase a political subdivision's budget by fund, tax rate, or tax levy

which the department reviews under section 8 or 10 of this chapter.

(b) Subject to the limitations and requirements prescribed in this section, the department of local government finance may review, revise, reduce, or increase the budget by fund, tax rate, or tax levy of any of the political subdivisions whose tax rates compose the aggregate tax rate within a political subdivision whose budget, tax rate, or tax levy is the subject of an appeal initiated under this chapter.

(c) Except as provided in subsections (j) and (k), before the department of local government finance reviews, revises, reduces, or increases a political subdivision's budget by fund, tax rate, or tax levy under this section, the department must hold a public hearing on the budget, tax rate, and tax levy. The department of local government finance shall hold the hearing in the county in which the political subdivision is located. The department of local government finance may consider the budgets by fund, tax rates, and tax levies of several political subdivisions at the same public hearing. At least five (5) days before the date fixed for a public hearing, the department of local government finance shall give notice of the time and place of the hearing and of the budgets by fund, levies, and tax rates to be considered at the hearing. The department of local government finance shall publish the notice in two (2) newspapers of general circulation published in the county. However, if only one (1) newspaper of general circulation is published in the county, the department of local government finance shall publish the notice in that newspaper.

(d) Except as provided in subsection (i), IC 20-45, IC 20-46, or IC 6-1.1-18.5, the department of local government finance may not increase a political subdivision's budget by fund, tax rate, or tax levy to an amount which exceeds the amount originally fixed by the political subdivision. However, if the department of local government finance determines that IC 5-3-1-2.3(b) applies to the tax rate, tax levy, or budget of the political subdivision, the maximum amount by which the department may increase the tax rate, tax levy, or budget is the amount originally fixed by the political subdivision, and not the amount that was incorrectly published or omitted in the notice described in IC 5-3-1-2.3(b). The department of local government finance shall give the political subdivision written notification specifying any revision, reduction, or increase the department proposes in a political subdivision's tax levy or tax rate. The political subdivision has two (2) weeks from the date the political subdivision receives the notice to provide a written response to the department of local government finance's Indianapolis office. The response may include budget reductions, reallocation of levies, a revision in the amount of miscellaneous revenues, and further review of any other item about which, in the view of the political subdivision, the department is in error. The department of local government finance shall consider the adjustments as specified in the political subdivision's response if the response is provided as required by this subsection and shall deliver a final decision to the political subdivision.

(e) The department of local government finance may not approve a levy for lease payments by a city, town, county, library, or school corporation if the lease payments are payable to a building corporation for use by the building corporation for debt service on bonds and if:

(1) no bonds of the building corporation are outstanding; or

(2) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular lease rental levy requested.

(f) The department of local government finance shall certify its action to:

(1) the county auditor;

(2) the political subdivision if the department acts pursuant to an appeal initiated by the political subdivision;

(3) the taxpayer that initiated an appeal under section 13 of this chapter, or, if the appeal was initiated by multiple taxpayers, the first ten (10) taxpayers whose names appear on the statement filed to initiate the appeal; and

(4) a taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

(g) The following may petition for judicial review of the final determination of the department of local government finance under subsection (f):

(1) If the department acts under an appeal initiated by a political subdivision, the political subdivision.

(2) If the department:

(A) acts under an appeal initiated by one (1) or more taxpayers under section 13 of this chapter; or

(B) fails to act on the appeal before the department certifies its action under subsection (f); a taxpayer who signed the statement filed to initiate the appeal.

(3) If the department acts under an appeal initiated by the county auditor under section 14 of this chapter, the county auditor.

(4) A taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (f).

(h) The department of local government finance is expressly directed to complete the duties assigned to it under this section not later than February 15th of each year for taxes to be collected during that year.

(i) Subject to the provisions of all applicable statutes, the department of local government finance may increase a political subdivision's tax levy to an amount that exceeds the amount originally fixed by the political subdivision if the increase is:

(1) requested in writing by the officers of the political subdivision;

(2) either:

(A) based on information first obtained by the political subdivision after the public hearing under section 3 of this chapter; or

(B) results from an inadvertent mathematical error made in determining the levy; and

(3) published by the political subdivision according to a notice provided by the department.

(j) The department of local government finance shall annually review the budget by fund of each school corporation not later than April 1. The department of local government finance shall give the school corporation written notification specifying any revision, reduction, or increase the department proposes in the school corporation's budget by fund. A public hearing is not required in connection with this review of the budget.

(k) The department of local government finance may hold a hearing under subsection (c) only if the notice required in section 12 of this chapter is published at least ten (10) days before the date of the hearing.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.73-1983, SEC.7; P.L.35-1990, SEC.7; P.L.35-1994, SEC.2; P.L.85-1995, SEC.3; P.L.86-1995, SEC.5; P.L.49-1996, SEC.4; P.L.50-1996, SEC.9; P.L.90-2002, SEC.156; P.L.256-2003, SEC.15; P.L.228-2005, SEC.21; P.L.2-2006, SEC.38; P.L.154-2006, SEC.44; P.L.169-2006, SEC.9; P.L.1-2007, SEC.42.*

## **IC 6-1.1-17-16.5**

### **Cumulative building or sinking fund proposal; action by department of local government finance**

Sec. 16.5. This section applies in each case in which the department of local government finance has the power to approve or disapprove the tax levy for a cumulative building or sinking fund proposed to be established by a political subdivision. The department may:

(1) approve the tax levy;

(2) disapprove the tax levy; or

(3) modify the tax levy by approving it at any amount less than the tax levy proposed to be established.

*As added by Acts 1981, P.L.11, SEC.23. Amended by P.L.90-2002, SEC.157.*

## **IC 6-1.1-17-16.7**

### **Proposals to establish cumulative funds or sinking funds; submission to department of local government finance**

Sec. 16.7. (a) A political subdivision that in any year adopts a proposal to establish a cumulative fund or sinking fund under any of the following provisions must submit the proposal to the department of local government finance before August 2 of that year:

IC 3-11-6

IC 8-10-5

IC 8-16-3

IC 8-16-3.1

IC 8-22-3

IC 14-27-6

IC 14-33-21  
IC 16-22-5  
IC 16-22-8  
IC 36-8-14  
IC 36-9-4  
IC 36-9-14  
IC 36-9-14.5  
IC 36-9-15  
IC 36-9-15.5  
IC 36-9-16  
IC 36-9-17  
IC 36-9-26  
IC 36-9-27  
IC 36-10-3  
IC 36-10-4  
IC 36-10-7.5

(b) If a proposal described in subsection (a) is not submitted to the department of local government finance before August 2 of a year, the political subdivision may not levy a tax for the cumulative fund or sinking fund in the ensuing year.

*As added by P.L.41-1993, SEC.17. Amended by P.L.2-1995, SEC.23; P.L.1-1995, SEC.45; P.L.90-2002, SEC.158.*

#### **IC 6-1.1-17-17**

##### **Increase in tax rate and levy by department of local government finance**

Sec. 17. Subject to the limitations contained in IC 6-1.1-19,

IC 6-1.1-18.5, IC 20-45, and IC 20-46, the department of local government finance may at any time increase the tax rate and tax levy of a political subdivision for the following reasons:

(1) To pay the principal or interest upon a funding, refunding, or judgment funding obligation of a political subdivision.

(2) To pay the interest or principal upon an outstanding obligation of the political subdivision.

(3) To pay a judgment rendered against the political subdivision.

(4) To pay lease rentals that have become an obligation of the political subdivision under IC 20-47-2 or IC 20-47-3.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.73-1983, SEC.8; P.L.90-2002, SEC.159; P.L.2-2006, SEC.39.*

#### **IC 6-1.1-17-18**

##### **Repealed**

*(Repealed by P.L.273-1999, SEC.66.)*

#### **IC 6-1.1-17-19**

##### **Conflicting provisions**

Sec. 19. If there is a conflict between the provisions of this chapter and the provisions of IC 6-1.1-19, IC 6-1.1-18.5, IC 20-45, or IC 20-46, the provisions of IC 6-1.1-19, IC 6-1.1-18.5, IC 20-45, and IC 20-46 control with respect to the adoption of, review of, and limitations on budgets, tax rates, and tax levies.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.73-1983, SEC.9; P.L.2-2006, SEC.40.*

#### **IC 6-1.1-17-20**

##### **Appointed governing boards; proposed property tax levy; approval**

Sec. 20. (a) This section applies:

(1) to each governing body of a taxing unit that is not comprised of a majority of officials who are elected

to serve on the governing body; and

(2) if the proposed property tax levy:

(A) for the taxing unit (other than a public library) for the ensuing calendar year is more than five percent (5%) greater than the property tax levy for the taxing unit for the current calendar year; or

(B) for the operating budget of a public library for the ensuing calendar year is more than five percent (5%) greater than the property tax levy for the operating budget of the public library for the current calendar year.

(b) As used in this section, "taxing unit" has the meaning set forth in IC 6-1.1-1-21, except that the term does not include:

(1) a school corporation; or

(2) an entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.

(c) This subsection does not apply to a public library. If:

---

(1) the assessed valuation of a taxing unit is entirely contained within a city or town; or

(2) the assessed valuation of a taxing unit is not entirely contained within a city or town but the taxing unit was originally established by the city or town;

the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body. The proposed budget and levy shall be submitted at least fourteen (14) days before the city or town fiscal body is required to hold budget approval hearings under this chapter.

(d) This subsection does not apply to a public library. If subsection (c) does not apply, the governing body of the taxing unit shall submit its proposed budget and property tax levy to the county fiscal body in the county where the taxing unit has the most assessed valuation. The proposed budget and levy shall be submitted at least fourteen (14) days before the county fiscal body is required to hold budget approval hearings under this chapter.

(e) This subsection applies to a public library. The library board of a public library subject to this section shall submit its proposed budget and property tax levy to the fiscal body designated under IC 36-12-14.

(f) Subject to subsection (g), the fiscal body of the city, town, or county (whichever applies) or the fiscal body designated under IC 36-12-14 (in the case of a public library) shall review each budget and proposed tax levy and adopt a final budget and tax levy for the taxing unit. The fiscal body may reduce or modify but not increase the proposed budget or tax levy.

(g) A fiscal body's review under subsection (f) is limited to the proposed operating budget of the public library and the proposed property tax levy for the library's operating budget.

*As added by P.L.25-1995, SEC.26. Amended by P.L.1-2004, SEC.19 and P.L.23-2004, SEC.20; P.L.199-2005, SEC.13; P.L.227-2005, SEC.5; P.L.1-2006, SEC.136.*

## **IC 6-1.1-17-21**

### **Powers and duties of city controller in consolidated city**

Sec. 21. Notwithstanding any other law, in a county having a consolidated city, the city controller of the consolidated city has all the powers and shall perform all the duties assigned to county auditors under this chapter related to the fixing and reviewing of budgets, tax rates, and tax levies.

*As added by P.L.227-2005, SEC.6.*