PROPOSED AMENDMENT
SB 1 # 17

DIGEST

Various changes. Removes the provisions that would amend the homestead standard deduction and repeal the supplemental homestead deduction. Removes the provision that would provide a maximum property tax liability credit for all taxable real property. Makes changes to the provisions regarding referendums. Amends the ballot language for school operating and school public safety referendums. Adds provisions to authorize a county fiscal body to adopt an ordinance to establish a property tax payment deferral program (program). Provides that a qualified individual participating in the program may defer the payment of part of the property taxes that would otherwise be due on a homestead. Defines "qualified individual". Provides that property taxes deferred under the program are due after the occurrence of a deferral termination event. Provides that the maximum amount of taxes that may be deferred cumulatively year over year may not exceed $10,000. Amends a capitalization rate percentage under the statewide agricultural land base rate determination. Amends the percentage cap used to determine the maximum levy growth quotient (MLGQ) to equal: (1) 0% in 2026; (2) 1% in 2027; and (3) 2% in 2028. Beginning with property taxes first due and payable in 2029, amends the calculation of the MLGQ to provide a new methodology. Specifies that the MLGQ calculation is determined for the county and each civil taxing unit within the county based on specified criteria. Provides the calculation of the MLGQ for civil taxing units with territory in more than one county. Makes certain changes to the qualification requirements and credit amount for the over 65 circuit breaker credit and the property tax deduction for persons 65 years of age or older. Makes certain changes to the qualification requirements and deduction amount for the property tax deduction for disabled veterans who are either totally disabled or at least 62 years of age with a partial disability. Establishes a property tax credit for an individual who is a first time home buyer for the first five consecutive calender years in which the individual has property tax liability for the individual's homestead. Specifies the amount of the credit. Provides qualification requirements for the credit based on the individual's annual income and the homestead's assessed value. Provides that specified referendums may be placed on the ballot only at a general election. Provides that a school corporation may not adopt a resolution to place a controlled project referendum on the ballot during the second calendar year after the final calendar year in which a previously approved controlled project referendum levy is imposed. Places restrictions on the issuance of certain general obligation bonds. Provides that, notwithstanding any growth in a political subdivision's assessed value in the previous year, a political subdivision's ad valorem property tax levy shall not exceed the ad valorem property tax levy for its last preceding annual budget, unless the fiscal body of the political subdivision adopts an affirmative tax rate and tax levy increase by ordinance following a separate public hearing. Requires a resulting decrease in tax rates for each political subdivision in which there was an increase in the political subdivision's assessed value in the previous year, subject to any affirmative tax rate and tax levy increase adopted by the fiscal body of the political subdivision. Phases out the authority for the department of local government finance to permit an excess tax levy that is based on assessed value growth, related to a revenue shortfall, school transportation costs, and other circumstances. Retains the provisions that permit an excess tax levy if the civil taxing unit cannot carry out its governmental functions and in the case of annexation. Creates a new referendum for all political subdivisions (but places additional restrictions on a school corporation's ability to use the referendum) to use to place a referendum on the ballot to impose a referendum tax levy for one year. Sets forth the procedures for holding the referendum. Specifies that a referendum using the procedure may be placed only on the ballot for a general election. Specifies the permissible uses of money collected from the referendum levy. Provides that school corporations may only place a referendum or local public question on the ballot only at a general election.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 3-10-9-3, AS AMENDED BY P.L.225-2011, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. **(a) Except as provided in subsection (b),** if a local public question must be certified to an election board by law, that certification must occur no later than noon:

(1) seventy-four (74) days before a primary election if the public question is to be placed on the primary or municipal primary election ballot; or

(2) August 1 if the public question is to be placed on the general or municipal election ballot.

(b) A referendum or local public question:

(1) under IC 20-46-1;

(2) under IC 20-46-9; or

(3) under IC 6-1.1-20 for controlled projects;

may be placed on the ballot only at a general election. Certification of a local public question under this subsection must occur not later than noon August 1.

SECTION 2. IC 5-1-14-17 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 17. (a) This section applies to a qualified political subdivision.**

(b) As used this section, "general obligation bond" means a bond issued for a short term period of not more than five (5) years and payable from property taxes for a purpose or project that is not a controlled project (as defined in IC 6-1.1-20-1.1) for which the bond is not required to be issued using the procedures in IC 6-1.1-20.

(c) As used in this section, "qualified political subdivision" means a county, city, town, township, or school corporation.

(d) Notwithstanding any other law, and except as provided in subsection (e), if a qualified political subdivision issues new general obligation bonds after December 31, 2024, and before May 1, 2025, then at the expiration of those general obligation bonds, the qualified political subdivision must wait two (2) years from that date before the qualified political subdivision may issue general

obligation bonds.

(e) Subsection (d) shall not apply to a qualified political subdivision in the case of a natural disaster, an accident, or another unanticipated emergency as determined by the department of local government finance.

SECTION 3. IC 6-1.1-4-4.5, AS AMENDED BY P.L.8-2022, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026]: Sec. 4.5. (a) The department of local government finance shall adopt rules establishing a system for annually adjusting the assessed value of real property to account for changes in value in those years since a reassessment under section 4.2 of this chapter for the property last took effect.

(b) Subject to subsection (f), the system must be applied to adjust assessed values beginning with the 2006 assessment date and each year thereafter that is not a year in which a reassessment under section 4.2 of this chapter for the property becomes effective.

(c) The rules adopted under subsection (a) must include the following characteristics in the system:

(1) Promote uniform and equal assessment of real property within and across classifications.

(2) Require that assessing officials:

(A) reevaluate the factors that affect value;

(B) express the interactions of those factors mathematically;

(C) use mass appraisal techniques to estimate updated property values within statistical measures of accuracy; and

(D) provide notice to taxpayers of an assessment increase that results from the application of annual adjustments.

(3) Prescribe procedures that permit the application of the adjustment percentages in an efficient manner by assessing officials.

(d) The department of local government finance must review and certify each annual adjustment determined under this section.

(e) For an assessment beginning after December 31, 2022, agricultural improvements such as but not limited to barns, grain bins, or silos on land assessed as agricultural shall not be adjusted using factors, such as neighborhood delineation, that are appropriate for use in adjusting residential, commercial, and industrial real property. Those portions of agricultural parcels that include land and buildings not used for an agricultural purpose, such as homes, homesites, and excess residential land and commercial or industrial land and buildings, shall be adjusted by the factor or factors developed for other similar property within the geographic stratification. The residential portion of agricultural properties shall be adjusted by the factors applied to similar residential purposes.

(f) In making the annual determination of the base rate to satisfy the requirement for an annual adjustment for each assessment date, the department of local government finance shall not later than March 1 of each year determine the base rate using the methodology reflected in Table 2-18 of Book 1, Chapter 2 of the department of local government finance's Real Property Assessment Guidelines (as in effect on January 1, 2005), except that the department shall adjust the methodology as follows:

(1) Use a six (6) year rolling average adjusted under subdivision (3) instead of a four (4) year rolling average.

(2) Use the data from the six (6) most recent years preceding the year in which the assessment date occurs for which data is available, before one (1) of those six (6) years is eliminated under subdivision (3) when determining the rolling average.

(3) Eliminate in the calculation of the rolling average the year among the six (6) years for which the highest market value in use of agricultural land is determined.

(4) After determining a preliminary base rate that would apply for the assessment date without applying the adjustment under this subdivision, the department of local government finance shall adjust the preliminary base rate as follows:

(A) If the preliminary base rate for the assessment date would be at least ten percent (10%) greater than the final base rate determined for the preceding assessment date, a capitalization rate of ~~eight percent (8%)~~ **nine percent (9%)** shall be used to determine the final base rate.

(B) If the preliminary base rate for the assessment date would be at least ten percent (10%) less than the final base rate determined for the preceding assessment date, a capitalization rate of six percent (6%) shall be used to determine the final base rate.

(C) If neither clause (A) nor clause (B) applies, a capitalization rate of seven percent (7%) shall be used to determine the final base rate.

(D) In the case of a market value in use for a year that is used in the calculation of the six (6) year rolling average under subdivision (1) for purposes of determining the base rate for the assessment date:

(i) that market value in use shall be recalculated by using the capitalization rate determined under clauses (A) through (C) for the calculation of the base rate for the assessment date; and

(ii) the market value in use recalculated under item (i) shall be used in the calculation of the six (6) year rolling average under subdivision (1).

(g) For assessment dates after December 31, 2009, an adjustment in the assessed value of real property under this section shall be based on the estimated true tax value of the property on the assessment date that is the basis for taxes payable on that real property.

(h) The department shall release the department's annual determination of the base rate on or before March 1 of each year.

SECTION 4. IC 6-1.1-10.2 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]:

Chapter 10.2. First Time Home Buyer's Property Tax Credit

Sec. 1. As used in this chapter, "first time home buyer" means an individual who has not had an ownership interest in a home at any time preceding the date on which the individual purchases a home.

Sec. 2. As used in this chapter, "home" means an individual's principal place of residence.

Sec. 3. As used in this chapter, "household income" means the adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of an individual, or if applicable, the combined adjusted gross income of the individual and the individual's spouse if the spouse resides with the individual.

Sec. 4. This chapter applies to an individual:

(1) who is a first time home buyer;

(2) who qualifies for a standard deduction granted under IC 6-1.1-12-37 for the individual's homestead property in the current calendar year;

(3) who had household income not exceeding seventy-five thousand dollars ($75,000) for the calendar year preceding by two (2) years the calendar year in which property taxes are first due and payable; and

(4) for which the assessed value of the individual's Indiana

real property is not more than two hundred fifty thousand dollars ($250,000), and beginning for the January 1, 2026, assessment date and each assessment date thereafter, the amount shall be adjusted annually by a percentage equal to the percentage increase, if any, as determined under section 10 of this chapter.

Sec. 5. (a) An individual who meets the qualification requirements under section 4 of this chapter is entitled to a credit under this chapter in the first calendar year in which the individual has property tax liability for the individual's homestead.

(b) In addition, an individual who receive a credit for the individual's homestead in the first year under subsection (a) shall continue to be eligible, notwithstanding the provisions in section 4 of this chapter, to receive the credit under this chapter for up to four (4) consecutive calendar years following that year in subdivision (a) if the individual remains the owner of the homestead for which a credit is received under subsection (a), remains entitled to a standard deduction granted under IC 6-1.1-12-37, and the home is not sold.

(c) An individual may not receive a credit under this chapter for more than the first five (5) consecutive calender years in which the individual has property tax liability for the individual's homestead.

Sec. 6. The amount of the credit in a calendar year is equal to the lesser of:

(1) the property tax liability first due and payable on the homestead property for the calendar year and before the application of the credit under this chapter; or

(2) two thousand five hundred dollars ($2,500).

The total amount of credits a taxpayer may receive under this chapter for all calendar years may not exceed twelve thousand five hundred dollars ($12,500).

Sec. 7. The department of local government finance shall prescribe an application for a credit under this chapter. The application shall require a statement in affidavit form or require verification under penalties of perjury. The application and statement shall contain the following:

(1) The amount of gross income received by the individual and all other persons in the individual's household during the calendar year preceding by two (2) years the calendar year in which property taxes are first due and payable.

(2) The individual's full name and complete residence address.

(3) The individual attests that the individual is a first time home buyer and has not purchased a homestead property in Indiana to date prior to the first year the credit is claimed.

(4) Any additional information which the department of local government finance may require.

In order to substantiate an application, a county auditor may require an applicant to submit income tax returns of each member of a household.

Sec. 8. To claim a credit under this chapter, an individual must file an application as prescribed by the department of local government finance under section 7 of this chapter with the auditor of the county in which the homestead property is located. The individual must complete, date, and file the application before January 15 of the calendar year in which the property taxes are first due and payable. However, an individual who remains eligible for the credit in a following year is not required to file an application to apply for the credit in the following year.

Sec. 9. Subject to section 5 of this chapter, the auditor of each county shall, in a particular year, apply a credit provided under this chapter to each individual who received the credit in the preceding year.

Sec. 10. As used in this section, "median home sale price" means the median home sale price as determined each month for Indiana by the department of local government finance using data from the National Association of Realtors. The annual adjustment under section 4(4) of this chapter shall be determined by the department of local government finance and is equal to the year over year change in:

(1) the year end average of the monthly median home sale prices in Indiana statewide for the immediately preceding calendar year before the assessment date; compared to

(2) the year end average of the monthly median home sale prices in Indiana statewide for the calendar year preceding the assessment date by two (2) years;

expressed as a percentage, but not less than zero (0). For purposes of applying the annual adjustment under section (4)(4) of this chapter, the annual percentage increase, if any, is applied to the adjusted amount from the immediately preceding year.

SECTION 5. IC 6-1.1-12-9, AS AMENDED BY P.L.239-2023,

SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 9. (a) An individual may obtain a deduction from the assessed value of the individual's real property, or mobile home or manufactured home which is not assessed as real property, if:

(1) the individual is at least sixty-five (65) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) for assessment dates before January 1, 2020, the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:

(A) the individual and the individual's spouse; or

(B) the individual and all other individuals with whom:

(i) the individual shares ownership; or

(ii) the individual is purchasing the property under a contract;

as joint tenants or tenants in common;

for the calendar year preceding the year in which the deduction is claimed did not exceed twenty-five thousand dollars ($25,000);

(3) for assessment dates after December 31, 2019:

(A) the individual had, in the case of an individual who filed a single return, adjusted gross income (as defined in Section 62 of the Internal Revenue Code) not exceeding ~~thirty thousand dollars ($30,000),~~ **sixty thousand dollars ($60,000),** and beginning for the January 1, 2023, assessment date, and each assessment date thereafter, adjusted annually by an amount equal to the percentage cost of living increase applied for Social Security benefits for the immediately preceding calendar year;

(B) the individual had, in the case of an individual who filed a joint income tax return with the individual's spouse, combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) not exceeding ~~forty thousand dollars ($40,000),~~ **seventy thousand dollars ($70,000),** and beginning for the January 1, 2023, assessment date, and each assessment date thereafter, adjusted annually by an amount equal to the percentage cost of living increase applied for Social Security benefits for the immediately preceding calendar year; or

(C) the combined adjusted gross income (as defined in Section

62 of the Internal Revenue Code) of the individual and all other individuals with whom:

(i) the individual shares ownership; or

(ii) the individual is purchasing the property under a contract;

as joint tenants or tenants in common did not exceed ~~forty thousand dollars ($40,000),~~ **seventy thousand dollars ($70,000),** and beginning for the January 1, 2023, assessment date, and each assessment date thereafter, adjusted annually by an amount equal to the percentage cost of living increase applied for Social Security benefits for the immediately preceding calendar year;

for the calendar year preceding by two (2) years the calendar year in which the property taxes are first due and payable;

(4) the individual has owned the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; or the individual has been buying the real property, mobile home, or manufactured home under a contract that provides that the individual is to pay the property taxes on the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction, and the contract or a memorandum of the contract is recorded in the county recorder's office;

(5) for assessment dates:

(A) before January 1, 2020, the individual and any individuals covered by subdivision (2)(B) reside on the real property, mobile home, or manufactured home; or

(B) after December 31, 2019, the individual and any individuals covered by subdivision (3)(C) reside on the real property, mobile home, or manufactured home;

(6) except as provided in subsection (i), the assessed value of the real property, mobile home, or manufactured home does not exceed:

(A) for assessment dates before January 1, 2025, two hundred forty thousand dollars ($240,000); **or**

(B) for assessment dates after December 31, 2024, three hundred thousand dollars ($300,000), and beginning for the January 1, 2026, assessment date and each assessment date thereafter, the amount shall be adjusted annually by a percentage equal to the percentage increase, if any, as

determined under subsection (j);

(7) the individual receives no other property tax deduction for the year in which the deduction is claimed, except the deductions provided by sections 37 ~~(for assessment dates after February 28, 2008) 37.5,~~ and 38 of this chapter; and

(8) the person:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 10.1 of this chapter is filed.

For purposes of applying the annual cost of living increases described in subdivision (3)(A) through (3)(C), the annual percentage increase is applied to the adjusted amount of income from the immediately preceding year.

(b) Except as provided in subsection (h), in the case of real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the real property; or

(2) ~~fourteen thousand dollars ($14,000).~~ **twenty thousand dollars ($20,000).**

(c) Except as provided in subsection (h) and section 40.5 of this chapter, in the case of a mobile home that is not assessed as real property or a manufactured home which is not assessed as real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the mobile home or manufactured home; or

(2) ~~fourteen thousand dollars ($14,000).~~ **twenty thousand dollars ($20,000).**

(d) An individual may not be denied the deduction provided under this section because the individual is absent from the real property, mobile home, or manufactured home while in a nursing home or hospital.

(e) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by:

(1) tenants by the entirety;

(2) joint tenants; or

(3) tenants in common;

only one (1) deduction may be allowed. However, the age requirement is satisfied if any one (1) of the tenants is at least sixty-five (65) years of age.

(f) A surviving spouse is entitled to the deduction provided by this section if:

(1) the surviving spouse is at least sixty (60) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the surviving spouse's deceased husband or wife was at least sixty-five (65) years of age at the time of a death;

(3) the surviving spouse has not remarried; and

(4) the surviving spouse satisfies the requirements prescribed in subsection (a)(2) through (a)(8).

(g) An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property may not claim the deduction provided under this section against that real property.

(h) In the case of tenants covered by subsection (a)(2)(B) or (a)(3)(C), if all of the tenants are not at least sixty-five (65) years of age, the deduction allowed under this section shall be reduced by an amount equal to the deduction multiplied by a fraction. The numerator of the fraction is the number of tenants who are not at least sixty-five (65) years of age, and the denominator is the total number of tenants.

(i) For purposes of determining the assessed value of the real property, mobile home, or manufactured home under subsection (a)(6) for an individual who has received a deduction under this section in a previous year, increases in assessed value that occur after the later of:

(1) December 31, 2019; or

(2) the first year that the individual has received the deduction;

are not considered unless the increase in assessed value is attributable to substantial renovation or new improvements. Where there is an increase in assessed value for purposes of the deduction under this section, the assessor shall provide a report to the county auditor describing the substantial renovation or new improvements, if any, that were made to the property prior to the increase in assessed value.

(j) As used in this subsection, "median home sale price" means the median home sale price as determined by the department of local government finance for each month for Indiana using data from the National Association of Realtors. The annual adjustment under subsection (a)(6)(B) is equal to the year over year change in:

(1) the year end average of the monthly median home sale

prices in Indiana statewide for the immediately preceding calendar year before the assessment date; compared to

(2) the year end average of the monthly median home sale prices in Indiana statewide for the calendar year preceding the assessment date by two (2) years;

expressed as a percentage, but not less than zero (0). For purposes of applying the annual adjustment under subsection (a)(6)(B), the annual percentage increase, if any, is applied to the adjusted amount from the immediately preceding year.

SECTION 6. IC 6-1.1-12-14, AS AMENDED BY P.L.136-2024, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 14. (a) Except as provided in subsection (c) and except as provided in section 40.5 of this chapter, an individual may have the sum ~~of fourteen thousand dollars ($14,000)~~ **of twenty thousand dollars ($20,000)** deducted from the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual owns (or the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home if the contract or a memorandum of the contract is recorded in the county recorder's office) if:

(1) the individual served in the military or naval forces of the United States for at least ninety (90) days;

(2) the individual received an honorable discharge;

(3) the individual either:

(A) has a total disability; or

(B) is at least sixty-two (62) years old and has a disability of at least ten percent (10%);

(4) the individual's disability is evidenced by:

(A) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or

(B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; and

(5) the individual:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 15 of this chapter is filed.

(b) Except as provided in subsections (c) and (d), the surviving spouse of an individual may receive the deduction provided by this section if:

(1) the individual satisfied the requirements of subsection (a)(1) through (a)(4) at the time of death; or

(2) the individual:

(A) was killed in action;

(B) died while serving on active duty in the military or naval forces of the United States; or

(C) died while performing inactive duty training in the military or naval forces of the United States; and

the surviving spouse satisfies the requirement of subsection (a)(5) at the time the deduction statement is filed. The surviving spouse is entitled to the deduction regardless of whether the property for which the deduction is claimed was owned by the deceased veteran or the surviving spouse before the deceased veteran's death.

(c) Except as provided in subsection (f), no one is entitled to the deduction provided by this section if the assessed value of the individual's Indiana real property, Indiana mobile home not assessed as real property, and Indiana manufactured home not assessed as real property, as shown by the tax duplicate, exceeds the assessed value limit specified in subsection (d).

(d) Except as provided in subsection (f), for the:

(1) January 1, 2017, January 1, 2018, and January 1, 2019, assessment dates, the assessed value limit for purposes of subsection (c) is one hundred seventy-five thousand dollars ($175,000);

(2) January 1, 2020, January 1, 2021, January 1, 2022, and January 1, 2023, assessment dates, the assessed value limit for purposes of subsection (c) is two hundred thousand dollars ($200,000); ~~and~~

(3) January 1, 2024, assessment date, ~~and for each assessment date thereafter,~~ the assessed value limit for purposes of subsection (c) is two hundred forty thousand dollars ($240,000); **and**

(4) January 1, 2025, assessment date, the assessed value limit

for purposes of subsection (c) is three hundred thousand dollars ($300,000), and beginning for the January 1, 2026, assessment date and each assessment date thereafter, the amount shall be adjusted annually by a percentage equal to the percentage increase, if any, as determined under subsection (g).

(e) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

(f) For purposes of determining the assessed value of the real property, mobile home, or manufactured home under subsection (d) for an individual who has received a deduction under this section in a previous year, increases in assessed value that occur after the later of:

(1) December 31, 2019; or

(2) the first year that the individual has received the deduction;

are not considered unless the increase in assessed value is attributable to substantial renovation or new improvements. Where there is an increase in assessed value for purposes of the deduction under this section, the assessor shall provide a report to the county auditor describing the substantial renovation or new improvements, if any, that were made to the property prior to the increase in assessed value.

(g) As used in this subsection, "median home sale price" means the median home sale price as determined by the department of local government finance for each month for Indiana using data from the National Association of Realtors. The annual adjustment under subsection (d)(4) is equal to the year over year change in:

(1) the year end average of the monthly median home sale prices in Indiana statewide for the immediately preceding calendar year before the assessment date; compared to

(2) the year end average of the monthly median home sale prices in Indiana statewide for the calendar year preceding the assessment date by two (2) years;

expressed as a percentage, but not less than zero (0). For purposes of applying the annual adjustment under subsection (d)(4), the annual percentage increase, if any, is applied to the adjusted amount from the immediately preceding year.

SECTION 7. IC 6-1.1-17-3, AS AMENDED BY P.L.220-2021, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2029]: 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. In formulating a political subdivision's estimated budget under this section, the proper officers of the political subdivision must consider the net property tax revenue that will be collected by the political subdivision during the ensuing year, after taking into account the estimate by the department of local government finance under IC 6-1.1-20.6-11.1 of the amount by which the political subdivision's distribution of property taxes will be reduced by credits under IC 6-1.1-20.6-9.5 in the ensuing year, after taking into account the estimate by the department of local government finance under section 0.7 of this chapter of the maximum amount of net property tax revenue and miscellaneous revenue that the political subdivision will receive in the ensuing year, and after taking into account all payments for debt service obligations that are to be made by the political subdivision during the ensuing year. The political subdivision or appropriate fiscal body, if the political subdivision is subject to section 20 of this chapter, shall submit the following information to the department's computer gateway:

(1) The estimated budget.

(2) The estimated maximum permissible levy, as provided by the department under IC 6-1.1-18.5-24.

(3) The current and proposed tax levies of each fund.

(4) The percentage change between the current and proposed tax levies of each fund.

(5) The amount by which the political subdivision's distribution of property taxes may be reduced by credits granted under IC 6-1.1-20.6, as estimated by the department of local government finance under IC 6-1.1-20.6-11.1.

(6) The amounts of excessive levy appeals to be requested.

(7) The time and place at which the political subdivision or appropriate fiscal body will hold a public hearing on the items described in subdivisions (1) through (6).

(8) The amount of any increase in the tax rate and tax levies of the political subdivision in an ordinance adopted under section 23 of this chapter.

~~(8)~~ **(9)** The time and place at which the political subdivision or appropriate fiscal body will meet to fix the budget, tax rate, and levy under section 5 of this chapter.

~~(9)~~ **(10)** The date, time, and place of the final adoption of the budget, tax rate, and levy under section 5 of this chapter.

Except as provided in section 5.6(b) of this chapter, the political subdivision or appropriate fiscal body shall submit this information to the department's computer gateway at least ten (10) days before the public hearing required by this subsection in the manner prescribed by the department. If the date, time, or place of the final adoption subsequently changes, the political subdivision shall update the information submitted to the department's computer gateway. The department shall make this information available to taxpayers, at least ten (10) days before the public hearing, through its computer gateway and provide a telephone number through which taxpayers may request mailed copies of a political subdivision's information under this subsection. The department's computer gateway must allow a taxpayer to search for the information under this subsection by the taxpayer's address. The department shall review only the submission to the department's computer gateway for compliance with this section.

(b) 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.

(c) 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, **subject to section 23 of this chapter,** 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.

(d) A political subdivision for which any of the information under subsection (a) is not submitted to the department's computer gateway in the manner prescribed by the department shall have its most recent annual appropriations and annual tax levy continued for the ensuing budget year.

(e) If a political subdivision or appropriate fiscal body timely submits the information under subsection (a) but subsequently discovers the information contains an error, the political subdivision or appropriate fiscal body may submit amended information to the department's computer gateway. However, submission of an amendment to information described in subsection (a)(1) through (a)(7) must occur at least ten (10) days before the public hearing held under subsection (a), and submission of an amendment to information described in subsection (a)(8) **through (a)(9)** must occur at least twenty-four (24) hours before the time in which the meeting to fix the budget, tax rate, and levy was originally advertised to commence.

(f) Each year, the governing body of a school corporation that imposes property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project under IC 6-1.1-20, property taxes under an operating referendum tax levy under IC 20-46-1, or property taxes under a school safety referendum tax levy under IC 20-46-9, shall submit the following information at least ten (10) days before the public hearing required by subsection (a) in the manner prescribed by the department:

(1) the purposes specified in the public question submitted to the voters or any revenue spending plans adopted under IC 6-1.1-20-13, IC 20-46-1-8, or IC 20-46-9-6 for:

(A) debt service on bonds or lease rentals on a lease for a controlled project under IC 6-1.1-20;

(B) an operating referendum tax levy approved by the voters of the school corporation under IC 20-46-1; or

(C) a school safety referendum tax levy approved by the voters of the school corporation under IC 20-46-9;

as applicable; and

(2) the debt service levy fund, operating referendum tax levy fund, or school safety referendum tax levy fund of the school corporation, whichever is applicable;

to show whether the school corporation is using revenue collected from the referendum tax levy in the amounts and for the purposes established in the purposes specified in the public question submitted to the voters or the revenue spending plan, as applicable. The department shall make this information available to taxpayers at least ten (10) days before the public hearing.

SECTION 8. IC 6-1.1-17-16, AS AMENDED BY P.L.9-2024, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2029]: Sec. 16. (a) The department of local government finance shall certify the tax rates and tax levies for all funds of political subdivisions subject to the department of local government finance's review.

(b) For a fund of a political subdivision subject to levy limits under IC 6-1.1-18.5-3, the department of local government finance shall calculate and certify the allowable budget of the fund if the political subdivision adopts a tax levy that exceeds the estimated maximum levy limits as provided by the department of local government finance under IC 6-1.1-18.5-24.

(c) For a fund of a political subdivision subject to levy limits under IC 6-1.1-18.5-3 and for which the political subdivision adopts a tax levy that is not more than the levy limits under IC 6-1.1-18.5-3, the department of local government finance shall review the fund to ensure the adopted budget is fundable based on the unit's adopted tax levy and estimates of available revenues. If the adopted budget is fundable, the department of local government finance shall use the adopted budget as the approved appropriation for the fund for the budget year. As needed, the political subdivision may complete the additional appropriation process through IC 6-1.1-18-5 for these funds during the budget year.

(d) For a fund of the political subdivision subject to levy limits under IC 6-1.1-18.5-3 and for which the political subdivision adopts a tax levy that is not more than the levy limits under IC 6-1.1-18.5-3, if the department of local government finance has determined the adopted budget is not fundable based on the unit's adopted tax levy and estimates of available revenues, the department of local government finance shall calculate and certify the allowable budget that is fundable based on the adopted tax levy and the department's estimates of available revenues.

(e) For all other funds of a political subdivision not described in subsections (b), (c), and (d), the department of local government finance shall certify a budget for the fund.

(f) Except as provided in section 16.1 of this chapter, the department of local government finance is not required to hold a public hearing 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.

(g) Except as provided in subsection (l), 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 notification electronically in the manner prescribed by the department of local government finance specifying any revision, reduction, or increase the department proposes in a political subdivision's tax levy or tax rate. The political subdivision has ten (10) calendar days from the date the political subdivision receives the notice to provide a response electronically in the manner prescribed by the department of local government finance. 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. The department of local government finance may not consider any adjustments that are suggested by the political subdivision after the expiration of the ten (10) day period allowed for the political subdivision's response.

(h) 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.

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

(1) the county auditor;

(2) if the budget and levy of the political subdivision are being continued:

(A) the state board of accounts;

(B) the state comptroller; and

(C) the department of state revenue;

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

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

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

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

(2) 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 (i).

(k) The department of local government finance is expressly directed to complete the duties assigned to it under this section as follows:

(1) Not later than December 31 of the year preceding that budget year, unless subdivision (2) applies.

(2) Not later than January 15 of the budget year if any of the following are true:

(A) A taxing unit in a county intends to issue debt after December 1 in the year preceding the budget year and has indicated its intent to issue debt after December 1 in the year preceding the budget year as specified in section 5 of this chapter.

(B) A taxing unit intends to file a shortfall appeal under IC 6-1.1-18.5-16 and has indicated its intent to file a shortfall appeal as specified in section 5 of this chapter.

(C) The deadline for a city in the county to fix the budget, tax rate, and tax levy has been extended, in accordance with section 5.2 of this chapter, due to the executive's veto of the ordinance fixing the budget, tax rate, and tax levy.

(l) Subject to the provisions of all applicable statutes, and notwithstanding IC 6-1.1-18-1, the department of local government finance shall, unless the department finds extenuating circumstances, increase a political subdivision's tax levy to an amount that exceeds the amount originally advertised or adopted by the political subdivision if:

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

(2) the request includes:

(A) the corrected budget, tax rate, or levy, as applicable; and

(B) the time and place of the meeting described in subdivision (4);

(3) the political subdivision publishes the requested increase on the department's advertising website;

(4) the political subdivision adopts the needed changes to its budget, tax levy, or rate in a public meeting of the governing body; and

(5) notice is given to the county fiscal body of the department's correction.

The political subdivision shall publish notice of the meeting described in subdivision (4) on the Indiana transparency website in the manner prescribed by the department not later than forty-eight (48) hours (excluding weekends and holidays) before the meeting. If the department increases a levy beyond what was advertised or adopted under this subsection, it shall, unless the department finds extenuating circumstances, reduce the certified levy affected below the maximum allowable levy by the lesser of five percent (5%) of the difference between the advertised or adopted levy and the increased levy, or one hundred thousand dollars ($100,000).

(m) If the department of local government finance has determined that the proposed tax levy for a political subdivision's budget exceeds the permissible tax levy for the political subdivision under section 23 of this chapter, the department of local government finance shall calculate and certify the allowable tax levy and tax rate for the political subdivision based on the provisions in section 23 of this chapter.

SECTION 9. IC 6-1.1-17-17, AS AMENDED BY P.L.146-2008, SECTION 161, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2029]: Sec. 17. Subject to the limitations contained in IC 6-1.1-18.5 and IC 20-46, **and notwithstanding section 23 of this chapter,** 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.

SECTION 10. IC 6-1.1-17-23 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2029]: **Sec. 23. (a) This section applies beginning after December 31, 2025, to the formulation and adoption of a budget, tax rate, and tax levy under this chapter.**

(b) Notwithstanding any growth in a political subdivision's assessed value in the previous year, the ad valorem property tax levy for the budget of a political subdivision shall not exceed the ad valorem property tax levy for its last preceding annual budget, except as provided in subsections (c) and (d).

(c) The fiscal body of a political subdivision may by ordinance authorize the proper officers of the political subdivision to formulate and submit a budget, tax rate, and tax levy under section 3 of this chapter that exceed the ad valorem property tax levy restriction in subsection (b), subject to all other limits under this article, if the following conditions are met:

(1) The fiscal body of the political subdivision must hold a public hearing at which the only item on the agenda is the proposal to adopt an ordinance under this subsection. The hearing shall be conducted in accordance with IC 5-14-1.5, and notice of the hearing shall be published in accordance with IC 5-3-1.

(2) After conducting a public hearing under subdivision (1) and subject to subdivision (3), the fiscal body of the political subdivision may adopt an ordinance under this subsection, which must contain:

(A) a general statement of the reasons for the tax levy and tax rate increase;

(B) the dollar amount of the tax levy increase; and

(C) the percentage increase in the tax rate from the previous year.

(3) An ordinance may not be adopted under this section after the date that is fifteen (15) days before the public hearing under section 3 of this chapter.

(d) If an ordinance is adopted by the fiscal body of a political subdivision under subsection (c), the limitation in subsection (b)

shall not apply and instead the ad valorem property tax levy for the budget of the political subdivision shall not exceed the sum of:

(1) the ad valorem property tax levy for the political subdivision's last preceding annual budget; plus

(2) the additional ad valorem property tax levy authorized in the ordinance adopted by the fiscal body under subsection (c);

subject to all other limits under this article.

(e) The provisions of this section shall be applied to decrease the tax rate of each political subdivision in which there was an increase in the political subdivision's assessed value in the previous year, subject to subsections (c) and (d).

SECTION 11. IC 6-1.1-18.5-1, AS AMENDED BY P.L.136-2024, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. ~~As used in~~ **The following definitions apply throughout** this chapter:

(1) "Ad valorem property tax levy for an ensuing calendar year" means the total property taxes imposed by a civil taxing unit for current property taxes collectible in that ensuing calendar year. However, if a township elects to establish both a township firefighting levy and a township emergency services levy under IC 36-8-13-4(c)(2), the township firefighting levy and township emergency services levy shall be combined and considered as a single levy for purposes of this chapter.

(2) "Civil taxing unit" means any taxing unit, ~~except~~ **including** a school corporation.

(3) "Maximum permissible ad valorem property tax levy for the preceding calendar year" means, for purposes of determining a maximum permissible ad valorem property tax levy under section 3 of this chapter for property taxes imposed for an assessment date after January 15, 2011, the civil taxing unit's maximum permissible ad valorem property tax levy for the calendar year immediately preceding the ensuing calendar year, as that levy was determined under section 3 of this chapter (regardless of whether the taxing unit imposed the entire amount of the maximum permissible ad valorem property tax levy in the immediately preceding year).

(4) "Taxable property" means all tangible property that is subject to the tax imposed by this article and is not exempt from the tax under IC 6-1.1-10 or any other law. For purposes of sections 2 and 3 of this chapter, the term "taxable property" is further defined in section 6 of this chapter.

SECTION 12. IC 6-1.1-18.5-2, AS AMENDED BY P.L.239-2023, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) ~~As used in~~ **The following definitions apply throughout** this section:

(1) "County nonfarm personal income" means the estimate of total nonfarm personal income for each county in Indiana in a calendar year, as computed by the federal Bureau of Economic Analysis using any actual data for the calendar year and any estimated data determined appropriate by the federal Bureau of Economic Analysis.

(2) "Indiana average annual pay in total for all industries and all establishment sizes" means the estimate of total average annual pay for those industries and establishments in Indiana in a calendar year as computed by the federal Bureau of Labor Statistics using any actual data for the calendar year and any estimated data determined appropriate by the federal Bureau of Labor Statistics.

(3) "Indiana nonfarm personal income" means the estimate of total nonfarm personal income for Indiana in a calendar year as computed by the federal Bureau of Economic Analysis using any actual data for the calendar year and any estimated data determined appropriate by the federal Bureau of Economic Analysis.

(4) "Indiana personal consumption expenditures" means the estimate of total personal consumption expenditures for Indiana in a calendar year as computed by the federal Bureau of Economic Analysis using any actual data for the calendar year and any estimated data determined appropriate by the federal Bureau of Economic Analysis.

(5) "United States nonfarm business labor productivity (output per hour)" means the estimate of total nonfarm business labor productivity for the United States in a calendar year as computed by the federal Bureau of Labor Statistics using any actual data for the calendar year and any estimated data determined appropriate by the federal Bureau of Labor Statistics.

(b) Except as provided in subsections (c) and ~~(e),~~ **(g),** for purposes of determining a civil taxing unit's maximum permissible ad valorem property tax levy for an ensuing calendar year, **ending before January**

1, 2029, the civil taxing unit shall use the maximum levy growth quotient determined in the last STEP of the following STEPS:

STEP ONE: For each of the six (6) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year, divide the Indiana nonfarm personal income for the calendar year by the Indiana nonfarm personal income for the calendar year immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).

STEP TWO: Determine the sum of the STEP ONE results.

STEP THREE: Divide the STEP TWO result by six (6), rounding to the nearest one-thousandth (0.001).

STEP FOUR: Determine the lesser of the following:

(A) The STEP THREE quotient.

(B) **The following:**

(i) For taxes first due and payable before 2026, one and six-hundredths (1.06).

(ii) For taxes first due and payable in 2026, one and zero hundredths (1.00).

(iii) For taxes first due and payable in 2027, one and one-hundredths (1.01).

(iv) For taxes first due and payable in 2028, one and two-hundredths (1.02).

This subsection expires December 31, 2028.

(c) Except as provided in subsection ~~(f),~~ **(h),** a school corporation shall use for its operations fund maximum levy calculation under IC 20-46-8-1 the maximum levy growth quotient determined in the last STEP of the following STEPS:

STEP ONE: Determine for each school corporation, the average annual growth in net assessed value using the three (3) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year.

STEP TWO: Determine the greater of:

(A) zero (0); or

(B) the STEP ONE amount minus the sum of:

(i) the maximum levy growth quotient determined under subsection (b) minus one (1); plus

(ii) two-hundredths (0.02).

STEP THREE: Determine the lesser of:

(A) the STEP TWO amount; or

(B) four-hundredths (0.04).

STEP FOUR: Determine the sum of:

(A) the STEP THREE amount; plus

(B) the maximum levy growth quotient determined under subsection (b).

STEP FIVE: Determine the greater of:

(A) the STEP FOUR amount; or

(B) the maximum levy growth quotient determined under subsection (b).

This subsection expires December 31, 2025.

(d) For purposes of determining a civil taxing unit's maximum permissible ad valorem property tax levy for an ensuing calendar year, for property taxes first due and payable in each calendar year beginning after December 31, 2028, the civil taxing unit shall use the maximum levy growth quotient determined in the last STEP of the following STEPS:

STEP ONE: For each of the six (6) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year, determine separately each of the following components:

(A) Divide the Indiana personal consumption expenditures for the calendar year by the Indiana personal consumption expenditures for the calendar year immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).

(B) Divide the Indiana average annual pay in total for all industries and all establishment sizes for the calendar year by the Indiana average annual pay in total for all industries and all establishment sizes for the calendar year immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).

(C) Divide the United States nonfarm business labor productivity (output per hour) for the calendar year by the United States nonfarm business labor productivity (output per hour) for the calendar year immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).

(D) Divide the county nonfarm personal income for each county for the calendar year by the county nonfarm personal income for each county for the calendar year

immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).

STEP TWO: Determine separately each of the following components:

(A) The sum of the result of clause (A) of STEP ONE.

(B) The sum of the result of clause (B) of STEP ONE.

(C) The sum of the result of clause (C) of STEP ONE.

(D) The sum of the result of clause (D) of STEP ONE.

STEP THREE: Divide each of the following:

(A) The result of clause (A) of STEP TWO by six (6), rounding to the nearest one-thousandth (0.001).

(B) The result of clause (B) of STEP TWO by six (6), rounding to the nearest one-thousandth (0.001).

(C) The result of clause (C) of STEP TWO by six (6), rounding to the nearest one-thousandth (0.001).

(D) The result of clause (D) of STEP TWO by six (6), rounding to the nearest one-thousandth (0.001).

STEP FOUR: Determine the product of each of the following:

(A) Multiply the result determined under clause (A) of STEP THREE by two-tenths (0.2).

(B) Multiply the result determined under clause (B) of STEP THREE by three-tenths (0.3).

(C) Multiply the result determined under clause (C) of STEP THREE by three-tenths (0.3).

(D) Multiply the result determined under clause (D) of STEP THREE by two-tenths (0.2).

STEP FIVE: Determine the sum of the STEP FOUR results, rounding to nearest one-thousandth (0.001).

The maximum levy growth quotient determined under this subsection is the maximum levy growth quotient for the county and each civil taxing unit within the county.

~~(d)~~ **(e) For property taxes first due and payable in a calendar year ending before January 1, 2029,** the budget agency shall provide the maximum levy growth quotient for the ensuing year to civil taxing units, school corporations, and the department of local government finance before July 1 of each year.

(f) For property taxes first due and payable in each calendar year ending after December 31, 2028, the budget agency shall provide:

(1) the maximum levy growth quotient for each county for the

ensuing year to civil taxing units and the department of local government finance; and

(2) in the case of a civil taxing unit that contains territory in more than one (1) county, the maximum levy growth quotient, using the average of the maximum levy growth quotient for each county in which the civil taxing unit has territory, for the ensuing year to a civil taxing unit and the department of local government finance;

before July 1, 2028, and each July 1 thereafter. Additionally, before July 1, 2028, and each July 1 thereafter, the budget agency shall, using each county's maximum levy growth quotient, calculate and provide to the department of local government finance the statewide minimum, statewide maximum, statewide median, and statewide average.

~~(e)~~ **(g)** This subsection applies only for purposes of determining the maximum levy growth quotient to be used in determining a civil taxing unit's maximum permissible ad valorem property tax levy in calendar years 2024 and 2025. For purposes of determining the maximum levy growth quotient in calendar years 2024 and 2025, instead of the result determined in the last STEP in subsection (b), the maximum levy growth quotient is determined in the last STEP of the following STEPS:

STEP ONE: Determine the result of STEP FOUR of subsection (b), calculated as if this subsection was not in effect.

STEP TWO: Subtract one (1) from the STEP ONE result.

STEP THREE: Multiply the STEP TWO result by eight-tenths (0.8).

STEP FOUR: Add one (1) to the STEP THREE result.

STEP FIVE: Determine the lesser of:

(A) the STEP FOUR result; or

(B) one and four-hundredths (1.04).

This subsection expires December 31, 2025.

~~(f)~~ **(h)** This subsection applies only for purposes of determining the maximum levy growth quotient to be used in determining a school corporation's operations fund maximum levy in calendar years 2024 and 2025. For purposes of determining the maximum levy growth quotient in calendar years 2024 and 2025, instead of the result determined in the last STEP in subsection (c), the maximum levy growth quotient is determined in the last STEP of the following STEPS:

STEP ONE: Determine the result of STEP FIVE of subsection (c), calculated as if this subsection was not in effect.

STEP TWO: Subtract one (1) from the STEP ONE result.

STEP THREE: Multiply the STEP TWO result by eight-tenths (0.8).

STEP FOUR: Add one (1) to the STEP THREE result.

STEP FIVE: Determine the lesser of:

(A) the STEP FOUR result; or

(B) one and four-hundredths (1.04).

This subsection expires December 31, 2025.

SECTION 13. IC 6-1.1-18.5-3, AS AMENDED BY P.L.247-2017, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. (a) A civil taxing unit may not impose an ad valorem property tax levy for an ensuing calendar year that exceeds the amount determined in the last STEP of the following STEPS:

STEP ONE: Determine the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year.

STEP TWO: Multiply the amount determined in STEP ONE by the amount determined in the last STEP of section 2(b) of this chapter **(for property taxes first due and payable in a calendar year ending before January 1, 2029) or section 2(d) of this chapter (for property taxes first due and payable in a calendar year ending after December 31, 2028).**

STEP THREE: Determine the lesser of one and fifteen hundredths (1.15) or the quotient (rounded to the nearest ten-thousandth (0.0001)), of the assessed value of all taxable property subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year, divided by the assessed value of all taxable property that is subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.

STEP FOUR: Determine the greater of the amount determined in STEP THREE or one (1).

STEP FIVE: Multiply the amount determined in STEP TWO by the amount determined in STEP FOUR.

STEP SIX: Add the amount determined under STEP TWO to the amount of an excessive levy appeal granted under section 13 of this chapter for the ensuing calendar year.

STEP SEVEN: Determine the greater of STEP FIVE or STEP SIX.

(b) This subsection applies only to a civil taxing unit that is located in a county that is covered by IC 6-3.6-11-1. For purposes of subsection (a), revenue under IC 6-3.6-6 that is applied for purposes of a levy freeze shall not be included in the amount determined under STEP ONE of subsection (a) for the civil taxing unit. Notwithstanding any provision in this section, any other section of this chapter, or IC 12-20-21-3.2, and except as provided in subsection (c), if the adopting body has adopted a resolution specifying that any increase in the maximum levy is to be funded using local income tax revenue, the maximum permissible ad valorem property tax levy calculated under this section for the ensuing calendar year for the civil taxing unit is equal to the civil taxing unit's maximum permissible ad valorem property tax levy for the current calendar year. If the adopting body has adopted a resolution specifying that any increase in the maximum levy is not to be funded using local income tax revenue, the maximum permissible ad valorem property tax levy for the civil taxing unit is equal to the civil taxing unit's maximum permissible ad valorem property tax levy calculated under this section for the ensuing calendar year.

(c) In the case of a civil taxing unit that:

(1) is partially located in a county that is covered by IC 6-3.6-11-1; and

(2) is partially located in a county that is not described in subdivision (1);

the department of local government finance shall, notwithstanding subsection (b), adjust the portion of the civil taxing unit's maximum permissible ad valorem property tax levy that is attributable (as determined by the department of local government finance) to the county or counties described in subdivision (2). The department of local government finance shall adjust this portion of the civil taxing unit's maximum permissible ad valorem property tax levy so that, notwithstanding subsection (b), this portion is allowed to increase as otherwise provided in this section. If the department of local government finance increases the civil taxing unit's maximum permissible ad valorem property tax levy under this subsection, any additional property taxes imposed by the civil taxing unit under the adjustment shall be paid only by the taxpayers in the county or counties described in subdivision (2).

SECTION 14. IC 6-1.1-18.5-10.5, AS AMENDED BY P.L.95-2022, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026]: Sec. 10.5. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit for fire protection services within a fire protection territory under IC 36-8-19, if the civil taxing unit is a participating unit in a fire protection territory established before August 1, 2001. For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter on a civil taxing unit that is a participating unit in a fire protection territory, established before August 1, 2001, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under IC 36-8-19. Any property taxes imposed by a civil taxing unit that are exempted by this subsection from the ad valorem property tax levy limits imposed by section 3 of this chapter and first due and payable after December 31, 2008, may not increase annually by a percentage greater than the result of:

(1) the maximum levy growth quotient determined under section 2 of this chapter; minus

(2) one (1).

(b) The department of local government finance may, under this subsection, increase the maximum permissible ad valorem property tax levy that would otherwise apply to a civil taxing unit under section 3 of this chapter to meet the civil taxing unit's obligations to a fire protection territory established under IC 36-8-19. To obtain an increase in the civil taxing unit's maximum permissible ad valorem property tax levy, a civil taxing unit shall submit a petition to the department of local government finance in the year immediately preceding the first year in which the civil taxing unit levies a tax to support the fire protection territory. The petition must be filed before the date specified in section ~~12(a)(1)~~ **12(a)** of this chapter of that year. The department of local government finance shall make a final determination of the civil taxing unit's budget, ad valorem property tax levy, and property tax rate for the fire protection territory for the ensuing calendar year. In making its determination under this subsection, the department of local government finance shall consider the amount that the civil taxing unit is obligated to provide to meet the expenses of operation and maintenance of the fire protection services within the territory, including the participating unit's reasonable share of an operating balance for the fire protection territory. The department of local government finance shall determine the entire amount of the allowable adjustment in the final determination. The department shall order the adjustment implemented in the amounts and over the number of years, not exceeding three (3), requested by the petitioning civil taxing unit. However, the department of local government finance may not approve under this subsection a property tax levy greater than zero (0) if the civil taxing unit did not exist as of the assessment date for which the tax levy will be imposed. For purposes of applying this subsection to the civil taxing unit's maximum permissible ad valorem property tax levy in subsequent calendar years, the department of local government finance may determine not to consider part or all of the part of the property tax levy imposed to establish the operating balance of the fire protection territory.

(c) This subsection applies to a participating unit in a fire protection territory established under IC 36-8-19 after December 31, 2022. Notwithstanding any other law, if a total tax rate levied upon the formation of a fire protection territory established under IC 36-8-19 is to be implemented over a number of years as provided in IC 36-8-19-7(c), the maximum permissible ad valorem property tax levy that would otherwise apply to a participating unit under section 3 of this chapter to meet the participating unit's obligations to a fire protection territory does not apply to ad valorem property taxes imposed by the participating unit to meet the participating unit's obligations to the fire protection territory over the number of years in which the total tax rate is to be implemented by each participating unit. For purposes of calculating the maximum permissible ad valorem property tax levy imposed by a participating unit for each year for which the participating unit implements a total tax rate to support the fire protection territory, the participating unit's maximum permissible ad valorem property tax levy for the preceding calendar year under section 3(a) STEP ONE of this chapter is increased each year by an amount equal to the difference between:

(1) the amount the participating unit will have to levy for the ensuing calendar year in order to fund the participating unit's share of the fire protection territory budget for the operating costs as provided in the ordinance or resolution making the unit a participating unit in the fire protection territory; and

(2) the participating unit's levy for fire protection services for the

calendar year that immediately precedes the ensuing calendar year in which the participating unit levies a tax to support the fire protection territory.

SECTION 15. IC 6-1.1-18.5-12, AS AMENDED BY P.L.156-2024, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026]: Sec. 12. (a) Any civil taxing unit that **incurs increased costs resulting from annexation and** determines that it cannot carry out its governmental functions for an ensuing calendar year under the levy limitations imposed by section 3 or 25 of this chapter, as applicable, may, subject to ~~subsections (h) and (i):~~ **subsections (g) and (h),**

~~(1)~~ before October 20 of the calendar year immediately preceding the ensuing calendar year, ~~or~~

~~(2) in the case of a request described in section 16 of this chapter, before December 31 of the calendar year immediately preceding the ensuing calendar year;~~

appeal to the department of local government finance for relief from those levy limitations. In the appeal the civil taxing unit must state that it will be unable to carry out the governmental functions committed to it by law unless it is given the authority that it is petitioning for. The civil taxing unit must support these allegations by reasonably detailed statements of fact.

(b) The department of local government finance shall immediately proceed to the examination and consideration of the merits of the civil taxing unit's appeal.

(c) In considering an appeal, the department of local government finance has the power to conduct hearings, require any officer or member of the appealing civil taxing unit to appear before it, or require any officer or member of the appealing civil taxing unit to provide the department with any relevant records or books.

(d) If an officer or member:

(1) fails to appear at a hearing after having been given written notice requiring that person's attendance; or

(2) fails to produce the books and records that the department by written notice required the officer or member to produce;

then the department may file an affidavit in the circuit court, superior court, or probate court in the jurisdiction in which the officer or member may be found setting forth the facts of the failure.

(e) Upon the filing of an affidavit under subsection (d), the court shall promptly issue a summons, and the sheriff of the county within which the court is sitting shall serve the summons. The summons must command the officer or member to appear before the department to provide information to the department or to produce books and records for the department's use, as the case may be. Disobedience of the summons constitutes, and is punishable as, a contempt of the court that issued the summons.

(f) All expenses incident to the filing of an affidavit under subsection (d) and the issuance and service of a summons shall be charged to the officer or member against whom the summons is issued, unless the court finds that the officer or member was acting in good faith and with reasonable cause. If the court finds that the officer or member was acting in good faith and with reasonable cause or if an affidavit is filed and no summons is issued, the expenses shall be charged against the county in which the affidavit was filed and shall be allowed by the proper fiscal officers of that county.

~~(g) The fiscal officer of a civil taxing unit that appeals under section 16 of this chapter for relief from levy limitations shall immediately file a copy of the appeal petition with the county auditor and the county treasurer of the county in which the unit is located.~~

~~(h)~~ **(g)** This subsection applies to a civil taxing unit whose budget for the upcoming year is subject to review by a fiscal body under:

(1) IC 6-1.1-17-20;

(2) IC 6-1.1-17-20.3; or

(3) IC 6-1.1-17-20.4.

A civil taxing unit described in this subsection may not submit an appeal under this section unless the civil taxing unit receives approval from the appropriate fiscal body to submit the appeal.

~~(i)~~ **(h)** A participating unit of a fire protection territory may not submit an appeal under this section unless each participating unit of the fire protection territory has adopted a resolution approving submission of the appeal.

SECTION 16. IC 6-1.1-18.5-13, AS AMENDED BY P.L.174-2022, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026]: Sec. 13. ~~(a)~~ With respect to an appeal filed under section 12 of this chapter, the department may find that a civil taxing unit should receive ~~any one (1) or more of the following types of~~ **the following** relief:

(1) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 or 25 of this chapter, as applicable, if in the judgment of the department the increase is

reasonably necessary due to increased costs of the civil taxing unit resulting from annexation. ~~consolidation, or other extensions of governmental services by the civil taxing unit to additional geographic areas. With respect to annexation, consolidation, or other extensions of governmental services in a calendar year,~~ If those increased costs are incurred by the civil taxing unit in that calendar year and more than one (1) immediately succeeding calendar year, the unit may appeal under section 12 of this chapter for permission to increase its levy under this subdivision based on those increased costs in any of the following:

(A) The first calendar year in which those costs are incurred.

(B) One (1) or more of the immediately succeeding four (4) calendar years.

~~(2) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 or 25 of this chapter, as applicable, if the department finds that the quotient determined under STEP SIX of the following formula is equal to or greater than one and two-hundredths (1.02):~~

~~STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year.~~

~~STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the civil taxing unit's total assessed value of all taxable property divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.~~

~~STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).~~

~~STEP FOUR: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the total assessed value of all taxable property in all counties divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.~~

~~STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).~~

~~STEP SIX: Divide the STEP THREE amount by the STEP FIVE amount.~~

~~The civil taxing unit may increase its levy by a percentage not greater than the percentage by which the STEP THREE amount~~

~~exceeds the percentage by which the civil taxing unit may increase its levy under section 3 or 25 of this chapter, as applicable, based on the maximum levy growth quotient determined under section 2 of this chapter.~~

~~(3)~~ **(2)** ~~A levy increase may be granted under this subdivision only for property taxes first due and payable after December 31, 2008.~~ Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 or 25 of this chapter, as applicable, if **the department determines that** the civil taxing unit cannot carry out its governmental functions for an ensuing calendar year under the levy limitations imposed by section 3 or 25 of this chapter, as applicable, due to a natural disaster, an accident, or another unanticipated emergency.

~~(b) The department of local government finance shall increase the maximum permissible ad valorem property tax levy under section 3 of this chapter for the city of Goshen for 2012 and thereafter by an amount equal to the greater of zero (0) or the result of:~~

~~(1) the city's total pension costs in 2009 for the 1925 police pension fund (IC 36-8-6) and the 1937 firefighters' pension fund (IC 36-8-7); minus~~

~~(2) the sum of:~~

~~(A) the total amount of state funds received in 2009 by the city and used to pay benefits to members of the 1925 police pension fund (IC 36-8-6) or the 1937 firefighters' pension fund (IC 36-8-7); plus~~

~~(B) any previous permanent increases to the city's levy that were authorized to account for the transfer to the state of the responsibility to pay benefits to members of the 1925 police pension fund (IC 36-8-6) and the 1937 firefighters' pension fund (IC 36-8-7).~~

SECTION 17. IC 6-1.1-18.5-16, AS AMENDED BY P.L.159-2020, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 16. (a) **This section applies to property tax levies imposed before January 1, 2026.**

(b) A civil taxing unit may request permission from the department to impose an ad valorem property tax levy that exceeds the limits imposed by section 3 of this chapter if:

(1) the civil taxing unit experienced a property tax revenue shortfall that resulted from erroneous assessed valuation figures being provided to the civil taxing unit;

(2) the erroneous assessed valuation figures were used by the civil taxing unit in determining its total property tax rate; and

(3) the error in the assessed valuation figures was found after the civil taxing unit's property tax levy resulting from that total rate was finally approved by the department of local government finance.

However, a civil taxing unit may not make a request described in this subsection on account of a revenue shortfall experienced in excess of five (5) years from the date of the most recent certified budget, tax rate, and levy of the civil taxing unit under IC 6-1.1-17-16.

~~(b)~~ **(c)** A civil taxing unit may request permission from the department to impose an ad valorem property tax levy that exceeds the limits imposed by section 3 or 25 of this chapter, as applicable, if the civil taxing unit experienced a property tax revenue shortfall because of the payment of refunds that resulted from appeals under this article and IC 6-1.5. However, a civil taxing unit may not make a request described in this subsection on account of a revenue shortfall experienced in excess of five (5) years from the date of the most recent certified budget, tax rate, and levy of the civil taxing unit under IC 6-1.1-17-16.

~~(c)~~ **(d)** If the department determines that a shortfall described in subsection ~~(a) or (b)~~ **(b) or (c)** has occurred, the department of local government finance may find that the civil taxing unit should be allowed to impose a property tax levy exceeding the limit imposed by section 3 or 25 of this chapter, as applicable. However, the maximum amount by which the civil taxing unit's levy may be increased over the limits imposed by section 3 or 25 of this chapter, as applicable, equals the remainder of the civil taxing unit's property tax levy for the particular calendar year as finally approved by the department of local government finance minus the actual property tax levy collected by the civil taxing unit for that particular calendar year.

~~(d)~~ **(e)** Any property taxes collected by a civil taxing unit over the limits imposed by section 3 or 25 of this chapter, as applicable, under the authority of this section may not be treated as a part of the civil taxing unit's maximum permissible ad valorem property tax levy for purposes of determining its maximum permissible ad valorem property tax levy for future years.

~~(e)~~ **(f)** If the department of local government finance authorizes an excess tax levy under this section, it shall take appropriate steps to insure that the proceeds are first used to repay any loan made to the civil taxing unit for the purpose of meeting its current expenses.

(g) This section expires December 31, 2026.

SECTION 18. IC 6-1.1-18.5-21, AS AMENDED BY P.L.236-2023, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 21. (a) A civil taxing unit may determine that the ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to all or part of the ad valorem property taxes imposed to repay a loan under either or both of the following:

(1) IC 6-1.1-21.3.

(2) IC 6-1.1-21.9.

(b) This subsection applies to a civil taxing unit or **(before January 1, 2029)** school corporation located in Lake County that has received or is receiving a loan under IC 6-1.1-22.1. The ad valorem property tax levy limits imposed in section 3 of this chapter do not apply to all or part of the ad valorem property taxes imposed to repay a loan under IC 6-1.1-22.1 for the ensuing calendar year if:

(1) the civil taxing unit or **(before January 1, 2029)** school corporation provides to the department the information the department considers necessary to determine the amount of ad valorem property taxes imposed to repay the loan in the ensuing calendar year; and

(2) the information described in subdivision (1) is provided to the department not later than December 1 of the year preceding the ensuing calendar year.

SECTION 19. IC 6-1.1-18.5-25, AS AMENDED BY P.L.236-2023, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 25. (a) The ad valorem property tax levy limits imposed under section 3 of this chapter do not apply to a municipality in a year if all the following apply:

(1) The percentage growth in the municipality's assessed value for the preceding year compared to the year before the preceding year is at least two (2) times the maximum levy growth quotient determined under section 2 of this chapter for the preceding year.

(2) The municipality's population increased by at least one hundred fifty percent (150%) between the last two (2) decennial censuses. The computation of an increase of one hundred fifty percent (150%) under this subdivision shall be determined according to the last STEP of the following STEPS:

STEP ONE: Determine the municipality's population as tabulated following the first decennial census.

STEP TWO: Determine the municipality's population as tabulated following the second decennial census.

STEP THREE: Multiply the amount determined under STEP ONE by a factor of two and five-tenths (2.5).

STEP FOUR: Determine whether the population determined under STEP TWO is greater than or equal to the STEP THREE product.

(b) A municipality that meets all the requirements under subsection (a) may increase its ad valorem property tax levy in excess of the limits imposed under section 3 of this chapter by a percentage equal to the lesser of:

(1) the percentage growth in the municipality's assessed value for the preceding year compared to the year before the preceding year; or

(2) six percent (6%).

(c) A municipality's maximum levy growth that results from either annexation or the pass through of assessed value from a tax increment financing district may not be included for the purposes of determining a municipality's maximum levy growth under this section.

(d) This section applies to property tax levies imposed after December 31, 2016, **and before January 1, 2026.**

(e) This section expires December 31, 2026.

SECTION 20. IC 6-1.1-18.7 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 18.7. Political Subdivision Operating Referendum

Sec. 1. As used in this chapter, "fund" refers to the referendum tax levy fund.

Sec. 2. As used in this chapter, "levy" refers to the property tax levy imposed under this chapter.

Sec. 3. As used in this chapter, "referendum" refers to a referendum under this chapter.

Sec. 4. A school corporation may not impose a referendum under this chapter if the school corporation imposes an operating referendum under IC 20-46-1. However, a school corporation that imposes a school safety referendum under IC 20-46-9 may impose a referendum under this chapter but may not use the referendum's proceeds for any purpose that is allowed for a referendum imposed under IC 20-46-9.

Sec. 5. A referendum tax levy under this chapter may be put

into effect only if a majority of the individuals who vote in a referendum that is conducted in accordance with this section and sections 9 through 19 of this chapter approves the political subdivision's making a levy for the ensuing calendar year.

Sec. 6. (a) Subject to subsection (c) and this chapter, the proper officers of a political subdivision may adopt a resolution to place a referendum under this chapter on the ballot for either of the following purposes:

(1) The proper officers of the political subdivision determine that the political subdivision cannot, in a calendar year, carry out a duty of the political subdivision unless it imposes a referendum tax levy under this chapter.

(2) The proper officers of the political subdivision determine that a referendum tax levy under this chapter should be imposed to replace property tax revenue that the political subdivision will not receive because of the application of the maximum levy growth quotient under IC 6-1.1-18.5.

(b) The political subdivision shall certify a copy of the resolution to place a referendum on the ballot to the following:

(1) The department of local government finance, including a copy of the revenue spending plan adopted under subsection (c).

(2) The county fiscal body of each county in which the political subdivision is located (for informational purposes only).

(3) The circuit court clerk of each county in which the political subdivision is located.

(c) As part of the resolution described in subsection (a), the proper officers of a political subdivision shall adopt a revenue spending plan for the proposed referendum tax levy that includes:

(1) an estimate of the amount of annual revenue expected to be collected if a levy is imposed under this chapter;

(2) subject to section 7 of this chapter, the specific purposes for which the revenue collected from a levy imposed under this chapter will be used; and

(3) an estimate of the annual dollar amounts that will be expended for each purpose described in subdivision (2).

(d) A political subdivision shall specify in its proposed budget the political subdivision's revenue spending plan adopted under subsection (c) and present the revenue spending plan at its public

hearing on the proposed budget under IC 6-1.1-17-3.

Sec. 7. The uses of the proceeds of a referendum are restricted to the uses of the fund of the political subdivision that is controlled by the maximum levy limits under IC 6-1.1-18.5-3 and the purpose for which a political subdivision imposes a referendum under this chapter.

Sec 8. The department of local government finance shall prescribe a form that provides a template for a political subdivision to use for purposes of section 9 of this chapter. The department of local government finance shall provide a report in an electronic format under IC 5-14-6 to the legislative council that contains the form prescribed under this section.

Sec. 9. The question to be submitted to the voters in the referendum must use the form prescribed under section 8 of this chapter as provided to the political subdivision by the department of local government finance.

Sec. 10. The county auditor shall distribute proceeds collected from an allocation area (as defined in IC 6-1.1-21.2-3) that are attributable to property taxes imposed after being approved by the voters in the referendum, to the political subdivision for which the referendum was conducted. The amount to be distributed to the political subdivision shall be treated as part of the referendum levy for purposes of setting the political subdivision's tax rates.

Sec. 11. The voters in a referendum may not approve a levy that is imposed for more than one (1) year. A levy may not be reimposed or extended under this chapter.

Sec. 12. Each circuit court clerk shall, upon receiving the question certified by the governing body of a political subdivision under this chapter, call a meeting of the county election board to make arrangements for the referendum.

Sec. 13. The referendum shall be held in the next general election as provided under IC 3-10-9-3(a)(2), in which all the registered voters who are residents of the political subdivision are entitled to vote after certification of the question. The certification of the question must occur not later than noon August 1.

Sec. 14. Each county election board shall cause:

(1) the question certified to the circuit court clerk by the proper officers of a political subdivision to be placed on the ballot in the form prescribed by IC 3-10-9-4; and

(2) an adequate supply of ballots and voting equipment to be

delivered to the precinct election board of each precinct in which the referendum is to be held.

Sec. 15. (a) The individuals entitled to vote in the referendum are all of the registered voters resident in the political subdivision.

(b) An individual who changes residence from a location within a political subdivision to a location outside of the political subdivision less than thirty (30) days before an election under this chapter may not vote on the public question.

Sec. 16. Each precinct election board shall count the affirmative votes and the negative votes cast in the referendum and shall certify those two (2) totals to the county election board of each county in which the referendum is held. The circuit court clerk of each county shall, immediately after the votes cast in the referendum have been counted, certify the results of the referendum to the department of local government finance. If a majority of the individuals who voted in the referendum voted "yes" on the referendum question:

(1) the department of local government finance shall promptly notify the political subdivision that the political subdivision is authorized to collect, for the calendar year that next follows the calendar year in which the referendum is held, a levy not greater than the amount approved in the referendum;

(2) the levy may be imposed for only one (1) year following the referendum for the political subdivision in which the referendum is held; and

(3) the political subdivision shall establish a fund to deposit the proceeds generated from the referendum. Proceeds from the referendum may only be used for the purposes stated on the ballot.

Sec. 17. (a) This subsection applies to school corporations. A school corporation's levy under this chapter may not be considered in the determination of the school corporation's state tuition support distribution under IC 20-43 or the determination of any other property tax levy imposed by the school corporation.

(b) This subsection applies to all other political subdivisions. A political subdivision's levy under this chapter may not be considered in the determination of any other property tax levy imposed by the political subdivision.

Sec. 18. (a) If a majority of the persons who voted in the referendum did not vote "yes" on the referendum question:

(1) the political subdivision may not make any levy for its referendum tax levy fund; and

(2) another referendum under this chapter may not be held earlier than:

(A) except as provided in clause (B), seven hundred (700) days after the date of the referendum; or

(B) three hundred fifty (350) days after the date of the referendum, if a petition that meets the requirements of subsection (b) is submitted to the county auditor.

(b) If a majority of the persons who voted in the referendum did not vote "yes" on the referendum question, a petition may be submitted to the county auditor to request that the limit under subsection (a)(2)(B) applies to the holding of a subsequent referendum by the political subdivision. If such a petition is submitted to the county auditor and is signed by the lesser of:

(1) five hundred (500) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or

(2) five percent (5%) of the registered voters residing within the political subdivision;

the limit under subsection (a)(2)(B) applies to the holding of a second referendum by the political subdivision, and the limit under subsection (a)(2)(A) does not apply to the holding of a second referendum by the political subdivision.

Sec. 19. (a) If a referendum is approved by the voters in a political subdivision under this chapter in a calendar year, another referendum may not be placed on the ballot in the political subdivision under this chapter in the following calendar year.

(b) Notwithstanding any other provision of this chapter and in addition to the restriction specified in subsection (a), if a political subdivision imposes in a calendar year a referendum levy approved in a referendum under this chapter, the political subdivision may not simultaneously impose in that calendar year more than one (1) additional referendum levy approved in a subsequent referendum under this chapter.

Sec. 20. (a) Except as otherwise provided in this section, during the period beginning with the adoption of a resolution by the political subdivision to place a referendum under this chapter on the ballot and continuing through the day on which the referendum is submitted to the voters, the political subdivision may not

promote a position on the referendum by doing any of the following:

(1) Using facilities or equipment, including mail and messaging systems, owned by the political subdivision to promote a position on the referendum, unless equal access to the facilities or equipment is given to persons with a position opposite to that of the political subdivision.

(2) Making an expenditure of money from a fund controlled by the political subdivision to promote a position on the referendum.

(3) Using an employee to promote a position on the referendum during the employee's normal working hours or paid overtime, or otherwise compelling an employee to promote a position on the referendum at any time. However, if a person described in subsection (d) is advocating for or against a position on the referendum or discussing the referendum as authorized under subsection (d), an employee of the political subdivision may assist the person in presenting information on the referendum, if requested to do so by the person described in subsection (d).

(4) In the case of a school corporation, promoting a position on the referendum by:

(A) using students to transport written materials to their residences or in any way involving students in a school organized promotion of a position;

(B) including a statement within another communication sent to the students' residences; or

(C) initiating discussion of the referendum at a meeting between a teacher and parents of a student regarding the student's performance or behavior at school. However, if the parents initiate a discussion of the referendum at the meeting, the teacher may acknowledge the issue and direct the parents to a source of factual information on the referendum.

However, this section does not prohibit an official or employee of the political subdivision from carrying out duties with respect to a referendum that are part of the normal and regular conduct of the official's or employee's office or agency, including the furnishing of factual information regarding the referendum in response to inquiries from any person.

(b) The staff and employees of a school corporation may not personally identify a student as the child of a parent or guardian who supports or opposes the referendum.

(c) This subsection does not apply to:

(1) a personal expenditure to promote a position on a local public question by an employee of a political subdivision whose employment is governed by a collective bargaining contract or an employment contract; or

(2) an expenditure to promote a position on a local public question by a person or an organization that has a contract or an arrangement (whether formal or informal) with the political subdivision solely for the use of the political subdivision's facilities.

A person or an organization that has a contract or arrangement (whether formal or informal) with a political subdivision to provide goods or services to the political subdivision may not spend any money to promote a position on the referendum. A person or an organization that violates this subsection commits a Class A infraction.

(d) Notwithstanding any other law, an elected or appointed official of a political subdivision may at any time:

(1) personally advocate for or against a position on a referendum; or

(2) discuss the referendum with any individual, group, or organization or personally advocate for or against a position on a referendum before any individual, group, or organization;

so long as it is not done by using public funds. Advocacy or discussion allowed under this subsection is not considered a use of public funds. However, in the case of a school corporation, this subsection does not authorize or apply to advocacy or discussion by a school board member, superintendent, assistant superintendent, or school business official to or with students that occurs during the regular school day.

(e) A student may use school equipment or facilities to report or editorialize about a local public question as part of the news coverage of the referendum by a student newspaper or broadcast.

SECTION 21. IC 6-1.1-20-3.6, AS AMENDED BY P.L.136-2024, SECTION 25, AND AS AMENDED BY P.L.156-2024, SECTION 17, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL

OF THE 2025 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3.6. (a) Except as provided in sections 3.7 and 3.8 of this chapter, this section applies only to a controlled project described in section 3.5(a) of this chapter.

(b) In the case of a controlled project:

(1) described in section 3.5(a)(1)(A) through 3.5(a)(1)(C) of this chapter, if a sufficient petition requesting the application of the local public question process has been filed as set forth in section 3.5 of this chapter; or

(2) described in section ~~3.5(a)(1)(D)~~ *3.5(a)(1)(E)* of this chapter (before its expiration);

a political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project unless the political subdivision's proposed debt service or lease rental is approved in an election on a local public question held under this section.

(c) Except as provided in subsection (k), the following question shall be submitted to the eligible voters at the election conducted under this section:

~~"Shall ________ (insert the name of the political subdivision) increase property taxes paid to the ________ (insert the type of taxing unit) by homeowners and businesses? If this public question is approved by the voters, the average property tax paid to the ________ (insert the type of taxing unit) per year on a residence would increase by ______% (insert the estimated average percentage of property tax increase paid to the political subdivision on a residence within the political subdivision as determined under subsection (n)) and the average property tax paid to the _____ (insert the type of taxing unit) per year on a business property would increase by ______% (insert the estimated average percentage of property tax increase paid to the political subdivision on a business property within the political subdivision as determined under subsection (o)). The political subdivision may issue bonds or enter into a lease to ________ (insert a brief description of the controlled project), which is estimated to cost ________ (insert the total cost of the project) over ______ (insert number of years to bond maturity or termination of lease) years. The most recent property tax referendum within the boundaries of the political subdivision for~~

~~which this public question is being considered was proposed by ________ (insert name of political subdivision) in ______ (insert year of most recent property tax referendum) and ________ (insert whether the measure passed or failed).".~~

"Shall ________ (insert the name of the political subdivision) increase property taxes paid to political subdivisions for no more than ______ (insert the number of years immediately following the holding of the referendum) for the purpose of funding _______ (insert a brief description of the project use or purpose) which is estimated to cost no more than _______ (insert the total cost of the project) and is estimated to ________ (insert increase or decrease, whichever is applicable) the property taxes paid to the political subdivision by imposing a property tax rate that results in a maximum annual amount that does not exceed ______ (insert maximum amount of annual levy). If this public question is approved by the voters, the property tax paid annually for a median residence of __________ (insert the political subdivision's median household assessed value) would increase by _______ per year (insert dollar amount).".

The public question must appear on the ballot in the form approved by the county election board. If the political subdivision proposing to issue bonds or enter into a lease is located in more than one (1) county, the county election board of each county shall jointly approve the form of the public question that will appear on the ballot in each county. The form approved by the county election board may differ from the language certified to the county election board by the county auditor. If the county election board approves the language of a public question under this subsection, the county election board shall submit the language and the certification of the county auditor ~~described in subsection (p)~~ to the department of local government finance for review.

(d) The department of local government finance shall review the language of the public question to evaluate whether the description of the controlled project is accurate and is not biased against either a vote in favor of the controlled project or a vote against the controlled project. ~~The department of local government finance shall post the estimated average percentage of property tax increases to be paid to a political subdivision on a residence and business property that are certified by the county auditor under subsection (p) on the department's~~

~~*Internet web site: website.*~~ The department of local government finance may either approve the ballot language as submitted or recommend that the ballot language be modified as necessary to ensure that the description of the controlled project is accurate and is not biased. The department of local government finance shall certify its approval or recommendations to the county auditor and the county election board not more than ten (10) days after ~~*both the certification of the county auditor described in subsection (p) and*~~ the language of the public question *is* ~~*are*~~ submitted to the department for review. If the department of local government finance recommends a modification to the ballot language, the county election board shall, after reviewing the recommendations of the department of local government finance, submit modified ballot language to the department for the department's approval or recommendation of any additional modifications. The public question may not be certified by the county auditor under subsection (e) unless the department of local government finance has first certified the department's final approval of the ballot language for the public question.

(e) The county auditor shall certify the finally approved public question ~~under IC 3-10-9-3~~ to the county election board of each county in which the political subdivision is located. The certification must occur not later than noon **August 1.**

~~(1) seventy-four (74) days before a primary election if the public question is to be placed on the primary or municipal primary election ballot; or~~

~~(2) August 1 if the public question is to be placed on the general or municipal election ballot.~~

Subject to the certification requirements and deadlines under this subsection and except as provided in subsection (j), the public question shall be placed on the ballot at the next ~~primary election,~~ general election. ~~or municipal election in which all voters of the political subdivision are entitled to vote. However, if a primary election, general election, or municipal election will not be held during the first year in which the public question is eligible to be placed on the ballot under this section and if the political subdivision requests the public question to be placed on the ballot at a special election, the public question shall be placed on the ballot at a special election to be held on the first Tuesday after the first Monday in May or November of the year. The certification must occur not later than noon seventy-four (74) days before a special election to be held in May (if the special election is to~~

~~be held in May) or noon on August 1 (if the special election is to be held in November). The fiscal body of the political subdivision that requests the special election shall pay the costs of holding the special election. The county election board shall give notice under IC 5-3-1 of a special election conducted under this subsection. A special election conducted under this subsection is under the direction of the county election board. The county election board shall take all steps necessary to carry out the special election.~~

(f) The circuit court clerk shall certify the results of the public question to the following:

(1) The county auditor of each county in which the political subdivision is located.

(2) The department of local government finance.

(g) Subject to the requirements of IC 6-1.1-18.5-8, the political subdivision may issue the proposed bonds or enter into the proposed lease rental if a majority of the eligible voters voting on the public question vote in favor of the public question.

(h) If a majority of the eligible voters voting on the public question vote in opposition to the public question, both of the following apply:

(1) The political subdivision may not issue the proposed bonds or enter into the proposed lease rental.

(2) Another public question under this section on the same or a substantially similar project may not be submitted to the voters earlier than:

(A) except as provided in clause (B), seven hundred (700) days after the date of the public question; or

(B) three hundred fifty (350) days after the date of the election, if a petition that meets the requirements of subsection (m) is submitted to the county auditor.

(i) IC 3, to the extent not inconsistent with this section, applies to an election held under this section.

(j) A political subdivision may not divide a controlled project in order to avoid the requirements of this section and section 3.5 of this chapter. A person that owns property within a political subdivision or a person that is a registered voter residing within a political subdivision may file a petition with the department of local government finance objecting that the political subdivision has divided a controlled project into two (2) or more capital projects in order to avoid the requirements of this section and section 3.5 of this chapter. The petition must be filed not more than ten (10) days after the political subdivision gives notice of the political subdivision's decision under section 3.5 of this chapter or a determination under section 5 of this chapter to issue bonds or enter into leases for a capital project that the person believes is the result of a division of a controlled project that is prohibited by this subsection. If the department of local government finance receives a petition under this subsection, the department shall not later than thirty (30) days after receiving the petition make a final determination on the issue of whether the political subdivision divided a controlled project in order to avoid the requirements of this section and section 3.5 of this chapter. If the department of local government finance determines that a political subdivision divided a controlled project in order to avoid the requirements of this section and section 3.5 of this chapter and the political subdivision continues to desire to proceed with the project, the political subdivision may appeal the determination of the department of local government finance to the Indiana board of tax review. A political subdivision shall be considered to have divided a capital project in order to avoid the requirements of this section and section 3.5 of this chapter if the result of one (1) or more of the subprojects cannot reasonably be considered an independently desirable end in itself without reference to another capital project. This subsection does not prohibit a political subdivision from undertaking a series of capital projects in which the result of each capital project can reasonably be considered an independently desirable end in itself without reference to another capital project.

(k) This subsection applies to a political subdivision for which a petition requesting a public question has been submitted under section 3.5 of this chapter. The legislative body (as defined in IC 36-1-2-9) of the political subdivision may adopt a resolution to withdraw a controlled project from consideration in a public question. If the legislative body provides a certified copy of the resolution to the county auditor and the county election board not later than sixty-three (63) days before the election at which the public question would be on the ballot, the public question on the controlled project shall not be placed on the ballot and the public question on the controlled project shall not be held, regardless of whether the county auditor has certified the public question to the county election board. If the withdrawal of a public question under this subsection requires the county election board to reprint ballots, the political subdivision withdrawing the public question shall pay the costs of reprinting the ballots. If a political subdivision withdraws a public question under this subsection that would have been held at a special election and the county election board has printed the ballots before the legislative body of the political subdivision provides a certified copy of the withdrawal resolution to the county auditor and the county election board, the political subdivision withdrawing the public question shall pay the costs incurred by the county in printing the ballots. If a public question on a controlled project is withdrawn under this subsection, a public question under this section on the same controlled project or a substantially similar controlled project may not be submitted to the voters earlier than three hundred fifty (350) days after the date the resolution withdrawing the public question is adopted.

(l) If a public question regarding a controlled project is placed on the ballot to be voted on at an election under this section, the political subdivision shall submit to the department of local government finance, at least thirty (30) days before the election, the following information regarding the proposed controlled project for posting on the department's ~~*Internet web site:*~~ *website:*

(1) The cost per square foot of any buildings being constructed as part of the controlled project.

(2) The effect that approval of the controlled project would have on the political subdivision's property tax rate.

(3) The maximum term of the bonds or lease.

(4) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(5) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(6) The purpose of the bonds or lease.

(7) In the case of a controlled project proposed by a school corporation:

(A) the current and proposed square footage of school building space per student;

(B) enrollment patterns within the school corporation; and

(C) the age and condition of the current school facilities.

(m) If a majority of the eligible voters voting on the public question vote in opposition to the public question, a petition may be submitted to the county auditor to request that the limit under subsection (h)(2)(B) apply to the holding of a subsequent public question by the political subdivision. If such a petition is submitted to the county auditor and is signed by the lesser of:

(1) five hundred (500) persons who are either owners of property

within the political subdivision or registered voters residing within the political subdivision; or

(2) five percent (5%) of the registered voters residing within the political subdivision;

the limit under subsection (h)(2)(B) applies to the holding of a second public question by the political subdivision and the limit under subsection (h)(2)(A) does not apply to the holding of a second public question by the political subdivision.

~~(n) At the request of a political subdivision that proposes to impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project, the county auditor of a county in which the political subdivision is located shall determine the estimated average percentage of property tax increase on a homestead to be paid to the political subdivision that must be included in the public question under subsection (c) as follows:~~

~~STEP ONE: Determine the average assessed value of a homestead located within the political subdivision.~~

~~STEP TWO: For purposes of determining the net assessed value of the average homestead located within the political subdivision, subtract:~~

~~(A) an amount for the homestead standard deduction under IC 6-1.1-12-37 as if the homestead described in STEP ONE was eligible for the deduction; and~~

~~(B) an amount for the supplemental homestead deduction under IC 6-1.1-12-37.5 as if the homestead described in STEP ONE was eligible for the deduction;~~

~~from the result of STEP ONE.~~

~~STEP THREE: Divide the result of STEP TWO by one hundred (100).~~

~~STEP FOUR: Determine the overall average tax rate per one hundred dollars ($100) of assessed valuation for the current year imposed on property located within the political subdivision.~~

~~STEP FIVE: For purposes of determining net property tax liability of the average homestead located within the political subdivision:~~

~~(A) multiply the result of STEP THREE by the result of STEP FOUR; and~~

~~(B) as appropriate, apply any currently applicable county property tax credit rates and the credit for excessive property taxes under IC 6-1.1-20.6-7.5(a)(1).~~

~~STEP SIX: Determine the amount of the political subdivision's~~

~~part of the result determined in STEP FIVE.~~

~~STEP SEVEN: Determine the estimated tax rate that will be imposed if the public question is approved by the voters.~~

~~STEP EIGHT: Multiply the result of STEP SEVEN by the result of STEP THREE.~~

~~STEP NINE: Divide the result of STEP EIGHT by the result of STEP SIX, expressed as a percentage.~~

~~(o) At the request of a political subdivision that proposes to impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project, the county auditor of a county in which the political subdivision is located shall determine the estimated average percentage of property tax increase on a business property to be paid to the political subdivision that must be included in the public question under subsection (c) as follows:~~

~~STEP ONE: Determine the average assessed value of business property located within the political subdivision.~~

~~STEP TWO: Divide the result of STEP ONE by one hundred (100).~~

~~STEP THREE: Determine the overall average tax rate per one hundred dollars ($100) of assessed valuation for the current year imposed on property located within the political subdivision.~~

~~STEP FOUR: For purposes of determining net property tax liability of the average business property located within the political subdivision:~~

~~(A) multiply the result of STEP TWO by the result of STEP THREE; and~~

~~(B) as appropriate, apply any currently applicable county property tax credit rates and the credit for excessive property taxes under IC 6-1.1-20.6-7.5 as if the applicable percentage was three percent (3%).~~

~~STEP FIVE: Determine the amount of the political subdivision's part of the result determined in STEP FOUR.~~

~~STEP SIX: Determine the estimated tax rate that will be imposed if the public question is approved by the voters.~~

~~STEP SEVEN: Multiply the result of STEP TWO by the result of STEP SIX.~~

~~STEP EIGHT: Divide the result of STEP SEVEN by the result of STEP FIVE, expressed as a percentage.~~

~~(p) The county auditor shall certify the estimated average percentage of property tax increase on a homestead to be paid to the~~

~~political subdivision determined under subsection (n), and the estimated average percentage of property tax increase on a business property to be paid to the political subdivision determined under subsection (o), in a manner prescribed by the department of local government finance, and provide the certification to the political subdivision that proposes to impose property taxes. The political subdivision shall provide the certification to the county election board and include the estimated average percentages in the language of the public question at the time the language of the public question is submitted to the county election board for approval as described in subsection (c).~~

SECTION 22. IC 6-1.1-20-4.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 4.1. This section applies to all school corporations. During the calendar year immediately succeeding the final calendar year in which a school corporation's previously approved controlled project referendum tax levy is imposed under this chapter, the school corporation may not adopt a resolution to place a referendum under this chapter on the ballot or adopt a resolution to extend a referendum under this chapter.**

SECTION 23. IC 6-1.1-20-4.3, AS ADDED BY P.L.136-2024, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 4.3. (a) This section applies only if, with respect to a particular controlled project that fulfilled the referendum process under sections 3.5 and 3.6 of this chapter, the political subdivision subsequently changes the scope of the controlled project beyond that initially presented.

(b) Notwithstanding any other provision in this chapter, if at least ten (10) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision file a petition with the proper officers of the political subdivision contending that the scope of a controlled project has changed from how it was initially presented, the proper officers of the political subdivision shall hold a public hearing to determine whether any change in scope is significant enough to warrant a new referendum process. A petition under this subsection must be filed not later than one (1) year after the controlled project received final approval.

(c) Notwithstanding any other provision in this chapter, if it is determined at the hearing described in subsection (b) that the political subdivision has subsequently changed the scope of a controlled project beyond that initially presented as described in subsection (a), the following procedures apply:

(1) A petition requesting the application of the local public question process under this section may be filed using, and in compliance with, the provisions that initially applied to the particular controlled project under section 3.5 of this chapter. For purposes of this subdivision, the relevant provisions in section 3.5 of this chapter shall be construed in a manner consistent with this section.

(2) If a sufficient petition requesting the application of the local public question process for purposes of this section has been filed under subdivision (1), the following question shall be submitted to the eligible voters at the election conducted under this section: ~~"On ______ (insert date) the voters approved a public question to increase property taxes paid to the _______ (insert the type of taxing unit) by homeowners and businesses. The political subdivision has determined that the scope of the project for which the pubic question was placed on the ballot has changed beyond that initially presented. To fund the increase in the scope of the project, the average property tax paid to the _______ (insert the type of taxing unit) per year on a residence is estimated to increase by ______% (insert the estimated average percentage of property tax increase paid to the political subdivision on a residence within the political subdivision) and the average property tax paid to the _____ (insert the type of taxing unit) per year on a business property would increase by ______% (insert the estimated average percentage of property tax increase paid to the political subdivision on a business property within the political subdivision). Shall ________ (insert the name of the political subdivision) increase property taxes paid to the _______ (insert the type of taxing unit) by homeowners and businesses to fund the increase in the scope of the project previously approved? If this public question is approved by the voters, the average property tax paid to the _______ (insert the type of taxing unit) per year on a residence would increase by ______% (insert the estimated average percentage of property tax increase paid to the political subdivision on a residence within the political subdivision) and the average property tax paid to the _____ (insert the type of taxing unit) per year on a business property would increase by ______% (insert the estimated average~~

~~percentage of property tax increase paid to the political subdivision on a business property within the political subdivision).".~~

"Shall ________ (insert the name of the political subdivision) increase property taxes paid to political subdivisions for no more than ______ (insert the number of years immediately following the holding of the referendum) for the purpose of funding _______ (insert a brief description of the project use or purpose) which is estimated to cost no more than _______ (insert the total cost of the project) and is estimated to ________ (insert increase or decrease, whichever is applicable) the property taxes paid to the political subdivision by imposing a property tax rate that results in a maximum annual amount that does not exceed ______ (insert maximum amount of annual levy). If this public question is approved by the voters, the property tax paid annually for a median residence of __________ (insert the political subdivision's median household assessed value) would increase by _______ per year (insert dollar amount).".

(3) The public question must appear on the ballot in the form approved by the county election board. If the political subdivision in which the particular controlled project is located in more than one (1) county, the county election board of each county shall jointly approve the form of the public question that will appear on the ballot in each county. The form approved by the county election board may differ from the language certified to the county election board by the county auditor. If the county election board approves the language of a public question under this subsection, the county election board shall submit the language to the department of local government finance for review.

(4) The department of local government finance shall review the language of the public question to evaluate whether the description of the controlled project is accurate and is not biased against either a vote in favor of the controlled project or a vote against the controlled project. The department of local government finance may either approve the ballot language as submitted or recommend that the ballot language be modified as necessary to ensure that the description of the controlled project is accurate and is not biased. The department of local government finance shall certify its approval or recommendations to the

county auditor and the county election board not more than ten (10) days after the language of the public question is submitted to the department for review. If the department of local government finance recommends a modification to the ballot language, the county election board shall, after reviewing the recommendations of the department of local government finance, submit modified ballot language to the department for the department's approval or recommendation of any additional modifications. The public question may not be certified by the county auditor under subdivision (5) unless the department of local government finance has first certified the department's final approval of the ballot language for the public question.

(5) The county auditor shall certify the finally approved public question ~~under IC 3-10-9-3~~ to the county election board of each county in which the political subdivision is located. The certification must occur not later than noon **August 1.**

~~(A) seventy-four (74) days before a primary election if the public question is to be placed on the primary or municipal primary election ballot; or~~

~~(B) August 1 if the public question is to be placed on the general or municipal election ballot.~~

(6) The public question shall be placed on the ballot at the next ~~primary election,~~ general election ~~or municipal election~~ in which all voters of the political subdivision are entitled to vote. ~~However, if a primary election, general election, or municipal election will not be held during the first year in which the public question is eligible to be placed on the ballot under this section and if the political subdivision requests the public question to be placed on the ballot at a special election, the public question shall be placed on the ballot at a special election to be held on the first Tuesday after the first Monday in May or November of the year. The certification must occur not later than noon seventy-four (74) days before a special election to be held in May (if the special election is to be held in May) or noon on August 1 (if the special election is to be held in November). The fiscal body of the political subdivision that requests the special election shall pay the costs of holding the special election. The county election board shall give notice under IC 5-3-1 of a special election conducted under this subsection. A special election conducted under this subsection is under the direction of the county election~~

~~board. The county election board shall take all steps necessary to carry out the special election.~~

(7) The circuit court clerk shall certify the results of the public question to the following:

(A) The county auditor of each county in which the political subdivision is located.

(B) The department of local government finance.

(8) IC 3, to the extent not inconsistent with this section, applies to an election held under this section.

(9) If a majority of the eligible voters voting on the public question vote in opposition to the public question, or if a petition is not filed under subdivision (1), the political subdivision may not proceed with the changed scope of the controlled project. In that case, the political subdivision may either:

(A) proceed with the controlled project as it was initially presented; or

(B) terminate the controlled project as it was initially presented and initiate procedures for the controlled project that reflects the change in scope.

(10) If a majority of the eligible voters voting on the public question vote in favor of the public question, the political subdivision may impose property taxes to fund the increase in the scope of the controlled project previously approved.

SECTION 24. IC 6-1.1-20-4.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 4.6. Each year, the county auditor, with cooperation from the department of local government finance, shall determine the tax rate needed to raise the maximum amount of the annual levy for the year as described under section 3.6 and 4.3 of this chapter, as applicable, and determine all other information needed for the ballot language in those sections.**

SECTION 25. IC 6-1.1-20.6-8.5, AS AMENDED BY P.L.239-2023, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 8.5. (a) This section applies to an individual who:

(1) qualified for a standard deduction granted under IC 6-1.1-12-37 for the individual's homestead property in the immediately preceding calendar year (or was married at the time of death to a deceased spouse who qualified for a standard

deduction granted under IC 6-1.1-12-37 for the individual's homestead property in the immediately preceding calendar year);

(2) qualifies for a standard deduction granted under IC 6-1.1-12-37 for the same homestead property in the current calendar year;

(3) is or will be at least sixty-five (65) years of age on or before December 31 of the calendar year immediately preceding the current calendar year; and

(4) had:

(A) in the case of an individual who filed a single return, adjusted gross income (as defined in Section 62 of the Internal Revenue Code) not exceeding ~~thirty thousand dollars ($30,000),~~ **sixty thousand dollars ($60,000),** and beginning for the January 1, 2023, assessment date, and each assessment date thereafter, adjusted annually by an amount equal to the percentage cost of living increase applied for Social Security benefits for the immediately preceding calendar year; or

(B) in the case of an individual who filed a joint income tax return with the individual's spouse, combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) not exceeding ~~forty thousand dollars ($40,000),~~ **seventy thousand dollars ($70,000),** and beginning for the January 1, 2023, assessment date, and each assessment date thereafter, adjusted annually by an amount equal to the percentage cost of living increase applied for Social Security benefits for the immediately preceding calendar year;

for the calendar year preceding by two (2) years the calendar year in which property taxes are first due and payable.

For purposes of applying the annual cost of living increases described in subdivision (4)(A) and (4)(B), the annual percentage increase is applied to the adjusted amount of income from the immediately preceding year.

(b) Except as provided in subsection (g), this section does not apply if:

(1) for an individual who received a credit under this section before January 1, 2020, the gross assessed value of the homestead on the assessment date for which property taxes are imposed is at least two hundred thousand dollars ($200,000);

(2) for an individual who initially applies for a credit under this section after December 31, 2019, and before January 1, 2023, the

assessed value of the individual's Indiana real property is at least two hundred thousand dollars ($200,000); ~~or~~

(3) for an individual who initially applies for a credit under this section after December 31, 2022, **and before January 1, 2025,** the assessed value of the individual's Indiana real property is at least two hundred forty thousand dollars ($240,000); **or**

(4) for an individual who initially applies for a credit under this section after December 31, 2024, the assessed value of the individual's Indiana real property is at least three hundred thousand dollars ($300,000), and beginning for the January 1, 2026, assessment date and each assessment date thereafter, the amount shall be adjusted annually by a percentage equal to the percentage increase, if any, as determined under subsection (h).

(c) An individual is entitled to an additional credit under this section for property taxes first due and payable for a calendar year on a homestead if:

(1) the individual and the homestead qualify for the credit under subsection (a) for the calendar year;

(2) the homestead is not disqualified for the credit under subsection (b) for the calendar year; and

(3) the filing requirements under subsection (e) are met.

(d) The amount of the credit is equal to the greater of zero (0) or the result of:

(1) the property tax liability first due and payable on the homestead property for the calendar year; minus

(2) the result of:

(A) the property tax liability first due and payable on the qualified homestead property for the immediately preceding year after the application of the credit granted under this section for that year; multiplied by

(B) one and two hundredths (1.02).

However, property tax liability imposed on any improvements to or expansion of the homestead property after the assessment date for which property tax liability described in subdivision (2) was imposed shall not be considered in determining the credit granted under this section in the current calendar year.

(e) Applications for a credit under this section shall be filed in the manner provided for an application for a deduction under IC 6-1.1-12-9. However, an individual who remains eligible for the credit in the following year is not required to file a statement to apply for the credit in the following year. An individual who receives a credit under this section in a particular year and who becomes ineligible for the credit in the following year shall notify the auditor of the county in which the homestead is located of the individual's ineligibility not later than sixty (60) days after the individual becomes ineligible.

(f) The auditor of each county shall, in a particular year, apply a credit provided under this section to each individual who received the credit in the preceding year unless the auditor determines that the individual is no longer eligible for the credit.

(g) For purposes of determining the:

(1) assessed value of the homestead on the assessment date for which property taxes are imposed under subsection (b)(1);

(2) assessed value of the individual's Indiana real property under subsection (b)(2); ~~or~~

(3) assessed value of the individual's Indiana real property under subsection (b)(3); **or**

(4) assessed value of the individual's Indiana real property under subsection (b)(4);

for an individual who has received a credit under this section in a previous year, increases in assessed value that occur after the later of December 31, 2019, or the first year that the individual has received the credit are not considered unless the increase in assessed value is attributable to substantial renovation or new improvements. Where there is an increase in assessed value for purposes of the credit under this section, the assessor shall provide a report to the county auditor describing the substantial renovation or new improvements, if any, that were made to the property prior to the increase in assessed value.

(h) As used in this subsection, "median home sale price" means the median home sale price as determined by the department of local government finance for each month for Indiana using data from the National Association of Realtors. The annual adjustment under subsection (b)(4) is equal to the year over year change in:

(1) the year end average of the monthly median home sale prices in Indiana statewide for the immediately preceding calendar year before the assessment date; compared to

(2) the year end average of the monthly median home sale prices in Indiana statewide for the calendar year preceding the assessment date by two (2) years;

expressed as a percentage, but not less than zero (0). For purposes

of applying the annual adjustment under subsection (b)(4), the annual percentage increase, if any, is applied to the adjusted amount from the immediately preceding year.

SECTION 26. IC 6-1.1-22-3, AS AMENDED BY P.L.42-2011, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026]: Sec. 3. (a) Except as provided in subsection (b), the auditor of each county shall, before March 15 of each year, prepare a roll of property taxes payable in that year for the county. This roll shall be known as the "tax duplicate" and shall show:

(1) the value of all the assessed property of the county;

(2) the person liable for the taxes on the assessed property; and

(3) any other information that the state board of accounts, with the advice and approval of the department of local government finance, may prescribe.

~~(b) If the county auditor receives a copy of an appeal petition under IC 6-1.1-18.5-12(g) before the county auditor completes preparation of the tax duplicate under subsection (a), the county auditor shall complete preparation of the tax duplicate when the appeal is resolved by the department of local government finance.~~

~~(c) If the county auditor receives a copy of an appeal petition under IC 6-1.1-18.5-12(g) after the county auditor completes preparation of the tax duplicate under subsection (a), the county auditor shall prepare a revised tax duplicate when the appeal is resolved by the department of local government finance that reflects the action of the department.~~

~~(d)~~ **(b)** The county auditor shall comply with the instructions issued by the state board of accounts for the preparation, preservation, alteration, and maintenance of the tax duplicate. The county auditor shall deliver a copy of the tax duplicate prepared under subsection (a) to the county treasurer when preparation of the tax duplicate is completed.

SECTION 27. IC 6-1.1-30-20 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 20. (a) The department shall develop and maintain a property tax transparency portal on the department's current website through which taxpayers may:**

(1) compare the property tax liability in their current tax statement compared to their potential property tax liability based on changes under a proposed tax rate; and

(2) provide taxpayer feedback to the department and local units.

(b) The department shall make the portal available for taxpayer use not later than January 1, 2026.

SECTION 28. IC 6-1.1-51.3 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]:

Chapter 51.3. County Option Homestead Property Tax Deferral Program

Sec. 1. As used in this chapter, "homestead" means a homestead as defined in IC 6-1.1-12-37.

Sec. 2. As used in this chapter, "homestead property tax liability" refers to a liability for property taxes:

(1) that are assessed on tangible property that is a homestead; and

(2) that would be first due and payable in a certain year if the property taxes were not deferred under this chapter.

The term refers to a property tax liability after the application of all deductions and credits for which the homestead is eligible.

Sec. 3. As used in this chapter, "property taxes" refers to ad valorem property taxes. The term does not include fees or charges that are included by law on a tax statement issued under IC 6-1.1-22-8.1 or IC 6-1.1-22.5.

Sec. 4. As used in this chapter, "qualified individual" means an individual who:

(1) has a qualified interest in a homestead on the assessment date for which homestead property tax liability is imposed;

(2) has owned the homestead for at least five (5) years before first applying for a deferral of homestead property tax liability;

(3) uses the homestead in which the individual has a qualified interest as the individual's principal place of residence. An individual shall be treated as using a homestead as the individual's principal place of residence if the individual:

(A) is absent from the homestead while in a health care facility (as defined in IC 16-18-2-161 or IC 16-28-13-0.5) for which payment is received from the United States Department of Health and Human Services for the individual's care; but

(B) used the homestead as the individual's principal place of residence immediately before being admitted to a health care facility (as defined in IC 16-18-2-161 or

IC 16-28-13-0.5);

(4) is not delinquent in the payment of any property taxes, special assessments, or fees or charges that are included by law on a tax statement issued under IC 6-1.1-22-8.1 or IC 6-1.1-22.5; and

(5) meets any other qualifications that a county may choose to require in an ordinance adopted under this chapter, which may include:

(A) an age requirement for seniors;

(B) an assessed value limitation (such as an assessed value limit of three hundred thousand dollars ($300,000));

(C) veteran status; or

(D) an income based limitation.

Sec. 5. As used in this chapter, "qualified interest" means the following:

(1) An ownership interest in a homestead.

(2) An interest in a contract for the purchase of a homestead that:

(A) is recorded in the county recorder's office; and

(B) provides that a person purchasing the homestead is to pay the property taxes on the homestead.

Sec. 6. (a) A county fiscal body may adopt an ordinance to establish a homestead property tax deferral program to be administered by the county treasurer as provided in this chapter.

(b) An ordinance adopted under this section must apply to all of the territory of the county and allow a qualified individual to apply for and receive deferral of the qualified individual's homestead property tax liability as set forth in this chapter.

Sec. 7. (a) Beginning with property taxes first due and payable in 2026, a qualified individual in a county with a homestead property tax deferral program may apply to the county assessor to defer the due date for the qualified individual's homestead property tax liability as permitted under this chapter.

(b) A qualified individual may defer at least one hundred dollars ($100), but not more than five hundred dollars ($500), of the qualified individual's homestead property tax liability in a given calendar year.

(c) Except as provided in subsections (d) and (f), amounts deferred under this chapter for prior years may continue to accumulate until the delayed due date under this chapter.

(d) A qualified individual may not defer more than ten thousand dollars ($10,000) of the qualified individual's homestead property tax liability over consecutive years.

(e) The county treasurer may accrue interest on a qualified individual's deferred tax balance amount not to exceed four percent (4%) beginning on the date of the deferral.

(f) No deferral of homestead property tax liability shall be granted if the total amount of deferred taxes under this chapter plus the total amount of all other liens on the homestead property plus the outstanding principal on all mortgages on the homestead property exceeds one hundred percent (100%) of the homestead's assessed value.

Sec. 8. (a) Before October 1, 2025, the department of local government finance shall prescribe and make available to the public a tax deferral loan application and agreement that must be used for purposes of this chapter.

(b) A qualified individual wishing to obtain a deferral of homestead property tax liability for a calendar year must file with the county auditor a completed loan application on or before January 5 of the calendar year in which the property taxes are first due and payable and enter into a tax deferral agreement with the county auditor before March 1 of that year. Any recording fees required by a county recorder to file the application shall be paid by the taxpayer.

(c) An application for a deferral must be filed with the county auditor in the county where the homestead is located. Upon the filing of an application, the county auditor shall immediately:

(1) notify the county treasurer and transmit the information that the county treasurer needs to match the application with the county treasurer's records related to the homestead; and

(2) review the application to determine:

(A) whether the applicant qualifies for a deferral; and

(B) the amount that may be deferred.

(d) After an initial application, an applicant remains eligible for a deferral in subsequent years so long as the applicant continues to meet the eligibility requirements for deferral under this chapter.

Sec. 9. (a) If the applicant is qualified for a deferral, the county auditor shall:

(1) approve the deferral in the lesser of:

(A) the amount requested by the applicant, which may not

be less than one hundred dollars ($100); or

(B) the maximum amount, which is five hundred dollars ($500);

(2) provide for the recording of the deferral in the county recorder's office specifying the amount of property tax deferred; and

(3) notify the county treasurer and the department of local government finance of the amount deferred.

(b) An applicant must enter into a tax deferral agreement with the county assessor for each year that homestead property taxes are deferred under this chapter.

(c) The recording of a deferral in the county recorder's office shall constitute a lien on the homestead property.

Sec. 10. (a) Property taxes deferred under this chapter are due and payable one hundred eighty (180) days after the date on which a deferral termination event occurs.

(b) Subject to subsection (c), a deferral termination event occurs on the earlier of the following dates:

(1) The first date on which the qualified individual who had a qualified interest in the homestead when the property taxes were deferred:

(A) ceases to use the homestead as the individual's principal place of residence as provided in section 4(3) of this chapter; or

(B) no longer has a qualified interest in the homestead.

(2) The date of the death of the qualified individual who had a qualified interest in the homestead when property taxes were deferred.

(c) This subsection applies only to a surviving spouse who was not a qualified individual on the date on which property taxes were deferred. If a deceased individual was a qualified individual on the date on which property taxes were deferred, the deceased individual's surviving spouse shall be treated after the deceased individual's death as if the surviving spouse had been a qualified individual on the date on which property taxes were deferred if:

(1) the homestead was the surviving spouse's principal place of residence when the deceased qualified individual died; and

(2) the surviving spouse has a qualified interest in the homestead not later than the later of:

(A) the date of the deceased individual's death; or

(B) the date on which the estate of the deceased individual transfers any part of the ownership of the homestead from the estate.

Sec. 11. Deferred property taxes and accrued interest may be paid at any time on or before the delayed due date under section 10 of this chapter. Payment of deferred property taxes after the delayed due date shall be collected in the same manner as delinquent property taxes.

Sec. 12. (a) If a payment of deferred property taxes is made, the county treasurer shall notify the county auditor, the county recorder, and the department of local government finance on the form and in the manner prescribed by the department of local government finance. Notice to the county recorder must be in the form of a release of the lien on the homestead for the deferred property taxes.

(b) When payment of deferred property taxes is made, the deferred property taxes shall be apportioned and distributed among the respective funds of the taxing units in the same manner as if the property taxes had been paid when initially due.

Sec. 13. Whenever an individual who is a qualified individual on an assessment date for which property taxes were deferred:

(1) ceases to use the homestead as the individual's principal place of residence as provided in section 4(3) of this chapter;

(2) ceases to have a qualified interest in the homestead; or

(3) changes the individual's qualified interest in the homestead;

or a surviving spouse becomes a qualified individual, a person responsible for paying the property taxes on the homestead shall notify the county auditor in the county where the homestead is located on the form and in the manner prescribed by the department of local government finance. The county auditor shall review the information filed under this section to determine whether a deferral termination event has occurred.

Sec. 14. (a) If, as the result of the filing of information with the county auditor or on the county auditor's own motion, the county auditor determines that a deferral termination event has occurred, the county auditor shall notify the county treasurer, the county recorder, and the department of local government finance on the form and in the manner prescribed by the department of local government finance.

(b) A county auditor shall give written notice of each determination under this chapter to the qualified individuals for the affected homestead.

Sec. 15. The county recorder shall record the following without charge in the miscellaneous records of the county recorder:

(1) A statement of the amount of property tax deferred.

(2) A statement of payment of deferred property taxes.

(3) A notice of termination of a deferral.

SECTION 29. IC 20-26-7-18, AS AMENDED BY P.L.250-2023, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 18. Subject to IC 5-1-11.5, a school corporation may issue and sell bonds under the general statutes governing the issuance of bonds to purchase and improve buildings or lands, or both. All laws relating to approval (if required) in a local public question under IC 6-1.1-20, **including the requirement that a local public question may be placed on the ballot only at a general election,** the filing of petitions, remonstrances, and objecting petitions, giving notices of the filing of petitions, the determination to issue bonds, and the appropriation of the proceeds of the bonds are applicable to the issuance of bonds under section 17 of this chapter.

SECTION 30. IC 20-46-1-8, AS AMENDED BY P.L.162-2024, SECTION 25, AND AS AMENDED BY P.L.36-2024, SECTION 10, AND AS AMENDED BY P.L.104-2024, SECTION 51, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2025 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 8. (a) Subject to subsections (e), (f), and (g) and this chapter, the governing body of a school corporation may adopt a resolution to place a referendum under this chapter on the ballot for any of the following purposes:

(1) The governing body of the school corporation determines that it cannot, in a calendar year, carry out its public educational duty unless it imposes a referendum tax levy under this chapter.

(2) The governing body of the school corporation determines that a referendum tax levy under this chapter should be imposed to replace property tax revenue that the school corporation will not receive because of the application of the credit under IC 6-1.1-20.6.

(3) Except for resolutions described in subsection (b), the governing body makes the determination required under

subdivision (1) or (2) and determines to share a portion of the referendum proceeds with a charter school, excluding a virtual charter school, in the manner prescribed in subsection (e).

(b) A resolution for a referendum for a county described in section 21 of this chapter that is adopted after May 10, 2023, shall specify that a portion of the proceeds collected from the proposed levy will be distributed to applicable charter schools in the manner described under section 21 of this chapter.

(c) The governing body of the school corporation shall certify a copy of the resolution to place a referendum on the ballot to the following:

(1) The department of local government finance, including:

(A) the language for the question required by section 10 of this chapter, or in the case of a resolution to extend a referendum levy certified to the department of local government finance after March 15, 2016, section 10.1 of this chapter; and

(B) a copy of the revenue spending plan adopted under subsection (g).

~~The language of the public question must include the estimated average percentage increases certified by the county auditor under section 10(e) or 10.1(f) of this chapter, as applicable. The governing body of the school corporation shall also provide the county auditor's certification described in section 10(e) or 10.1(f) of this chapter, as applicable.~~ The department of local government finance shall post the values certified by the county auditor to the department's website. The department shall review the language for compliance with section 10 or 10.1 of this chapter, whichever is applicable, and either approve or reject the language. The department shall send its decision to the governing body of the school corporation not more than ten (10) days after *~~both the certification of the county auditor described in section 10(e) or 10.1(f) of this chapter, as applicable, and~~* the resolution *is* *~~are~~* submitted to the department. If the language is approved, the governing body of the school corporation shall certify a copy of the resolution, including the language for the question and the department's approval.

(2) The county fiscal body of each county in which the school corporation is located (for informational purposes only).

(3) The circuit court clerk of each county in which the school corporation is located.

(d) If a school safety referendum tax levy under IC 20-46-9 has been approved by the voters in a school corporation at any time in the previous three (3) years, the school corporation may not:

(1) adopt a resolution to place a referendum under this chapter on the ballot; or

(2) otherwise place a referendum under this chapter on the ballot.

(e) Except as provided in section 21 of this chapter, the resolution described in subsection (a) must indicate whether proceeds in the school corporation's education fund collected from a tax levy under this chapter will be used to provide a distribution to a charter school or charter schools, excluding a virtual charter school, under IC 20-40-3-5 as well as the amount that will be distributed to the particular charter school or charter schools. A school corporation may request from the designated charter school or charter schools any financial documentation necessary to demonstrate the financial need of the charter school or charter schools. *Distribution to a charter school of proceeds from a referendum held before May 10, 2023, does not provide exemption from this chapter.*

(f) This subsection applies to a resolution described in subsection (a) for a county described in section 21(a) of this chapter that is adopted after May 10, 2023. The resolution described in subsection (a) shall include a projection of the amount that the school corporation expects to be distributed to a particular charter school, excluding virtual charter schools or adult high schools, under section 21 of this chapter if the charter school voluntarily elects to participate in the referendum in the manner described in subsection (i). At least sixty (60) days before the resolution described in subsection (a) is voted on by the governing body, the school corporation shall contact the department to determine the number of students in kindergarten through grade 12 who have legal settlement in the school corporation but attend a charter school, excluding virtual charter schools or adult high schools, and who receive not more than fifty percent (50%) virtual instruction. The department shall provide the school corporation with the number of students with legal settlement in the school corporation who attend a charter school and who receive not more than fifty percent (50%) virtual instruction, which shall be disaggregated for each particular charter school, excluding a virtual charter school or adult high school. The projection may include an expected increase in charter schools during the term the levy is imposed under this chapter. The department of local government finance shall prescribe the manner in which the projection shall be calculated. The governing body shall take into consideration the projection when adopting the revenue spending plan under subsection (g).

(g) As part of the resolution described in subsection (a), the governing body of the school corporation shall adopt a revenue spending plan for the proposed referendum tax levy that includes:

(1) an estimate of the amount of annual revenue expected to be collected if a levy is imposed under this chapter;

(2) the specific purposes for which the revenue collected from a levy imposed under this chapter will be used;

(3) an estimate of the annual dollar amounts that will be expended for each purpose described in subdivision (2); and

(4) for a resolution for a referendum that is adopted after May 10, 2023, for a county described in section 21(a) of this chapter, the projected revenue that shall be distributed to charter schools as provided in subsections (f) and (i). The revenue spending plan shall also take into consideration deviations in the proposed revenue spending plan if the actual charter school distributions exceed or are lower than the projected charter school distributions described in subsection (f). The resolution shall include for each charter school that elects to participate under subsection (i) information described in subdivisions (1) through (3).

(h) A school corporation shall specify in its proposed budget the school corporation's revenue spending plan adopted under subsection (g) and annually present the revenue spending plan at its public hearing on the proposed budget under IC 6-1.1-17-3.

(i) This subsection applies to a resolution described in subsection (a) for a county described in section 21(a) of this chapter that is adopted after May 10, 2023. At least forty-five (45) days before the resolution described in subsection (a) is voted on by the governing body, the school corporation shall contact each charter school, excluding virtual charter schools or adult high schools, disclosed by the department to the school corporation under subsection (f) to determine whether the charter school will participate in the referendum. *The notice must include the total amount of the school corporation's expected need, the corresponding estimate for that amount divided by the number of students enrolled in the school corporation, and the date on which the governing body of the school corporation will vote on the resolution.* The charter school must respond in writing to the school corporation, *which may be by electronic mail addressed to the* *superintendent of the school corporation,* at least fifteen (15) days prior to the date that the resolution described in subsection (a) is to be voted on by the governing body. If the charter school elects to not participate in the referendum, the school corporation may exclude distributions to the charter school under section 21 of this chapter and from the projection described in subsection (f). If the charter school elects to participate in the referendum, the charter school may receive distributions under section 21 of this chapter and must be included in the projection described in subsection (f). In addition, a charter school that elects to participate in the referendum under this subsection shall contribute a proportionate share of the cost to conduct the referendum based on the total combined ADM of the school corporation and any participating charter schools.

(j) This subsection applies to a resolution described in subsection (a) for a county described in section 21(a) of this chapter that is adopted after May 10, 2023. At least thirty (30) days before the ~~*resolution described in subsection (a)*~~ *referendum submitted to the voters under this chapter* is voted on by the ~~*governing body,*~~ *public in a* ~~*primary or*~~ *general election,* the school corporation that is pursuing the ~~*resolution*~~ *referendum* and any charter school that has elected to participate under subsection (i) shall post a referendum disclosure statement on each school's respective website that contains the following information:

(1) The salaries ~~*of all employees employed*~~ by *position within* the school corporation or charter school listed from highest salary to lowest salary *and a link to Gateway Indiana for access to individual salaries.*

(2) An acknowledgment that the school corporation or charter school is not committing any crime described in IC 35-44.1-1.

(3) A link to the school corporation's or charter school's most recent state board of accounts audit on the state board of accounts' website.

(4) The current enrollment of the school corporation or charter school disaggregated by student group and race.

(5) The school corporation's or charter school's high school graduation rate.

(6) The school corporation's or charter school's annual retention rate for teachers for the previous five (5) years.

SECTION 31. IC 20-46-1-10, AS AMENDED BY P.L.189-2023, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2025]: Sec. 10. (a) This section does not apply to a referendum on a resolution certified to the department of local government finance after March 15, 2016, to extend a referendum levy.

(b) The question to be submitted to the voters in the referendum must read as follows:

~~"Shall the school corporation increase property taxes paid to schools by homeowners and businesses for _____ (insert number of years) years immediately following the holding of the referendum for the purpose of funding ______ (insert short description of purposes)? If this public question is approved by the voters, the average property tax paid to schools per year on a residence would increase by ______% (insert the estimated average percentage of property tax increase paid to schools on a residence within the school corporation as determined under subsection (c)) and the average property tax paid to schools per year on a business property would increase by ______% (insert the estimated average percentage of property tax increase paid to schools on a business property within the school corporation as determined under subsection (d)). The most recent property tax referendum proposed by the school corporation was held in ______ (insert year) and ________ (insert whether the measure passed or failed).".~~

"Shall ________ (insert the name of the school corporation) increase property taxes paid to schools for no more than ______ (insert the number of years immediately following the holding of the referendum) for the purpose of funding _______ (insert a brief description of the project use or purpose) which is estimated to cost no more than _______ (insert the total cost of the project) and is estimated to ________ (insert increase or decrease, whichever is applicable) the property taxes paid to the school corporation by imposing a property tax rate that results in a maximum annual amount that does not exceed ______ (insert maximum amount of annual levy).

If this public question is approved by the voters, the property tax paid annually for a median residence of __________ (insert the school district's median household assessed value) would increase by _______ per year (insert dollar amount).

(If, in the previous five (5) years, the school corporation has conducted a public question, the following shall be included in

the ballot language.) The most recent property tax referendum proposed by the school corporation was held in ______ (insert year) and ________ (insert whether the measure passed or failed).".

~~(c) At the request of the governing body of a school corporation that proposes to impose property taxes under this chapter, the county auditor of the county in which the school corporation is located shall determine the estimated average percentage of property tax increase on a homestead to be paid to schools that must be included in the public question under subsection (b) as follows:~~

~~STEP ONE: Determine the average assessed value of a homestead located within the school corporation.~~

~~STEP TWO: For purposes of determining the net assessed value of the average homestead located within the school corporation, subtract:~~

~~(A) an amount for the homestead standard deduction under IC 6-1.1-12-37 as if the homestead described in STEP ONE was eligible for the deduction; and~~

~~(B) an amount for the supplemental homestead deduction under IC 6-1.1-12-37.5 as if the homestead described in STEP ONE was eligible for the deduction;~~

~~from the result of STEP ONE.~~

~~STEP THREE: Divide the result of STEP TWO by one hundred (100).~~

~~STEP FOUR: Determine the overall average tax rate per one hundred dollars ($100) of assessed valuation for the current year imposed on property located within the school corporation.~~

~~STEP FIVE: For purposes of determining net property tax liability of the average homestead located within the school corporation:~~

~~(A) multiply the result of STEP THREE by the result of STEP FOUR; and~~

~~(B) as appropriate, apply any currently applicable county property tax credit rates and the credit for excessive property taxes under IC 6-1.1-20.6-7.5(a)(1).~~

~~STEP SIX: Determine the amount of the school corporation's part of the result determined in STEP FIVE.~~

~~STEP SEVEN: Multiply:~~

~~(A) the tax rate that will be imposed if the public question is approved by the voters; by~~

~~(B) the result of STEP THREE.~~

~~STEP EIGHT: Divide the result of STEP SEVEN by the result of STEP SIX, expressed as a percentage.~~

~~(d) At the request of the governing body of a school corporation that proposes to impose property taxes under this chapter, the county auditor of the county in which the school corporation is located shall determine the estimated average percentage of property tax increase on a business property to be paid to schools that must be included in the public question under subsection (b) as follows:~~

~~STEP ONE: Determine the average assessed value of business property located within the school corporation.~~

~~STEP TWO: Divide the result of STEP ONE by one hundred (100).~~

~~STEP THREE: Determine the overall average tax rate per one hundred dollars ($100) of assessed valuation for the current year imposed on property located within the school corporation.~~

~~STEP FOUR: For purposes of determining net property tax liability of the average business property located within the school corporation:~~

~~(A) multiply the result of STEP TWO by the result of STEP THREE; and~~

~~(B) as appropriate, apply any currently applicable county property tax credit rates and the credit for excessive property taxes under IC 6-1.1-20.6-7.5 as if the applicable percentage was three percent (3%).~~

~~STEP FIVE: Determine the amount of the school corporation's part of the result determined in STEP FOUR.~~

~~STEP SIX: Multiply:~~

~~(A) the result of STEP TWO; by~~

~~(B) the tax rate that will be imposed if the public question is approved by the voters.~~

~~STEP SEVEN: Divide the result of STEP SIX by the result of STEP FIVE, expressed as a percentage.~~

~~(e) The county auditor shall certify the estimated average percentage of property tax increase on a homestead to be paid to schools determined under subsection (c), and the estimated average percentage of property tax increase on a business property to be paid to schools determined under subsection (d), in a manner prescribed by the department of local government finance, and provide the certification to the governing body of the school corporation that proposes to impose property taxes.~~

SECTION 32. IC 20-46-1-10.1, AS AMENDED BY P.L.236-2023, SECTION 154, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 10.1. (a) This section applies only to a referendum to allow a school corporation to extend a referendum levy.

(b) The question to be submitted to the voters in the referendum must read as follows:

~~"Shall the school corporation continue to impose increased property taxes paid to the school corporation by homeowners and businesses for _____ (insert number of years) years immediately following the holding of the referendum for the purpose of funding ______ (insert short description of purposes)? The property tax increase requested in this referendum was originally approved by the voters in _______ (insert the year in which the referendum tax levy was approved) and if extended will increase the average property tax paid to the school corporation per year on a residence within the school corporation by ______% (insert the estimated average percentage of property tax increase on a residence within the school corporation) and if extended will increase the average property tax paid to the school corporation per year on a business property within the school corporation by ______% (insert the estimated average percentage of property tax increase on a business within the school corporation).".~~

"Shall _______ (insert the name of the school corporation) continue to increase property taxes paid to schools for no more than _____ (insert the number of years immediately following the holding of the referendum) for the purpose of funding _____________ (insert short description of the project use or purposes) which is estimated to _______ (insert increase or decrease, whichever is applicable) the property taxes paid to the school corporation by imposing a property tax rate that results in a maximum annual amount that does not exceed ______ (insert maximum amount of annual levy). If this public question is approved by the voters, the property tax paid annually for a median residence of __________ (insert the school district's median household assessed value) would increase by _______ per year (insert dollar amount). (If, in the previous five (5) years, the school corporation has conducted a public question, the following shall be included in the ballot language.) The most recent property tax

referendum proposed by the school corporation was held in ______ (insert year) and ________ (insert whether the measure passed or failed).".

(c) The number of years for which a referendum tax levy may be extended if the public question under this section is approved may not exceed eight (8) years.

~~(d) At the request of the governing body of a school corporation that proposes to impose property taxes under this chapter, the county auditor of the county in which the school corporation is located shall determine the estimated average percentage of property tax increase on a homestead to be paid to the school corporation that must be included in the public question under subsection (b) as follows:~~

~~STEP ONE: Determine the average assessed value of a homestead located within the school corporation.~~

~~STEP TWO: For purposes of determining the net assessed value of the average homestead located within the school corporation, subtract:~~

~~(A) an amount for the homestead standard deduction under IC 6-1.1-12-37 as if the homestead described in STEP ONE was eligible for the deduction; and~~

~~(B) an amount for the supplemental homestead deduction under IC 6-1.1-12-37.5 as if the homestead described in STEP ONE was eligible for the deduction;~~

~~from the result of STEP ONE.~~

~~STEP THREE: Divide the result of STEP TWO by one hundred (100).~~

~~STEP FOUR: Determine the overall average tax rate per one hundred dollars ($100) of assessed valuation for the current year imposed on property located within the school corporation.~~

~~STEP FIVE: For purposes of determining net property tax liability of the average homestead located within the school corporation:~~

~~(A) multiply the result of STEP THREE by the result of STEP FOUR; and~~

~~(B) as appropriate, apply any currently applicable county property tax credit rates and the credit for excessive property taxes under IC 6-1.1-20.6-7.5(a)(1).~~

~~STEP SIX: Determine the amount of the school corporation's part of the result determined in STEP FIVE.~~

~~STEP SEVEN: Multiply:~~

~~(A) the tax rate that will be imposed if the public question is~~

~~approved by the voters; by~~

~~(B) the result of STEP THREE.~~

~~STEP EIGHT: Divide the result of STEP SEVEN by the result of STEP SIX, expressed as a percentage.~~

~~(e) At the request of the governing body of a school corporation that proposes to impose property taxes under this chapter, the county auditor of the county in which the school corporation is located shall determine the estimated average percentage of property tax increase on a business property to be paid to the school corporation that must be included in the public question under subsection (b) as follows:~~

~~STEP ONE: Determine the average assessed value of business property located within the school corporation.~~

~~STEP TWO: Divide the result of STEP ONE by one hundred (100).~~

~~STEP THREE: Determine the overall average tax rate per one hundred dollars ($100) of assessed valuation for the current year imposed on property located within the school corporation.~~

~~STEP FOUR: For purposes of determining net property tax liability of the average business property located within the school corporation:~~

~~(A) multiply the result of STEP TWO by the result of STEP THREE; and~~

~~(B) as appropriate, apply any currently applicable county property tax credit rates and the credit for excessive property taxes under IC 6-1.1-20.6-7.5 as if the applicable percentage was three percent (3%).~~

~~STEP FIVE: Determine the amount of the school corporation's part of the result determined in STEP FOUR.~~

~~STEP SIX: Multiply:~~

~~(A) the result of STEP TWO; by~~

~~(B) the tax rate that will be imposed if the public question is approved by the voters.~~

~~STEP SEVEN: Divide the result of STEP SIX by the result of STEP FIVE, expressed as a percentage.~~

~~(f) The county auditor shall certify the estimated average percentage of property tax increase on a homestead to be paid to the school corporation determined under subsection (d), and the estimated average percentage of property tax increase on a business property to be paid to the school corporation determined under subsection (e), in a manner prescribed by the department of local government finance, and provide~~

~~the certification to the governing body of the school corporation that proposes to impose property taxes.~~

SECTION 33. IC 20-46-1-10.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 10.3. Each year, the county auditor, with cooperation from the department of local government finance, shall determine the tax rate needed to raise the maximum amount of the annual levy for the year as described under section 10 or 10.1 of this chapter, as applicable, and shall determine all other information needed for the ballot language in those sections.**

SECTION 34. IC 20-46-1-14, AS AMENDED BY P.L.227-2023, SECTION 135, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 14. ~~(a)~~ The referendum shall be held in the next ~~primary election~~ general election, ~~or municipal election~~ **as provided under IC 3-10-9-3(b),** in which all the registered voters who are residents of the appellant school corporation are entitled to vote after certification of the question. ~~under IC 3-10-9-3.~~ The certification of the question must occur not later than noon

~~(1) seventy-four (74) days before a primary election if the question is to be placed on the primary or municipal primary election ballot; or~~

~~(2)~~ August 1. ~~if the question is to be placed on the general or municipal election ballot.~~

~~(b) However, if a primary election, general election, or municipal election will not be held during the first year in which the public question is eligible to be placed on the ballot under this chapter and if the appellant school corporation requests the public question to be placed on the ballot at a special election, the public question shall be placed on the ballot at a special election to be held on the first Tuesday after the first Monday in May or November of the year. The certification must occur not later than noon:~~

~~(1) seventy-four (74) days before a special election to be held in May (if the special election is to be held in May); or~~

~~(2) on August 1 (if the special election is to be held in November).~~

~~(c) If the referendum is not conducted at a primary election, general election, or municipal election, the appellant school corporation in which the referendum is to be held shall pay all the costs of holding the referendum.~~

SECTION 35. IC 20-46-8-3, AS AMENDED BY P.L.156-2024, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. (a) **This section applies to property tax levies imposed before January 1, 2026.**

(b) Subject to subsection ~~(b),~~ **(c),** a school corporation may appeal to the department of local government finance under IC 6-1.1-19 to increase the school corporation's maximum permissible operations fund levy. The appeal must be filed with the department of local government finance before October 20 of the year before the increase is proposed to take effect. To be granted an increase by the department of local government finance, the school corporation must establish that the increase is necessary because of either or both of the following:

(1) A cost increase of at least ten percent (10%) over the preceding year for at least one (1) of the following:

(A) A fuel expense increase.

(B) A cost increase due to an increase in the number of students enrolled in the school corporation who need transportation or an increase in the mileage traveled by the school corporation's buses compared with the previous year.

(C) A cost increase due to an increase in the number of students enrolled in special education who need transportation or an increase in the mileage traveled by the school corporation's buses due to students enrolled in special education as compared with the previous year.

(D) Increased transportation operating costs due to compliance with a court ordered desegregation plan.

(E) A cost increase due to the closure of a school building within the school corporation that results in a significant increase in the distances that students must be transported to attend another school building.

(F) A cost increase due to restructuring or redesigning transportation services due to a need for additional, expanded, consolidated, or modified routes.

(G) A labor cost increase due to a labor shortage affecting the school corporation's ability to hire qualified transportation employees.

To obtain the increase, the school corporation must establish that it will be unable to provide transportation services without an increase.

(2) A cost increase associated with the school corporation's bus

replacement plan adopted or amended under IC 20-40-18-9 (after December 31, 2018). To obtain the increase, the school corporation must show that the school corporation must incur reasonable and necessary expenses to acquire additional buses under the plan.

The department of local government finance may grant a levy increase that is less than the increase requested by the school corporation. If the department of local government finance determines that a permanent increase in the maximum permissible levy is necessary, the increase granted under this section shall be added to the school corporation's maximum permissible operations fund levy as provided in section 1 of this chapter.

~~(b)~~ **(c)** This subsection applies to a school corporation whose budget for the upcoming year is subject to review by a fiscal body under IC 6-1.1-17-20. A school corporation described in this subsection may not submit an appeal under this section unless the school corporation receives approval from the fiscal body to submit the appeal.

(d) This section expires December 31, 2026.

SECTION 36. IC 20-46-9-6, AS AMENDED BY P.L.162-2024, SECTION 26, AND AS AMENDED BY P.L.156-2024, SECTION 30, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2025 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 6. (a) Subject to this chapter, the governing body of a school corporation may adopt a resolution to place a referendum under this chapter on the ballot if the governing body of the school corporation determines that a referendum levy should be imposed for measures to improve school safety as described in IC 20-40-20-6(a) or IC 20-40-20-6(b).

(b) Except as provided in section 22 of this chapter, a school corporation may, with the approval of the majority of members of the governing body, distribute a portion of the proceeds of a tax levy collected under this chapter that is deposited in the fund to a charter school, excluding a virtual charter school, that is located within the attendance area of the school corporation, to be used by the charter school for the purposes described in IC 20-40-20-6(a).

(c) This subsection applies to a resolution described in subsection (a) that is adopted after May 10, 2023, in a county described in section 22(a) of this chapter. A resolution shall specify that a portion of the proceeds of the proposed levy will be distributed to applicable charter schools in the manner described under section 22 of this chapter if the charter school voluntarily elects to participate in the referendum in the manner described in subsection (i).

(d) This subsection applies to a resolution described in subsection (a) that is adopted after May 10, 2023, in a county described in section 22(a) of this chapter. The resolution described in subsection (a) shall include a projection of the amount that the school corporation expects to be distributed to a particular charter school, excluding virtual charter schools or adult high schools, under section 22 of this chapter that elects to participate in the referendum under subsection (i). At least sixty (60) days before the resolution described in subsection (a) is voted on by the governing body, the school corporation shall contact the department to determine the number of students in kindergarten through grade 12 who have legal settlement in the school corporation but attend a charter school, excluding virtual charter schools or adult high schools, and who receive not more than fifty percent (50%) virtual instruction. The department shall provide the school corporation with the number of students with legal settlement in the school corporation who attend a charter school, which shall be disaggregated for each particular charter school, excluding a virtual charter school or adult high school. The projection may include an expected increase in charter schools during the term the levy is imposed. The department of local government finance shall prescribe the manner in which the projection shall be calculated. The governing body shall take into consideration the projection when adopting the revenue spending plan under subsection (g).

(e) The governing body of the school corporation shall certify a copy of the resolution to the following:

(1) The department of local government finance, including:

(A) the language for the question required by section 9 of this chapter, or in the case of a resolution to extend a referendum levy certified to the department of local government finance, section 10 of this chapter; and

(B) a copy of the revenue spending plan adopted under subsection (g).

~~The language of the public question must include the estimated average percentage increases certified by the county auditor under section 9(d) or 10(f) of this chapter, as applicable. The governing body of the school corporation shall also provide the county auditor's certification described in section 9(d) or 10(f) of this~~

~~chapter, as applicable.~~ The department of local government finance shall post the values certified by the county auditor to the department's website. The department shall review the language for compliance with section 9 or 10 of this chapter, whichever is applicable, and either approve or reject the language. The department shall send its decision to the governing body of the school corporation not more than ten (10) days after ~~*both the certification of the county auditor described in section 9(d) or 10(f) of this chapter, as applicable, and*~~ the resolution *is* ~~*are*~~ submitted to the department. If the language is approved, the governing body of the school corporation shall certify a copy of the resolution, including the language for the question and the department's approval.

(2) The county fiscal body of each county in which the school corporation is located (for informational purposes only).

(3) The circuit court clerk of each county in which the school corporation is located.

(f) Except as provided in section 22 of this chapter, the resolution described in subsection (a) must indicate whether proceeds in the school corporation's fund collected from a tax levy under this chapter will be used to provide a distribution to a charter school or charter schools, excluding a virtual charter school, under IC 20-40-20-6(b) as well as the amount that will be distributed to the particular charter school or charter schools. A school corporation may request from the designated charter school or charter schools any financial documentation necessary to demonstrate the financial need of the charter school or charter schools.

(g) As part of the resolution described in subsection (a), the governing body of the school corporation shall adopt a revenue spending plan for the proposed referendum tax levy that includes:

(1) an estimate of the amount of annual revenue expected to be collected if a levy is imposed under this chapter;

(2) the specific purposes described in IC 20-40-20-6 for which the revenue collected from a levy imposed under this chapter will be used;

(3) an estimate of the annual dollar amounts that will be expended for each purpose described in subdivision (2); and

(4) for a resolution for a referendum that is adopted after May 10, 2023, for a county described in section 22(a) of this chapter, the projected revenue that shall be distributed to charter schools as

provided in subsection (d). The revenue spending plan shall also take into consideration deviations in the proposed revenue spending plan if the actual charter school distributions exceed or are lower than the projected charter school distributions described in subsection (d). The resolution shall include for each charter school that elects to participate under subsection (i) information described in subdivisions (1) through (3).

(h) A school corporation shall specify in its proposed budget the school corporation's revenue spending plan adopted under subsection (g) and annually present the revenue spending plan at its public hearing on the proposed budget under IC 6-1.1-17-3.

(i) This subsection applies to a resolution described in subsection (a) for a county described in section 22(a) of this chapter that is adopted after May 10, 2023. At least forty-five (45) days before the resolution described in subsection (a) is voted on by the governing body, the school corporation shall contact each charter school, excluding virtual charter schools or adult high schools, disclosed by the department to the school corporation under subsection (f) to determine whether the charter school will participate in the referendum. *The notice must include the total amount of the school corporation's expected need, the corresponding estimate of that amount divided by the number of students enrolled in the school corporation, and the date on which the governing body of the school corporation will vote on the resolution.* The charter school must respond in writing to the school corporation, *which may be by electronic mail addressed to the superintendent of the school corporation,* at least fifteen (15) days prior to the date that the resolution described in subsection (a) is to be voted on by the governing body. If the charter school elects to not participate in the referendum, the school corporation may exclude distributions to the charter school under section 22 of this chapter and from the projection described in subsection (d). If the charter school elects to participate in the referendum, the charter school may receive distributions under section 22 of this chapter and must be included in the projection described in subsection (d). In addition, a charter school that elects to participate in the referendum under this subsection shall contribute a proportionate share of the cost to conduct the referendum based on the total combined ADM of the school corporation and any participating charter schools.

(j) This subsection applies to a resolution described in subsection (a) for a county described in section 22(a) of this chapter that is adopted after May 10, 2023. At least thirty (30) days before the ~~*resolution described in subsection (a)*~~ *referendum submitted to the voters under this chapter* is voted on by the ~~*governing body,*~~ *public in a* ~~*primary or*~~ *general election,* the school corporation that is pursuing the ~~*resolution*~~ *referendum* and any charter school that has elected to participate under subsection (i) shall post a referendum disclosure statement on each school's respective website that contains the following information:

(1) The salaries ~~*of all* employees employed~~ by *position within* the school corporation or charter school listed from highest salary to lowest salary *and a link to Gateway Indiana for access to individual salaries.*

(2) An acknowledgment that the school corporation or charter school is not committing any crime described in IC 35-44.1-1.

(3) A link to the school corporation's or charter school's most recent state board of accounts audit on the state board of accounts' website.

(4) The current enrollment of the school corporation or charter school disaggregated by student group and race.

(5) The school corporation's or charter school's high school graduation rate.

(6) The school corporation's or charter school's annual retention rate for teachers for the previous five (5) years.

SECTION 37. IC 20-46-9-9, AS AMENDED BY P.L.189-2023, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026]: Sec. 9. ~~(a)~~ The question to be submitted to the voters in the referendum must read as follows:

~~"Shall the school corporation increase property taxes paid to schools by homeowners and businesses for _____ (insert number of years) years immediately following the holding of the referendum for the purpose of funding ______ (insert short description of purposes)? If this public question is approved by the voters, the average property tax paid to schools per year on a residence would increase by ______% (insert the estimated average percentage of property tax increase paid to schools on a residence within the school corporation as determined under subsection (b)) and the average property tax paid to schools per year on a business property would increase by ______% (insert the estimated average percentage of property tax increase paid to schools on a business property within the school corporation as~~

~~determined under subsection (c)). The most recent property tax referendum proposed by the school corporation was held in ______ (insert year) and ________ (insert whether the measure passed or failed).".~~

"Shall ________ (insert the name of the school corporation) increase property taxes paid to schools for no more than ______ (insert the number of years immediately following the holding of the referendum) for the purpose of funding _______ (insert a brief description of the project use or purpose) which is estimated to cost no more than _______ (insert the total cost of the project) and is estimated to ________ (insert increase or decrease, whichever is applicable) the property taxes paid to the school corporation by imposing a property tax rate that results in a maximum annual amount that does not exceed ______ (insert maximum amount of annual levy).

If this public question is approved by the voters, the property tax paid annually for a median residence of __________ (insert the school district's median household assessed value) would increase by _______ per year (insert dollar amount).

(If, in the previous five (5) years, the school corporation has conducted a public question, the following shall be included in the ballot language.) The most recent property tax referendum proposed by the school corporation was held in ______ (insert year) and ________ (insert whether the measure passed or failed).".

~~(b) At the request of the governing body of a school corporation that proposes to impose property taxes under this chapter, the county auditor of the county in which the school corporation is located shall determine the estimated average percentage of property tax increase on a homestead to be paid to the school corporation that must be included in the public question under subsection (a) as follows:~~

~~STEP ONE: Determine the average assessed value of a homestead located within the school corporation.~~

~~STEP TWO: For purposes of determining the net assessed value of the average homestead located within the school corporation, subtract:~~

~~(A) an amount for the homestead standard deduction under IC 6-1.1-12-37 as if the homestead described in STEP ONE was eligible for the deduction; and~~

~~(B) an amount for the supplemental homestead deduction under IC 6-1.1-12-37.5 as if the homestead described in STEP ONE was eligible for the deduction;~~

~~from the result of STEP ONE.~~

~~STEP THREE: Divide the result of STEP TWO by one hundred (100).~~

~~STEP FOUR: Determine the overall average tax rate per one hundred dollars ($100) of assessed valuation for the current year imposed on property located within the school corporation.~~

~~STEP FIVE: For purposes of determining net property tax liability of the average homestead located within the school corporation:~~

~~(A) multiply the result of STEP THREE by the result of STEP FOUR; and~~

~~(B) as appropriate, apply any currently applicable county property tax credit rates and the credit for excessive property taxes under IC 6-1.1-20.6-7.5(a)(1).~~

~~STEP SIX: Determine the amount of the school corporation's part of the result determined in STEP FIVE.~~

~~STEP SEVEN: Multiply:~~

~~(A) the tax rate that will be imposed if the public question is approved by the voters; by~~

~~(B) the result of STEP THREE.~~

~~STEP EIGHT: Divide the result of STEP SEVEN by the result of STEP SIX, expressed as a percentage.~~

~~(c) At the request of the governing body of a school corporation that proposes to impose property taxes under this chapter, the county auditor of the county in which the school corporation is located shall determine the estimated average percentage of property tax increase on a business property to be paid to the school corporation that must be included in the public question under subsection (a) as follows:~~

~~STEP ONE: Determine the average assessed value of business property located within the school corporation.~~

~~STEP TWO: Divide the result of STEP ONE by one hundred (100).~~

~~STEP THREE: Determine the overall average tax rate per one hundred dollars ($100) of assessed valuation for the current year imposed on property located within the school corporation.~~

~~STEP FOUR: For purposes of determining net property tax liability of the average business property located within the school corporation:~~

~~(A) multiply the result of STEP TWO by the result of STEP THREE; and~~

~~(B) as appropriate, apply any currently applicable county property tax credit rates and the credit for excessive property taxes under IC 6-1.1-20.6-7.5 as if the applicable percentage was three percent (3%).~~

~~STEP FIVE: Determine the amount of the school corporation's part of the result determined in STEP FOUR.~~

~~STEP SIX: Multiply:~~

~~(A) the result of STEP TWO; by~~

~~(B) the tax rate that will be imposed if the public question is approved by the voters.~~

~~STEP SEVEN: Divide the result of STEP SIX by the result of STEP FIVE, expressed as a percentage.~~

~~(d) The county auditor shall certify the estimated average percentage of property tax increase on a homestead to be paid to schools determined under subsection (b), and the estimated average percentage of property tax increase on a business property to be paid to schools determined under subsection (c), in a manner prescribed by the department of local government finance, and provide the certification to the governing body of the school corporation that proposes to impose property taxes.~~

SECTION 38. IC 20-46-9-10, AS AMENDED BY P.L.236-2023, SECTION 156, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2026]: Sec. 10. (a) This section applies only to a referendum to allow a school corporation to extend a referendum tax levy.

(b) The question to be submitted to the voters in the referendum must read as follows:

~~"Shall the school corporation continue to impose increased property taxes paid to the school corporation by homeowners and businesses for _____ (insert number of years) years immediately following the holding of the referendum for the purpose of funding ______ (insert short description of purposes)? The property tax increase requested in this referendum was originally approved by the voters in _______ (insert the year in which the referendum tax levy was approved) and if extended will increase the average property tax paid to the school corporation per year on a residence within the school corporation by ______% (insert the estimated average percentage of property tax increase on a~~

~~residence within the school corporation) and if extended will increase the average property tax paid to the school corporation per year on a business property within the school corporation by ______% (insert the estimated average percentage of property tax increase on a business within the school corporation).".~~

"Shall _______ (insert the name of the school corporation) continue to increase property taxes paid to schools for no more than _____ (insert the number of years immediately following the holding of the referendum) for the purpose of funding _____________ (insert short description of the project use or purposes) which is estimated to _______ (insert increase or decrease, whichever is applicable) the property taxes paid to the school corporation by imposing a property tax rate that results in a maximum annual amount that does not exceed ______ (insert maximum amount of annual levy). If this public question is approved by the voters, the property tax paid annually for a median residence of __________ (insert the school district's median household assessed value) would increase by _______ per year (insert dollar amount). (If, in the previous five (5) years, the school corporation has conducted a public question, the following shall be included in the ballot language.) The most recent property tax referendum proposed by the school corporation was held in ______ (insert year) and ________ (insert whether the measure passed or failed).".

(c) The number of years for which a referendum tax levy may be extended if the public question under this section is approved may not exceed the number of years for which the expiring referendum tax levy was imposed.

~~(d) At the request of the governing body of a school corporation that proposes to impose property taxes under this chapter, the county auditor of the county in which the school corporation is located shall determine the estimated average percentage of property tax increase on a homestead to be paid to the school corporation that must be included in the public question under subsection (b) as follows:~~

~~STEP ONE: Determine the average assessed value of a homestead located within the school corporation.~~

~~STEP TWO: For purposes of determining the net assessed value of the average homestead located within the school corporation, subtract:~~

~~(A) an amount for the homestead standard deduction under IC 6-1.1-12-37 as if the homestead described in STEP ONE was eligible for the deduction; and~~

~~(B) an amount for the supplemental homestead deduction under IC 6-1.1-12-37.5 as if the homestead described in STEP ONE was eligible for the deduction;~~

~~from the result of STEP ONE.~~

~~STEP THREE: Divide the result of STEP TWO by one hundred (100).~~

~~STEP FOUR: Determine the overall average tax rate per one hundred dollars ($100) of assessed valuation for the current year imposed on property located within the school corporation.~~

~~STEP FIVE: For purposes of determining net property tax liability of the average homestead located within the school corporation:~~

~~(A) multiply the result of STEP THREE by the result of STEP FOUR; and~~

~~(B) as appropriate, apply any currently applicable county property tax credit rates and the credit for excessive property taxes under IC 6-1.1-20.6-7.5(a)(1).~~

~~STEP SIX: Determine the amount of the school corporation's part of the result determined in STEP FIVE.~~

~~STEP SEVEN: Multiply:~~

~~(A) the tax rate that will be imposed if the public question is approved by the voters; by~~

~~(B) the result of STEP THREE.~~

~~STEP EIGHT: Divide the result of STEP SEVEN by the result of STEP SIX, expressed as a percentage.~~

~~(c) At the request of the governing body of a school corporation that proposes to impose property taxes under this chapter, the county auditor of the county in which the school corporation is located shall determine the estimated average percentage of property tax increase on a business property to be paid to the school corporation that must be included in the public question under subsection (b) as follows:~~

~~STEP ONE: Determine the average assessed value of business property located within the school corporation.~~

~~STEP TWO: Divide the result of STEP ONE by one hundred (100).~~

~~STEP THREE: Determine the overall average tax rate per one hundred dollars ($100) of assessed valuation for the current year imposed on property located within the school corporation.~~

~~STEP FOUR: For purposes of determining net property tax liability of the average business property located within the school corporation:~~

~~(A) multiply the result of STEP TWO by the result of STEP THREE; and~~

~~(B) as appropriate, apply any currently applicable county property tax credit rates and the credit for excessive property taxes under IC 6-1.1-20.6-7.5 as if the applicable percentage was three percent (3%).~~

~~STEP FIVE: Determine the amount of the school corporation's part of the result determined in STEP FOUR.~~

~~STEP SIX: Multiply:~~

~~(A) the result of STEP TWO; by~~

~~(B) the tax rate that will be imposed if the public question is approved by the voters.~~

~~STEP SEVEN: Divide the result of STEP SIX by the result of STEP FIVE, expressed as a percentage.~~

~~(f) The county auditor shall certify the estimated average percentage of property tax increase on a homestead to be paid to the school corporation determined under subsection (d), and the estimated average percentage of property tax increase on a business property to be paid to the school corporation determined under subsection (e), in a manner prescribed by the department of local government finance, and provide the certification to the governing body of the school corporation that proposes to impose property taxes.~~

SECTION 39. IC 20-46-9-10.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: **Sec. 10.5. Each year, the county auditor, with cooperation from the department of local government finance, shall determine the tax rate needed to raise the maximum amount of the annual levy for the year as described under section 9 or 10 of this chapter, as applicable, and shall determine all other information needed for the ballot language in those sections.**

SECTION 40. IC 20-46-9-14, AS AMENDED BY P.L.227-2023, SECTION 136, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 14. ~~(a)~~ The referendum shall be held in the next ~~primary election~~ general election, ~~or municipal election~~ **as provided under IC 3-10-9-3(b),** in which all the registered voters who are residents of the school corporation are entitled to vote after certification of the question. ~~under IC 3-10-9-3.~~ The certification of the question must occur not later than noon

~~(1) seventy-four (74) days before a primary election if the question is to be placed on the primary or municipal primary election ballot; or~~

~~(2)~~ August 1. ~~if the question is to be placed on the general or municipal election ballot.~~

~~(b) However, if a primary election, general election, or municipal election will not be held during the first year in which the public question is eligible to be placed on the ballot under this chapter and if the school corporation requests the public question to be placed on the ballot at a special election, the public question shall be placed on the ballot at a special election to be held on the first Tuesday after the first Monday in May or November of the year. The certification must occur not later than noon:~~

~~(1) seventy-four (74) days before a special election to be held in May (if the special election is to be held in May); or~~

~~(2) August 1 (if the special election is to be held in November).~~

~~(c) If the referendum is not conducted at a primary election, general election, or municipal election, the school corporation in which the referendum is to be held shall pay all the costs of holding the referendum.~~

SECTION 41. [EFFECTIVE JANUARY 1, 2026] **(a) IC 6-1.1-4-4.5, as amended by this act, applies to assessment dates occurring after December 31, 2025.**

(b) This SECTION expires January 1, 2028.

SECTION 42. [EFFECTIVE JANUARY 1, 2026] **(a) IC 6-1.1-18.5-12 and IC 6-1.1-18.5-13, both as amended by this act, apply to property tax levies after December 31, 2025.**

(b) IC 6-1.1-18.5-12 and IC 6-1.1-18.5-13, before their amendment by this act, apply to property tax levies for 2025.

(c) This SECTION expires January 1, 2030.

SECTION 43. [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)] **(a) IC 6-1.1-12-9, IC 6-1.1-12-14, and IC 6-1.1-20.6-8.5, all as amended by this act, apply to assessment dates occurring after December 31, 2024, for property taxes first due and payable in 2026.**

(b) IC 6-1.1-10.2 as added by this act, applies to assessment dates occurring after December 31, 2024, for property taxes first due and payable in 2026.

(c) This SECTION expires July 1, 2028.

SECTION 44. **An emergency is declared for this act.**

(Reference is to SB 1 as introduced.)