



January 21, 2026

SENATE BILL No. 8

DIGEST OF SB 8 (Updated January 20, 2026 11:32 am - DI 129)

Citations Affected: IC 6-1.1.

Synopsis: Library budgets. Amends the percentage increase in a public library's proposed budget that determines whether the public library's proposed budget is subject to binding review by the applicable county, city, or town, fiscal body.

Effective: July 1, 2026.

Byrne

December 8, 2025, read first time and referred to Committee on Tax and Fiscal Policy.
January 20, 2026, amended, reported favorably — Do Pass.

SB 8—LS 6066/DI 129



January 21, 2026

Second Regular Session of the 124th General Assembly (2026)

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

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

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2025 Regular Session of the General Assembly.

SENATE BILL No. 8

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

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

- 1 SECTION 1. IC 6-1.1-17-20, AS AMENDED BY P.L.230-2025,
2 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2026]: Sec. 20. (a) This section applies to each governing
4 body of a taxing unit that is not comprised of a majority of officials
5 who are elected to serve on the governing body. For purposes of this
6 section, an individual who qualifies to be appointed to a governing
7 body or serves on a governing body because of the individual's status
8 as an elected official of another taxing unit shall be treated as an
9 official who was not elected to serve on the governing body.
10 (b) As used in this section, "taxing unit" has the meaning set forth
11 in IC 6-1.1-1-21, except that the term does not include a public library
12 or an entity whose tax levies are subject to review and modification by
13 a city-county legislative body under IC 36-3-6-9.
14 (c) If:
15 (1) the assessed valuation of a taxing unit is entirely contained
16 within a city or town; or
17 (2) the assessed valuation of a taxing unit is not entirely contained

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1 within a city or town but:

2 (A) the taxing unit was originally established by the city or
3 town; or

4 (B) the majority of the individuals serving on the governing
5 body of the taxing unit are appointed by the city or town;

6 the governing body shall submit its proposed budget and property tax
7 levy to the city or town fiscal body. The proposed budget and levy shall
8 be submitted to the city or town fiscal body in the manner prescribed
9 by the department of local government finance before September 2 of
10 a year.

11 (d) If subsection (c) does not apply, the governing body of the taxing
12 unit shall submit its proposed budget and property tax levy to the
13 county fiscal body in the county where the taxing unit has the most
14 assessed valuation. The proposed budget and levy shall be submitted
15 to the county fiscal body in the manner prescribed by the department
16 of local government finance before September 2 of a year.

17 (e) The fiscal body of the city, town, or county (whichever applies)
18 shall review each budget and proposed tax levy and adopt a final
19 budget and tax levy for the taxing unit. The fiscal body may reduce or
20 modify but not increase the proposed budget or tax levy.

21 (f) If a taxing unit fails to file the information required in subsection
22 (c) or (d), whichever applies, with the appropriate fiscal body by the
23 time prescribed by this section, when calculating the maximum ad
24 valorem property tax levy under IC 6-1.1-18.5-3(a) for the taxing unit
25 for the ensuing budget year, instead of multiplying the maximum levy
26 growth quotient determined under IC 6-1.1-18.5-2(b) or
27 IC 6-1.1-18.5-2(e) (as applicable) for the year by the taxing unit's
28 maximum permissible ad valorem property tax levy for the preceding
29 calendar year as prescribed in STEP TWO of IC 6-1.1-18.5-3(a), for
30 purposes of STEP TWO of IC 6-1.1-18.5-3(a), the taxing unit's
31 maximum permissible ad valorem property tax levy for the preceding
32 calendar year must instead be multiplied by the result of the following:

33 STEP ONE: Determine:

34 (A) the result of STEP FOUR of IC 6-1.1-18.5-2(b) or STEP
35 FIVE of IC 6-1.1-18.5-2(e) (as applicable); minus

36 (B) one (1).

37 STEP TWO: Multiply:

38 (A) the STEP ONE result; by

39 (B) eight-tenths (0.8).

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

41 However, if the taxing unit files the information as required in
42 subsection (c) or (d), whichever applies, for the budget year



1 immediately following the budget year for which the formula under this
 2 subsection is applied, when calculating the maximum ad valorem
 3 property tax levy under IC 6-1.1-18.5-3(a) for the taxing unit for the
 4 subsequent budget year, the taxing unit's maximum permissible ad
 5 valorem property tax levy must be calculated as if the formula under
 6 this subsection had not been applied for the affected budget year.

7 (g) If the appropriate fiscal body fails to complete the requirements
 8 of subsection (e) before the adoption deadline in section 5 of this
 9 chapter for any taxing unit subject to this section, when calculating the
 10 maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a) for
 11 the city, town, or county for the ensuing budget year, instead of
 12 multiplying the maximum levy growth quotient determined under
 13 IC 6-1.1-18.5-2(b) or IC 6-1.1-18.5-2(e) (as applicable) for the year by
 14 the city's, town's, or county's maximum permissible ad valorem
 15 property tax levy for the preceding calendar year as prescribed in STEP
 16 TWO of IC 6-1.1-18.5-3(a), for purposes of STEP TWO of
 17 IC 6-1.1-18.5-3(a), the city's, town's, or county's maximum permissible
 18 ad valorem property tax levy for the preceding calendar year must
 19 instead be multiplied by the result of the following:

20 STEP ONE: Determine:

- 21 (A) the result of STEP FOUR of IC 6-1.1-18.5-2(b) or STEP
- 22 FIVE of IC 6-1.1-18.5-2(e) (as applicable); minus
- 23 (B) one (1).

24 STEP TWO: Multiply:

- 25 (A) the STEP ONE result; by
- 26 (B) eight-tenths (0.8).

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

28 However, if the city, town, or county files the information as required
 29 in subsection (e) for the budget year immediately following the budget
 30 year for which the formula under this subsection is applied, when
 31 calculating the maximum ad valorem property tax levy under
 32 IC 6-1.1-18.5-3(a) for the city, town, or county for the subsequent
 33 budget year, the unit's maximum permissible ad valorem property tax
 34 levy must be calculated as if the formula under this subsection had not
 35 been applied for the affected budget year.

36 SECTION 2. IC 6-1.1-17-20.3, AS AMENDED BY P.L.230-2025,
 37 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2026]: Sec. 20.3. (a) Except as provided in section 20.4 of this
 39 chapter, this section applies only to the governing body of a public
 40 library that:

- 41 (1) is not comprised of a majority of officials who are elected to
- 42 serve on the governing body; and



(2) has a percentage increase in the proposed budget for the taxing unit for the ensuing calendar year that is ~~more than the result~~ **equal to or more than fifty percent (50%)** of

~~(A) the maximum levy growth quotient determined under IC 6-1.1-18.5-2 for the ensuing calendar year, rounded to the nearest thousandth (0.001). minus~~

~~(B) one (+).~~

For purposes of this section, an individual who qualifies to be appointed to a governing body or serves on a governing body because of the individual's status as an elected official of another taxing unit shall be treated as an official who was not elected to serve on the governing body.

(b) This section does not apply to an entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.

(c) If:

(1) the assessed valuation of a public library's territory is entirely contained within a city or town; or

(2) the assessed valuation of a public library's territory is not entirely contained within a city or town but more than fifty percent (50%) of the assessed valuation of the public library's territory is contained within the city or town;

the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body in the manner prescribed by the department of local government finance before September 2 of a year. However, the governing body shall submit its proposed budget and property tax levy to the county fiscal body in the manner provided in subsection (d), rather than to the city or town fiscal body, if more than fifty percent (50%) of the parcels of real property within the jurisdiction of the public library are located outside the city or town.

(d) If subsection (c) does not apply or the public library's territory covers more than one (1) county, the governing body of the public library shall submit its proposed budget and property tax levy to the county fiscal body in the county where the public library has the most assessed valuation. The proposed budget and levy shall be submitted to the county fiscal body in the manner prescribed by the department of local government finance before September 2 of a year.

(e) The fiscal body of the city, town, or county (whichever applies) shall review each budget and proposed tax levy and adopt a final budget and tax levy for the public library. The fiscal body may reduce or modify but not increase the proposed budget or tax levy.

(f) If a public library fails to file the information required in



subsubsection (c) or (d), whichever applies, with the appropriate fiscal body by the time prescribed by this section, when calculating the maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a) for the public library for the ensuing budget year, instead of multiplying the maximum levy growth quotient determined under IC 6-1.1-18.5-2(b) or IC 6-1.1-18.5-2(e) (as applicable) for the year by the public library's maximum permissible ad valorem property tax levy for the preceding calendar year as prescribed in STEP TWO of IC 6-1.1-18.5-3(a), for purposes of STEP TWO of IC 6-1.1-18.5-3(a), the public library's maximum permissible ad valorem property tax levy for the preceding calendar year must instead be multiplied by the result of the following:

STEP ONE: Determine:

(A) the result of STEP FOUR of IC 6-1.1-18.5-2(b) or STEP FIVE of IC 6-1.1-18.5-2(e) (as applicable); minus

(B) one (1).

STEP TWO: Multiply:

(A) the STEP ONE result; by

(B) eight-tenths (0.8).

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

However, if the public library files the information as required in subsection (c) or (d), whichever applies, for the budget year immediately following the budget year for which the formula under this subsection is applied, when calculating the maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a) for the public library for the subsequent budget year, the public library's maximum permissible ad valorem property tax levy must be calculated as if the formula under this subsection had not been applied for the affected budget year.

(g) If the appropriate fiscal body fails to complete the requirements of subsection (e) before the adoption deadline in section 5 of this chapter for any public library subject to this section, when calculating the maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a) for the city, town, or county for the ensuing budget year, instead of multiplying the maximum levy growth quotient determined under IC 6-1.1-18.5-2(b) or IC 6-1.1-18.5-2(e) (as applicable) for the year by the city's, town's, or county's maximum permissible ad valorem property tax levy for the preceding calendar year as prescribed in STEP TWO of IC 6-1.1-18.5-3(a), for purposes of STEP TWO of IC 6-1.1-18.5-3(a), the city's, town's, or county's maximum permissible ad valorem property tax levy for the preceding calendar year must instead be multiplied by the result of the following:

STEP ONE: Determine:



1 (A) the result of STEP FOUR of IC 6-1.1-18.5-2(b) or STEP
2 FIVE of IC 6-1.1-18.5-2(e) (as applicable); minus
3 (B) one (1).
4 STEP TWO: Multiply:
5 (A) the STEP ONE result; by
6 (B) eight-tenths (0.8).
7 STEP THREE: Add one (1) to the STEP TWO result.
8 However, if the city, town, or county files the information as required
9 in subsection (e) for the budget year immediately following the budget
10 year for which the formula under this subsection is applied, when
11 calculating the maximum ad valorem property tax levy under
12 IC 6-1.1-18.5-3(a) for the city, town, or county for the subsequent
13 budget year, the unit's maximum permissible ad valorem property tax
14 levy must be calculated as if the formula under this subsection had not
15 been applied for the affected budget year.



COMMITTEE REPORT

Mr. President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 8, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 11, reset in roman "a public library".

Page 1, line 12, reset in roman "or".

Page 2, line 3, reset in roman "or".

Page 2, line 5, delete "or".

Page 2, delete lines 6 through 8.

Page 2, line 13, delete "However, the governing body shall submit its proposed".

Page 2, delete lines 14 through 18.

Page 2, line 19, delete "or, in the case of a public".

Page 2, delete line 20.

Page 2, line 21, delete "county,".

Page 4, delete lines 4 through 42.

Delete pages 5 through 7.

Page 8, delete lines 1 through 35, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-17-20.3, AS AMENDED BY P.L.230-2025, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 20.3. (a) Except as provided in section 20.4 of this chapter, this section applies only to the governing body of a public library that:

(1) is not comprised of a majority of officials who are elected to serve on the governing body; and

(2) has a percentage increase in the proposed budget for the taxing unit for the ensuing calendar year that is ~~more than the result equal to or more than fifty percent (50%)~~ of

(A) the maximum levy growth quotient determined under IC 6-1.1-18.5-2 for the ensuing calendar year, rounded to the nearest thousandth (0.001). ~~minus~~

(B) ~~one~~ (1);

For purposes of this section, an individual who qualifies to be appointed to a governing body or serves on a governing body because of the individual's status as an elected official of another taxing unit shall be treated as an official who was not elected to serve on the governing body.

(b) This section does not apply to an entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.



(c) If:

- (1) the assessed valuation of a public library's territory is entirely contained within a city or town; or
- (2) the assessed valuation of a public library's territory is not entirely contained within a city or town but more than fifty percent (50%) of the assessed valuation of the public library's territory is contained within the city or town;

the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body in the manner prescribed by the department of local government finance before September 2 of a year. However, the governing body shall submit its proposed budget and property tax levy to the county fiscal body in the manner provided in subsection (d), rather than to the city or town fiscal body, if more than fifty percent (50%) of the parcels of real property within the jurisdiction of the public library are located outside the city or town.

(d) If subsection (c) does not apply or the public library's territory covers more than one (1) county, the governing body of the public library shall submit its proposed budget and property tax levy to the county fiscal body in the county where the public library has the most assessed valuation. The proposed budget and levy shall be submitted to the county fiscal body in the manner prescribed by the department of local government finance before September 2 of a year.

(e) The fiscal body of the city, town, or county (whichever applies) shall review each budget and proposed tax levy and adopt a final budget and tax levy for the public library. The fiscal body may reduce or modify but not increase the proposed budget or tax levy.

(f) If a public library fails to file the information required in subsection (c) or (d), whichever applies, with the appropriate fiscal body by the time prescribed by this section, when calculating the maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a) for the public library for the ensuing budget year, instead of multiplying the maximum levy growth quotient determined under IC 6-1.1-18.5-2(b) or IC 6-1.1-18.5-2(e) (as applicable) for the year by the public library's maximum permissible ad valorem property tax levy for the preceding calendar year as prescribed in STEP TWO of IC 6-1.1-18.5-3(a), for purposes of STEP TWO of IC 6-1.1-18.5-3(a), the public library's maximum permissible ad valorem property tax levy for the preceding calendar year must instead be multiplied by the result of the following:

STEP ONE: Determine:

- (A) the result of STEP FOUR of IC 6-1.1-18.5-2(b) or STEP FIVE of IC 6-1.1-18.5-2(e) (as applicable); minus



(B) one (1).

STEP TWO: Multiply:

(A) the STEP ONE result; by

(B) eight-tenths (0.8).

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

However, if the public library files the information as required in subsection (c) or (d), whichever applies, for the budget year immediately following the budget year for which the formula under this subsection is applied, when calculating the maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a) for the public library for the subsequent budget year, the public library's maximum permissible ad valorem property tax levy must be calculated as if the formula under this subsection had not been applied for the affected budget year.

(g) If the appropriate fiscal body fails to complete the requirements of subsection (e) before the adoption deadline in section 5 of this chapter for any public library subject to this section, when calculating the maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a) for the city, town, or county for the ensuing budget year, instead of multiplying the maximum levy growth quotient determined under IC 6-1.1-18.5-2(b) or IC 6-1.1-18.5-2(e) (as applicable) for the year by the city's, town's, or county's maximum permissible ad valorem property tax levy for the preceding calendar year as prescribed in STEP TWO of IC 6-1.1-18.5-3(a), for purposes of STEP TWO of IC 6-1.1-18.5-3(a), the city's, town's, or county's maximum permissible ad valorem property tax levy for the preceding calendar year must instead be multiplied by the result of the following:

STEP ONE: Determine:

(A) the result of STEP FOUR of IC 6-1.1-18.5-2(b) or STEP FIVE of IC 6-1.1-18.5-2(e) (as applicable); minus

(B) one (1).

STEP TWO: Multiply:

(A) the STEP ONE result; by

(B) eight-tenths (0.8).

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

However, if the city, town, or county files the information as required in subsection (e) for the budget year immediately following the budget year for which the formula under this subsection is applied, when calculating the maximum ad valorem property tax levy under IC 6-1.1-18.5-3(a) for the city, town, or county for the subsequent budget year, the unit's maximum permissible ad valorem property tax levy must be calculated as if the formula under this subsection had not been applied for the affected budget year."



Page 8, delete lines 36 through 42.

Delete pages 9 through 13.

and when so amended that said bill do pass.

(Reference is to SB 8 as introduced.)

HOLDMAN, Chairperson

Committee Vote: Yeas 9, Nays 1.

