



Drafter's Error
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



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

6 (1) is not comprised of a majority of officials who are elected to
7 serve on the governing body; and
8 (2) has a percentage increase in the proposed budget for the
9 taxing unit for the ensuing calendar year that is ~~more than the~~
10 **result equal to or more than fifty percent (50%)** of
11 (A) the maximum levy growth quotient determined under
12 IC 6-1.1-18.5-2 for the ensuing calendar year, rounded to the
13 nearest thousandth (0.001). ~~minus~~
14 (B) one (1).

15 For purposes of this section, an individual who qualifies to be
16 appointed to a governing body or serves on a governing body because
17 of the individual's status as an elected official of another taxing unit

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1 shall be treated as an official who was not elected to serve on the
2 governing body.

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

6 (c) If:

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

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

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

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

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

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



1 for the preceding calendar year must instead be multiplied by the result
2 of the following:

3 STEP ONE: Determine:

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

7 STEP TWO: Multiply:

8 (A) the STEP ONE result; by
9 (B) eight-tenths (0.8).

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

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

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

32 STEP ONE: Determine:

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

36 STEP TWO: Multiply:

37 (A) the STEP ONE result; by
38 (B) eight-tenths (0.8).

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

40 However, if the city, town, or county files the information as required
41 in subsection (e) for the budget year immediately following the budget
42 year for which the formula under this subsection is applied, when



1 calculating the maximum ad valorem property tax levy under
2 IC 6-1.1-18.5-3(a) for the city, town, or county for the subsequent
3 budget year, the unit's maximum permissible ad valorem property tax
4 levy must be calculated as if the formula under this subsection had not
5 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.

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