

PRINTING CODE. Deletions appear in ~~this style type~~. Insertions appear in this style type. Typeface changes are shown in **this** *this* this style **type** or in **this** *this* this style **type**.

SENATE BILL No. 8

Proposed Changes to introduced printing by AM000802

DIGEST OF PROPOSED AMENDMENT

Various changes. Amends the percentage increase in a public library's proposed budget beyond which the public library will be subject to binding review.

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*
12 **library** *or* an entity whose tax levies are subject to review and
13 modification by 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
18 contained within a city or town but:
19 (A) the taxing unit was originally established by the city or
20 town; **or**

2026

IN 8—LS 6066/DI 129



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

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

3 ~~or~~

4 ~~(C) in the case of a public library, more than fifty
 5 percent (50%) of the assessed valuation of the public
 6 library's territory is contained within the city or town;~~

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

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

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

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

41 STEP ONE: Determine:

42 (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 taxing unit 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 taxing unit for the subsequent budget year, the taxing 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.

(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 taxing unit 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



1 been applied for the affected budget year.

2 SECTION 2. IC 6-1-17-20.3[, AS AMENDED BY
 3 P.L.230-2025, SECTION 44.] IS <REPEALED>[AMENDED TO
 4 READ AS FOLLOWS] [EFFECTIVE JULY 1, 2026]<. >[.]Sec.

5 <>20.3. <>(a) <>Except <>as <>provided <>in <>section <>20.4 <>of
 6 <>this <>chapter, <>this <>section <>applies <>only <>to <>the
 7 <>governing <>body <>of <>a <>public <>library <>that:

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

11 <>(2) <>has <>a <>percentage <>increase <>in <>the
 12 <>proposed <>budget <>for <>the <>taxing <>unit <>for <>the
 13 <>ensuing <>calendar <>year <>that <>is ~~more than the result~~
 14 <>of:

15 ~~(A) the maximum levy growth quotient determined under~~
 16 ~~IC 6-1-18.5-2 for the ensuing calendar year, rounded to~~
 17 ~~the nearest thousandth (0.001),~~>[equal to or more than
 18 fifty percent (50%) of

19 (A) the maximum levy growth quotient determined under
 20 IC 6-1-18.5-2 for the ensuing calendar year, rounded to
 21 the nearest thousandth (0.001).] ~~minus~~

22 <>(B) ~~one (1):~~

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

30 <>(b) <>This <>section <>does <>not <>apply <>to <>an
 31 <>entity <>whose <>tax <>levies <>are <>subject <>to <>review
 32 <>and <>modification <>by <>a <>city-county <>legislative <>body
 33 <>under ~~IC 36-3-6-9~~>[IC 36-3-6-9].

34 <>(c) <>If:

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

38 <>(2) <>the <>assessed <>valuation <>of <>a <>public
 39 <>library's <>territory <>is <>not <>entirely <>contained
 40 <>within <>a <>city <>or <>town <>but <>more <>than <>fifty
 41 <>percent <>(50%) <>of <>the <>assessed <>valuation <>of
 42 <>the <>public <>library's <>territory <>is <>contained



1 ◦within ◦the ◦city ◦or ◦town;
 2 ◦the ◦governing ◦body ◦shall ◦submit ◦its ◦proposed
 3 ◦budget ◦and ◦property ◦tax ◦levy ◦to ◦the ◦city ◦or
 4 ◦town ◦fiscal ◦body ◦in ◦the ◦manner ◦prescribed ◦by
 5 ◦the ◦department ◦of ◦local ◦government ◦finance ◦before
 6 ◦September ◦2 ◦of ◦a ◦year. ◦However, ◦the ◦governing
 7 ◦body ◦shall ◦submit ◦its ◦proposed ◦budget ◦and
 8 ◦property ◦tax ◦levy ◦to ◦the ◦county ◦fiscal ◦body ◦in
 9 ◦the ◦manner ◦provided ◦in ◦subsection ◦(d), ◦rather
 10 ◦than ◦to ◦the ◦city ◦or ◦town ◦fiscal ◦body, ◦if ◦more
 11 ◦than ◦fifty ◦percent ◦(50%) ◦of ◦the ◦parcels ◦of ◦real
 12 ◦property ◦within ◦the ◦jurisdiction ◦of ◦the ◦public
 13 ◦library ◦are ◦located ◦outside ◦the ◦city ◦or ◦town.
 14 ◦(d) ◦If ◦subsection ◦(c) ◦does ◦not ◦apply ◦or ◦the
 15 ◦public ◦library's ◦territory ◦covers ◦more ◦than ◦one ◦(1)
 16 ◦county, ◦the ◦governing ◦body ◦of ◦the ◦public ◦library
 17 ◦shall ◦submit ◦its ◦proposed ◦budget ◦and ◦property ◦tax
 18 ◦levy ◦to ◦the ◦county ◦fiscal ◦body ◦in ◦the ◦county
 19 ◦where ◦the ◦public ◦library ◦has ◦the ◦most ◦assessed
 20 ◦valuation. ◦The ◦proposed ◦budget ◦and ◦levy ◦shall ◦be
 21 ◦submitted ◦to ◦the ◦county ◦fiscal ◦body ◦in ◦the
 22 ◦manner ◦prescribed ◦by ◦the ◦department ◦of ◦local
 23 ◦government ◦finance ◦before ◦September ◦2 ◦of ◦a
 24 ◦year.
 25 ◦(e) ◦The ◦fiscal ◦body ◦of ◦the ◦city, ◦town, ◦or
 26 ◦county ◦(whichever ◦applies) ◦shall ◦review ◦each
 27 ◦budget ◦and ◦proposed ◦tax ◦levy ◦and ◦adopt ◦a
 28 ◦final ◦budget ◦and ◦tax ◦levy ◦for ◦the ◦public
 29 ◦library. ◦The ◦fiscal ◦body ◦may ◦reduce ◦or ◦modify
 30 ◦but ◦not ◦increase ◦the ◦proposed ◦budget ◦or ◦tax
 31 ◦levy.
 32 ◦(f) ◦If ◦a ◦public ◦library ◦fails ◦to ◦file ◦the
 33 ◦information ◦required ◦in ◦subsection ◦(c) ◦or ◦(d),
 34 ◦whichever ◦applies, ◦with ◦the ◦appropriate ◦fiscal ◦body
 35 ◦by ◦the ◦time ◦prescribed ◦by ◦this ◦section, ◦when
 36 ◦calculating ◦the ◦maximum ◦ad ◦valorem ◦property ◦tax
 37 ◦levy ◦under ~~IC 6-1~~ [IC 6-1].1-18.5-3(a) ◦for ◦the ◦public
 38 ◦library ◦for ◦the ◦ensuing ◦budget ◦year, ◦instead ◦of
 39 ◦multiplying ◦the ◦maximum ◦levy ◦growth ◦quotient
 40 ◦determined ◦under ~~IC 6-1~~ [IC 6-1].1-18.5-2(b) ◦or ~~IC 6-1~~ [
 41 IC 6-1.1-18.5-2(e) ◦(as ◦applicable) ◦for ◦the ◦year ◦by
 42 ◦the ◦public ◦library's ◦maximum ◦permissible ◦ad



1 ◦valorem ◦property ◦tax ◦levy ◦for ◦the ◦preceding
 2 ◦calendar ◦year ◦as ◦prescribed ◦in ◦STEP ◦TWO ◦of ◦
 3 ~~IC 6-1>[IC 6-1]~~1-18.5-3(a), ◦for ◦purposes ◦of ◦STEP ◦TWO
 4 ◦of ◦~~IC 6-1>[IC 6-1]~~1-18.5-3(a), ◦the ◦public ◦library's
 5 ◦maximum ◦permissible ◦ad ◦valorem ◦property ◦tax ◦levy
 6 ◦for ◦the ◦preceding ◦calendar ◦year ◦must ◦instead ◦be
 7 ◦multiplied ◦by ◦the ◦result ◦of ◦the ◦following:

8 ◦STEP ◦ONE: ◦Determine:
 9 ◦(A) ◦the ◦result ◦of ◦STEP ◦FOUR ◦of ◦
 10 ~~IC 6-1>[IC 6-1]~~1-18.5-2(b) ◦or ◦STEP ◦FIVE ◦of ◦
 11 ~~IC 6-1>[IC 6-1]~~1-18.5-2(e) ◦(as ◦applicable); ~~minus~~

12 (B) one (1).

13 STEP TWO: Multiply:

14 (A) the STEP ONE result, by

15 (B) eight-tenths (0.8).

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

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

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

38 STEP ONE: Determine:

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

41 (B) one (1).

42 STEP TWO: Multiply:



1 (A) the STEP ONE result; by
2 (B) eight-tenths (0.8).

~~3 STEP THREE: Add one (1) to the STEP TWO result.~~

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

12 ————— ~~SECTION 3. IC 6-1-1-17-20.4 IS REPEALED [EFFECTIVE~~
13 ~~JULY 1, 2026]. Sec. 20.4. (a) This section applies only if on December~~
14 ~~31, as reported in the public library's annual report under IC 5-11-1-4,~~
15 ~~the cash balance of all funds of the public library derived from tax~~
16 ~~revenue is greater than one hundred fifty percent (150%) of the public~~
17 ~~library's certified budget for the ensuing year.~~

18 (b) If section 20.3(a)(2) of this chapter does not apply, the fiscal
19 body of a city, town, or county may adopt a resolution to require the
20 public library to submit its proposed budget and property tax levy to the
21 city, town, or county fiscal body as set forth in section 20.3(c) or
22 20.3(d) of this chapter (whichever is applicable) for binding review and
23 approval as set forth under section 20.3 of this chapter. However, the
24 fiscal body of the city, town, or county may not reduce a public library's
25 proposed budget or tax levy in a budget year under this section by more
26 than ten percent (10%) of the public library's operating levy in the
27 immediately preceding budget year.

— (c) A resolution may be adopted under this section not later than July 1. A resolution adopted under this section remains in full force and effect until the December 31 cash balance of all funds of the public library derived from tax revenue, as reported in the public library's annual report under IC 5-11-1-4, no longer exceed one hundred fifty percent (150%) of the public library's certified budget for the ensuing year.

2026

IN 8—LS 6066/DI 129



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 hearing.

2 (e) A resolution adopted by a fiscal body under this section shall
3 be submitted to:

4 (1) the department of local government finance; and

5 (2) the public library;

6 not later than five (5) days after the date the resolution is adopted.

7 ~~SECTION 4. IC 6-1-1-17-20.6, AS ADDED BY P.L.88-2020;~~

8 ~~SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE~~

9 ~~JULY 1, 2026]~~: Sec. 20.6. (a) Each public library shall identify the

10 applicable city, town, or county fiscal body that receives a public

11 library's proposed budget as provided in section 20.3(c) or 20.3(d) of

12 this chapter ~~(before the repeal of section 20.3 of this chapter)~~. The

13 identification under this section of the applicable city, town, or

14 county fiscal body to review the public library's proposed budget

15 for purposes of section 20.3 of this chapter ~~(before its repeal)~~

16 remains effective for purposes of review under section 20(c) or

17 20(d) of this chapter, unless there has been a change in the

18 territory of the public library.

19 (b) Not later than October 1, 2020, a public library shall report the
20 applicable city, town, or county fiscal body identified under subsection
21 (a) to the Indiana state library. The report submitted to the state library
22 must contain:

23 (1) the name of the public library;

24 (2) the appropriate fiscal body of a city, town, or county to
25 review a library budget under section 20.3(c) or 20.3(d) of this
26 chapter ~~(before the repeal of section 20.3 of this chapter)~~; and

27 (3) after adoption by the respective board, the signatures of the
28 public library board president and the appropriate fiscal body
29 president.

30 The Indiana state library shall provide the information submitted to the
31 Indiana state library under this subsection to the department of local
32 government finance by not later than November 1, 2020.

33 (c) If a fiscal body, other than the fiscal body identified by the
34 public library under subsection (a), objects to the public library's
35 determination under subsection (a), the objecting fiscal body may
36 submit a formal objection to:

37 (1) the Indiana state library;

38 (2) the public library; and

39 (3) the fiscal body identified under subsection (a) by the public
40 library.

41 (d) If a public library:

42 (1) is unable to identify the applicable fiscal body under



subsection (a);

— (2) does not complete the reporting requirements established in subsection (b); or

— (3) has a formal objection filed under subsection (c) against the public library's fiscal body designation under subsection (a); the public library shall file an original action seeking a declaratory judgment in a court with jurisdiction to identify the appropriate fiscal body. The public library shall file a copy of the declaratory judgment with the Indiana state library within thirty (30) days of the court's entry of judgment.

— (e) The Indiana state library shall provide the information submitted to the Indiana state library under subsection (b) to the department of local government finance by not later than November 1, 2020.

— (f) (e) If there is a change in the territory of the public library:

— (1) the public library shall submit a report under subsection (b) to the Indiana state library not later than October 1; and

— (2) the Indiana state library shall report the information under subsection (b) to the department of local government finance not later than November 1;

in the year the change in territory becomes effective. Subsections (e) and (d) apply to the public library and to any fiscal body that objects to the public library's designation under subsection (a).

— SECTION 5. IC 6-1.1-18-5, AS AMENDED BY P.L.156-2024, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 5. (a) If the proper officers of a political subdivision desire to appropriate more money for a particular year than the amount prescribed in the budget for that year as finally determined under this article, they shall hold a public hearing after submitting the following information regarding the proposed additional appropriation to the department's computer gateway:

— (1) The amount of the additional appropriation;

— (2) The name of the affected fund;

— (3) The name and account number of the affected account;

— (4) The date, time, and place at which the political subdivision or appropriate fiscal body will hold a public hearing on the proposed additional appropriation.

— (b) If the additional appropriation by the political subdivision is made from a fund for which the budget, rate, or levy is certified by the department of local government finance under IC 6-1.1-17-16, the political subdivision must report the additional appropriation to the department of local government finance in the manner prescribed by

2026

IN 8—LS 6066/DI 129



DOCUMENT HAS NOT BEEN CHECKED FOR ACCURACY

1 the department of local government finance. If the additional
 2 appropriation is made from a fund described under this subsection,
 3 subsections (f), (g), (h), and (i) apply to the political subdivision.

4 (c) However, if the additional appropriation is not made from a
 5 fund described under subsection (b), subsections (f), (g), (h), and (i) do
 6 not apply to the political subdivision. Subsections (f), (g), (h), and (i)
 7 do not apply to an additional appropriation made from the cumulative
 8 bridge fund if the appropriation meets the requirements under
 9 IC 8-16-3-3(c).

10 (d) A political subdivision may make an additional appropriation
 11 without approval of the department of local government finance if the
 12 additional appropriation is made from a fund that is not described
 13 under subsection (b). However, the fiscal officer of the political
 14 subdivision shall report the additional appropriation to the department
 15 of local government finance.

16 (e) Subject to subsections (j), and (k), after the public
 17 hearing, the proper officers of the political subdivision shall file a
 18 certified copy of their final proposal and any other relevant information
 19 to the department of local government finance not later than fifteen
 20 (15) days after the additional appropriation is adopted by the
 21 appropriate fiscal body. If the additional appropriation is not submitted
 22 to the department of local government finance within fifteen (15) days
 23 after adoption, the department of local government finance may require
 24 the political subdivision to conduct a readoption hearing.

25 (f) When the department of local government finance receives a
 26 certified copy of a proposal for an additional appropriation under
 27 subsection (e), the department shall determine whether sufficient funds
 28 are available or will be available for the proposal. The determination
 29 shall be made in writing and sent to the political subdivision not more
 30 than fifteen (15) days after the department of local government finance
 31 receives the proposal.

32 (g) In making the determination under subsection (f), the
 33 department of local government finance shall limit the amount of the
 34 additional appropriation to revenues available, or to be made available,
 35 which have not been previously appropriated.

36 (h) If the department of local government finance disapproves an
 37 additional appropriation under subsection (f), the department shall
 38 specify the reason for its disapproval on the determination sent to the
 39 political subdivision.

40 (i) A political subdivision may request a reconsideration of a
 41 determination of the department of local government finance under this
 42 section by filing a written request for reconsideration. A request for



1 reconsideration must:

2 — (1) be filed with the department of local government finance
 3 within fifteen (15) days of the receipt of the determination by the
 4 political subdivision; and

5 — (2) state with reasonable specificity the reason for the request.
 6 The department of local government finance must act on a request for
 7 reconsideration within fifteen (15) days of receiving the request.

8 — (j) This subsection applies to an additional appropriation by a
 9 political subdivision that must have the political subdivision's annual
 10 appropriations and annual tax levy adopted by a city, town, or county
 11 fiscal body under IC 6-1.1-17-20 or IC 36-1-23 or by a legislative or
 12 fiscal body under IC 36-3-6-9. The fiscal or legislative body of the city,
 13 town, or county that adopted the political subdivision's annual
 14 appropriation and annual tax levy must adopt the additional
 15 appropriation by ordinance before the department of local government
 16 finance may approve the additional appropriation.

17 — (k) This subsection applies to a public library that is not required
 18 to submit the public library's budgets, tax rates, and tax levies for
 19 binding review and approval under IC 6-1.1-17-20 or IC 6-1.1-17-20.4.
 20 If a public library subject to this subsection proposes to make an
 21 additional appropriation for a year, and the additional appropriation
 22 would result in the budget for the library for that year increasing (as
 23 compared to the previous year) by a percentage that is greater than the
 24 result of the maximum levy growth quotient determined under
 25 IC 6-1.1-18.5-2 for the calendar year minus one (1), the additional
 26 appropriation must first be approved by the city, town, or county fiscal
 27 body described in IC 6-1.1-17-20.3(c) or IC 6-1.1-17-20.3(d), as
 28 appropriate.

29 — (l) (k) This subsection applies to an appropriation for which the
 30 underlying purpose is a bond issue. The political subdivision shall
 31 include the appropriation for the bond proceeds in the budget of the
 32 political subdivision for the ensuing year adopted under IC 6-1.1-17.
 33 If the political subdivision does not include the appropriation for the
 34 bond proceeds as required by this subsection, the political subdivision
 35 shall comply with the requirements of this section in the year in which
 36 the bond proceeds are received, but may not take an action pursuant to
 37 this section in a year before the year in which the bond proceeds are
 38 received.

39 — (m) (l) The proper officers of a political subdivision shall submit
 40 the information described in subsection (a)(1) through (a)(4), in a
 41 manner prescribed by the department, to the department's computer
 42 gateway at least fourteen (14) days prior to the public hearing. The



1 department shall make the information submitted by the political
 2 subdivision available to taxpayers through the department's computer
 3 gateway at least ten (10) days prior to the public hearing. If the date,
 4 time, or place of the public hearing changes following the original
 5 submission of the information to the department's computer gateway,
 6 the political subdivision shall submit the updated information to the
 7 department's computer gateway as soon as possible.

8 ~~— SECTION 6. IC 6-1.1-18.5-12, AS AMENDED BY P.L. 68-2025,
 9 SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2026]: Sec. 12. (a) Any civil taxing unit that incurs increased
 11 costs resulting from annexation, a natural disaster, an accident, or
 12 another unanticipated emergency, and determines that it cannot carry
 13 out its governmental functions for an ensuing calendar year under the
 14 levy limitations imposed by section 3 or 25 of this chapter, as
 15 applicable, may, subject to subsections (h) and (i):~~

16 ~~(1) before October 20 of the calendar year immediately
 17 preceding the ensuing calendar year; or
 18 (2) in the case of a request described in section 16 of this
 19 chapter, before December 31 of the calendar year immediately
 20 preceding the ensuing calendar year;~~

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

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

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

35 ~~(d) If an officer or member:~~

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

38 ~~(2) fails to produce the books and records that the department by
 39 written notice required the officer or member to produce;
 40 then the department may file an affidavit in the circuit court, superior
 41 court, or probate court in the jurisdiction in which the officer or
 42 member may be found setting forth the facts of the failure.~~



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

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

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

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

- 24 (1) IC 6-1.1-17-20;
- 25 (2) IC 6-1.1-17-20.3; or
- 26 (3) IC 6-1.1-17-20.4.

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

30 (i) A participating unit of a fire protection territory may not submit
 31 an appeal under this section unless each participating unit of the fire
 32 protection territory has adopted a resolution approving submission of
 33 the appeal. >[minus

- 34 (B) one (1).

35 STEP TWO: Multiply:

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

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

39 However, if the public library files the information as required in
 40 subsection (c) or (d), whichever applies, for the budget year
 41 immediately following the budget year for which the formula under this
 42 subsection is applied, when calculating the maximum ad valorem



1 property tax levy under IC 6-1.1-18.5-3(a) for the public library for the
 2 subsequent budget year, the public library's maximum permissible ad
 3 valorem property tax levy must be calculated as if the formula under
 4 this subsection had not been applied for the affected budget year.

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

18 STEP ONE: Determine:

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

22 STEP TWO: Multiply:

23 (A) the STEP ONE result; by
 24 (B) eight-tenths (0.8).

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

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

34 1

