

## SENATE BILL No. 238

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1; IC 6-3.6; IC 36-8-19-7.5.

**Synopsis:** Property and local income taxes. Amends provisions added in SEA 1 in the 2025 session that require the department of local government finance to neutralize the effect of certain property tax provisions enacted in that bill. Amends the threshold for the business personal property tax exemption enacted in SEA 1 in the 2025 session. Reinstates excess tax levy appeal provisions that were repealed in SEA 1 in the 2025 session. Amends the various local income tax (LIT) rates that may be adopted under provisions added in SEA 1 in the 2025 session. Amends the population thresholds used to determine if a city or town is eligible to adopt a municipal LIT. Repeals provisions that require counties and municipalities to readopt their LIT rate each year. Moves the effective date for the local income tax changes enacted in SEA 1 in the 2025 session from 2028 to 2029. Makes corresponding changes to move the expiration date regarding a county with a single voting bloc enacted in HEA 1142 in the 2025 session.

**Effective:** Upon passage; January 1, 2025 (retroactive); May 10, 2025 (retroactive); July 1, 2025 (retroactive); January 1, 2026 (retroactive); June 30, 2028; July 1, 2028.

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**Rogers**

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January 8, 2026, read first time and referred to Committee on Tax and Fiscal Policy.

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Introduced

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. 238

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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 6-1.1-2-11, AS ADDED BY P.L.68-2025,  
2        SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3        UPON PASSAGE]: Sec. 11. (a) As used in this section, "tax increment  
4        financing allocation area" means any area authorized by statute in  
5        which ad valorem property taxes are allocated, including the following:  
6                (1) IC 6-1.1-39 (economic development districts).  
7                (2) IC 8-22-3.5 (airport development zones).  
8                (3) IC 36-7-14 (redevelopment of areas needing redevelopment  
9                generally).  
10               (4) IC 36-7-15.1 (redevelopment of areas in Marion County).  
11               (5) IC 36-7-30 (reuse of federal military bases).  
12               (6) IC 36-7-30.5 (development of multicounty federal military  
13               bases).  
14               (7) IC 36-7-32 (certified technology parks).  
15               (8) IC 36-7-32.5 (innovation development districts).  
16               (9) IC 36-7.5-4.5 (rail transit development districts).  
17               (b) **As used in this section, "governing body" means the**



1       **following:**

2       (1) For IC 6-1.1-39 (economic development districts), the  
3       county, city, or town fiscal body.

4       (2) For IC 8-22-3.5 (airport development zones), the  
5       commission as defined in IC 8-22-3.5-2.

6       (3) For IC 36-7-14 (redevelopment of areas needing  
7       redevelopment generally), the commission created under  
8       IC 36-7-14-3.

9       (4) For IC 36-7-15.1 (redevelopment of areas in Marion  
10       County), the commission as defined under IC 36-7-15.1-3 or  
11       IC 36-7-15.1-37.

12       (5) For IC 36-7-30 (reuse of federal military bases), the reuse  
13       authority created under IC 36-7-30-4.

14       (6) For IC 36-7-30.5 (development of multicounty federal  
15       military bases), the development authority defined under  
16       IC 36-7-30.5-4.

17       (7) For IC 36-7-32 (certified technology parks), the applicable  
18       unit or redevelopment commission under IC 36-7-32-10.

19       (8) For IC 36-7-32.5 (innovation development districts), the  
20       Indiana economic development corporation established by  
21       IC 5-28-3-1.

22       (9) For IC 36-7.5-4.5 (rail transit development districts), the  
23       northwest Indiana regional development authority established  
24       by IC 36-7.5-2-1.

25       (b)(c) The department shall, in each year beginning after December  
26       31, 2025, and ending before January 1, 2034, adjust the base assessed  
27       value of each tax increment financing allocation area to neutralize the  
28       effect of the changing tax rates resulting year to year from the  
29       homestead deduction under IC 6-1.1-12-37(c)(2) and  
30       IC 6-1.1-12-37.5(c) and the deduction for eligible property under  
31       IC 6-1.1-12-47. It is the intent of the general assembly that an increase  
32       in revenue from a change in tax rates resulting from these statutes  
33       accrue only to the base assessed value and not to the tax increment  
34       financing allocation area. However, in the case of a decrease in revenue  
35       from a change in tax rates resulting from these statutes, the department  
36       may neutralize the change under this subsection in a positive manner  
37       with regard to the tax increment financing allocation area to protect the  
38       ability to pay bonds based on incremental revenue, if the tax increment  
39       financing allocation area demonstrates to the department that an  
40       adjustment is needed before the department calculates a positive  
41       neutralization adjustment.

42       **(d) If a governing body that has established a tax increment**



1 financing allocation area believes, based on credible data  
2 projections, that an adjustment may be needed to the base assessed  
3 value as a result of the changes in the homestead deduction under  
4 IC 6-1.1-12-37(c)(2) and IC 6-1.1-12-37.5(c) and the deduction for  
5 eligible property under IC 6-1.1-12-47 in order to prevent  
6 significant risk to, or impairment of, contractual debt obligations  
7 with respect to any creditor or bondholder to which taxes from the  
8 tax increment financing allocation area have been pledged, the  
9 governing body may petition the department for a review of the tax  
10 increment financing allocation for the tax increment financing  
11 allocation area for any year. The petition must be submitted in the  
12 form, timeline, and manner prescribed by the department and  
13 must include the credible data projections upon which the petition  
14 is based. The department shall review a petition submitted under  
15 this subsection and provide a report of its review to the governing  
16 body within a reasonable time. The department shall make an  
17 adjustment for an approved petition under this subsection.

18 SECTION 2. IC 6-1.1-3-7.2, AS AMENDED BY P.L.230-2025,  
19 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
20 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 7.2. (a) This section  
21 applies to assessment dates occurring after December 31, 2015.

22 (b) As used in this section, "affiliate" means an entity that  
23 effectively controls or is controlled by a taxpayer or is associated with  
24 a taxpayer under common ownership or control, whether by  
25 shareholdings or other means.

26 (c) As used in this section, "business personal property" means  
27 personal property that:

28 (1) is otherwise subject to assessment and taxation under this  
29 article;  
30 (2) is used in a trade or business or otherwise held, used, or  
31 consumed in connection with the production of income; and  
32 (3) was:

33 (A) acquired by the taxpayer in an arms length transaction  
34 from an entity that is not an affiliate of the taxpayer, if the  
35 personal property has been previously used in Indiana before  
36 being placed in service in the county; or

37 (B) acquired in any manner, if the personal property has never  
38 been previously used in Indiana before being placed in service  
39 in the county.

40 The term does not include mobile homes assessed under IC 6-1.1-7,  
41 personal property held as an investment, or personal property that is  
42 assessed under IC 6-1.1-8 and is owned by a public utility subject to



1 regulation by the Indiana utility regulatory commission. However, the  
2 term does include the personal property of a telephone company or a  
3 communications service provider if that personal property meets the  
4 requirements of subdivisions (1) through (3), regardless of whether that  
5 personal property is assessed under IC 6-1.1-8 and regardless of  
6 whether the telephone company or communications service provider is  
7 subject to regulation by the Indiana utility regulatory commission.

8 (d) Notwithstanding section 7 of this chapter, if the acquisition cost  
9 of a **one million dollars (\$1,000,000)** of assessed value of each  
10 taxpayer's total business personal property in a county is less than:

11 (1) eighty thousand dollars (\$80,000) for assessment dates before  
12 2026; and  
13 (2) two million dollars (\$2,000,000) for the 2026 assessment date,  
14 and each assessment date thereafter;

15 the taxpayer's business personal property in the county for that  
16 assessment date is exempt from taxation. **For taxpayers with business**  
17 **personal property in multiple taxing districts, the county auditor**  
18 **shall apply the exemption proportionately by taxing district based**  
19 **on the taxpayer's assessed value in the taxing district compared to**  
20 **the taxpayer's total assessed value in all taxing districts in the**  
21 **county.**

22 (e) Subject to subsection (f), a taxpayer that is eligible for the  
23 exemption under this section for an assessment date shall include the  
24 following information on the taxpayer's personal property tax return:

25 (1) A declaration that the taxpayer's business personal property in  
26 the county is exempt from property taxation.  
27 (2) Whether the taxpayer's business personal property within the  
28 county is in one (1) location or multiple locations.  
29 (3) An address for the location of the property.

30 If the business personal property is in multiple locations within a  
31 county, the taxpayer shall provide an address for the location where the  
32 sum of acquisition costs for business personal property is greatest. If  
33 two (2) or more addresses contain the greatest equivalent sum of  
34 acquisition costs for business personal property within a given county,  
35 the taxpayer shall choose only one (1) address to list on the return.

36 (f) Beginning after December 31, 2022, a taxpayer that has included  
37 the information required under subsection (e) on the taxpayer's  
38 personal property tax return to claim the exemption under this section  
39 is not required to file a personal property return for the taxpayer's  
40 business personal property for an assessment date that occurs after the  
41 assessment date for which the information is first provided under  
42 subsection (e), unless or until the taxpayer no longer qualifies for the



1 exemption under subsection (d) for a subsequent assessment date.

(g) This subsection applies to a taxpayer who filed a business personal property tax return on or after April 15, 2025, in which the taxpayer claimed an exemption under this section for the 2025 assessment date of more than eighty thousand dollars (\$80,000) under provisions enacted in SEA 1-2025, but before those provisions were repealed in HEA 1427-2025. A taxpayer described in this subsection is not entitled to an exemption under this section that exceeds the amount as amended in HEA 1427-2025, and the taxpayer must file an amended return not later than May 31, 2025.

11        SECTION 3. IC 6-1.1-10.3-3, AS AMENDED BY P.L.68-2025,  
12        SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13        JULY 1, 2028]: Sec. 3. As used in this chapter, "exemption ordinance"  
14        refers to an ordinance adopted under section 5 of this chapter by a local  
15        income tax council (before July 1, 2027) 2028 or by a county adopting  
16        body specified in IC 6-3.6-3-1(a) (after June 30, 2027) 2028.

17        SECTION 4. IC 6-1.1-18.5-13, AS AMENDED BY P.L.68-2025,  
18 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
19 JANUARY 1, 2026 (RETROACTIVE)]: Sec. 13. With respect to an  
20 appeal filed under section 12 of this chapter, the department may find  
21 that a civil taxing unit should receive ~~the following any one (1) or~~  
22 **more of the following types of 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, 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:

33 (A) The first calendar year in which those costs are incurred.  
34 (B) One (1) or more of the immediately succeeding four (4)  
35 calendar years.



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.

(2) (3) 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.

SECTION 5. IC 6-3.6-1-1.5, AS AMENDED BY P.L.68-2025, SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]: Sec. 1.5. (a) In counties that adopted a homestead credit under IC 6-3.5-6-13 (before its repeal January 1, 2017), the transition from the former taxes to the taxes governed under this article shall include the transition of the homestead credit under IC 6-3.5-6-13 (before its repeal January 1, 2017) to a property tax relief rate under IC 6-3.6-5 (before its expiration).



14 (d) This section expires July 1, ~~2028~~, **2029**.

15 SECTION 6. IC 6-3.6-1-3, AS AMENDED BY P.L.68-2025,  
16 SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 JULY 1, 2028]: Sec. 3. (a) Except to the extent that taxes imposed in  
18 a county under or determined under:

19 (1) IC 6-3.5-1.1 (repealed);  
20 (2) IC 6-3.5-1.5 (repealed);  
21 (3) IC 6-3.5-6 (repealed); or  
22 (4) IC 6-3.5-7 (repealed);

23 are increased, decreased, or rescinded under this article, the total tax  
24 rate in effect in a county under the provisions described in subdivisions  
25 (1) through (4) on May 1, 2016, continue in effect after May 1, 2016,  
26 and shall be treated as taxes imposed under this article.

SECTION 7. IC 6-3.6-2-7.4, AS AMENDED BY P.L.68-2025, SECTION 98, AND P.L.223-2025, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.4. "County with a single voting bloc" means a county that has a local income tax council in which one (1) city that is a member of the local income tax council or one (1) town that is a member of the local income tax council is allocated more than fifty percent (50%) of the total one hundred (100) votes allocated under IC 6-3.6-3-6(d). This section expires May 31, 2027. 2028.

39 SECTION 8. IC 6-3.6-3-3, AS AMENDED BY P.L.68-2025,  
40 SECTION 103, IS AMENDED TO READ AS FOLLOWS  
41 [EFFECTIVE JULY 1, 2028]: Sec. 3. (a) Except as provided in  
42 subsection (f), an ordinance adopted by a county under this article takes



1 effect as provided in this section.

2 (b) An ordinance that adopts, increases, decreases, or rescinds a tax  
3 or a tax rate takes effect as follows:

4 (1) An ordinance adopted on or before October 1 of a calendar  
5 year shall take effect on January 1 of the calendar year that  
6 immediately succeeds the year in which the ordinance is adopted.

7 (2) An ordinance adopted after October 1 of a calendar year shall  
8 take effect on January 1 of the second succeeding calendar year  
9 following the year the ordinance is adopted.

10 However, an ordinance adopted to impose a tax rate under  
11 IC 6-3.6-6-2(b)(3) or IC 6-3.6-6-2(b)(4) must be adopted on or before  
12 October 1 of a calendar year.

13 (c) An ordinance that grants, increases, decreases, rescinds, or  
14 changes a credit against the property tax liability of a taxpayer under  
15 IC 6-3.6-5 (before its expiration) takes effect as follows:

16 (1) An ordinance adopted after December 31 of the immediately  
17 preceding year and before November 2 of the current year takes  
18 effect on January 1 of, and applies to property taxes first due and  
19 payable in, the year immediately following the year in which the  
20 ordinance is adopted.

21 (2) An ordinance adopted after November 1 of the current year  
22 and before January 1 of the immediately succeeding year takes  
23 effect on January 1 of, and applies to property taxes first due and  
24 payable in, the year that follows the current year by two (2) years.

25 This subsection expires December 31, 2027. **2028.**

26 (d) An ordinance that grants, increases, decreases, rescinds, or  
27 changes a distribution or allocation of taxes takes effect as follows:

28 (1) An ordinance adopted on or before October 1 of a calendar  
29 year shall take effect on January 1 of the calendar year that  
30 immediately succeeds the year in which the ordinance is adopted.

31 (2) An ordinance adopted after October 1 of a calendar year shall  
32 take effect on January 1 of the second succeeding calendar year  
33 following the year the ordinance is adopted.

34 (e) An ordinance not described in subsections (b) through (d) takes  
35 effect as provided under IC 36 for other ordinances of the  
36 governmental entity adopting the ordinance.

37 (f) An ordinance described in section 7(e) or 7.5(e) of this chapter  
38 that changes a tax rate or changes the allocation of revenue received  
39 from a tax rate does not take effect as provided under this section if the  
40 county adopting body fails to meet the required deadlines for notice  
41 described in section 7(e) or 7.5(e) of this chapter. If an ordinance does  
42 not take effect, the tax rate or allocation, as applicable, that is subject



1 to the proposed change in the ordinance shall be the lesser of the:  
 2       (1) applicable distribution schedule for the certified distribution  
 3           for the upcoming calendar year; or  
 4       (2) applicable distribution schedule for the certified distribution  
 5           for the current calendar year;

6 unless, or until, a subsequent ordinance is adopted and the required  
 7 deadlines for notice described in section 7(e) or 7.5(e) of this chapter  
 8 are met. This subsection expires January 1, 2025.

9       SECTION 9. IC 6-3.6-3-4, AS AMENDED BY P.L.68-2025,  
 10 SECTION 105, IS AMENDED TO READ AS FOLLOWS  
 11 [EFFECTIVE JULY 1, 2028]: Sec. 4. (a) Except for a tax rate that has  
 12 an expiration date, and except as provided in section 3(f) of this chapter  
 13 (before its expiration), a tax rate remains in effect until the effective  
 14 date of an ordinance that increases, decreases, or rescinds that tax rate.

15       (b) A tax rate may not be changed more than once each year under  
 16 this article.

17       (c) A local income tax expenditure tax rate that is imposed in a  
 18 county under IC 6-3.6-6 continues in effect after December 31, 2027,  
 19 only if the adopting body adopts an ordinance to renew the expenditure  
 20 tax rate beginning January 1, 2028. An ordinance under this subsection  
 21 must be adopted by the adopting body on or before October 1, 2027, as  
 22 set forth in section 3(b)(1) of this chapter. However, this subsection  
 23 shall not be construed to prohibit an adopting body that fails to adopt  
 24 an ordinance to continue an expenditure tax rate after December 31,  
 25 2027, from adopting an ordinance under this article to impose, renew,  
 26 or modify an expenditure tax rate under IC 6-3.6-6 beginning January  
 27 1, 2029, or any year thereafter.

28       SECTION 10. IC 6-3.6-3-5, AS AMENDED BY P.L.223-2025,  
 29 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 UPON PASSAGE]: Sec. 5. (a) The auditor of a county shall record all  
 31 votes taken on ordinances presented for a vote under this article and  
 32 not more than ten (10) days after the vote, send a certified copy of the  
 33 results to:

34       (1) the commissioner of the department of state revenue; and  
 35       (2) the commissioner of the department of local government  
 36           finance;

37       in an electronic format approved by the commissioner of the  
 38 department of local government finance.

39       (b) Except as provided in subsection (c), this subsection applies only  
 40 to a county that has a local income tax council. The county auditor may  
 41 cease sending certified copies after the county auditor sends a certified  
 42 copy of results showing that members of the local income tax council



1 have cast a majority of the votes on the local income tax council for or  
 2 against the proposed ordinance.

3 (c) This subsection applies only to a county with a single voting bloc  
 4 that proposes to increase (but not decrease) a tax rate in the county. The  
 5 county auditor may cease sending certified copies of the votes on the  
 6 local income tax council voting as a whole under section 9.5 of this  
 7 chapter after the county auditor sends a certified copy of results  
 8 showing that the individuals who sit on the fiscal bodies of the county,  
 9 cities, and towns that are members of the local income tax council have  
 10 cast a majority of the votes on the local income tax council voting as a  
 11 whole under section 9.5 of this chapter for or against the proposed  
 12 ordinance. This subsection expires May 31, 2027- 2028.

13 SECTION 11. IC 6-3.6-3-5, AS AMENDED BY P.L.223-2025,  
 14 SECTION 5, AND AS AMENDED BY P.L.68-2025, SECTION 106,  
 15 AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL  
 16 OF THE 2026 GENERAL ASSEMBLY, IS CORRECTED AND  
 17 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]:  
 18 Sec. 5. *(a)* The auditor of a county (*or the fiscal officer of a*  
 19 *municipality in the case of a local income tax imposed under*  
 20 *IC 6-3.6-6-22*) shall record all votes taken on ordinances presented for  
 21 a vote under this article and not more than ten (10) days after the vote,  
 22 send a certified copy of the results to:

23 (1) the commissioner of the department of state revenue; and  
 24 (2) the commissioner of the department of local government  
 25 finance;

26 in an electronic format approved by the commissioner of the  
 27 department of local government finance.

28 *(b) Except as provided in subsection (c), this subsection applies*  
 29 *only to a county that has a local income tax council. The county*  
 30 *auditor may cease sending certified copies after the county auditor*  
 31 *sends a certified copy of results showing that members of the local*  
 32 *income tax council have cast a majority of the votes on the local*  
 33 *income tax council for or against the proposed ordinance.*

34 *(c) This subsection applies only to a county with a single voting*  
 35 *bloc that proposes to increase (but not decrease) a tax rate in the*  
 36 *county. The county auditor may cease sending certified copies of the*  
 37 *votes on the local income tax council voting as a whole under section*  
 38 *9.5 of this chapter after the county auditor sends a certified copy of*  
 39 *results showing that the individuals who sit on the fiscal bodies of the*  
 40 *county, cities, and towns that are members of the local income tax*  
 41 *council have cast a majority of the votes on the local income tax*  
 42 *council voting as a whole under section 9.5 of this chapter for or*



1       *against the proposed ordinance. This subsection expires May 31, 2028.*

2       SECTION 12. IC 6-3.6-3-6, AS AMENDED BY P.L.223-2025,  
 3       SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 4       UPON PASSAGE]: Sec. 6. (a) This section applies to a county in  
 5       which the county adopting body is a local income tax council.

6       (b) In the case of a city or town that lies within more than one (1)  
 7       county, the county auditor of each county shall base the allocations  
 8       required by subsections (d) and (e) on the population of that part of the  
 9       city or town that lies within the county for which the allocations are  
 10      being made.

11      (c) Each local income tax council has a total of one hundred (100)  
 12      votes.

13      (d) Each county, city, or town that is a member of a local income tax  
 14      council is allocated a percentage of the total one hundred (100) votes  
 15      that may be cast. The percentage that a city or town is allocated for a  
 16      year equals the same percentage that the population of the city or town  
 17      bears to the population of the county. The percentage that the county  
 18      is allocated for a year equals the same percentage that the population  
 19      of all areas in the county not located in a city or town bears to the  
 20      population of the county.

21      (e) This subsection applies only to a county with a single voting  
 22      bloc. Each individual who sits on the fiscal body of a county, city, or  
 23      town that is a member of the local income tax council is allocated for  
 24      a year the number of votes equal to the total number of votes allocated  
 25      to the particular county, city, or town under subsection (d) divided by  
 26      the number of members on the fiscal body of the county, city, or town.  
 27      This subsection expires May 31, 2027- 2028.

28      (f) On or before January 1 of each year, the county auditor shall  
 29      certify to each member of the local income tax council the number of  
 30      votes, rounded to the nearest one hundredth (0.01), each member has  
 31      for that year.

32      (g) This subsection applies only to a county with a single voting  
 33      bloc. On or before January 1 of each year, in addition to the  
 34      certification to each member of the local income tax council under  
 35      subsection (f), the county auditor shall certify to each individual who  
 36      sits on the fiscal body of each county, city, or town that is a member of  
 37      the local income tax council the number of votes, rounded to the  
 38      nearest one hundredth (0.01), each individual has under subsection (e)  
 39      for that year. This subsection expires May 31, 2027- 2028.

40      SECTION 13. IC 6-3.6-3-8, AS AMENDED BY P.L.223-2025,  
 41      SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42      UPON PASSAGE]: Sec. 8. (a) This section applies to a county in



1 which the county adopting body is a local income tax council.

2 (b) Except as provided in subsection (e), any member of a local  
3 income tax council may present an ordinance for passage. To do so, the  
4 member must adopt a resolution to propose the ordinance to the local  
5 income tax council and distribute a copy of the proposed ordinance to  
6 the county auditor. The county auditor shall treat any proposed  
7 ordinance distributed to the auditor under this section as a casting of all  
8 that member's votes in favor of the proposed ordinance.

9 (c) Except as provided in subsection (f), the county auditor shall  
10 deliver copies of a proposed ordinance the auditor receives to all  
11 members of the local income tax council within ten (10) days after  
12 receipt. Subject to subsection (d), once a member receives a proposed  
13 ordinance from the county auditor, the member shall vote on it within  
14 thirty (30) days after receipt.

15 (d) Except as provided in subsection (h), if, before the elapse of  
16 thirty (30) days after receipt of a proposed ordinance, the county  
17 auditor notifies the member that the members of the local income tax  
18 council have cast a majority of the votes on the local income tax  
19 council for or against the proposed ordinance the member need not  
20 vote on the proposed ordinance.

21 (e) This subsection applies only to a county with a single voting bloc  
22 that proposes to increase (but not decrease) a tax rate in the county. The  
23 fiscal body of any county, city, or town that is a member of a local  
24 income tax council may adopt a resolution to propose an ordinance to  
25 increase a tax rate in the county to be voted on by the local income tax  
26 council as a whole as required under section 9.5 of this chapter and  
27 distribute a copy of the proposed ordinance to the county auditor. The  
28 county auditor shall treat the vote tally on the resolution adopted under  
29 this subsection for each individual who is a member of the fiscal body  
30 of the county, city, or town as the voting record for that individual  
31 either for or against the ordinance being proposed for consideration by  
32 the local income tax council as a whole under section 9.5 of this  
33 chapter. This subsection expires May 31, 2027. 2028.

34 (f) This subsection applies only to a county with a single voting bloc  
35 that proposes to increase (but not decrease) a tax rate in the county. The  
36 county auditor shall deliver copies of a proposed ordinance the auditor  
37 receives under subsection (e) to the fiscal officers of all members of the  
38 local income tax council (other than the member proposing the  
39 ordinance under subsection (e)) within ten (10) days after receipt.  
40 Subject to subsection (h), once a member receives a proposed  
41 ordinance from the county auditor, the member shall vote on it within  
42 thirty (30) days after receipt. This subsection expires May 31, 2027.



1       **2028.**

2       (g) This subsection applies only to a county with a single voting  
 3       bloc that proposes to increase (but not decrease) a tax rate in the  
 4       county. The fiscal body of each county, city, or town voting on a  
 5       resolution to propose an ordinance under subsection (e), or voting on  
 6       a proposed ordinance being considered by the local income tax council  
 7       as a whole under section 9.5 of this chapter, must take a roll call vote  
 8       on the resolution or the proposed ordinance. If an individual who sits  
 9       on the fiscal body is absent from the meeting in which a vote is taken  
 10      or abstains from voting on the resolution or proposed ordinance, the  
 11      fiscal officer of the county, city, or town shall nevertheless consider  
 12      that individual's vote as a "no" vote against the resolution or the  
 13      proposed ordinance being considered, whichever is applicable, for  
 14      purposes of the vote tally under this section and shall note on the vote  
 15      tally that the individual's "no" vote is due to absence or abstention. The  
 16      fiscal body of each county, city, or town shall certify the roll call vote  
 17      on a resolution or a proposed ordinance, either for or against, to the  
 18      county auditor as set forth under this chapter. This subsection expires  
 19      May 31, 2027. **2028.**

20      (h) This subsection applies only to a county with a single voting  
 21      bloc that proposes to increase (but not decrease) a tax rate in the  
 22      county. If, before the elapse of thirty (30) days after receipt of a  
 23      proposed ordinance under subsection (e), the county auditor notifies  
 24      the member that the individuals who sit on the fiscal bodies of the  
 25      county, cities, and towns that are members of the local income tax  
 26      council have cast a majority of the votes on the local income tax  
 27      council for or against a proposed ordinance voting as a whole under  
 28      section 9.5 of this chapter, the member need not vote on the proposed  
 29      ordinance under subsection (e). This subsection expires May 31, 2027.  
 30      **2028.**

31      SECTION 14. IC 6-3.6-3-9.5, AS AMENDED BY P.L.68-2025,  
 32      SECTION 111, AND P.L.223-2025, SECTION 8, IS AMENDED TO  
 33      READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. (a)  
 34      This section applies to a county:

- 35       (1) in which the county adopting body is a local income tax  
 36       council;
- 37       (2) that is a county with a single voting bloc; and
- 38       (3) that proposes to increase a tax rate in the county.

39      However, the provisions under section 9 of this chapter shall apply to  
 40      a county described in subdivisions (1) and (2) that proposes to decrease  
 41      a tax rate in the county.

42      (b) A local income tax council described in subsection (a) must vote



1 as a whole to exercise its authority to increase a tax rate under this  
 2 article.

3 (c) A resolution passed by the fiscal body of a county, city, or town  
 4 that is a member of the local income tax council exercises the vote of  
 5 each individual who sits on the fiscal body of the county, city, or town  
 6 on the proposed ordinance, and the individual's vote may not be  
 7 changed during the year.

8 (d) This section expires May 31, 2027. **2028.**

9 SECTION 15. IC 6-3.6-5-7, AS ADDED BY P.L.68-2025,  
 10 SECTION 116, IS AMENDED TO READ AS FOLLOWS  
 11 [EFFECTIVE JULY 1, 2028]: Sec. 7. This chapter expires December  
 12 31, 2027. **2028.**

13 SECTION 16. IC 6-3.6-6-2, AS AMENDED BY P.L.68-2025,  
 14 SECTION 118, IS AMENDED TO READ AS FOLLOWS  
 15 [EFFECTIVE JULY 1, 2028]: Sec. 2. (a) This section applies to all  
 16 counties.

17 (b) The adopting body may by ordinance and subject to subsections  
 18 (c) through (e) impose one (1) or more of the following component  
 19 rates not to exceed a total expenditure tax rate under this chapter of two  
 20 and nine-tenths percent (2.9%) on the adjusted gross income of  
 21 taxpayers who reside in the county:

22 (1) A tax rate not to exceed ~~one and two-tenths percent (1.2%)~~  
 23 **seven-tenths of one percent (0.7%)** for general purpose revenue  
 24 for county services (as provided in section 4 of this chapter),  
 25 subject to subsection (c).

26 (2) A tax rate not to exceed ~~four-tenths of one percent (0.4%)~~  
 27 **two-tenths of one percent (0.2%)** for providers of fire protection  
 28 and emergency medical services located within the county (as  
 29 provided in section 4.3 of this chapter), subject to subsection (c).

30 (3) A tax rate not to exceed two-tenths of one percent (0.2%) for  
 31 general purpose revenue for distribution to nonmunicipal civil  
 32 taxing units (excluding fire protection districts) located within the  
 33 county (as provided in section 4.5 of this chapter), subject to  
 34 subsection (c).

35 (4) A tax rate not to exceed ~~one and two-tenths percent (1.2%)~~  
 36 **one and nine-tenths percent (1.9%)** for general purpose revenue  
 37 for municipal services for distribution to municipalities located  
 38 within the county that are not eligible to adopt a municipal tax  
 39 rate under section 22 of this chapter or that have made an election  
 40 under section 23(b)(3) of this chapter to be treated as such.

41 (c) The combined component rates imposed by an adopting body  
 42 under subsection (b)(1) through (b)(3) shall not exceed ~~one and~~



1      ~~seven-tenths percent (1.7%).~~ **one percent (1%).**

2      (d) A tax rate adopted under subsection (b)(4) may only be imposed  
3      on taxpayers who do not reside in a municipality that is eligible to  
4      adopt a municipal tax rate under section 22 of this chapter.

5      (e) Beginning after December 31, 2030, a tax rate imposed under  
6      subsection (b) shall expire on December 31 of each calendar year. An  
7      adopting body wishing to continue, increase, or decrease a tax rate in  
8      the succeeding year must pass an ordinance to readopt a tax rate in  
9      accordance with IC 6-3.6-3-3. This subsection applies regardless of  
10     whether there is a modification in the tax rate or the component rates  
11     or the rates are unchanged from the previous year.

12     SECTION 17. IC 6-3.6-6-3.1, AS ADDED BY P.L.68-2025,  
13     SECTION 125, IS AMENDED TO READ AS FOLLOWS  
14     [EFFECTIVE JULY 1, 2025 (RETROACTIVE)]: Sec. 3.1. (a) As used  
15     in this section, "homestead" has the meaning set forth in  
16     IC 6-1.1-12-37.

17     (b) A county fiscal body may adopt an ordinance to impose a tax  
18     rate for the purpose of funding property tax homestead credits to reduce  
19     the property tax liability of taxpayers who own homesteads that are:

- 20        (1) located in the county; and
- 21        (2) eligible for a credit under IC 6-1.1-20.6-7.5 that limits the  
22                taxpayer's property tax liability for the property to one percent  
23                (1%).

24     Revenue collected from a tax rate imposed under this section may only  
25     be used to fund replacement of the county's property tax levy. Property  
26     taxes imposed due to a referendum in which a majority of the voters in  
27     the taxing unit imposing the property taxes approved the property taxes  
28     are not eligible for a credit under this section.

29     (c) The tax rate must be in increments of one-hundredth of one  
30     percent (0.01%) and may not exceed three-tenths of one percent  
31     (0.3%).

32     (d) A tax imposed under this section shall be treated as property  
33     taxes for all purposes. However, the department of local government  
34     finance may not reduce:

- 35        (1) any taxing unit's maximum permissible property tax levy limit  
36                under IC 6-1.1-18.5; or
- 37        (2) the approved property tax levy or rate for any fund;  
38                by the amount of any credits granted under this chapter.

39     (e) The homestead credits shall be applied to the net property taxes  
40     due on the homestead after the application of any credit granted under  
41     IC 6-1.1, including any credit granted under IC 6-1.1-20.4 and  
42     IC 6-1.1-20.6.



(f) The property tax credits must be applied uniformly to provide a homestead credit for homesteads in the county.

(g) The county auditor shall allocate the amount of revenue applied as tax credits under this section to the taxing units that imposed the eligible property taxes against which the credits are applied.

(h) The department of local government finance shall assist county fiscal bodies and county auditors in calculating credit percentages and amounts.

(i) Notwithstanding any provision to the contrary in this chapter, a tax imposed under this section:

(1) may be imposed on the adjusted gross income of taxpayers before January 1, 2028; 2029; and

(2) terminates and may not be imposed on the adjusted gross income of taxpayers after December 31, 2027. 2028.

(j) This section expires January 1, ~~2028~~. **2029**.

SECTION 18. IC 6-3.6-6-4.3, AS ADDED BY P.L.68-2025, SECTION 127, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]: Sec. 4.3. (a) Revenue raised from a tax rate for fire protection and emergency medical services under section 2(b)(2) of this chapter shall be distributed by the county to each fire protection district **and** fire protection territory **and** **municipal fire department** located within the county. At the discretion of the county council, the county may distribute revenue raised from a tax rate for fire protection and emergency medical services under section 2(b)(2) of this chapter to **municipal fire departments**, township fire departments and volunteer fire departments.

(b) Revenue raised from a tax rate for fire protection and emergency medical services under section 2(b)(2) of this chapter shall be allocated to each fire protection district, fire protection territory, ~~municipal fire department~~; and, if applicable, township fire departments and volunteer fire departments, based on the following formula:

STEP ONE: For each provider of fire protection and emergency medical services located within the county that is eligible to receive revenue under this section, determine the population living within the service boundaries of the provider using the most recent federal decennial census **as certified by the provider to the department of local government finance prior to the date required by the department of local government finance**.

STEP TWO: For each provider of fire protection and emergency medical services located within the county that is eligible to receive revenue under this section, determine the number of square miles within the service boundaries of the provider as



certified by the provider to the department of local government finance prior to the date required by the department of local government finance.

STEP THREE: For each provider of fire protection and emergency medical services located within the county that is eligible to receive revenue under this section, determine the product of:

- (A) the STEP TWO amount; multiplied by
- (B) twenty (20).

STEP FOUR: For each provider of fire protection and emergency medical services located within the county that is eligible to receive revenue under this section, determine the sum of:

- (A) the STEP ONE result; plus
- (B) the STEP THREE result.

STEP FIVE: Determine the sum total of the STEP FOUR results for each provider of fire protection and emergency medical services located within the county that is eligible to receive revenue under this section.

STEP SIX: The percentage of revenue that shall be distributed to each provider of fire protection and emergency medical services located within the county that is eligible to receive revenue under this section is equal to:

- (A) the STEP FOUR result for the provider; divided by
- (B) the STEP FIVE result.

SECTION 19. IC 6-3.6-6-6.1, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]: Sec. 6.1. (a) Revenue raised from a tax rate for certain cities and towns under section 2(b)(4) of this chapter may be distributed by the county to those cities and towns subject to the provisions of this section.

(b) Subject to subsection (g), the revenue raised from a tax rate under section 2(b)(4) of this chapter shall be allocated to the cities and towns based on the population of the city or the population of the town, whichever is applicable, compared to the population of all the cities or the population of all the towns, whichever is applicable, that are eligible for a distribution, subject to subsection (d). For purposes of this determination, if the boundaries of a city or town are located in more than one (1) county, only the portion of the population of the city or town that is located within the county imposing the tax rate under section 2(b)(4) of this chapter shall be considered.

(c) The money may be used by the city or town fiscal body for any



1 of the purposes of the city or town, including public safety (as defined  
 2 in IC 6-3.6-2-14) and economic development purposes described in  
 3 IC 6-3.6-10. The city or town fiscal body may pledge its general  
 4 purpose revenue to the payment of bonds or to lease payments as set  
 5 forth in this chapter.

6 (d) An eligible city or town wishing to receive a share of revenue  
 7 under this section in a year must adopt a resolution requesting the  
 8 distribution from the county and must provide a certified copy of the  
 9 resolution to the adopting body not later than July 1 of the year  
 10 immediately preceding the distribution year. Not later than August 1 of  
 11 the year immediately preceding the distribution year, the adopting body  
 12 shall hold a public hearing on the resolution requesting the distribution  
 13 and provide the public with notice of the time and place where the  
 14 public hearing will be held. The notice must be given in accordance  
 15 with IC 5-3-1 and include a description of the resolution requesting the  
 16 distribution from the county.

17 (e) Subject to subsection (g), if an eligible city or town adopts a  
 18 resolution under ~~this subsection~~ **subsection (f)** and provides the  
 19 resolution to the adopting body as set forth in ~~this~~ **that** subsection, the  
 20 county shall distribute to the eligible city or town unit an amount of  
 21 revenue raised from the tax rate under section 2(b)(4) of this chapter  
 22 for the distribution year as set forth in subsection (f).

23 (f) Subject to subsection (g), if one (1) or more, but not all, eligible  
 24 cities or towns adopt a resolution under subsection (d) requesting a  
 25 distribution in a given year, the county may either distribute the total  
 26 amount of revenue raised from the tax rate under section 2(b)(4) of this  
 27 chapter to only those eligible cities or towns that have provided a  
 28 resolution request, or the county may distribute the total amount of  
 29 revenue raised from a tax rate under section 2(b)(4) of this chapter to  
 30 all eligible cities or towns as set forth in this section. If no eligible city  
 31 or town adopts a resolution to request a distribution in a given year, the  
 32 county may retain the revenue raised from a tax rate for the eligible city  
 33 or town for that year and use the revenue as general purpose revenue  
 34 for the county under section 4 of this chapter.

35 (g) Notwithstanding any provision to the contrary in this section, if  
 36 an adopting body that imposes a tax rate of ~~one and two-tenths percent~~  
 37 (~~1.2%~~) **seven-tenths of one percent (0.7%)** under section 2(b)(1) of  
 38 this chapter subsequently adopts an ordinance to concurrently impose  
 39 a tax rate under section 2(b)(4) of this chapter,

40 (1) ~~seventy-five percent (75%)~~ **one hundred percent (100%)** of  
 41 the revenue received from the tax rate imposed under section  
 42 2(b)(4) of this chapter ~~shall~~ **may** be retained by the county and



1       may be used for the purposes described in section 4 of this  
 2       chapter. and

3       (2) twenty-five percent (25%) of the revenue received from the  
 4       tax rate imposed under section 2(b)(4) of this chapter shall be  
 5       distributed among the eligible cities and towns as set forth in this  
 6       section and may be used for the purposes set forth in this section.

7       However, the adopting body may, by ordinance, determine to allocate  
 8       any percentage of the revenue that would otherwise be retained by the  
 9       county under subdivision (1) to instead be allocated among the eligible  
 10      cities and towns under subdivision (2).

11      SECTION 20. IC 6-3.6-6-21.3, AS AMENDED BY P.L.68-2025,  
 12      SECTION 146, IS AMENDED TO READ AS FOLLOWS  
 13      [EFFECTIVE JULY 1, 2028]: Sec. 21.3. (a) This section applies to  
 14      distributions of revenue before January 1, 2028. **2031**. This section:

15       (1) does not apply to:

16           (A) distributions made under this chapter to a civil taxing unit  
 17           for fire protection services within a fire protection territory  
 18           established under IC 36-8-19; or

19           (B) distributions of revenue under section 9 of this chapter  
 20           (before its repeal); and

21       (2) applies only to the following:

22           (A) Any allocation or distribution of revenue under section  
 23           3(a)(2) of this chapter (as in effect before July 1, 2027) **2028**)  
 24           that is made on the basis of property tax levies in counties that  
 25           formerly imposed a tax under IC 6-3.5-1.1 (before its repeal on  
 26           January 1, 2017).

27           (B) Any allocation or distribution of revenue under section  
 28           3(a)(3) of this chapter (as in effect before July 1, 2027) **2028**)  
 29           that is made on the basis of property tax levies in counties that  
 30           formerly imposed a tax under IC 6-3.5-6 (before its repeal on  
 31           January 1, 2017).

32       (b) Subject to subsection (a), if two (2) or more:

33           (1) school corporations; or

34           (2) civil taxing units;

35       of an adopting county merge or consolidate to form a single school  
 36       corporation or civil taxing unit, the school corporation or civil taxing  
 37       unit that is in existence on January 1 of the current year is entitled to  
 38       the combined pro rata distribution of the revenue under section 3(a)(2)  
 39       or 3(a)(3) (as in effect before July 1, 2027) **2028**) of this chapter (as  
 40       appropriate) allocated to each applicable school corporation or civil  
 41       taxing unit in existence on January 1 of the immediately preceding  
 42       calendar year prior to the merger or consolidation.



(c) The department of local government finance shall make adjustments to civil taxing units in accordance with IC 6-1.1-18.5-7.

SECTION 21. IC 6-3.6-6-22, AS ADDED BY P.L.68-2025, SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2028]: Sec. 22. (a) As used in this section, "municipality" means only a city or town that:

(1) has a population of three thousand five hundred (3,500) two thousand (2,000) or more; and

(2) in the case of a city or town whose population decreased in the most recent federal decennial census from **three thousand five hundred (3,500) two thousand (2,000)** or more to less than **three thousand five hundred (3,500), two thousand (2,000)**, has elected by ordinance to continue to use its previous population of **three thousand five hundred (3,500) two thousand (2,000)** or more as set forth in section 23(b)(2) of this chapter for purposes of the allocation determination under section 6.1 of this chapter.

The term does not include a city or town that has made an election under section 23(b)(3) of this chapter.

(b) Beginning after December 31, 2027, 2028, the fiscal body of a municipality may by ordinance and subject to subsection (e), impose a local income tax rate on the adjusted gross income of local taxpayers in the municipality that does not exceed ~~one and two-tenths percent (1.2%)~~ **one and nine-tenths percent (1.9%)**.

(c) The following apply if a municipality imposes a local income tax rate under this section:

(1) A local income tax rate imposed by a municipality under this section applies only to local taxpayers within the territory of the municipality.

(2) The local income tax is imposed in addition to a tax imposed by the county in which the municipality is located in accordance with IC 6-3.6-4-1(a) and IC 6-3.6-4-1(c).

(3) The following provisions of this article apply to a local income tax rate imposed by a municipality under subsection (b):

(A) IC 6-3-6-3 (adoption of the tax), including the effective date of an ordinance under IC 6-3-6-3-3.

(B) IC 6-3.6-4 (imposition of the tax), except that IC 6-3.6-4-2 and IC 6-3.6-4-3 do not apply.

(C) IC 6-3.6-8 (administration of the tax).

(4) A local income tax rate imposed by a municipality shall apply to professional athletes who compete in the municipality, unless exempted under IC 6-3-2-27.5 or other provision of law.

(d) The amount of the tax revenue that is from the local income tax



1       rate imposed under this section and that is collected for a calendar year  
 2       shall be treated as general purpose revenue and must be distributed to  
 3       the fiscal officer of the municipality that imposed the tax before July 1  
 4       of the next calendar year.

5       (e) Beginning after December 31, 2030, a tax rate imposed under  
 6       subsection (b) shall expire on December 31 of each calendar year. A  
 7       municipality wishing to continue, increase, or decrease a tax rate in the  
 8       succeeding year must pass an ordinance to readopt a tax rate in  
 9       accordance with IC 6-3.6-3-3.3. This subsection applies regardless of  
 10      whether there is a modification in the tax rate or the rate is unchanged  
 11      from the previous year.

12      SECTION 22. IC 6-3.6-6-23, AS ADDED BY P.L.68-2025,  
 13      SECTION 148, IS AMENDED TO READ AS FOLLOWS  
 14      [EFFECTIVE JULY 1, 2028]: Sec. 23. (a) This section applies in  
 15      determining the population of a city or town for the purposes of this  
 16      chapter.

17       (b) The following apply:

18       (1) Except as provided in subdivisions (2) and (3), the population  
 19       of a city or town is the population of the city or town that is  
 20       reported by the 2020 federal decennial census.

21       (2) Beginning after 2030, if the population of a city or town:

22           (A) increases from a population of less than **three thousand**  
 23           **five hundred (3,500); two thousand (2,000)**, as reported by  
 24           the immediately preceding federal decennial census, to a  
 25           population of **three thousand five hundred (3,500) two**  
 26           **thousand (2,000)** or more, as reported by the most recent  
 27           federal decennial census, or, if applicable, any corrected  
 28           population count (as defined in IC 1-1-3.5-1.5) issued for the  
 29           city or town in the year succeeding the most recent federal  
 30           decennial census; or

31           (B) decreases from a population of **three thousand five**  
 32           **hundred (3,500) two thousand (2,000)** or more, as reported by  
 33           the immediately preceding federal decennial census, to a  
 34           population of less than **three thousand five hundred (3,500);**  
 35           **two thousand (2,000)**, as reported by the most recent federal  
 36           decennial census, or, if applicable, any corrected population  
 37           count (as defined in IC 1-1-3.5-1.5) issued for the city or town  
 38           in the year succeeding the most recent federal decennial  
 39           census;

40           the fiscal body of the city or town may adopt an ordinance on or  
 41           before September 1 of the calendar year immediately succeeding  
 42           the most recent federal decennial census to continue to use the



1 population of the city or town as reported by the immediately  
2 preceding federal decennial census and the resulting  
3 determination for the city or town under section 22 of this chapter,  
4 notwithstanding the increase or decrease in its population as  
5 reported by the most recent federal decennial census as described  
6 in this subdivision. An ordinance adopted under this subdivision  
7 shall take effect on January 1 of the calendar year that  
8 immediately succeeds the year in which the ordinance is adopted.  
9 The fiscal officer of the city or town shall provide a certified copy  
10 of an ordinance adopted under this subdivision to the department  
11 of local government finance.

(3) This subdivision applies only to cities and towns with a population of more than three thousand five hundred (3,500) but less than seven thousand (7,000). **two thousand (2,000)**. Notwithstanding any other provision, a fiscal body of a city or town may adopt an ordinance to elect to be treated as if the city's or town's population is less than three thousand five hundred (3,500) **two thousand (2,000)** for purposes of a county local income tax rate and distribution under this chapter. An ordinance adopted under this subdivision shall take effect on January 1 of the calendar year that immediately succeeds the year in which the ordinance is adopted. The fiscal officer of the city or town shall provide a certified copy of an ordinance adopted under this subdivision to the department of local government finance. An ordinance adopted by a city or town under this subdivision is not revocable and shall not expire following the next federal decennial census.

28 SECTION 23. IC 6-3.6-9-1, AS AMENDED BY P.L.68-2025,  
29 SECTION 154, IS AMENDED TO READ AS FOLLOWS  
30 [EFFECTIVE JULY 1, 2028]: Sec. 1. (a) The budget agency shall  
31 maintain an accounting for each county imposing a tax based on annual  
32 returns filed by or for county taxpayers. Any undistributed amounts so  
33 accounted for shall be held in reserve for the respective counties  
34 separate from the state general fund.

35 (b) Undistributed amounts shall be invested by the treasurer of state  
36 and the income earned shall be credited to the counties based on each  
37 county's undistributed amount.

38 (c) This section expires December 31, ~~2027~~, 2030.

39 SECTION 24. IC 6-3.6-9-10, AS AMENDED BY P.L.68-2025,  
40 SECTION 164, IS AMENDED TO READ AS FOLLOWS  
41 [EFFECTIVE JULY 1, 2028]: Sec. 10. The budget agency shall also  
42 certify information concerning the part of the certified distribution that



1       is attributable to each of the following:

2       (1) The tax rate imposed under IC 6-3.6-5 (before its expiration).

3       This subdivision expires July 1, ~~2028~~, **2031**.

4       (2) The tax rate imposed under IC 6-3.6-6, separately stating:

5           (A) the part of the distribution attributable to a tax rate  
6           imposed under IC 6-3.6-6-2.5 (before its repeal);

7           (B) the part of the distribution attributable to a tax rate  
8           imposed under IC 6-3.6-6-2.6 (before its repeal);

9           (C) the part of the distribution attributable to a tax rate  
10           imposed under IC 6-3.6-6-2.7 (before its repeal);

11           (D) the part of the distribution attributable to a tax rate  
12           imposed under IC 6-3.6-6-2.8 (before its repeal); and

13           (E) the part of the distribution attributable to a tax rate  
14           imposed under IC 6-3.6-6-2.9 (before its repeal).

15       (3) Each tax rate imposed under IC 6-3.6-7.

16       (4) In the case of Marion County, the local income taxes paid by  
17           local taxpayers described in IC 6-3.6-2-13(3).

18       The amount certified shall be adjusted to reflect any adjustment in the  
19           certified distribution under this chapter.

20       SECTION 25. IC 6-3.6-9-12, AS AMENDED BY P.L.68-2025,  
21       SECTION 166, IS AMENDED TO READ AS FOLLOWS  
22       [EFFECTIVE JULY 1, 2028]: Sec. 12. One-twelfth (1/12) of each  
23           adopting county's certified distribution for a calendar year shall be  
24           distributed:

25           (1) before January 1, ~~2028~~, **2031**, from its trust account  
26           established under this chapter; and  
27           (2) after December 31, ~~2027~~, **2030**, from the state and local  
28           income tax holding account established under this chapter;  
29           to the appropriate county treasurer on the first regular business day of  
30           each month of that calendar year.

31       SECTION 26. IC 6-3.6-9-13, AS AMENDED BY P.L.68-2025,  
32       SECTION 167, IS AMENDED TO READ AS FOLLOWS  
33       [EFFECTIVE JULY 1, 2028]: Sec. 13. (a) All distributions from a trust  
34           account established under this chapter shall be made by warrants issued  
35           by the state comptroller to the treasurer of state ordering the  
36           appropriate payments.

37           (b) This section expires December 31, ~~2027~~, **2030**.

38       SECTION 27. IC 6-3.6-9-17.5, AS ADDED BY P.L.68-2025,  
39       SECTION 171, IS AMENDED TO READ AS FOLLOWS  
40       [EFFECTIVE JULY 1, 2028]: Sec. 17.5. After December 31, ~~2027~~,  
41           **2030**, the county's certified distribution amount for ~~2028~~ **2031** shall be  
42           maintained in the accounting for the county under section 21 of this



1 chapter and transferred as set forth in section 21 of this chapter.

2 SECTION 28. IC 6-3.6-9-21, AS ADDED BY P.L.68-2025,  
 3 SECTION 173, IS AMENDED TO READ AS FOLLOWS  
 4 [EFFECTIVE JULY 1, 2028]: Sec. 21. (a) The budget agency shall  
 5 maintain an accounting for each county imposing a tax based on annual  
 6 returns filed by or for county taxpayers. Beginning after December 31,  
 7 ~~2027~~, 2030, any undistributed amounts so accounted shall be held for  
 8 purposes of the state and local income tax holding account.

9 (b) After December 1 but before December 31 of each year, the  
 10 budget agency shall present to the budget committee a report of the  
 11 following:

12 (1) An estimate of the monthly certified distribution amounts for  
 13 the immediately succeeding calendar year.

14 (2) A description of the method used to determine the monthly  
 15 estimates under subdivision (1).

16 (c) Beginning in ~~2028~~, 2031, and in each calendar year thereafter,  
 17 the budget agency shall each month transfer to the state and local  
 18 income tax holding account the amount determined for the month  
 19 under subsection (b)(1) for distribution under this chapter.

20 (d) In the case of a county that imposes a tax rate under IC 6-3.6-6-2  
 21 or a municipality that imposes a tax rate under IC 6-3.6-6-22 beginning  
 22 after December 31, ~~2027~~, 2030, the budget agency shall withhold, from  
 23 each of the first three (3) annual certified distributions resulting from  
 24 the tax rate, an amount equal to five percent (5%) of the county's or  
 25 municipality's, as applicable, annual certified distribution resulting  
 26 from the tax rate. The amounts withheld under this subsection shall be  
 27 credited to the respective county's or municipality's trust account.

28 SECTION 29. IC 6-3.6-10-9, AS ADDED BY P.L.68-2025,  
 29 SECTION 178, IS AMENDED TO READ AS FOLLOWS  
 30 [EFFECTIVE MAY 10, 2025 (RETROACTIVE)]: Sec. 9. (a)  
 31 Notwithstanding any other law, for bonds, leases, or any other  
 32 obligations incurred after May 9, 2025, a county, city, town, and any  
 33 other taxing unit may not pledge for payment from tax revenue  
 34 received under this article an amount that exceeds an amount equal to  
 35 twenty-five percent (25%) of the taxing unit's certified distribution  
 36 under this article.

37 (b) This section expires July 1, ~~2027~~, 2030.

38 SECTION 30. IC 6-3.6-11-3, AS AMENDED BY P.L.68-2025,  
 39 SECTION 180, IS AMENDED TO READ AS FOLLOWS  
 40 [EFFECTIVE JULY 1, 2028]: Sec. 3. (a) This section applies to Lake  
 41 County's categorizations, allocations, and distributions under IC 6-3.6-5  
 42 (before its expiration).



11 (A) The tax revenue under this section that is collected from  
12 taxpayers within a particular municipality in Lake County (as  
13 determined by the department of state revenue based on the  
14 department's best estimate) shall be used only to provide a  
15 local property tax credit against property taxes imposed by that  
16 municipality.

17 (B) The tax revenue under this section that is collected from  
18 taxpayers within the unincorporated area of Lake County (as  
19 determined by the department of state revenue) shall be used  
20 only to provide a local property tax credit against property  
21 taxes imposed by the county. The local property tax credit for  
22 the unincorporated area of Lake County shall be available only  
23 to those taxpayers within the unincorporated area of the  
24 county.

25 (3) To provide property tax credits in the following manner:

(A) Sixty percent (60%) of the tax revenue shall be used as provided in subdivision (2).

(B) Forty percent (40%) of the tax revenue shall be used to provide property tax replacement credits against property tax levies of the county and each township and municipality in the county. The percentage of the tax revenue distributed under this item that shall be used as credits against the county's levies or against a particular township's or municipality's levies is equal to the percentage determined by dividing the population of the county, township, or municipality by the sum of the total population of the county, each township in the county, and each municipality in the county.

38 The Lake County council shall determine whether the credits under  
39 subdivision (1), (2), or (3) shall be provided to homesteads, to all  
40 qualified residential property, or to all taxpayers. The department of  
41 local government finance, with the assistance of the budget agency,  
42 shall certify to the county auditor and the fiscal body of the county and



1       each township and municipality in the county the amount of property  
2       tax credits under this section. The tax revenue under this section that  
3       is used to provide credits under this section shall be treated for all  
4       purposes as property tax levies but shall not be considered for purposes  
5       of computing the maximum permissible property tax levy under  
6       IC 6-1.1-18.5-3 or the credit under IC 6-1.1-20.6.

7       (c) Any ordinance adopted under subsection (b) expires December  
8       31, ~~2027~~, **2028**.

9       (d) This section expires July 1, ~~2028~~, **2031**.

10      SECTION 31. IC 36-8-19-7.5, AS AMENDED BY P.L.68-2025,  
11      SECTION 241, IS AMENDED TO READ AS FOLLOWS  
12      [EFFECTIVE JANUARY 1, 2025 (RETROACTIVE)]: Sec. 7.5. (a)

13      This section applies to:

14      (1) local income tax distributions; and

15      (2) excise tax distributions;

16      made after December 31, 2009.

17      (b) Except as provided in subsection (c), for purposes of allocating  
18       local income tax distributions that are based on a taxing unit's  
19       allocation amount before January 1, ~~2028~~, **2031**, or that an adopting  
20       body allocates under IC 6-3.6-6 to economic development before  
21       January 1, ~~2028~~, **2031**, or excise tax distributions that are distributed  
22       based on the amount of a taxing unit's property tax levies, each  
23       participating unit in a territory is considered to have imposed a part of  
24       the property tax levy imposed for the territory. The part of the property  
25       tax levy imposed for the territory for a particular year that shall be  
26       attributed to a participating unit is equal to the amount determined in  
27       the following STEPS:

28       STEP ONE: Determine the total amount of all property taxes  
29       imposed by the participating unit in the year before the year in  
30       which a property tax levy was first imposed for the territory.

31       STEP TWO: Determine the sum of the STEP ONE amounts for  
32       all participating units.

33       STEP THREE: Divide the STEP ONE result by the STEP TWO  
34       result.

35       STEP FOUR: Multiply the STEP THREE result by the property  
36       tax levy imposed for the territory for the particular year.

37       (c) This subsection applies to a determination under subsection (b)  
38       made in calendar years 2018, 2019, and 2020. The department of local  
39       government finance may, for distributions made in calendar year 2022,  
40       adjust the allocation amount determined under subsection (b) to correct  
41       for any clerical or mathematical errors made in any determination for  
42       calendar year 2018, 2019, or 2020, as applicable, including the



1 allocation amount for any taxing unit whose distribution was affected  
 2 by the clerical or mathematical error in those years. The department of  
 3 local government finance may apply the adjustment to the allocation  
 4 amount for a taxing unit over a period not to exceed ten (10) years in  
 5 order to offset the effect of the adjustment on the distribution.

6 (d) This subsection applies to a territory established by an ordinance  
 7 or a resolution adopted under this chapter after December 31, 2024.  
 8 Before additional revenue from a local income tax rate may be  
 9 allocated to the provider unit of a new territory due to an increased  
 10 property tax levy resulting from the establishment of the territory, the  
 11 county fiscal body must adopt an ordinance or resolution approving the  
 12 allocation.

13 SECTION 32. [EFFECTIVE UPON PASSAGE] (a)  
 14 Notwithstanding the effective date of the following sections  
 15 amended by P.L.68-2025 (SEA 1-2025), the effective date for these  
 16 sections is July 1, 2028, and not July 1, 2027:

- 17 (1) IC 5-1-14-14, as amended by P.L.68-2025 (SEA 1-2025),  
 18 SECTION 2.
- 19 (2) IC 5-16-9-3, as amended by P.L.68-2025 (SEA 1-2025),  
 20 SECTION 4.
- 21 (3) IC 6-1.1-10.3-3, as amended by P.L.68-2025 (SEA 1-2025),  
 22 SECTION 16 and as amended by this act.
- 23 (4) IC 6-1.1-10.3-5, as amended by P.L.68-2025 (SEA 1-2025),  
 24 SECTION 17.
- 25 (5) IC 6-1.1-10.3-7, as amended by P.L.68-2025 (SEA 1-2025),  
 26 SECTION 18.
- 27 (6) IC 6-3-2-27.5, as amended by P.L.68-2025 (SEA 1-2025),  
 28 SECTION 86.
- 29 (7) IC 6-3.5-4-1, as amended by P.L.68-2025 (SEA 1-2025),  
 30 SECTION 87.
- 31 (8) IC 6-3.5-4-1.1, as amended by P.L.68-2025 (SEA 1-2025),  
 32 SECTION 88.
- 33 (9) IC 6-3.5-5-1, as amended by P.L.68-2025 (SEA 1-2025),  
 34 SECTION 89.
- 35 (10) IC 6-3.5-5-1.1, as amended by P.L.68-2025 (SEA 1-2025),  
 36 SECTION 90.
- 37 (11) IC 6-3.6-1-1, as amended by P.L.68-2025 (SEA 1-2025),  
 38 SECTION 91.
- 39 (12) IC 6-3.6-1-1.5, as amended by P.L.68-2025 (SEA 1-2025),  
 40 SECTION 92 and as amended by this act.
- 41 (13) IC 6-3.6-1-3, as amended by P.L.68-2025 (SEA 1-2025),  
 42 SECTION 93 and as amended by this act.



1 (14) IC 6-3.6-1-4, as amended by P.L.68-2025 (SEA 1-2025),  
2 SECTION 94.

3 (15) IC 6-3.6-2-5, as amended by P.L.68-2025 (SEA 1-2025),  
4 SECTION 97.

5 (16) IC 6-3.6-3-1, as amended by P.L.68-2025 (SEA 1-2025),  
6 SECTION 102.

7 (17) IC 6-3.6-3-3, as amended by P.L.68-2025 (SEA 1-2025),  
8 SECTION 103 and as amended by this act.

9 (18) IC 6-3.6-3-4, as amended by P.L.68-2025 (SEA 1-2025),  
10 SECTION 105 and as amended by this act.

11 (19) IC 6-3.6-3-5, as amended by P.L.68-2025 (SEA 1-2025),  
12 SECTION 106.

13 (20) IC 6-3.6-6-2, as amended by P.L.68-2025 (SEA 1-2025),  
14 SECTION 118 and as amended by this act.

15 (21) IC 6-3.6-6-3, as amended by P.L.68-2025 (SEA 1-2025),  
16 SECTION 124.

17 (22) IC 6-3.6-6-4, as amended by P.L.68-2025 (SEA 1-2025),  
18 SECTION 126.

19 (23) IC 6-3.6-6-8, as amended by P.L.68-2025 (SEA 1-2025),  
20 SECTION 130.

21 (24) IC 6-3.6-6-8.5, as amended by P.L.68-2025 (SEA 1-2025),  
22 SECTION 131.

23 (25) IC 6-3.6-6-9.5, as amended by P.L.68-2025 (SEA 1-2025),  
24 SECTION 133.

25 (26) IC 6-3.6-6-17, as amended by P.L.68-2025 (SEA 1-2025),  
26 SECTION 140.

27 (27) IC 6-3.6-6-18, as amended by P.L.68-2025 (SEA 1-2025),  
28 SECTION 141.

29 (28) IC 6-3.6-6-19, as amended by P.L.68-2025 (SEA 1-2025),  
30 SECTION 142.

31 (29) IC 6-3.6-6-21, as amended by P.L.68-2025 (SEA 1-2025),  
32 SECTION 144.

33 (30) IC 6-3.6-6-21.3, as amended by P.L.68-2025 (SEA  
34 1-2025), SECTION 146 and as amended by this act.

35 (31) IC 6-3.6-7-9, as amended by P.L.68-2025 (SEA 1-2025),  
36 SECTION 149.

37 (32) IC 6-3.6-7-28, as amended by P.L.68-2025 (SEA 1-2025),  
38 SECTION 150.

39 (33) IC 6-3.6-8-4, as amended by P.L.68-2025 (SEA 1-2025),  
40 SECTION 152.

41 (34) IC 6-3.6-9-1, as amended by P.L.68-2025 (SEA 1-2025),  
42 SECTION 154 and as amended by this act.



1 (35) IC 6-3.6-9-4, as amended by P.L.68-2025 (SEA 1-2025),  
2 SECTION 156.

3 (36) IC 6-3.6-9-4.1, as amended by P.L.68-2025 (SEA 1-2025),  
4 SECTION 157.

5 (37) IC 6-3.6-9-5, as amended by P.L.68-2025 (SEA 1-2025),  
6 SECTION 158.

7 (38) IC 6-3.6-9-6, as amended by P.L.68-2025 (SEA 1-2025),  
8 SECTION 159.

9 (39) IC 6-3.6-9-7, as amended by P.L.68-2025 (SEA 1-2025),  
10 SECTION 160.

11 (40) IC 6-3.6-9-9, as amended by P.L.68-2025 (SEA 1-2025),  
12 SECTION 163.

13 (41) IC 6-3.6-9-10, as amended by P.L.68-2025 (SEA 1-2025),  
14 SECTION 164 and as amended by this act.

15 (42) IC 6-3.6-9-11, as amended by P.L.68-2025 (SEA 1-2025),  
16 SECTION 165.

17 (43) IC 6-3.6-9-12, as amended by P.L.68-2025 (SEA 1-2025),  
18 SECTION 166 and as amended by this act.

19 (44) IC 6-3.6-9-13, as amended by P.L.68-2025 (SEA 1-2025),  
20 SECTION 167 and as amended by this act.

21 (45) IC 6-3.6-9-16, as amended by P.L.68-2025 (SEA 1-2025),  
22 SECTION 170.

23 (46) IC 6-3.6-11-3, as amended by P.L.68-2025 (SEA 1-2025),  
24 SECTION 180 and as amended by this act.

25 (47) IC 6-9-10.5-8, as amended by P.L.68-2025 (SEA 1-2025),  
26 SECTION 190.

27 (48) IC 8-18-22-6, as amended by P.L.68-2025 (SEA 1-2025),  
28 SECTION 195.

29 (49) IC 8-22-3.5-9, as amended by P.L.68-2025 (SEA 1-2025),  
30 SECTION 196.

31 (50) IC 12-20-25-34, as amended by P.L.68-2025 (SEA  
32 1-2025), SECTION 197.

33 (51) IC 12-20-25-35, as amended by P.L.68-2025 (SEA  
34 1-2025), SECTION 198.

35 (52) IC 36-7-14-39, as amended by P.L.68-2025 (SEA 1-2025),  
36 SECTION 234.

37 (53) IC 36-7-15.1-26, as amended by P.L.68-2025 (SEA  
38 1-2025), SECTION 235.

39 (54) IC 36-7-15.1-53, as amended by P.L.68-2025 (SEA  
40 1-2025), SECTION 236.

41 (55) IC 36-7-30-25, as amended by P.L.68-2025 (SEA 1-2025),  
42 SECTION 237.



**(56) IC 36-7-30.5-30, as amended by P.L.68-2025 (SEA 1-2025), SECTION 238.**

**(57) IC 36-7.5-4-2.5, as amended by P.L.68-2025 (SEA 1-2025), SECTION 239.**

**(58) IC 36-8-19-8, as amended by P.L.68-2025 (SEA 1-2025),  
SECTION 242.**

**(b) Notwithstanding the effective date of the following sections amended by P.L.68-2025 (SEA 1-2025), the effective date for these sections is January 1, 2029, and not January 1, 2028:**

**(1) IC 6-1.1-18.5-3, as amended by P.L.68-2025 (SEA 1-2025),  
SECTION 60.**

**(2) IC 6-3.6-2-2, as amended by P.L.68-2025 (SEA 1-2025),  
SECTION 95.**

**(3) IC 6-3.6-2-13, as amended by P.L.68-2025 (SEA 1-2025),  
SECTION 100.**

**(4) IC 6-3.6-2-15, as amended by P.L.68-2025 (SEA 1-2025),  
SECTION 101.**

**(5) IC 6-3.6-4-1, as amended by P.L.68-2025 (SEA 1-2025),  
SECTION 113**

**(6) IC 6-3.6-4-2, as amended by P.L.68-2025 (SEA 1-2025),  
SECTION 114.**

**SECTION 114.**  
**(7) IC 6-3.6-4-3, as amended by P.L.68-2025 (SEA 1-2025),**  
**SECTION 115.**

**SECTION 115.**  
**(8) IC 6-3.6-8-3, as amended by P.L.68-2025 (SEA 1-2025),**  
**SECTION 151.**

**SECTION 151.**  
**(9) IC 6-3.6-8-5, as amended by P.L.68-2025 (SEA 1-2025),**  
**SECTION 152.**

**SECTION 153.**  
**(10) IC 6-3.6-10-2, as amended by P.L.68-2025 (SEA 1-2025),**  
**SECTION 174.**

**SECTION 174.**  
**(11) IC 6-3.6-10-3, as amended by P.L.68-2025 (SEA 1-2025),**  
**SECTION 175.**

**(12) IC 6-3.6-10-5, as amended by P.L.68-2025 (SEA 1-2025),  
SECTION 175.**

**SECTION 176.**  
**(13) IC 6-3.6-10-6, as amended by P.L.68-2025 (SEA 1-2025),**

**SECTION 177.**  
**(14) IC 6-3.6-11-4, as amended by P.L.68-2025 (SEA 1-2025),**

**SECTION 181.**  
**(15) IC 6-3.6-11-5.5, as amended by P.L.68-2025 (SEA**

**1-2025), SECTION 182.**  
**(16) IC 6-3-6-11-6, as amended by P.L.68-2025 (SEA 1-2025),**

**SECTION 183.**  
**(17) IC 6-3.6-11-7, as amended by P.L.68-2025 (SEA 1-2025),**

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1                   **SECTION 184.**

2                   **(18) IC 6-3.6-11-7.5, as amended by P.L.68-2025 (SEA  
3                   1-2025), SECTION 185.**

4                   **(c) Notwithstanding the effective date of the following sections  
5                   added by P.L.68-2025 (SEA 1-2025), the effective date for these  
6                   sections is July 1, 2028, and not July 1, 2027:**

7                   **(1) IC 6-3.6-3-3.3, as added by P.L.68-2025 (SEA 1-2025),  
8                   SECTION 104.**

9                   **(2) IC 6-3.6-5-7, as added by P.L.68-2025 (SEA 1-2025),  
10                   SECTION 116.**

11                   **(3) IC 6-3.6-6-0.5, as added by P.L.68-2025 (SEA 1-2025),  
12                   SECTION 117.**

13                   **(4) IC 6-3.6-6-4.3, as added by P.L.68-2025 (SEA 1-2025),  
14                   SECTION 127 and as amended by this act.**

15                   **(5) IC 6-3.6-6-4.5, as added by P.L.68-2025 (SEA 1-2025),  
16                   SECTION 128.**

17                   **(6) IC 6-3.6-6-6.1, as added by P.L.68-2025 (SEA 1-2025),  
18                   SECTION 129.**

19                   **(7) IC 6-3.6-6-22, as amended by P.L.68-2025 (SEA 1-2025),  
20                   SECTION 147 and as amended by this act.**

21                   **(8) IC 6-3.6-6-23, as amended by P.L.68-2025 (SEA 1-2025),  
22                   SECTION 148 and as amended by this act.**

23                   **(9) IC 6-3.6-9-1.1, as added by P.L.68-2025 (SEA 1-2025),  
24                   SECTION 155.**

25                   **(10) IC 6-3.6-9-17.5, as added by P.L.68-2025 (SEA 1-2025),  
26                   SECTION 171 and as amended by this act.**

27                   **(11) IC 6-3.6-9-20, as added by P.L.68-2025 (SEA 1-2025),  
28                   SECTION 172.**

29                   **(12) IC 6-3.6-9-21, as added by P.L.68-2025 (SEA 1-2025),  
30                   SECTION 173 and as amended by this act.**

31                   **(d) Notwithstanding the effective date of the following sections  
32                   repealed by P.L.68-2025 (SEA 1-2025), the effective date for these  
33                   sections is July 1, 2028, and not July 1, 2027:**

34                   **(1) IC 6-1.1-10.3-2, as repealed by P.L.68-2025 (SEA 1-2025),  
35                   SECTION 15.**

36                   **(2) IC 6-3.6-2-4, as repealed by P.L.68-2025 (SEA 1-2025),  
37                   SECTION 96.**

38                   **(3) IC 6-3.6-2-12, as repealed by P.L.68-2025 (SEA 1-2025),  
39                   SECTION 99.**

40                   **(4) IC 6-3.6-3-6, as repealed by P.L.68-2025 (SEA 1-2025),  
41                   SECTION 107.**

42                   **(5) IC 6-3.6-3-7, as repealed by P.L.68-2025 (SEA 1-2025),**



## SECTION 108.

**(6) IC 6-3.6-3-8, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 109.**

**(7) IC 6-3.6-3-9, as repealed by P.L.68-2025 (SEA 1-2025), SECTION 110.**

**(8) IC 6-3.6-3-10, as repealed by P.L.68-2025 (SEA 1-2025), SECTION 112.**

**(9) IC 6-3.6-6-9, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 132.**

**(10) IC 6-3.6-6-10, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 134.**

**(11) IC 6-3.6-6-11, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 135.**

**(12) IC 6-3.6-6-12, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 136.**

**(13) IC 6-3.6-6-14, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 137.**

**(14) IC 6-3.6-6-15, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 138**

**(15) IC 6-3.6-6-16, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 139**

**(16) IC 6-3.6-6-20, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 143**

**(17) IC 6-3-6-21.2, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 145.**

**SECTION 145.**  
**(18) IC 6-3.6-9-8, as repealed by P.L.68-2025 (SEA 1-2025),**  
**SECTION 161.**

**(19) IC 6-3.6-9-8.5, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 162.**

**SECTION 162.**  
**(20) IC 6-3.6-9-14, as repealed by P.L.68-2025 (SEA 1-2025),**  
**SECTION 168.**

e) Notwithstanding the effective date of the following sections repealed by P.L.68-2025 (SEA 1-2025), the effective date for these sections is January 1, 2029, and not January 1, 2028:

**(1) IC 6-3.6-6-2.5, as repealed by P.L.68-2025 (SEA 1-2025), SECTION 119.**

**(2) IC 6-3.6-6-2.6, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 120.**

**(3) IC 6-3.6-6-2.7, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 121**

**(4) IC 6-3.6-6-2.8, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 122.**

## SECTION III.



**(5) IC 6-3.6-6-2.9, as repealed by P.L.68-2025 (SEA 1-2025), SECTION 123.**

**(6) IC 6-3.6-9-15, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 169.**

**(7) IC 6-3.6-11-1, as repealed by P.L.68-2025 (SEA 1-2025),  
SECTION 179.**

(f) The revisor of statutes shall print the Indiana Code to incorporate the effective date changes to the sections of P.L.68-2025 (SEA 1-2025) as provided in this SECTION and as amended by this act.

SECTION 33. P.L.68-2025, SECTION 246, IS REPEALED [EFFECTIVE UPON PASSAGE]. SECTION 246. [EFFECTIVE JUNE 30, 2027]. (a) Notwithstanding the July 1, 2027, effective date for IC 6-3.6-6-0.5, IC 6-3.6-6-4.3, IC 6-3.6-6-4.5, and IC 6-3.6-6-6.1, all as added by this act; the July 1, 2027, effective date for IC 6-3.6-6-2, IC 6-3.6-6-3, IC 6-3.6-6-4, IC 6-3.6-6-8, IC 6-3.6-6-8.5, IC 6-3.6-6-9.5, IC 6-3.6-6-17, IC 6-3.6-6-18, IC 6-3.6-6-19, and IC 6-3.6-6-21, all as amended by this act; and the July 1, 2027, or January 1, 2028, repeal of IC 6-3.6-6-2.5, IC 6-3.6-6-2.6, IC 6-3.6-6-2.7, IC 6-3.6-6-2.8, IC 6-3.6-6-2.9, IC 6-3.6-6-9, IC 6-3.6-6-10, IC 6-3.6-6-11, IC 6-3.6-6-12, IC 6-3.6-6-14, IC 6-3.6-6-15, IC 6-3.6-6-16, and IC 6-3.6-6-20, all as repealed by this act; the method used to determine the amount of a particular distribution of revenue before July 1, 2027, shall continue to be used for these determinations for all of 2027.

(b) Notwithstanding the adoption of different tax rates by a county applicable after 2027 or the adoption of municipal tax rates under IC 6-3.6-6-22, as added by this act, applicable after 2027, or any other provision of law, the certified distribution methodology calculation for local income tax distributions made in 2027 shall continue for local income tax distributions made in 2028 and 2029 to account for the transition to any new tax rates.

(c) This SECTION expires June 30, 2030.

**SECTION 34. [EFFECTIVE JUNE 30, 2028] (a) Notwithstanding the effective date for:**

**(1) the amendment of sections in IC 6-3.6-6 by this act or by P.L.68-2025;**

**(2) the addition of sections in IC 6-3.6-6 by this act or by P.L.68-2025; or**

**(3) the repeal of sections in IC 6-3.6-6 by this act or by P.L.68-2025;**

the method used to determine the amount of a particular distribution of revenue before July 1, 2028, shall continue to be



1       **used for these determinations for all of 2028.**

2       **(b) Notwithstanding the adoption of different tax rates by a**  
3       **county applicable after 2028 or the adoption of municipal tax rates**  
4       **under IC 6-3.6-6-22, applicable after 2028, or any other provision**  
5       **of law, the certified distribution methodology calculation for local**  
6       **income tax distributions made in 2028 shall continue for local**  
7       **income tax distributions made in 2029 and 2030 to account for the**  
8       **transition to any new tax rates.**

9       **(c) This SECTION expires June 30, 2031.**

10       **SECTION 35. [EFFECTIVE JANUARY 1, 2026**  
11       **(RETROACTIVE)] (a) IC 6-1.1-3-7.2, as amended by this act,**  
12       **applies to assessment dates occurring after December 31, 2025.**

13       **(b) This SECTION expires June 30, 2030.**

14       **SECTION 36. An emergency is declared for this act.**

