

SENATE BILL No. 238

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 Reinstates excess tax levy appeal provisions that were repealed in SEA 1 in the 2025 session.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.

Rogers

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



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

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**



following:

- (1) For IC 6-1.1-39 (economic development districts), the county, city, or town fiscal body.
- (2) For IC 8-22-3.5 (airport development zones), the commission as defined in IC 8-22-3.5-2.
- (3) For IC 36-7-14 (redevelopment of areas needing redevelopment generally), the commission created under IC 36-7-14-3.
- (4) For IC 36-7-15.1 (redevelopment of areas in Marion County), the commission as defined under IC 36-7-15.1-3 or IC 36-7-15.1-37.
- (5) For IC 36-7-30 (reuse of federal military bases), the reuse authority created under IC 36-7-30-4.
- (6) For IC 36-7-30.5 (development of multicounty federal military bases), the development authority defined under IC 36-7-30.5-4.
- (7) For IC 36-7-32 (certified technology parks), the applicable unit or redevelopment commission under IC 36-7-32-10.
- (8) For IC 36-7-32.5 (innovation development districts), the Indiana economic development corporation established by IC 5-28-3-1.
- (9) For IC 36-7.5-4.5 (rail transit development districts), the northwest Indiana regional development authority established by IC 36-7.5-2-1.

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

(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



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

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

~~(1) eighty thousand dollars (\$80,000) for assessment dates before 2026; and~~

~~(2) two million dollars (\$2,000,000) for the 2026 assessment date, and each assessment date thereafter;~~

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

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

(1) A declaration that the taxpayer's business personal property in the county is exempt from property taxation.

(2) Whether the taxpayer's business personal property within the county is in one (1) location or multiple locations.

(3) An address for the location of the property.

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

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



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.

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

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

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

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

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

STEP ONE: Determine the three (3) calendar years that



most immediately precede the ensuing calendar year.

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

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

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

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

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

The civil taxing unit may increase its levy by a percentage not greater than the percentage by which the STEP THREE amount exceeds the percentage by which the civil taxing unit may increase its levy under section 3 or 25 of this chapter, as applicable, based on the maximum levy growth quotient determined under section 2 of this chapter.

(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).



(b) To accomplish the transition under this section, the department of local government finance shall determine the portion of the income tax rate under IC 6-3.5-6-8 (before its repeal January 1, 2017) that is attributable to the homestead credit approved under IC 6-3.5-6-13 (before its repeal January 1, 2017) and shall allocate that portion of the income tax rate that is attributable to the homestead credit under IC 6-3.5-6-13 (before its repeal January 1, 2017) to the property tax relief rate under IC 6-3.6-5 (before its expiration).

(c) The department of local government finance shall notify each affected county of the rate that will be allocated to the property tax relief rate not later than July 1, 2016. In addition, the department of local government finance shall notify the state budget agency of the transition under this section.

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

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

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

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

(b) Notwithstanding subsection (a) or any other provision of this article, a property tax relief rate imposed in a county under IC 6-3.6-5 (before its expiration) expires December 31, ~~2027~~: **2028**.

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**.

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



effect as provided in this section.

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

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

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

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

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

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

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

This subsection expires December 31, ~~2027~~: **2028**.

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

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

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

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

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



to the proposed change in the ordinance shall be the lesser of the:

- (1) applicable distribution schedule for the certified distribution for the upcoming calendar year; or
- (2) applicable distribution schedule for the certified distribution for the current calendar year;

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

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

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

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

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

- (1) the commissioner of the department of state revenue; and
- (2) the commissioner of the department of local government finance;

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

(b) Except as provided in subsection (c), this subsection applies only to a county that has a local income tax council. The county auditor may cease sending certified copies after the county auditor sends a certified 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*



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

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

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

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

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

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

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

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

SECTION 13. IC 6-3.6-3-8, AS AMENDED BY P.L.223-2025, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE 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



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

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

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

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

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

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

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

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

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

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

(c) The combined component rates imposed by an adopting body 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**



1 **certified by the provider to the department of local**
 2 **government finance prior to the date required by the**
 3 **department of local government finance.**

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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



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

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

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

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

(1) does not apply to:

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

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

(2) applies only to the following:

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

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

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

(1) school corporations; or

(2) civil taxing units;

of an adopting county merge or consolidate to form a single school corporation or civil taxing unit, the school corporation or civil taxing unit that is in existence on January 1 of the current year is entitled to the combined pro rata distribution of the revenue under section 3(a)(2) or 3(a)(3) (as in effect before July 1, ~~2027~~ **2028**) of this chapter (as appropriate) allocated to each applicable school corporation or civil taxing unit in existence on January 1 of the immediately preceding 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



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

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

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

(b) The following apply:

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

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

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

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

the fiscal body of the city or town may adopt an ordinance on or before September 1 of the calendar year immediately succeeding 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.

12 (3) This subdivision applies ~~only~~ to cities and towns with a
 13 population of more than ~~three thousand five hundred (3,500)~~ but
 14 ~~less than seven thousand (7,000): two thousand (2,000).~~
 15 Notwithstanding any other provision, a fiscal body of a city or
 16 town may adopt an ordinance to elect to be treated as if the city's
 17 or town's population is less than ~~three thousand five hundred~~
 18 ~~(3,500) two thousand (2,000)~~ for purposes of a county local
 19 income tax rate and distribution under this chapter. An ordinance
 20 adopted under this subdivision shall take effect on January 1 of
 21 the calendar year that immediately succeeds the year in which the
 22 ordinance is adopted. The fiscal officer of the city or town shall
 23 provide a certified copy of an ordinance adopted under this
 24 subdivision to the department of local government finance. An
 25 ordinance adopted by a city or town under this subdivision is not
 26 revocable and shall not expire following the next federal
 27 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



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

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

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

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

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

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

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

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

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

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



(b) The rate under the former tax in Lake County that was used for any of the following shall be categorized under IC 6-3.6-5 (before its expiration), and the Lake County council may adopt an ordinance providing that the revenue from the tax rate under this section may be used for any of the following:

(1) To reduce all property tax levies imposed by the county by the granting of property tax replacement credits against those property tax levies.

(2) To provide local property tax replacement credits in Lake County in the following manner:

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

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

(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.

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



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

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

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

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

(1) local income tax distributions; and

(2) excise tax distributions;

made after December 31, 2009.

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

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

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

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

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

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



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

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

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

(1) IC 5-1-14-14, as amended by P.L.68-2025 (SEA 1-2025), SECTION 2.

(2) IC 5-16-9-3, as amended by P.L.68-2025 (SEA 1-2025), SECTION 4.

(3) IC 6-1.1-10.3-3, as amended by P.L.68-2025 (SEA 1-2025), SECTION 16 and as amended by this act.

(4) IC 6-1.1-10.3-5, as amended by P.L.68-2025 (SEA 1-2025), SECTION 17.

(5) IC 6-1.1-10.3-7, as amended by P.L.68-2025 (SEA 1-2025), SECTION 18.

(6) IC 6-3-2-27.5, as amended by P.L.68-2025 (SEA 1-2025), SECTION 86.

(7) IC 6-3.5-4-1, as amended by P.L.68-2025 (SEA 1-2025), SECTION 87.

(8) IC 6-3.5-4-1.1, as amended by P.L.68-2025 (SEA 1-2025), SECTION 88.

(9) IC 6-3.5-5-1, as amended by P.L.68-2025 (SEA 1-2025), SECTION 89.

(10) IC 6-3.5-5-1.1, as amended by P.L.68-2025 (SEA 1-2025), SECTION 90.

(11) IC 6-3.6-1-1, as amended by P.L.68-2025 (SEA 1-2025), SECTION 91.

(12) IC 6-3.6-1-1.5, as amended by P.L.68-2025 (SEA 1-2025), SECTION 92 and as amended by this act.

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

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

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

(9) IC 6-3.6-8-5, as amended by P.L.68-2025 (SEA 1-2025), SECTION 153.

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



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),**



1 **SECTION 108.**

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

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

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

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

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

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

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

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

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

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

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

24 **(17) IC 6-3.6-6-21.2, as repealed by P.L.68-2025 (SEA 1-2025),**
 25 **SECTION 145.**

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

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

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

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

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

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

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

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



(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.

