

Montgomery County Council

Resolution 2017-8

Resolution Proposing To the Montgomery County Income Tax Council An Ordinance Modifying Property Tax Credits, Establishing Public Safety Expenditure Rate, and Adjusting Local Income Tax Rate in Montgomery County

WHEREAS, Indiana Code 6-3.6-5 charges local taxing authorities with the determination of property tax credits;

AND WHEREAS, Indiana Code 6-3.6-6 charges local taxing authorities with determining the local income tax rates and the establishing of expenditure rates;

AND WHEREAS, on September 12, 2017, the Montgomery County Council conducted a public meeting to consider the modification of the County Income Tax rate, the establishment of expenditure rates, and adjustment of homestead credits and property tax relief for all local taxpayers;

AND WHEREAS, the Council is in favor of a Resolution proposing the modification of the application of the Montgomery County Local Income Tax;

AND WHEREAS, the Montgomery County Council unanimously agreed to forward a Resolution to the Montgomery County Local Income Tax Council modifying the local income tax rate, existing property tax credits, and the establishment of expenditure rates.

IT IS, THEREFORE, RESOLVED AS FOLLOWS:

1. That, as a member of the Montgomery County Income Tax Council, the Montgomery County Council is adopting this Resolution in order to propose an Ordinance modifying the County income tax rate and the allocation of property tax credits to the other local taxing units, as members of the Montgomery County Local Income Tax Council.
2. That the proposed Ordinance increase the County income tax from 2.1% to 2.3%.
3. That the proposed Ordinance establish Public Safety Local Income Tax rate at 0.6%.
4. That the proposed Ordinance adjust the Property Tax Relief Credit rate from 1.1% to 0.7%.

5. That the proposed Ordinance modifies the property tax credit allocation to sixty percent (60%) of the revenues to provide homestead credits and forty percent (40%) of the revenues to provide property tax relief for all taxpayers.
6. That the proposed Ordinance shall be sent, along with this Resolution, to each member of the Montgomery County Income Tax Council and made available for review by the public at the Montgomery County Auditor's Office.
7. That, if adopted by the Montgomery County Income Tax Council, the proposed effective date of said Ordinance would be January 1, 2018.
8. The County Auditor shall notify each member of the Montgomery County Income Tax Council of this Resolution and the proposed Ordinance within ten (10) days of this hearing, with directions for each entity to conduct a public hearing within thirty (30) days of receipt of the notice from the Auditor. Each member shall then pass a Resolution either in favor or against this proposed Ordinance, with the results to be immediately forwarded to the Montgomery County Auditor.
9. The County Auditor is instructed to count all votes of the Montgomery County Income Tax Council in favor or against adoption of the attached Ordinance.





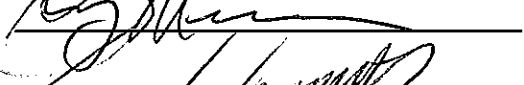
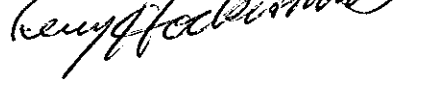
BE IT ALSO RESOLVED that a public hearing was held on this resolution and the proposed ordinance on September 12, 2017. Proper notice of the public hearing was provided pursuant to IC 5-3-1.

BE IT FURTHER RESOLVED that by adopting this resolution, the Montgomery County Council is casting all of its Local Income Tax Council votes in favor of the proposed ordinance.

Duly adopted by the following vote of the members of said Montgomery County Council this 12th day of September, 2017.

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NAY

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Attest: Jennifer Arnold, Fiscal Officer

Described Ordinance Attached

ORDINANCE MODIFYING LOCAL INCOME TAX RATES, LOCAL INCOME TAX ALLOCATIONS AND PROPERTY TAX CREDITS IN MONTGOMERY COUNTY

BE IT ORDAINED by the Montgomery County Income Tax Council, Montgomery County, Indiana, that a need now exists to modify the local income tax rates imposed within the county in the following way:

Local Income Tax Type	Existing Rate	Proposed Rate
Property Tax Relief Rate (IC 6-3.6-5)	1.1%	0.7%
Expenditure Rate (IC 6-3.6-6)	1.0%	1.6%
TOTAL INCOME TAX RATE:	2.1%	2.3%

The local income tax rates proposed above will become effective on January 1, 2018.

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BE IT ORDAINED by the Montgomery County Income Tax Council, Montgomery County, Indiana, that the above-imposed expenditure rate under IC 6-3.6-6 shall be allocated in the following manner:

Allocation Rate Category	Existing Allocation Percentage	Proposed Allocation Percentage
Public Safety	0%	0.6%
Certified Shares	1.0%	1.0%
TOTAL EXPENDITURE RATE:	1.0%	1.6%

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BE IT ORDAINED by the Montgomery County Income Tax Council, Montgomery County, Indiana, that the above-imposed property tax relief rate under IC 6-3.6-5 shall be used to provide property tax credits in the following manner:

Property Tax Credit Category	Credit Percentage (80% - 1% / 20% - All)	Credit Percentage (60% - 1% / 40% - All)
Homesteads eligible for a credit under IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability for the property to one percent (1%)	86.66%	73.334%
Residential property, long term care property, agricultural land, and other tangible property (if any) eligible for a credit under IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability for the property to two percent (2%)	6.67%	13.333%
Nonresidential real property, personal property, and other tangible property (if	6.67%	13.333%

any) eligible for a credit under IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability for the property to three percent (3%).		
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The credits are to be divided among the categories with the end result being 60% of the PTRC provided to Homestead properties (Cap 1), and the remaining 40% of the PTRC divided equally among all three property categories listed (1% Cap, 2% Cap and 3% Cap). The credit percentage provided within a category above shall be uniform for all taxpayers within the county within that category. The credit percentage does not have to be uniform across categories.

The credits proposed above will first be applicable for 2018 and then each year thereafter. This allocation will continue until rescinded or modified.

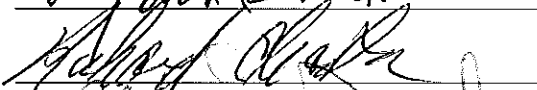
BE IT ORDAINED that the county auditor shall adjust the credits identified above as needed in accordance with IC 6-3.6-5-6.

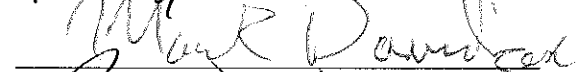
BE IT FURTHER ORDAINED that a public hearing was held on the proposed local income tax rate modifications on September 12, 2017. Proper notice of the public hearing was provided pursuant to IC 5-3-1.

Duly adopted by the following vote of the members of said Montgomery County Income Tax Council this 12th day of September, 2017.

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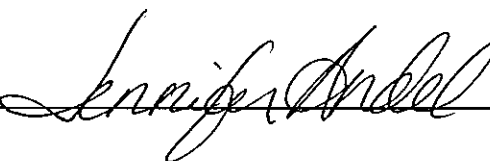










Attest:  , Fiscal Officer