

INTRODUCED: 8/11/2025

REFERRED TO: Administration and Finance Committee

SPONSOR: Councilors Osili, Lewis, Nielsen and Boots

DIGEST: proposes a resolution of the Marion County Local Income Tax Council to request approval from the department of local government finance to lower the levy freeze tax rate and to cast the vote of the City-County Council on such resolution

SOURCE:

Initiated by: Office of Finance and Management

Drafted by: Office of Finance and Management

LEGAL REQUIREMENTS FOR ADOPTION:

Published Notice of Public Hearing

Subject to approval or veto by Mayor

PROPOSED EFFECTIVE DATE:

Adoption and approvals

GENERAL COUNSEL APPROVAL: _____

Date: August 7, 2025

CITY-COUNTY GENERAL RESOLUTION NO. , 2025

PROPOSAL FOR A GENERAL RESOLUTION of the City-County Council proposing a resolution of the Marion County Local Income Tax Council to request approval from the department of local government finance to lower the levy freeze tax rate and to cast the vote of the City-County Council on such resolution.

WHEREAS, the General Assembly established the expenditure rate component of the local income tax under IC 6-3.6-6; and

WHEREAS, IC 6-3.6-3-1 established the Marion County Local Income Tax Council; and

WHEREAS, the Local Income Tax Council is composed of the City-County Council of the Consolidated City of Indianapolis and Marion County, the City Council of Beech Grove, the City Council of the City of Lawrence, the City Council of the City of Southport, and the Town Council of the Town of Speedway; and

WHEREAS, the City-County Council of the Consolidated City of Indianapolis and Marion County holds ninety-one and eighty hundredths (91.80) of the one hundred (100) vote shares allocated among the members of the Local Income Tax Council, constituting a majority of all vote shares;

WHEREAS, Marion County is a county with a single voting bloc, as that term is defined by IC 6-3.6-2-7.4, meaning that each member of the City-County Council therefore holding a vote share equal to one twenty-fifth, or four percent (4%) of the Consolidated City's overall vote share, with such individual member vote share being equal to three and sixty-seven hundredths (3.67) vote shares; and

WHEREAS, the Marion County Income Tax Council adopted an ordinance, effective January 1, 2008, which originally set the levy freeze tax rate at 0.20%; and

WHEREAS, pursuant to IC 6-3.6-11-1(b), the tax rate used to provide for a levy freeze shall be part of the certified shares component of the expenditure tax rate under IC 6-3.6-6; and

WHEREAS, IC 6-3.6-11-1(b) requires approval from the department of local government finance before an adopting body may lower a levy freeze tax rate; and

WHEREAS, the City-County Council wishes to propose a resolution of the Marion County Local Income Tax Council to request approval from the department of local government finance to lower the levy freeze tax rate; now, therefore:

BE IT RESOLVED BY THE CITY-COUNTY COUNCIL OF THE
CITY OF INDIANAPOLIS AND OF MARION COUNTY, INDIANA:

SECTION 1. The City-County Council hereby adopts a resolution to propose and of the Marion County Local Income Tax Council pursuant to IC 6-3.6-11-1 and IC 6-3.6-3.

SECTION 2. The City-County Council hereby casts its Ninety-One and Eighty Hundredths (91.80) votes with respect to the proposed resolution of the Marion County Local Income Tax Council, which resolution is attached hereto and incorporated herein as "Exhibit A," as follows:

_____ (representing the number of Council members voting "yes," multiplied by each member's individual vote share of 3.67)

_____ (representing the number of Council members voting "no," multiplied by each member's individual vote share of 3.67)

_____ (representing the number of Council members not voting or abstaining, multiplied by each member's individual vote share of 3.67)

The Clerk of the Council shall perform the above calculation of vote shares following the Council's vote on this Resolution.

SECTION 3. The Clerk of the Consolidated City of Indianapolis and Marion County hereby is ordered to deliver an original executed copy of this resolution and the proposed resolution of the Marion County Local Income Tax Council to the Controller of the Consolidated City of Indianapolis and Marion County forthwith so that the Controller shall deliver copies of such proposed resolution to other members of the Marion County Local Income Tax Council, namely, the City Council of the City of Beech Grove, the City Council of the City of Lawrence, the Town Council of the Town of Speedway, and the City Council of the City of Southport, after receipt from the City Clerk and so that the other members of the Marion County Local Income Tax Council may, after receipt from the Controller, vote on such proposed resolution; however, pursuant to IC 6-3.6-3-8(d), the other members need not vote on it.

SECTION 4. This resolution shall be in full force and effect upon adoption and compliance with I.C. 36-34-14.

The foregoing was passed by the City-County Council this _____ day of _____, 2025, at _____ p.m.

ATTEST:

Vop Osili
President, City-County Council

Yulonda Winfield
Clerk, City-County Council

Presented by me to the Mayor this _____ day of _____, 2025.

Yulonda Winfield
Clerk, City-County Council

Approved and signed by me this _____ day of _____, 2025.

Joseph H. Hogsett, Mayor

EXHIBIT A

**RESOLUTION TO REQUEST APPROVAL FROM THE DEPARTMENT OF LOCAL GOVERNMENT
FINANCE TO LOWER THE LEVY FREEZE TAX RATE IN MARION COUNTY**

WHEREAS Marion County has a current levy freeze stabilization fund balance of \$8,295,938.59 and received a 2025 supplemental levy freeze distribution of \$8,467,392.33; and

WHEREAS pursuant to IC 6-3.6-11-1(c) the Marion County Local Income Tax Council has determined that a need now exists to lower the levy freeze tax rate from 0.1593% to 0.1412%, which corresponds to a levy freeze tax reduction in the amount of \$5,863,432.57 and accounts for the 2025 supplemental income tax levy freeze distribution of \$8,467,392.33 and utilization of \$4,100,000 of the levy freeze stabilization fund balance; and

WHEREAS pursuant to IC 6-1.1-18.5-3(b) (effective January 1, 2028), Marion County shall adopt a plan to phase in a multi-year gradual spend down of money in its stabilization fund or other available funds ; and

WHEREAS, as a result of the property tax revisions through Senate Enrolled Act 1 (2025) the Marion County Local Income Tax Council wishes to reallocate the existing property tax relief rate from .0355% to 0% and

WHEREAS, the Marion County Local Income Tax Council wishes to increase the certified shares rate by .0091% for a revised rate of 1.0843% and the public safety rate by .0446% for a revised rate of .5446% in order to maintain the overall income tax rate of 2.02%; and

WHEREAS, pursuant to IC 6-3.6-3-10(b), a local income tax council may pass only one (1) ordinance adopting, increasing, decreasing, or rescinding a tax in one (1) year; and

WHEREAS, upon approval from the department of local government finance to lower the levy freeze tax rate, the Council intends to propose an ordinance that would: (1) lower the levy freeze tax rate by 0.0181%; (2) lower the property tax relief rate by 0.0355%; (3) increase the certified shares expenditure rate by 0.0090%; and (4) increase the public safety rate by 0.0446%; and

WHEREAS pursuant to IC 6-3.6-11-1(b), the adopting body must request approval from the department of local government finance before lowering the levy freeze tax rate; now, therefore:

BE IT RESOLVED BY THE MARION COUNTY LOCAL INCOME TAX COUNCIL:

SECTION 1. The Marion County Local Income Tax Council hereby requests approval from the department of local government finance to lower the levy freeze tax rate in Marion County pursuant to IC 6-3.6-11-1(b).

SECTION 2. The Controller of the Consolidated City of Indianapolis and Marion County shall send a certified copy of this resolution to the commissioner of the Department of State Revenue, the director of the Budget Agency, and the commissioner of the Department of Local Government Finance in an electronic format approved by the director of the Budget Agency.

SECTION 3. This resolution shall be in full force and effect from and after its passage by the Council and compliance with IC 36-3-4-14.

[Signature and attestation of vote totals to follow]