

INTRODUCED: 01/09/2017

REFERRED TO: Rules and Public Policy Committee

SPONSOR: Councillor Lewis

DIGEST: imposes an additional local income tax rate for a public transportation project as authorized by the voters' approval of a local public question on November 8, 2016

SOURCE:

Initiated by: Councillor Lewis

Drafted by: Fred Biesecker, General Counsel

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: January 5, 2017

CITY-COUNTY FISCAL ORDINANCE NO. , 2017

PROPOSAL FOR A FISCAL ORDINANCE to impose an additional local income tax rate for a public transportation project as authorized by the voters' approval of a local public question on November 8, 2016.

WHEREAS, Senate Enrolled Act 176 (2014) enacted by the Indiana General Assembly provided an opportunity for the citizens of Marion County to vote by referendum in a general election on whether to fund county-based public transportation improvements through a local income tax not to exceed 0.25 percent; and

WHEREAS, pursuant to IC 8-25-2-1, the city-county council authorized a referendum to fund public transportation improvements to be placed on the November 2016 general election ballot for Marion County voters; and

WHEREAS, pursuant to IC 8-25-2-3, the referendum question was as follows: "Shall Marion County have the ability to impose a county economic development income tax rate, not to exceed a rate of 0.25%, to pay for improving or establishing public transportation service in the county through a public transportation project that will create a connected network of buses and rapid transit lines; increase service frequency; extend operational hours; and implement three new rapid transit lines?"; and

WHEREAS, at the November 8, 2016 general election, the voters of Marion County approved this local public question by a vote of 191,989 in favor (59.36%) to 131,426 against (40.64%); and

WHEREAS, pursuant to IC 6-3.6-7-27 and IC 8-25-3-1, the city-county council may now adopt an ordinance to impose an additional local income tax rate for the public transportation project; and

WHEREAS, pursuant to IC 6-3.6-3-3(b), if the council adopts an additional local income rate, the new rate would take effect on October 1, 2017; now, therefore:

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

SECTION 1. 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)	0.0507	0.0507
Expenditure Rate (IC 6-3.6-6)	1.7193	1.9693

SECTION 2. The expenditure rate identified above includes a rate associated with a levy freeze rate previously imposed under the former local income tax statutes. The levy freeze rate after adoption of this ordinance is as follows:

Local Income Tax Type	Existing Rate	Proposed Rate
Levy Freeze Rate	0.27	0.27

SECTION 3. The local income tax rates proposed above will become effective on October 1, 2017.

SECTION 4. Pursuant to IC 6-3.6-7-27, the local income tax revenues attributable to this additional tax rate shall be used to fund a public transportation project under IC 8-25. The amount of the certified distribution attributable to this additional tax rate must be: (1) retained by the county auditor; (2) deposited in the county public transportation fund established under IC 8-25-3-7; and (3) used for the purpose provided in IC 6-3.6-7-27(b) instead of as a property tax replacement distribution.

SECTION 5. A public hearing was held on the proposed local income tax rate modifications on _____, 2017. Proper notice of the public hearing was provided pursuant to IC 5-3-1.

SECTION 6. This ordinance shall be in full force and effect upon adoption and compliance with IC 36-3-4-14.

The foregoing was passed by the City-County Council this _____ day of _____, 2017, at _____ p.m.

ATTEST:

Maggie A. Lewis
President, City-County Council

NaTrina DeBow
Clerk, City-County Council

Presented by me to the Mayor this _____ day of _____, 2017, at 10:00 a.m.

NaTrina DeBow
Clerk, City-County Council

Approved and signed by me this _____ day of _____, 2017.

Joseph H. Hogsett, Mayor