

CITY-COUNTY SPECIAL RESOLUTION NO. 36, 2007
Proposal No. 264, 2007

A PROPOSAL FOR A RESOLUTION of the City-County Council of Indianapolis and of Marion County, Indiana proposing an ordinance of the Marion County Income Tax Council to impose a tax rate pursuant to I.C. 6-3.5-6-30 and I.C. 6-3.5-6-31, to increase the rate of the County Option Income Tax effective October 1, 2007, and to cast the vote of the City-County Council on said ordinance.

WHEREAS, the Indiana General Assembly established the County Option Income Tax pursuant to I.C. 6-3.5-6, *et seq.*; and

WHEREAS, I.C. 6-3.5-6-2 established the Marion County Income Tax Council; and

WHEREAS, the members of the Marion County Income Tax Council are the City-County Council of the City of Indianapolis and of Marion County, the City Council of Beech Grove, the City Council of the City of Lawrence, the City Council of Southport, and the Town Council of Speedway; and,

WHEREAS, pursuant to I.C. 6-3.5-6-8, the Marion County Income Tax Council imposed the county option income tax in 1984; and

WHEREAS, I.C. 6-3.5-6-30(a) provides that the Marion County Income Tax Council may adopt an ordinance to impose an additional tax rate in Marion County from October 1, 2007 through September 30, 2008, and from October 1, 2008 through September 30, 2009, the additional tax rate for the year ending September 30, 2008 equaling the tax rate jointly determined for Marion County by the Department of Local Government Finance and the Department of State Revenue pursuant to I.C. 6-3.5-1.5-1(a) multiplied by one and five-tenths (1.5), and the additional tax rate for the year ending September 30, 2009 and each year thereafter equaling the tax rate jointly determined for Marion County by the Department of Local Government Finance and the Department of State Revenue pursuant to I.C. 6-3.5-1.5-1(b); and

WHEREAS, in 2008, one-third of the tax revenue that is attributable to the additional tax rate adopted under I.C. 6-3.5-6-30 must be deposited in a county stabilization fund established under that section; and

WHEREAS, I.C. 6-3.5-6-31 provides that the Marion County Income Tax Council, after adopting an income tax increase pursuant to I.C. 6-3.5-6-30, may adopt an ordinance to impose an additional income tax rate for public safety; and

WHEREAS, the public safety needs of Marion County are such that adopting an additional income tax rate for the sole benefit of public safety is in the best interests of the residents of Marion County; and

WHEREAS, the Marion County Income Tax Council must adopt an ordinance to effect an increase of the county option income tax rate pursuant to I.C. 6-3.5-6-30 and I.C. 6-3.5-6-31 on or before August 1, 2007; and

WHEREAS, the City-County Council wishes to propose an ordinance of the Marion County Income Tax Council to (a) effect an increase of the county option income tax rate pursuant to I.C. 6-3.5-6-30, and (b) effect an increase of the county option income tax rate pursuant to I.C. 6-3.5-6-31; 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 proposes an ordinance of the Marion County Income Tax Council to increase the county option income rate pursuant to I.C. 6-3.5-6-30 and I.C. 6-3.5-6-31.

SECTION 2. The City-County Council casts its 92.04 votes in favor of the proposed ordinance of the Marion County Income Tax Council which ordinance is attached hereto.

SECTION 3. The City Clerk of the City of Indianapolis is hereby ordered to deliver an original executed copy of this Resolution and the proposed ordinance of the Marion County Income Tax Council to the Auditor of Marion County forthwith so that the Auditor of Marion County shall deliver copies of said proposed ordinance to other members of the County 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

EXHIBIT A

**AN ORDINANCE OF THE MARION COUNTY INCOME TAX COUNCIL
INCREASING THE COUNTY OPTION INCOME TAX RATE**

WHEREAS, the Indiana General Assembly established the county option income tax pursuant to I.C. 6-3.5-6, *et seq.*; and

WHEREAS, I.C. 6-3.5-6-2 established the Marion County Income Tax Council; and

WHEREAS, the members of the Marion County Income Tax Council are the City-County Council of the City of Indianapolis and of Marion County, the City Council of Beech Grove, the City Council of the City of Lawrence, the City Council of Southport, and the Town Council of Speedway; and,

WHEREAS, I.C. 6-3.5-6-8 permits the Marion County Income Tax Council to impose the county option income tax on county taxpayers; and,

WHEREAS, the Marion County Income Tax Council imposed the county option income tax in 1984; and

WHEREAS, I.C. 6-3.5-6-30(a) provides that the Marion County Income Tax Council may adopt an ordinance to impose an additional tax rate in Marion County from October 1, 2007 through September 30, 2008, and from October 1, 2008 through September 30, 2009, the additional tax rate for the year ending September 30, 2008 equaling the tax rate jointly determined by the Department of Local Government Finance and the Department of State Revenue pursuant to I.C. 6-3.5-1.5-1(a) multiplied by one and five-tenths (1.5), and the additional tax rate for the year ending September 30, 2009 and each year thereafter equaling the tax rate jointly determined for Marion County by the Department of Local Government Finance and the Department of State Revenue pursuant to I.C. 6-3.5-1.5-1(b); and

WHEREAS, the certified distribution of the tax revenue attributable to the additional tax rate adopted pursuant to I.C. 6-3.5-6-30 must be applied toward property tax replacement distribution amounts to each civil taxing unit that had a maximum permissible property tax levy limited under I.C. 6-1.1-18.5-3(g), for deposit in the county family and children's fund, for deposit in the county children's psychiatric residential treatment services fund, and for distribution to the county for community mental health center purposes; and

WHEREAS, in 2008, one-third of the tax revenue that is attributable to the tax rate adopted under I.C. 6-3.5-6-30 must be deposited in a county stabilization fund established in that section; and

WHEREAS, I.C. 6-3.5-6-31 provides that the Marion County Income Tax Council, after adopting an income tax increase pursuant to I.C. 6-3.5-6-30, may adopt an ordinance to impose an additional income tax rate for public safety; and

WHEREAS, the certified distribution of tax revenue attributable to the additional tax rate adopted pursuant to I.C. 6-3.5-6-31 must be distributed to Marion County and each municipality located within Marion County, and such tax revenue must be deposited into a separate account or fund and may be appropriated only for public safety purposes; and

WHEREAS, the public safety needs of Marion County are such that adopting an additional income tax rate for the sole benefit of public safety is in the best interests of the residents of Marion County; and

WHEREAS, the Marion County Income Tax Council must adopt an ordinance to effect an increase of the county option income tax rate pursuant to I.C. 6-3.5-6-30 and I.C. 6-3.5-6-31 on or before August 1, 2007; and

WHEREAS, the Marion County Income Tax Council wishes to (a) effect an increase of the county option income tax rate pursuant to I.C. 6-3.5-6-30; and (b) effect an increase of the county option income tax rate pursuant to I.C. 6-3.5-6-31; now, therefore:

BE IT ORDAINED BY THE
MARION COUNTY INCOME TAX COUNCIL

SECTION 1. Pursuant to I.C. 6-3.5-6-30, the Marion County Income Tax Council hereby imposes an additional county option income tax rate of two tenths of one percent (.2%) from October 1, 2007 through September 30, 2008, and three tenths of one percent (.3%) from October 1, 2008 through September 30, 2009 and thereafter, each such rate being jointly calculated by the Department of Local Government Finance and the Department of State Revenue for Marion County pursuant to I.C. 6-3.5-1.5-1.

SECTION 2. A county stabilization fund is hereby established in Marion County pursuant to 6-3.5-6-30(o). The county stabilization fund shall be administered by the Auditor of Marion County. If for a year the certified distributions attributable to the tax rate adopted under section 1 of this ordinance exceed the amount calculated under I.C. 6-3.5-1.5-1(a) that is used by the Department of Local Government Finance and the Department of State Revenue to determine the tax rate under section 1, the excess shall be deposited in the county stabilization fund. The Auditor of Marion County shall distribute money from the county stabilization fund in a year to political subdivisions pursuant to I.C. 6-3.5-6-30(o).

SECTION 3. In 2008, one-third (1/3) of the tax revenue that is attributable to the tax rate under section 1 of this ordinance must be deposited in the county stabilization fund.

SECTION 4. Having imposed an income tax rate under I.C. 6-3.5-6-30, the Marion County Income Tax Council hereby imposes an additional income tax rate of forty five one hundredths of one percent (.45%) from October 1, 2007 through September 30, 2008, and thirty five one hundredths of one percent (.35%) from October 1, 2008 through September 30, 2009, pursuant to I.C. 6-3.5-6-31 to provide funding for public safety, as defined in I.C. 6-3.5-6-31(a).

SECTION 5. The Auditor of Marion County shall send a certified copy of this ordinance to the Department of State Revenue and the Department of Local Government Finance by certified mail.

SECTION 6. Not more than thirty (30) days after receiving the portion of the certified distribution that is attributable to a tax rate under I.C. 6-3.5-6-31, the Auditor of Marion County shall distribute said portion to the county and each municipality in the county pursuant to I.C. 6-3.5-6-31(f). Revenue distributed to the county under I.C. 6-3.5-6-31 may be appropriated only for public safety purposes.

SECTION 7. This ordinance shall be in full force and effect on and after the first day of October, 2007.

ATTEST:

CITY-COUNTY COUNCIL OF THE CITY OF
INDIANAPOLIS AND MARION COUNTY, IN

Clerk, City of Indianapolis

President, casting 92.04 votes

ATTEST:

CITYCOUNCIL OF THE CITY OF
BEECH GROVE, IN

Clerk, City of Beech Grove

President, casting 1.73 VOTES

ATTEST:

CITYCOUNCIL OF THE CITY OF
LAWRENCE, IN

Clerk, City of Lawrence

President, casting 4.52 votes

ATTEST:

CITY COUNCIL OF THE CITY OF
SOUTHPORT, IN

Clerk, City of Southport

President, casting 0.22 votes

ATTEST:

TOWN COUNCIL OF
SPEEDWAY, IN

Clerk, City of Speedway

President, casting 1.50 votes