

RESOLUTION 22-09

RESOLUTION PROPOSING AN ORDINANCE TO MODIFY THE MONROE COUNTY LOCAL INCOME TAX RATE, ALLOCATE THE ADDITIONAL REVENUES TO ECONOMIC DEVELOPMENT AND CAST VOTES IN FAVOR OF THE ORDINANCE

WHEREAS, pursuant to Indiana Code § 6-3.6-3-1(a), the Monroe County Local Income Tax Council having previously adopted a County Option Income Tax under Indiana Code 6-3.5-6, the Monroe County Local Income Tax Council continues to serve as the adopting body for the Local Income Tax with, pursuant to Indiana Code 6-3.6-3-1(b), the same membership; and

WHEREAS, in September 2016, after notice and a hearing and in support of public safety for all county residents, the Monroe County Local Income Tax Council adopted an ordinance that increased the local income tax expenditure rate by twenty-five hundredths percent (0.25%) (“2016 Increased Expenditure Rate”) from nine thousand four hundred eighty-two ten-thousandths percent (0.9482%) (“Previous Expenditure Rate”) to one and one thousand nine hundred eighty-two ten-thousandths percent (1.1982%) pursuant to Indiana Code § 6-3.6-6-2; and

WHEREAS, upon the passage of that 2016 ordinance, the total Local Income Tax Rate rose to one and three hundred forty-five thousandths percent (1.345%), with the Increased Expenditure Rate allocated between the Public Safety Answering Point (“PSAP”) (0.0725%) and other public safety purposes (0.1775%) pursuant to Indiana Code § 6-3.6-6-8 (“Public Safety Income Tax”), and the Previous Expenditure Rate remaining allocated to Certified Shares pursuant to Indiana Code § 6-3.6-6-10; and

WHEREAS, during preceding years, the Monroe County Local Income Tax Council adopted ordinances modifying the allocation between the PSAP and other public safety purposes and said modifications for the immediately preceding four years took effect as depicted in the following table; and

Local Income Tax Type	2019	2020	2021	2022
Public Safety Answering Point Rate	0.0816%	0.0654%	0.0594%	0.0807%
Public Safety Rate	0.01684%	0.1846%	0.1906%	0.1693%

WHEREAS, the resulting overall Local Income Tax allocation as of January 1, 2022 is depicted in the following table and, pursuant to Indiana Code § 6-3.6-6-4, continues in effect until rescinded or modified; and

Local Income Tax Type		Existing Rate	
Property Tax Relief Rate (Indiana Code 6-3.6-5)		0.0518%	
Total Expenditure Rate (Indiana Code 6-3.6-6)		1.1982%	
<i>Components of Total Expenditure Rate</i>	Public Safety		0.1693%
	Public Safety Answering Point		0.0807%
	Economic Development		0.0000%
	Certified Shares		0.9482%
Special Purpose Rate (Juvenile Local Income Tax) (Indiana Code § 6-3.6-7-16)		0.095%	
Total:		1.345%	

WHEREAS, Indiana Code 6-3.6 permits a Local Income Tax rate to be imposed for, among other things, economic development purposes (Economic Development Income Tax or “EDIT”); and

WHEREAS, the Bloomington Common Council is a member of the Monroe County Local Income Tax Council and is adopting this resolution in order to propose to the other members of the Monroe County Local Income Tax Council the following ordinance; and

WHEREAS, pursuant to Indiana Code § 6-3.6-3-7, before a member of the Monroe County Local Income Tax Council may propose an ordinance or vote on a proposed ordinance, the member must hold a public hearing on the proposed ordinance and provide the public with the time and place where the public meeting will be held in accordance with Indiana Code 5-3-1 and include the proposed ordinance or resolution to propose an ordinance in that notice; and

WHEREAS, pursuant to Indiana Code § 6-3.6-3-7(d), the adopting body shall also provide a copy of the notice required by Indiana Code § 6-3.6-3-7(b) to all taxing units in the county at least ten (10) days before the public hearing; and

WHEREAS, the Bloomington Common Council has published notice in accordance with Indiana Code 5-3-1 and Indiana Code § 6-3.6-3-7 and has provided a copy of the notice to all taxing units in the county in accordance with Indiana Code § 6-3.6-3-7(d).

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. A need now exists in Monroe County, Indiana, to impose an Economic Development Income Tax rate (“EDIT”) to serve economic development purposes throughout Monroe County. As a member of the Monroe County Local Income Tax Council, the Common Council of the City of Bloomington is adopting this resolution in order to propose the ordinance below to the other members of the Monroe County Local Income Tax Council.

**ORDINANCE MODIFYING LOCAL INCOME TAX RATES WITHIN
MONROE COUNTY**

BE IT ORDAINED BY THE LOCAL INCOME TAX COUNCIL OF MONROE COUNTY, INDIANA, THAT:

1. A need now exists in Monroe County, Indiana, to impose an Economic Development Income Tax rate (“EDIT”) under Indiana Code § 6-3.6-6-4 to serve economic development purposes throughout Monroe County. The proposed EDIT rate is sixty-nine hundredths percent (0.69%), resulting in the current total tax rate under Indiana Code 6-3.6-6 (“Expenditure Tax Rate”) of one and three hundred forty-five thousandths percent (1.345%) increasing so that the new total Expenditure Tax Rate is two and thirty-five thousandths percent (2.035%).

2. For the avoidance of doubt, no change is intended or authorized by this Ordinance to: (1) the special purpose tax rate imposed by the Monroe County Council under Indiana Code § 6-3.6-7-16 (“Juvenile Local Income Tax”) (which is currently ninety-five thousandths percent (0.095%)); (2) the property tax rate under Indiana Code 6-3.6-5 (“Property Tax Relief Rate”) (which is currently five hundred eighteen ten-thousandths percent (0.0518%)); (3) the tax rate under Indiana Code § 6-3.6-6-10 (Certified Shares) (which is currently nine thousand four hundred eighty-two ten-thousandths percent (0.9482%)) or (4) the public safety tax rate (“Public Safety Tax”) (currently twenty-five hundredths percent (0.25%)) which is divided between the Public Safety Answering Point (0.0807%) and the General Public Safety rate (0.1693%).

3. As a result of the actions in this Ordinance, the Local Income Tax will be allocated as follows, beginning on October 1 , 2022:

Local Income Tax Type	2022 Rate (Current)	2022 Rate (Beginning Oct. 1)
Certified Shares (IC 6-3.6-3)	.9482%	.9482%
Public Safety:		
Public Safety Answering Point Rate	0.0807%	0.0807%
Public Safety Rate	0.1693%	0.1693%
Economic Development (IC 6-3.6-6)	0.0000%	0.69%
Property Tax Relief Rate (IC 6-3.6-5)	0.0518%	0.0518%
Special Purpose Rate (IC 6-3.6-5)	0.095%	0.095%
Total Tax Rate	1.345%	2.035%

4. Pursuant to Indiana Code 6-3.6-6-9, the Local Income Tax Council may direct that EDIT proceeds be distributed to each city, town, and county either based on the total property taxes imposed during the preceding calendar year (Indiana Code § 6-3.6-6-9(b)) or based on population (Indiana Code § 6-3.6-6-9(c)). The Monroe County Income Tax Council hereby directs that revenue associated with the EDIT rate shall be directed to eligible taxing units who are members of the Monroe County Local Income Tax Council based upon population, in accordance with Indiana Code § 6-3.6-6-9(c). Pursuant to Indiana Code § 6-3.6-6-9(c)(1), said population-based distribution shall be in place beginning January 1, 2023 and shall continue from that date forward. From October 1, 2022 through December 31, 2022, EDIT proceeds shall be allocated based on the proportional property taxes imposed by each city, town, or county during 2021, plus for Monroe County the welfare allocation amount, in accordance Indiana Code § 6-3.6-6-9(b).

5. For further avoidance of doubt, no other change to the Monroe County Local Income Tax Council ordinance last adopted is intended or authorized. In that regard, the ordinance affirms and clarifies that, pursuant to Indiana Code § 6-3.6-6-4, the Monroe County Local Income Tax Council continues to retain the right to change the allocation of taxes comprised within the expenditure rate. At this time in Monroe County, the components of the expenditure rate that may be affected by this allocation include the EDIT rate and the Total Tax Rate. Any future change to the allocation of these local income taxes must be done via an ordinance of the Monroe County Local Income Tax Council in a manner and with an effective date as set forth Indiana Code § 6-3.6-3-3, as may be amended by the Indiana General Assembly from time to time. Currently, the effective date for an ordinance increasing a tax rate adopted after December 31st of the immediately preceding year and before September 1st of the current year is October 1st of the current year.

6. This ordinance shall take effect upon passage and in accordance with Indiana Code 6-3.6-3 and Indiana Code § 6-3.6-6-9(c)(1).

7. The Monroe County Auditor shall record all votes taken on this ordinance and immediately send a certified copy of the results to the Indiana Department of Revenue and Department of Local Government Finance by certified mail.

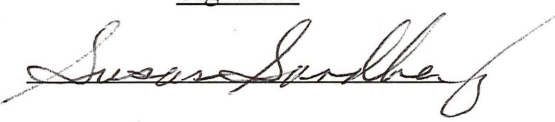








8. Any provision herein contained which is found by a court of competent jurisdiction to be unlawful or which by operation shall be inapplicable, shall be deemed omitted but the rest and remainder of this resolution, to the extent feasible, shall remain in full force and effect.

SECTION 2. BE IT FURTHER RESOLVED that by adopting this resolution, the City of Bloomington Common Council is casting the number of votes recorded below of its fifty-six and sixty-six hundredths (56.66) votes as a member of the Monroe County Local Income Tax Council in favor of the proposed ordinance. In accordance with Indiana Code § 6-3.6-3-6, Indiana Code § 6-3.6-6-8, and the Monroe County Auditor's 2022 Income Tax Council Voting Allocation, each member of the Bloomington Common Council may cast six and three tenths (6.30) votes in favor of or against this Resolution.

SECTION 3. BE IT FURTHER RESOLVED that a public hearing was held on this resolution and the proposed ordinance on April 20, 2022. Proper notice of the public hearing was provided pursuant to Indiana Code 5-3-1 and Indiana Code § 6-3.6-3-7.

SECTION 4. This resolution shall be in full force and effect from and after its passage by the Common Council of the City of Bloomington and approval of the Mayor.

Duly adopted by the following vote of the members of said Common Council of the City of Bloomington, Monroe County, on this 4th day of May, 2022.

<u>Name</u>	<u>(circle one)</u>			<u>Signature</u>
Susan Sandberg, President	<input checked="" type="radio"/> Aye	<input type="radio"/> Nay	<input type="radio"/> Abstain	
Sue Sgambelluri, Vice President	<input checked="" type="radio"/> Aye	<input type="radio"/> Nay	<input type="radio"/> Abstain	
Dave Rollo, Parliamentarian	<input checked="" type="radio"/> Aye	<input type="radio"/> Nay	<input type="radio"/> Abstain	
Matt Flaherty	<input checked="" type="radio"/> Aye	<input type="radio"/> Nay	<input type="radio"/> Abstain	
Isabel Piedmont-Smith	<input checked="" type="radio"/> Aye	<input type="radio"/> Nay	<input type="radio"/> Abstain	
Kate Rosenbarger	<input checked="" type="radio"/> Aye	<input type="radio"/> Nay	<input type="radio"/> Abstain	
Jim Sims	<input checked="" type="radio"/> Aye	<input type="radio"/> Nay	<input type="radio"/> Abstain	
Ron Smith	<input checked="" type="radio"/> Aye	<input type="radio"/> Nay	<input type="radio"/> Abstain	
Steve Volan	<input checked="" type="radio"/> Aye	<input type="radio"/> Nay	<input type="radio"/> Abstain	

Total Number of Votes Cast in Favor of the Proposed Ordinance: (9) NINE

ATTEST:


 NICOLE BOLDEN, Clerk
 City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana upon this 4th day of May, 2022.


 NICOLE BOLDEN, Clerk
 City of Bloomington

SIGNED and APPROVED by me upon this 4th day of May, 2022.


 JOHN HAMILTON, Mayor
 City of Bloomington

SYNOPSIS

Resolution 22-09 proposes an ordinance to the Monroe County Local Income Tax Council that would impose an economic development tax rate (“EDIT”). The Monroe County Local Income Tax Council is the body that must approve modifications to the Local Income Tax, and it consists of four member-fiscal bodies: (1) the City of Bloomington Common Council; (2) the Monroe County Council; (3) the Town of Ellettsville Town Council; and (4) the Town of Stinesville Town Council. This Resolution would cast some percentage of the City of Bloomington’s votes on the Monroe County Local Income Tax Council in favor of the Ordinance modifying the Local Income Tax to impose an EDIT, depending on the votes of the individual members of the City of Bloomington Common Council.

Note: At its May 4, 2022 Regular Session, the Council adopted Amendment 01 to Resolution 22-09, which reduced the proposed Economic Development Income Tax rate from .855% to .69% and revised the total expenditure tax rate to reflect this reduction.

Distributed to: Clerk, Controller, Common Council, Monroe County Auditor, Monroe County Council, Legal, Mayor, Town of Ellettsville Town Council, and Town of Stinesville Town Council.