**NOTICE TO TAXPAYERS**

**HEARING ON PROPOSED LOCAL INCOME TAX**

**ORDINANCE**

Notice is hereby given to the taxpayers of the County Unit, Morgan County, Indiana, that the County Council will consider at the Lucille Sadler Room, County Administration Building, 180 South Main, Martinsville, IN 46151 at 7:00 o’clock pm on March 7, 2022, the following proposed ordinance regarding the local income tax imposed within Morgan County.

**PROPOSED ORDINANCE MODIFYING MORGAN COUNTY LOCAL INCOME TAX RATES**

**BE IT ORDAINED** by the County Council of Morgan County that a need now exists to modify the local income tax rates imposed in the following way:

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| --- | --- | --- |
| **Allocation Rate Category** | **Existing LIT Rate** | **Proposed LIT Rate** |
| Certified Shares (Ind. Code § 6-3.6-6) | 1.268% | 1.218% |
| Public Safety (Ind. Code § 6-3.6-6) | 0.250% | 0.300% |
| Economic Development (Ind. Code § 6-3.6-6) | 0.200% | 0.200% |
| Property Tax Relief Rate1 (Ind. Code § 6-3.6-5) | 1.002% | 1.002% |
| Special Purpose Rate2 (Ind. Code § 6-3.6-7-\_\_) | 0.000% | 0.000% |
| Correctional or  Rehabilitation Facilities3 (Ind. Code § 6-3.6-6-2.7) | 0.000% | 0.000% |

**APPLICATION OF PROPERTY TAX RELIEF BETWEEN ALLOCATION CATEGORIES**

|  |  |  |
| --- | --- | --- |
| **Property Tax Credit**  **Allocation Categories**  **(Ind. Code § 6-3.6-5-6)** | **Existing**  **Percent**  **of Revenue** | **Proposed**  **Percent**  **of Revenue4** |
| All Property Tax Allocation Categories | 94.8104% | 95.000% |
| 1% Allocation Type:  Homesteads eligible for a credit under Ind. Code § 6-1.1-20.6-7.5. | 5.1896% | 5.000% |
| 2% Allocation Type  Residential property, agricultural land, long-term care property, and other tangible property eligible for a credit under Ind. Code § 6-1.1-20.6-7.5. | 0.000% | 0.000% |
| 3% Allocation Type  Nonresidential real property, personal property, and other tangible property eligible for a credit under Ind. Code § 6-1.1-20.6-7.5. | 0.000% | 0.000% |
| Residential property, as defined in Ind. Code § 6-1.1-20.6-4. | 0.000% | 0.000% |

The public safety allocation identified above includes revenue associated with an expenditure rate that was previously authorized for the purposes of funding the county’s public safety access point (“PSAP”). The revenue associated with this rate shall be directed to the PSAP prior to the distribution of the remainder of the public safety revenue.

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| --- | --- | --- |
| **Allocation Rate Category** | **Existing LIT Rate** | **Proposed LIT Rate** |
| Public Safety (Ind. Code § 6-3.6-6) | 0.250% | 0.300% |

|  |  |  |
| --- | --- | --- |
| **Local Income Tax Type** | **Existing PSAP Rate** | **Proposed PSAP Rate** |
| Public Safety Access Point Rate | 0.000% | 0.050% |

The expenditure rate includes a rate associated with a levy freeze rate previously imposed under the former local option income tax statutes.

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| --- | --- | --- |
| **Allocation Rate Category** | **Existing LIT Rate** | **Proposed LIT Rate** |
| Certified Shares (Ind. Code § 6-3.6-6) | 1.268% | 1.218% |

The levy freeze rate after adoption will be as follows:

|  |  |  |
| --- | --- | --- |
| **Local Income Tax Type** | **Existing Rate** | **Proposed Rate** |
| Levy Freeze Rate | 0.268% | 0.218% |

After the public hearing, the Morgan County Council may act on the proposed ordinance. There is no remonstrance opportunity on any action taken on the proposed ordinance.

The public hearing identified above is the taxpayer’s opportunity to express concerns and ask

questions on the proposed ordinance.

Dated this 18th day of February, 2022.

Morgan County Council

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