

RESOLUTION 2022 - 2, RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF JASPER, OPPOSING LEGISLATION REGARDING THE BUSINESS PERSONAL PROPERTY TAX

WHEREAS, the Indiana legislature proposed changes to the depreciation floor and other aspects of Indiana’s business personal property tax as a priority in their 2022 legislative agenda and,

WHEREAS, the Common Council of the City of Jasper, Indiana, (“Common Council”) opposes all legislation that contemplates eliminating any portion of the personal property tax without permanent FULL replacement guaranteed by the state; and,

WHEREAS, any contemplated revenue replacement must be a source of revenue that continues to grow over time just as a property tax base would in order to allow growing communities to meet the demand for services; and,

WHEREAS, a permanent state tax credit applied to ALL proposed business personal property tax reductions, holidays, phase-outs, etc., could eliminate unnecessary burden on local government in order to continue building healthy Indiana communities; and,

WHEREAS, the personal property tax is heavily relied upon, by the City of Jasper, in Dubois County (“City”) as method for funding local government; and

WHEREAS, for taxing units, such as the City, that are not at the property tax caps, a reduction in the tax base could result in property owners paying more in residential property taxes. For those communities at the caps, any phase out of the business personal property tax means a loss in revenue for local units of government; and

WHEREAS, Business Personal Property Tax distributions to local units of government exceed \$1 Billion, including approximately \$8,836,130 in Dubois County and which represents about 16.6% of Dubois County’s property tax revenue; and

WHEREAS, the City would lose an estimated \$1,249,319 in tax revenues; and,

WHEREAS, significantly reducing the business personal property tax will have a dramatic impact on the City’s ability to repay tax increment financing bonds because a significant portion of the revenue backing the bonds comes from personal property; and

WHEREAS, The Tax Foundation 2022 State Business Tax Climate Index lists Indiana as number one ranking for property tax; and,

WHEREAS, Indiana consistently ranks in the top states with an attractive business tax climate, yet a community’s quality of life is an increasingly greater influencer of business relocation and growth decisions:

NOW, THEREFORE, be it resolved by the Common Council of the City of Jasper as follows:

1. The City of Jasper opposes all legislation that contemplates eliminating any portion of the business personal property tax without full and permanent replacement guaranteed by the state.
2. This resolution shall be in full force and effect immediately upon the date of passage.

PASSED AND ADOPTED by the Common Council of the City of Jasper, Indiana, this, day of February 2022.

CITY OF JASPER, INDIANA
COMMON COUNCIL