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# RESOLUTION

No. 4947-22

Passed by the Common Council of the City of South Bend, Indiana \_\_\_\_\_

\_\_\_\_\_ February 28, \_\_\_\_\_ 20 22.

Attest: *Dawn M. Jones* \_\_\_\_\_ City Clerk  
Dawn M. Jones

Attest: *Sharon L. McBride* \_\_\_\_\_ President of Common Council

Presented by me to the Mayor of the City of South Bend, Indiana \_\_\_\_\_

\_\_\_\_\_ February 28, \_\_\_\_\_ 20 22

*Dawn M. Jones* \_\_\_\_\_ City Clerk  
Dawn M. Jones

Approved and signed by me *March 1,* \_\_\_\_\_ 20 *22*

*f mu* \_\_\_\_\_ Mayor

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**BILL NO. 22-12**

**RESOLUTION NO. 4947-22**

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**A RESOLUTION OF THE COMMON COUNCIL  
OF THE CITY OF SOUTH BEND, INDIANA, CALLING FOR FULL REPLACEMENT  
OF FUNDS AVAILABLE TO THE CITY, GUARANTEED BY THE STATE, FOR ANY  
CHANGES IN FUNDING RESULTING FROM ANY CHANGES IN INDIANA'S  
BUSINESS PERSONAL PROPERTY TAX LAWS**

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

**WHEREAS**, the status of such legislation, including possible amendments, is currently in a state of uncertainty; and

**WHEREAS**, the Common Council of the City of South Bend 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 health Indiana communities; and,

**WHEREAS**, the personal property tax is a relied upon method for funding many local governments; and

**WHEREAS**, for taxing units not at the 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; and

**WHEREAS**, the City of South Bend in St. Joseph County could lose up to an estimated \$16 million in tax revenues; 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 IS RESOLVED, by the Common Council of the City of South Bend, Indiana, as follows:

**Section I.** The Common Council of the City of South Bend, Indiana opposes all legislation that contemplates eliminating any portion of the business personal property tax without full and permanent replacement guaranteed by the State of Indiana

**Section II.** Continued full funding is necessary for the well-being of local governments and their citizens.

**Section III.** This resolution shall become effective upon the date of passage

Dated this 28th day of February 2022.

*Approved this 28th day February 2022*

*Sharon L. McBride*

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Sharon L. McBride, Council President  
South Bend Common Council