

2025-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE INDIANA ASSOCIATION OF CITIES  
AND TOWNS D/B/A AIM, ACCELERATE INDIANA MUNICIPALITIES OPPOSING  
SIGNIFICANT CUTS TO MUNICIPAL PROPERTY TAX REVENUES WITHOUT AN EQUITABLE,  
COMPREHENSIVE REPLACEMENT MECHANISM**

**WHEREAS**, multiple legislative proposals have been introduced to drastically reduce or eliminate municipal property tax revenue, which would have a devastating fiscal impact on Hoosier municipalities nearing \$2 billion; and

**WHEREAS**, property tax revenue is the primary funding source for essential municipal services, including public safety, emergency medical services, street maintenance, parks, fire departments, and infrastructure development; and

**WHEREAS**, proposed tax policies create significant revenue disparities by providing tax breaks to corporations while shifting the financial burden to individuals, particularly non-homeowners, and lower-income residents, through increased reliance on local income taxes; and

**WHEREAS**, the loss of property tax revenue will lead to severe service cuts across municipal operations, endangering public safety, infrastructure maintenance, and economic development initiatives, which are vital to sustaining community growth and quality of life; and

**WHEREAS**, alternative funding mechanisms, such as local option income taxes, fail to fully replace lost property tax revenue, leaving municipalities unable to meet financial obligations and severely restricting their ability to issue bonds or invest in economic development projects; and

**WHEREAS**, the State of Indiana has yet to present a viable policy or financial strategy to mitigate the loss of revenue to local governments and school districts, placing a disproportionate fiscal burden on municipalities to compensate for these deficits; and


**WHEREAS**, jeopardizing the stability of municipal budgets and essential services will have a detrimental effect on business attraction, economic competitiveness, and overall community prosperity; and

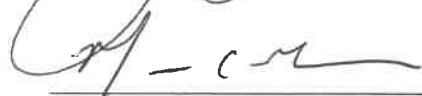
**THEREFORE, BE IT RESOLVED**, that the Board of Directors firmly opposes the reduction of property tax revenue unless a state-implemented, equitable and comprehensive replacement source is identified, ensuring full financial stability for municipal operations and services; and

**BE IT FURTHER RESOLVED**, that this resolution be communicated to state lawmakers, and relevant stakeholders to advocate for fiscally responsible legislation that protects the economic and operational viability of Hoosier municipalities; and

**BE IT FINALLY RESOLVED**, that the Board of Directors calls upon the Indiana General Assembly to reject any tax legislation that does not provide full and adequate replacement funding, ensuring continued investment in local public safety, infrastructure, and community development.

**Resolution** adopted by the Board of Directors on the 5<sup>th</sup> day of February, 2025 and agreed to by the undersigned.

  
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Dave Wood, President

  
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Matthew C. Greller, Chief Executive Officer