RESOLUTION NO. 2, 2025 OF COMMON COUNCIL FOR THE

CITY OF WABASH, INDIANA OPPOSING LEGISLATION REGARDING THE PROPERTY TAX CUTS BEING CONSIDERED BY THE INDIANA STATE LEGISLATURE DURING THE 2025 LEGISLATIVE SESSION

WHEREAS, state leaders and lawmakers have advocated for and proposed multiple pieces of legislation in the 2025 legislative session that will cut residential and business personal property bills for homeowners and businesses and change how these tax liabilities are calculated; and

WHEREAS, homeowners deserve affordable tax bills and adequate public services in exchange; and

WHEREAS, the proposals garnering the most attention would have an impact on municipal taxing units exceeding \$2 Billion; and

WHEREAS, a local income tax adoption option could be a helpful tool for some units; however, it is not at all adequate to replace the magnitude of what is being eliminated, making it a necessity rather than an option; and

WHEREAS, with an essentially mandated income tax increase being the only alternative proposed by lawmakers, the homeowners who these tax measures endeavor to assist will be among the same individuals paying the income tax, making businesses the only recipient of the tax cuts; and

WHEREAS, those individuals who do not own their own home would see a tax increase; and

WHEREAS, if the proposed measures are adopted, the City of Wabash, Indiana will be forced to make significant cuts to parks, maintenance, and public safety services; and

WHEREAS, with the stress the measures being considered will put on the City of Wabash, Indiana budgets, bonding or saving money for new development will be nearly impossible, sending Indiana several steps back in our efforts to attract and retain a talented workforce; and

WHEREAS, these unprecedented cuts in government services are being proposed when, despite the success of Community Crossings, City of Wabash is imploring legislators to at least preserve the status quo in terms of road funding so as not to compound the well-documented, high percentage of Hoosier roads that continue to be in less than satisfactory condition; and

WHEREAS, as of this date the statewide local impact of the primary tax-related bills is estimated to be a staggering figure, that would cause widespread negative effects, increase tax burdens on individuals, while offering even more relief to businesses in an already business tax-friendly state; and

WHEREAS, the impact to the City of Wabash, Indiana of these significant real property and business personal property tax cuts, as well as changes to how property taxes are calculated, is that the City of Wabash, Indiana would lose an estimated \$1,600,000.00 to \$5,500,000.00 in tax revenues; and

WHEREAS, eliminating funding on top of the City of Wabash's loss of \$ 1,252,677.00 in annual losses due to the constitutional property tax caps,

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Wabash, Indiana that we oppose any tax policy that impacts local units of government that does not come with a corresponding replacement revenue stream implemented by the State of Indiana and does no harm to our ability to carry out the expectations of Hoosiers now and into the future.

This resolution shall become effective upon the date of passage.

PASSED BY THE COMMON COUNCIL OF THE CITY OF WABASH, INDIANA THIS 24 TH DAY OF FEBRUARY 2025 by a vote of in support and against.
By: John Burnsworth, President of the Common Council
PRESENTED BY ME TO THE MAYOR OF THE CITY OF WABASH ON THE 24TH DAY OF FEBRUARY 2025 AT THE HOUR OF O'CLOCK M.
Melanie Givens Penn, Clerk-Treasurer
THIS ORDINANCE WAS APPROVED AND SIGNED ON THE 24TH DAY OF FEBRUARY 2025 AT THE HOUR OFO'CLOCKM.
Scott A. Long, Mayor
ATTEST: Melanie Givens Jens Melanie Givens Penn, Clerk-Treasurer