RESOLUTION NO. 2025-02

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PORTER, INDIANA, OPPOSING LEGISLATION REGARDING SIGNIFICANT CUTS TO MUNICIPAL PROPERTY TAX REVENUES BEING CONSIDERED DURING THE 2025 LEGISLATIVE SESSION

WHEREAS, State of Indiana's 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, SB 1 as Amended in Tax and Fiscal Committee, and other proposals garnering the most attention would have an adverse impact on The Town of Porter, and local taxing units statewide; and

WHEREAS, a local income tax adoption option could be a helpful tool for Town of Porter; 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 town will be forced to make significant cuts to Public Safety departments (police & fire), Public Works (street repairs and scheduled maintenance), and Park Department (maintenance and services). Additionally, the town will lose our ability to provide cost of living increases and possibly force the reduction of healthcare benefits for the retention of experienced staff, and make it more difficult to attract new employees when vacancies occur; and

WHEREAS, with the stress the measures being considered will put on the Town of Porter's budget, bonding or saving money for new development will be nearly impossible, including the Town of Porter's efforts to build new infrastructure to support business growth and protect Lake Michigan from the aging/failing septic systems in coastal residential properties, sending the State of Indiana several steps back in our joint efforts to attract and retain a talented workforce: and

WHEREAS, these unprecedented cuts in government services are being proposed despite the success of Community Crossings, the Town of Porter 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 \$687.5M, 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 of these significant real property and business personal property tax cuts, as well as changes to how property taxes are calculated, the Town of Porter would lose an estimated \$800,000 in tax revenues; and

WHEREAS, eliminating funding will come on top of the Town of Porter's annual losses of approximately \$400,000 due to constitutional property tax caps,

NOW, THEREFORE, be it resolved by the Town of Porter 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.

RESOLVED, PASSED AND ADOPTED by the Town Council of the Town of Porter, Indiana on this 11th day of March, 2025.

Laura Madigan, President

William Lopez, Vice President

James Burge

Don Craft

Kelly Karriman

ATTEST:

Corinne M. Peffers, Clerk-Treasurer