

*Purdue Cooperative Extension Service*

On Local Government

## **Recession Aftershocks: Local Government Finance Update**

Larry DeBoer  
Department of Agricultural Economics  
Purdue University

September 3, 2009

***For more information***

DeBoer's Indiana Local Government Information website:  
[www.agecon.purdue.edu/crd/Localgov](http://www.agecon.purdue.edu/crd/Localgov)

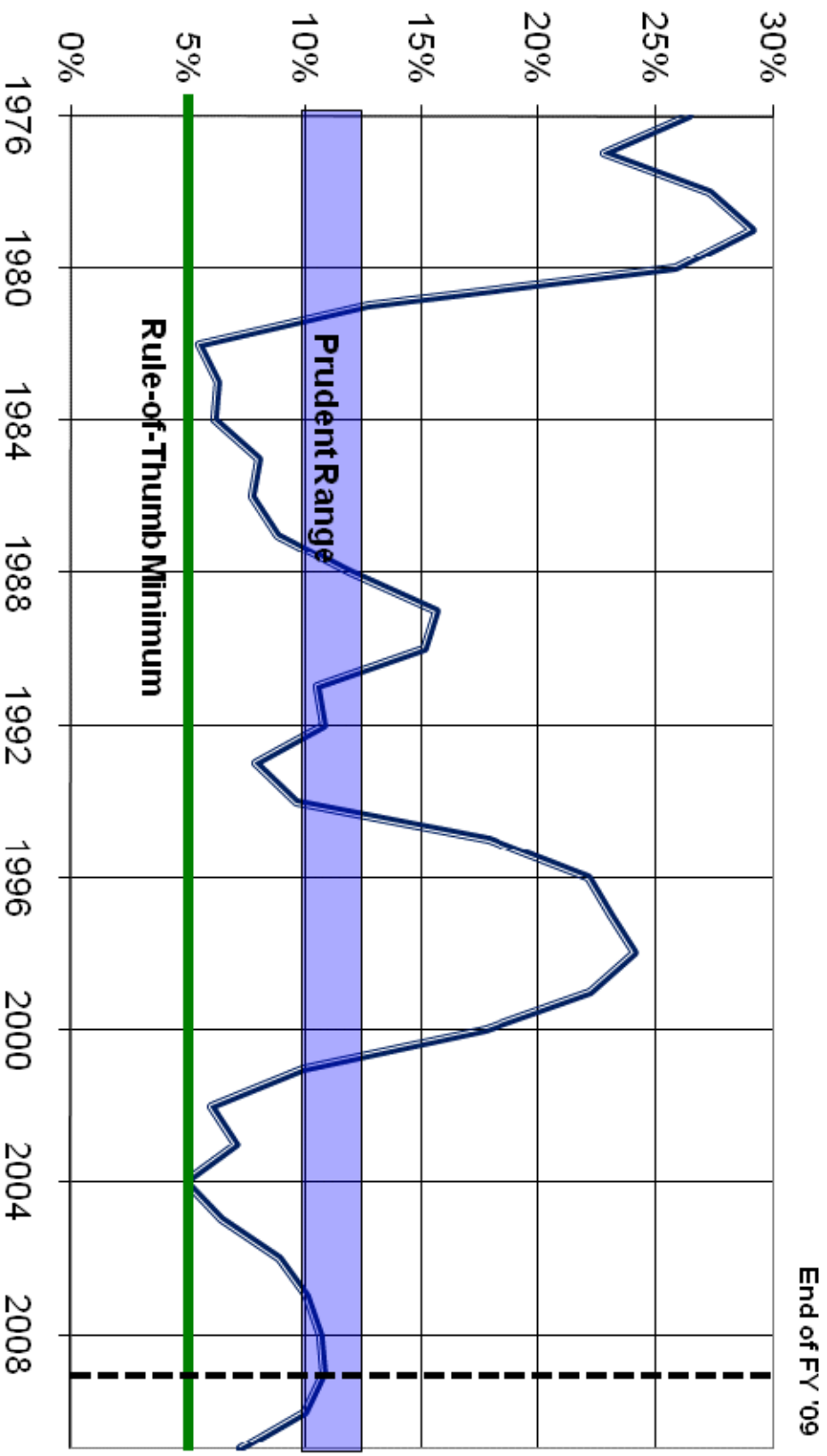
## Indiana State Budget Summary, FY 2000-2011

(millions of dollars, updated through July 2009 budget closeout)

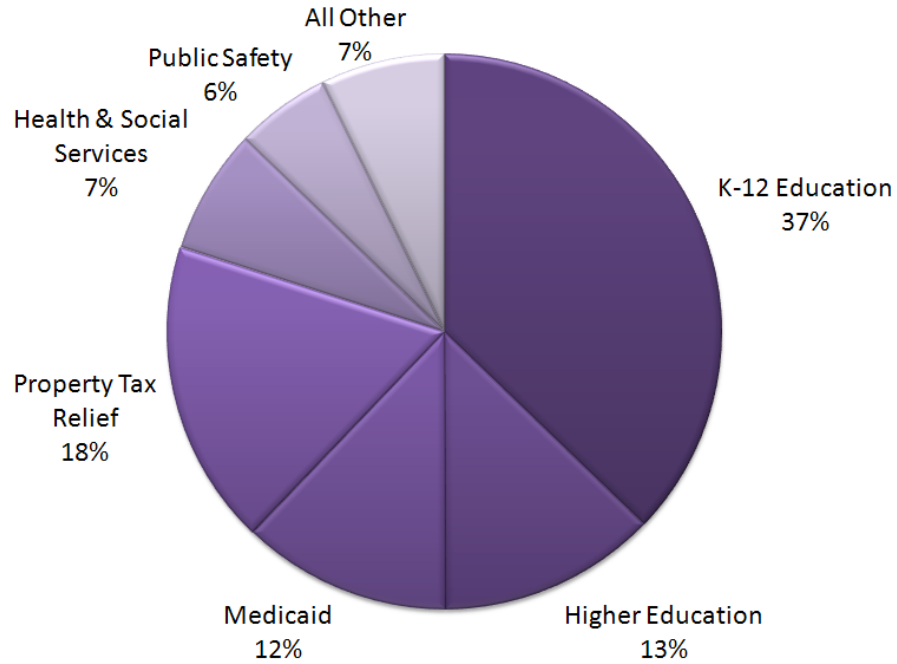
	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Budget 2010	Budget 2011	Avg. Ann. Change 2000-09	Avg. Ann. Change 2009-11
<b>Start of Year Balances</b>	1,991	1,638	910	534	720	533	750	1,089	1,286	1,413	1,419	1,334		
<b>Revenues</b>														
Sales Tax	3,651	3,687	3,761	4,172	4,721	4,960	5,226	5,379	5,686	6,153	6,132	6,438	6.0%	2.3%
Individual Income Tax	3,753	3,780	3,541	3,644	3,808	4,213	4,322	4,616	4,838	4,314	4,289	4,547	1.6%	2.7%
Corporate Income Tax	985	855	709	729	645	825	925	987	910	839	800	819	-1.8%	-1.2%
Gaming	-	-	-	431	602	585	590	625	583	621	646	661		3.1%
All Other	810	801	784	1,072	1,143	905	1,370	1,096	1,187	1,125	1,322	1,140	3.7%	0.7%
<b>Total</b>	<b>9,200</b>	<b>9,123</b>	<b>8,796</b>	<b>10,049</b>	<b>10,918</b>	<b>11,489</b>	<b>12,434</b>	<b>12,703</b>	<b>13,203</b>	<b>13,052</b>	<b>13,189</b>	<b>13,606</b>	<b>4.0%</b>	<b>2.1%</b>
<b>Appropriations</b>														
K-12 Education	3,905	4,182	4,185	4,380	4,247	4,512	4,582	4,647	4,830	6,169	7,584	7,669	5.2%	11.5%
Higher Education	1,331	1,390	1,411	1,440	1,474	1,528	1,544	1,588	1,654	1,744	1,726	1,756	3.0%	0.3%
Medicaid	1,042	1,144	1,171	1,249	1,266	1,383	1,455	1,525	1,587	1,664	1,821	1,874	5.3%	6.1%
Property Tax Relief	1,057	1,154	1,180	1,157	2,097	2,143	2,153	2,189	2,308	1,699	90	-	5.4%	-100.0%
Health & Social Services	757	774	858	855	767	768	836	860	943	1,237	1,354	1,354	5.6%	4.6%
Public Safety	621	623	678	681	695	697	718	718	721	801	781	796	2.9%	-0.3%
All Other	1,005	923	824	1,136	763	719	787	831	943	1,122	1,122	1,064	1.2%	-2.6%
<b>Total</b>	<b>9,718</b>	<b>10,190</b>	<b>10,307</b>	<b>10,898</b>	<b>11,310</b>	<b>11,750</b>	<b>12,075</b>	<b>12,359</b>	<b>12,986</b>	<b>14,436</b>	<b>14,478</b>	<b>14,512</b>	<b>4.5%</b>	<b>0.3%</b>
<b>Current Year Surplus/Deficit</b>	<b>(518)</b>	<b>(1,067)</b>	<b>(1,511)</b>	<b>(850)</b>	<b>(392)</b>	<b>(262)</b>	<b>359</b>	<b>345</b>	<b>217</b>	<b>(1,385)</b>	<b>(1,289)</b>	<b>(906)</b>		
ARRA Medicaid										405	549	289		
ARRA Fiscal Stabilization										587	276	221		
<b>ARRA Total</b>										<b>992</b>	<b>825</b>	<b>510</b>		
Transfers from (to) Other Funds	30	236	617	376	138	257	12	70	19	73	16	20		
Reversions	134	103	145	323	63	222	125	119	133	357	363	50		
Payment Delays (Reversals)	-	-	374	337	3	-	(156)	(337)	(241)	(31)	-	-		
<b>Total Adjustments</b>	<b>165</b>	<b>339</b>	<b>1,135</b>	<b>1,036</b>	<b>204</b>	<b>479</b>	<b>(20)</b>	<b>(148)</b>	<b>(89)</b>	<b>399</b>	<b>379</b>	<b>70</b>		
<b>End of Year Balances</b>														
General Fund	833	19	0	137	0	119	411	537	593	55	185	144		
Tuition Reserve	265	265	265	305	291	291	317	317	400	942	721	425		
Medicaid Reserve	-	100	-	-	-	24	34	88	58	58	58	58		
Rainy Day Fund	540	526	269	279	242	317	328	344	363	365	371	382		
<b>Total</b>	<b>1,638</b>	<b>910</b>	<b>534</b>	<b>720</b>	<b>533</b>	<b>750</b>	<b>1,089</b>	<b>1,286</b>	<b>1,413</b>	<b>1,419</b>	<b>1,334</b>	<b>1,008</b>		
<b>Total Balances % of Revenue</b>	<b>17.8%</b>	<b>10.0%</b>	<b>6.1%</b>	<b>7.2%</b>	<b>4.9%</b>	<b>6.5%</b>	<b>8.8%</b>	<b>10.1%</b>	<b>10.7%</b>	<b>10.9%</b>	<b>10.1%</b>	<b>7.4%</b>		
Payment Delay Liability	-	-	372	711	712	726	622	286	31	-	-	-		

Prepared by Larry DeBoer, Department of Agricultural Economics, Purdue University and Purdue Cooperative Extension Service, August 2009

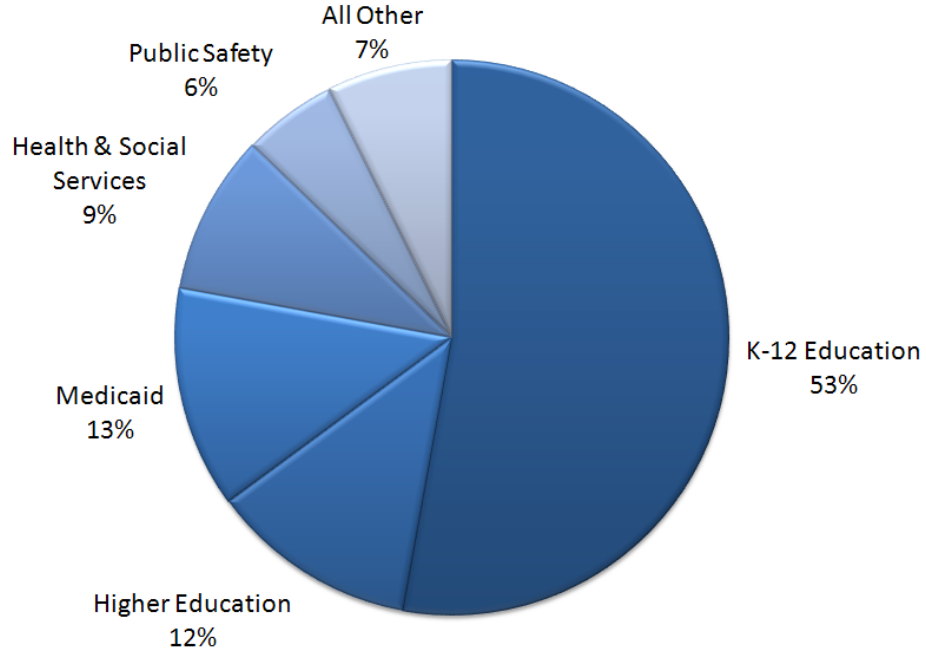
# Indiana State Fund Balances as Share of Operating Revenues, FY 1976-2009 and Budgeted 2010-11



**Indiana State Budget, Appropriations, Fiscal Year 2008**  
**Total Appropriations: \$12,986 million**



**Indiana State Budget, Appropriations, Fiscal Year 2011**  
**Total Appropriations: \$14,512 million**



**Table 1. Business as Usual Budget and Normal Revenue Growth 2012-13**

	<b>Budget</b>	<b>Projections</b>			<b>Pct. Chng.</b>		
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2009-11</b>	<b>2011-13</b>
<b>Start of Year Balances</b>	1,413	1,419	1,334	1,008	188		
<b>Revenues</b>							
Sales Tax	6,153	6,132	6,438	6,696	6,964	2.3%	<b>4.0%</b>
Individual Income Tax	4,314	4,289	4,547	4,729	4,918	2.7%	<b>4.0%</b>
Corporate Income Tax	839	800	819	852	886	-1.2%	<b>4.0%</b>
Gaming	621	646	661	687	715	3.1%	<b>4.0%</b>
All Other	1,125	1,322	1,140	1,186	1,233	0.7%	<b>4.0%</b>
<b>Total</b>	<b>13,052</b>	<b>13,189</b>	<b>13,606</b>	<b>14,150</b>	<b>14,716</b>	<b>2.1%</b>	<b>4.0%</b>
<b>Appropriations</b>							
K-12 Education	6,169	7,584	7,669	7,937	8,215	11.5%	<b>3.5%</b>
Higher Education	1,744	1,726	1,756	1,820	1,888	0.3%	<b>3.7%</b>
Medicaid	1,664	1,821	1,874	1,975	2,082	6.1%	<b>5.4%</b>
Property Tax Relief	1,699	90	-	-	-	-100.0%	<b>0.0%</b>
Health & Social Services	1,237	1,354	1,354	1,401	1,451	4.6%	<b>3.5%</b>
Public Safety	801	781	796	821	847	-0.3%	<b>3.2%</b>
All Other	1,122	1,122	1,064	1,084	1,105	-2.6%	<b>1.9%</b>
<b>Total</b>	<b>14,436</b>	<b>14,478</b>	<b>14,512</b>	<b>15,040</b>	<b>15,587</b>	<b>0.3%</b>	<b>3.6%</b>
<b>Current Year Surplus/Deficit</b>	<b>(1,385)</b>	<b>(1,289)</b>	<b>(906)</b>	<b>(890)</b>	<b>(871)</b>		
ARRA Medicaid	405	549	289				
ARRA Fiscal Stabilisation	587	276	221				
<b>Total</b>	<b>992</b>	<b>825</b>	<b>510</b>				
Transfers from (to) Other Funds	73	16	20	20	20		
Reversions	357	363	50	50	50		
Payment Delays (Reversals)	(31)	-	-				
<b>Total Adjustments</b>	<b>399</b>	<b>379</b>	<b>70</b>	<b>70</b>	<b>70</b>		
<b>End of Year Balances</b>							
General Fund	55	185	144	(677)	(1,478)		
Tuition Reserve	942	721	425	425	425		
Medicaid Reserve	58	58	58	58	58		
Rainy Day Fund	365	371	382	382	382		
<b>Total</b>	<b>1,419</b>	<b>1,334</b>	<b>1,008</b>	<b>188</b>	<b>(613)</b>		
<b>Total Balances % of Revenue</b>	<b>10.9%</b>	<b>10.1%</b>	<b>7.4%</b>	<b>1.3%</b>	<b>-4.2%</b>		

**Table 2. Business as Usual Budget and Rapid Revenue Growth 2012-13**

	Budget	Projections			Pct. Chng.		
	2009	2010	2011	2012	2013	2009-11	2011-13
<b>Start of Year Balances</b>	1,413	1,419	1,334	1,008	664		
<b>Revenues</b>							
Sales Tax	6,153	6,132	6,438	6,921	7,440	2.3%	<b>7.5%</b>
Individual Income Tax	4,314	4,289	4,547	4,888	5,255	2.7%	<b>7.5%</b>
Corporate Income Tax	839	800	819	881	947	-1.2%	<b>7.5%</b>
Gaming	621	646	661	710	764	3.1%	<b>7.5%</b>
All Other	1,125	1,322	1,140	1,226	1,318	0.7%	<b>7.5%</b>
Total	13,052	13,189	13,606	14,626	15,723	2.1%	<b>7.5%</b>
<b>Appropriations</b>							
K-12 Education	6,169	7,584	7,669	7,937	8,215	11.5%	<b>3.5%</b>
Higher Education	1,744	1,726	1,756	1,820	1,888	0.3%	<b>3.7%</b>
Medicaid	1,664	1,821	1,874	1,975	2,082	6.1%	<b>5.4%</b>
Property Tax Relief	1,699	90	-	-	-	-100.0%	<b>0.0%</b>
Health & Social Services	1,237	1,354	1,354	1,401	1,451	4.6%	<b>3.5%</b>
Public Safety	801	781	796	821	847	-0.3%	<b>3.2%</b>
All Other	1,122	1,122	1,064	1,084	1,105	-2.6%	<b>1.9%</b>
Total	14,436	14,478	14,512	15,040	15,587	0.3%	<b>3.6%</b>
<b>Current Year Surplus/Deficit</b>	(1,385)	(1,289)	(906)	(413)	136		
ARRA Medicaid	405	549	289				
ARRA Fiscal Stabilisation	587	276	221				
Total	992	825	510				
Transfers from (to) Other Funds	73	16	20	20	20		
Reversions	357	363	50	50	50		
Payment Delays (Reversals)	(31)	-	-				
Total Adjustments	399	379	70	70	70		
<b>End of Year Balances</b>							
General Fund	55	185	144	(201)	5		
Tuition Reserve	942	721	425	425	425		
Medicaid Reserve	58	58	58	58	58		
Rainy Day Fund	365	371	382	382	382		
Total	1,419	1,334	1,008	<b>664</b>	<b>870</b>		
<b>Total Balances % of Revenue</b>	10.9%	10.1%	7.4%	<b>4.5%</b>	<b>5.5%</b>		

**Table 3. Flatlined Budget and Normal Revenue Growth 2012-13**

	Budget	Projections				2009-11	2011-13
	2009	2010	2011	2012	2013		
<b>Start of Year Balances</b>	1,413	1,419	1,334	1,008	716		
<b>Revenues</b>							
Sales Tax	6,153	6,132	6,438	6,696	6,964	2.3%	<b>4.0%</b>
Individual Income Tax	4,314	4,289	4,547	4,729	4,918	2.7%	<b>4.0%</b>
Corporate Income Tax	839	800	819	852	886	-1.2%	<b>4.0%</b>
Gaming	621	646	661	687	715	3.1%	<b>4.0%</b>
All Other	1,125	1,322	1,140	1,186	1,233	0.7%	<b>4.0%</b>
<b>Total</b>	<b>13,052</b>	<b>13,189</b>	<b>13,606</b>	<b>14,150</b>	<b>14,716</b>	<b>2.1%</b>	<b>4.0%</b>
<b>Appropriations</b>							
K-12 Education	6,169	7,584	7,669	7,669	7,669	11.5%	<b>0.0%</b>
Higher Education	1,744	1,726	1,756	1,756	1,756	0.3%	<b>0.0%</b>
Medicaid	1,664	1,821	1,874	1,874	1,874	6.1%	<b>0.0%</b>
Property Tax Relief	1,699	90	-	-	-	-100.0%	<b>0.0%</b>
Health & Social Services	1,237	1,354	1,354	1,354	1,354	4.6%	<b>0.0%</b>
Public Safety	801	781	796	796	796	-0.3%	<b>0.0%</b>
All Other	1,122	1,122	1,064	1,064	1,064	-2.6%	<b>0.0%</b>
<b>Total</b>	<b>14,436</b>	<b>14,478</b>	<b>14,512</b>	<b>14,512</b>	<b>14,512</b>	<b>0.3%</b>	<b>0.0%</b>
<b>Current Year Surplus/Deficit</b>	<b>(1,385)</b>	<b>(1,289)</b>	<b>(906)</b>	<b>(362)</b>	<b>204</b>		
ARRA Medicaid	405	549	289				
ARRA Fiscal Stabilisation	587	276	221				
<b>Total</b>	<b>992</b>	<b>825</b>	<b>510</b>				
Transfers from (to) Other Funds	73	16	20	20	20		
Reversions	357	363	50	50	50		
Payment Delays (Reversals)	(31)	-	-				
<b>Total Adjustments</b>	<b>399</b>	<b>379</b>	<b>70</b>	<b>70</b>	<b>70</b>		
<b>End of Year Balances</b>							
General Fund	55	185	144	(149)	125		
Tuition Reserve	942	721	425	425	425		
Medicaid Reserve	58	58	58	58	58		
Rainy Day Fund	365	371	382	382	382		
<b>Total</b>	<b>1,419</b>	<b>1,334</b>	<b>1,008</b>	<b>716</b>	<b>990</b>		
<b>Total Balances % of Revenue</b>	<b>10.9%</b>	<b>10.1%</b>	<b>7.4%</b>	<b>5.1%</b>	<b>6.7%</b>		

## Capital Comments

### **Indiana's Four Year Budget Problem**

August 2009

Larry DeBoer  
Professor  
Agricultural Economics  
Purdue University

It was June 30, less than 24 hours before the end of the fiscal year, and the state of Indiana still didn't have a budget. The legislative staff had dusted off and expanded a 16-year-old memo on what might happen if the state started a fiscal year without a budget. The Constitution seems to say that almost no money can be spent without an appropriation. That's the legal authority to spend, which is what a budget is.

Apparently, Indiana started a fiscal year without a budget a couple of times in the last third of the 19<sup>th</sup> century (1873 and 1887). Back then they muddled through by tapping state balances and by borrowing, and the State Supreme Court approved what was done after the fact. But the state budget was much, much smaller in those days.

We were not alone in our budget-passing difficulties in 2009. The National Conference of State Legislatures reports that eight states started their fiscal years on July 1 without a budget, including our neighbors Illinois and Ohio. Not Indiana, though. In the end, the special session of the Indiana General Assembly passed a budget with hours to spare.

The problem was revenues. It looks like revenues fell short of original projections by about \$1.4 billion in fiscal year 2009. We started the year with just about \$1.4 billion of balances in the bank. And despite revenue shortfalls, we ended the fiscal year with that same \$1.4 billion. How? There were about \$400 million in reversions and fund transfers. The governor ordered state agencies to spend less than their legal authorization, and the difference reverted to balances. There were a few tens of millions of transfers from other funds to the general fund, too.

Then there was the stimulus money, almost one billion dollars of American Reinvestment and Recovery Act revenue from the Federal government. The Federal government increased its funding share of the federal-state Medicaid program, and contributed fiscal stabilization funds, mostly for education. Federal dollars plus reversions plus transfers covered the 2009 shortfall, and left us with money in the bank.

Revenues are projected to grow slowly through 2011, starting from that reduced 2009 level. That meant the budget for the new biennium had to be tight. One accounting of appropriations shows growth of only 0.3% a year in 2010 and 2011. That's much slower than usual.

Stimulus money will be used to support even this very small spending growth. The state will get about \$1.3 billion over the next two years. But even with all that extra stimulus money, revenue



will grow so slowly that we'll have to use \$400 million in balances to cover the budget. Balances are projected to drop to a billion dollars by June 30, 2011.

And then Indiana—and all the states—will face a problem: no more federal stimulus money. The ARRA money is scheduled to run out in 2011. That leaves a big hole in the budget.

We can figure out how big by asking how fast state revenue would have to grow to cover a “typical” increase in state appropriations. That’s about 3.5% a year, based on averages from the past ten years.

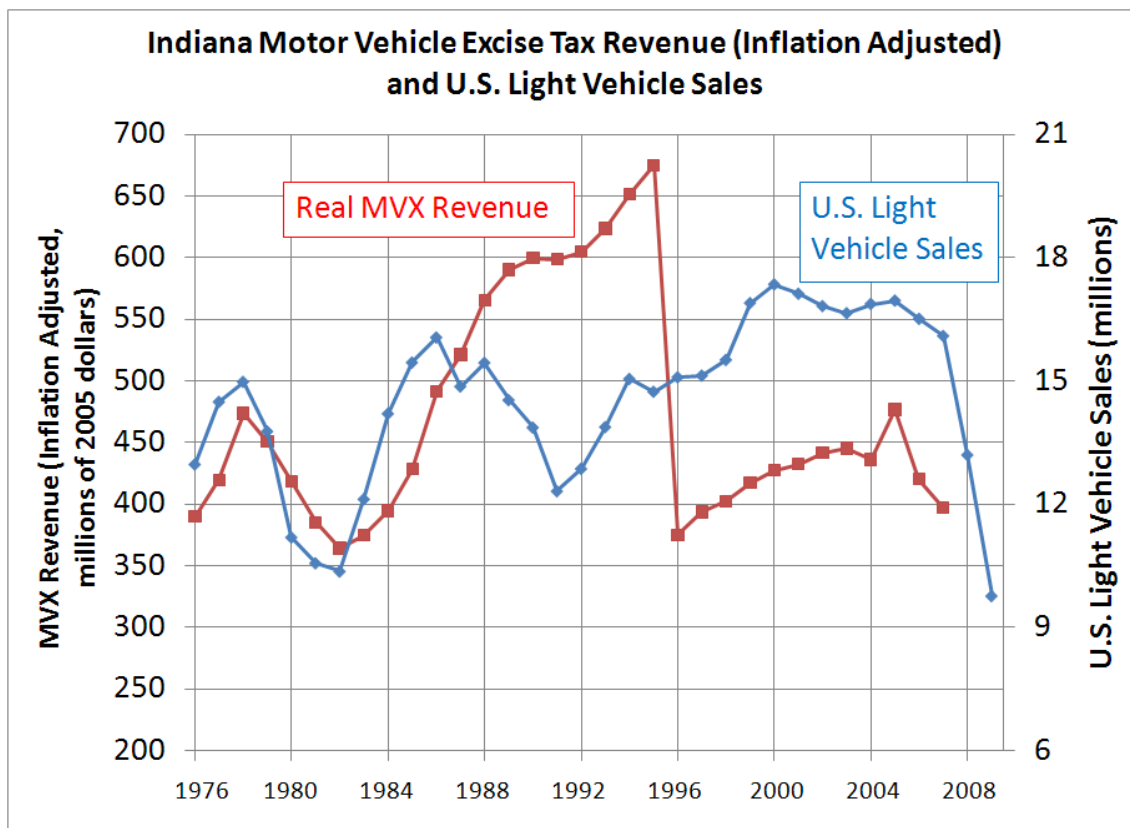
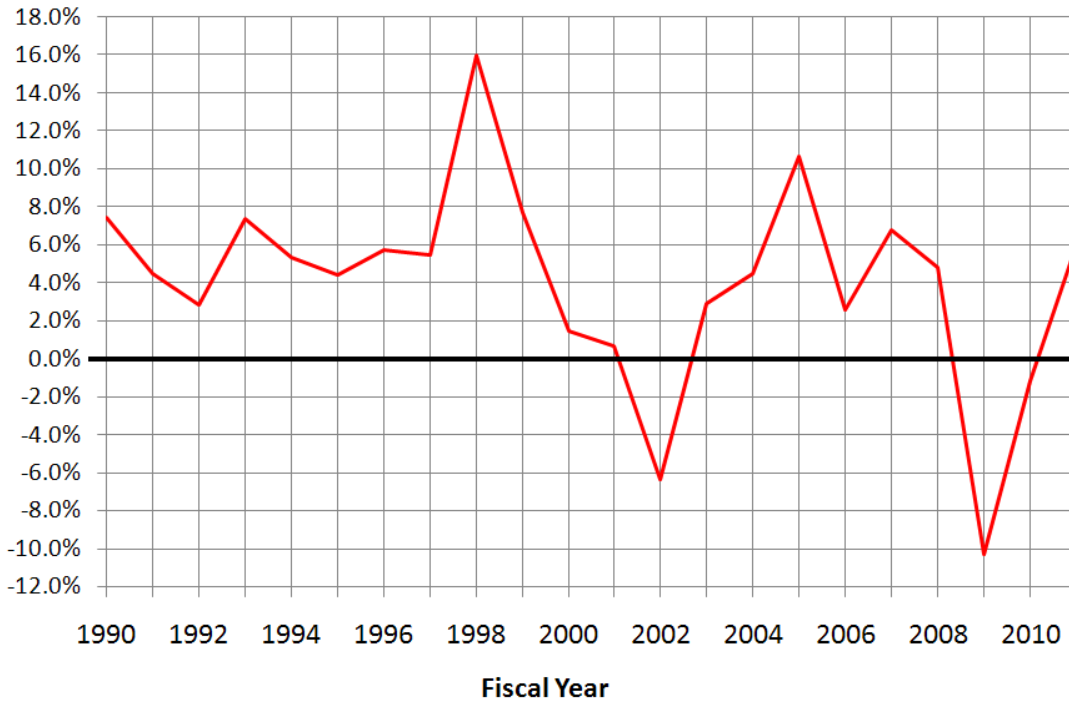
To cover such a spending increase in the 2012-13 biennium, revenues would have to grow by about 7.5% per year for two years. That seems unlikely, unless the economy booms. Or the state increases taxes. Or the Federal government extends the stimulus program for a couple more years (you can bet the states will lobby for that).

Four percent a year is a more likely pace for revenue growth. That would result from a typical economic expansion, with no tax increases, and no more stimulus money. If that’s what happens in 2012-13, the budget would have to be flat-lined to maintain positive balances. That means no spending increases, again.

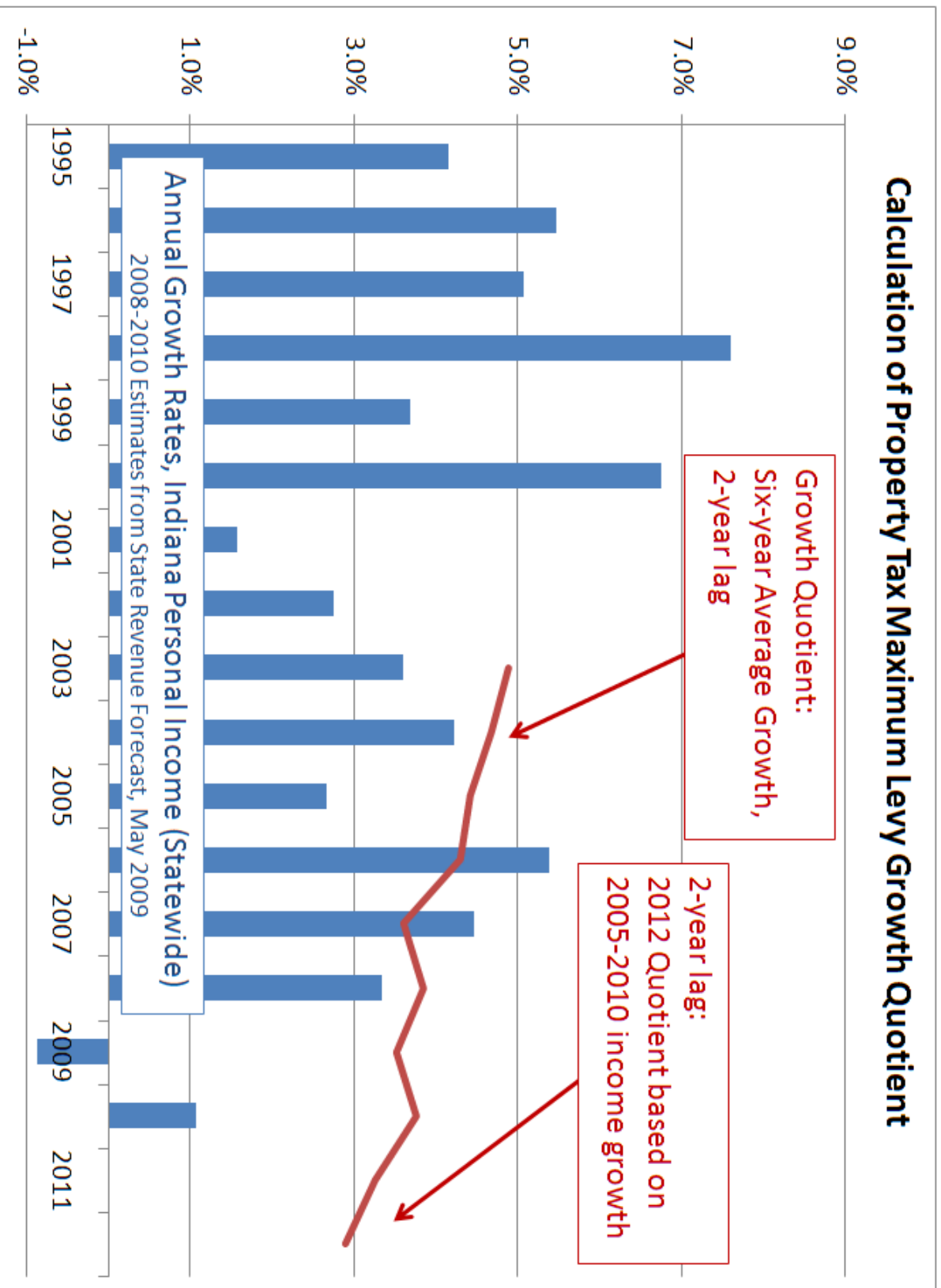
Indiana is faced with a four-year budget problem. Not much added spending in this biennium, and not much in the next. That may mean another difficult budget-writing session for the General Assembly, in 2011.

So, can we stuff that fiscal-year-without-a-budget memo back in the archives, or retire it to a backup hard drive? Sure we can—but let’s remember where we put it.

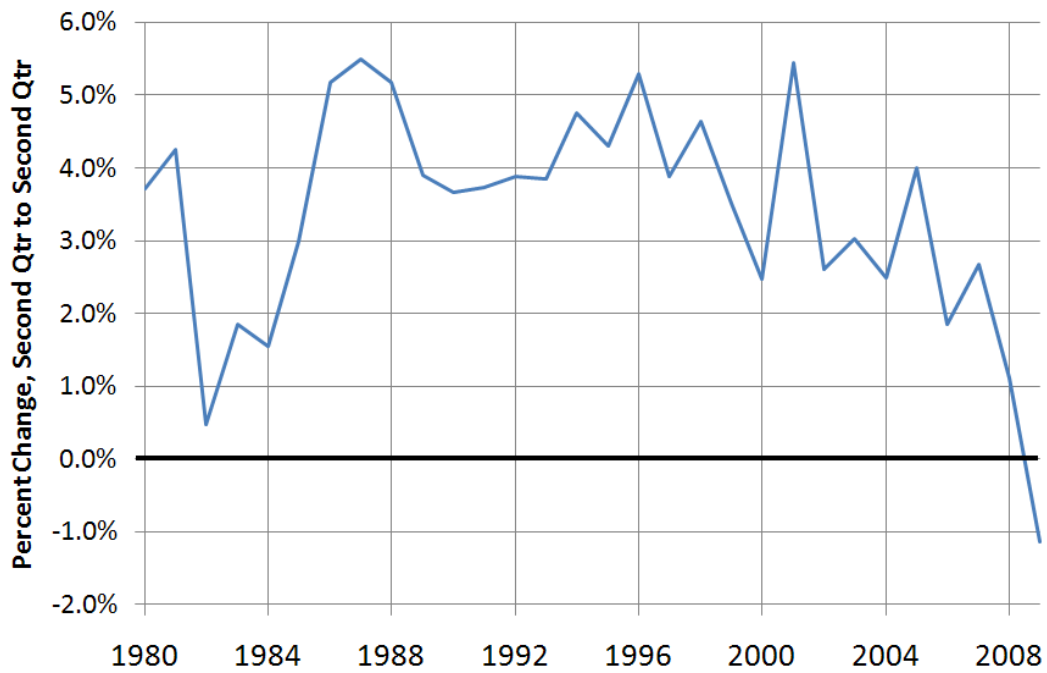
### Percent Change, Indiana Individual Income Tax State Revenue only, May 2009 forecasts for 2009-2011



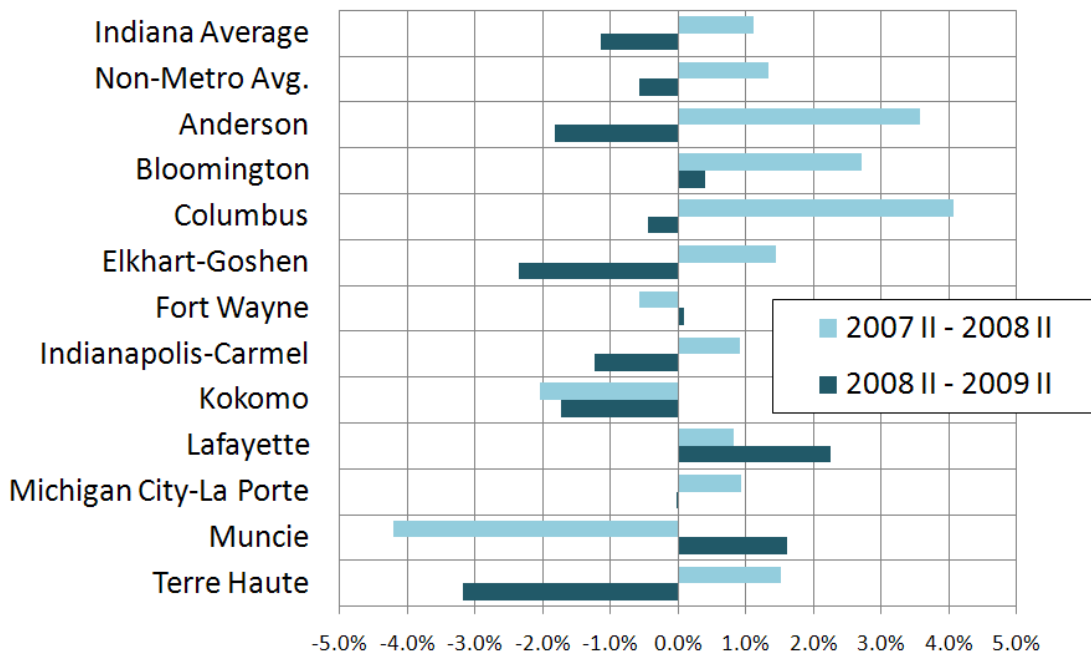
## Calculation of Property Tax Maximum Levy Growth Quotient



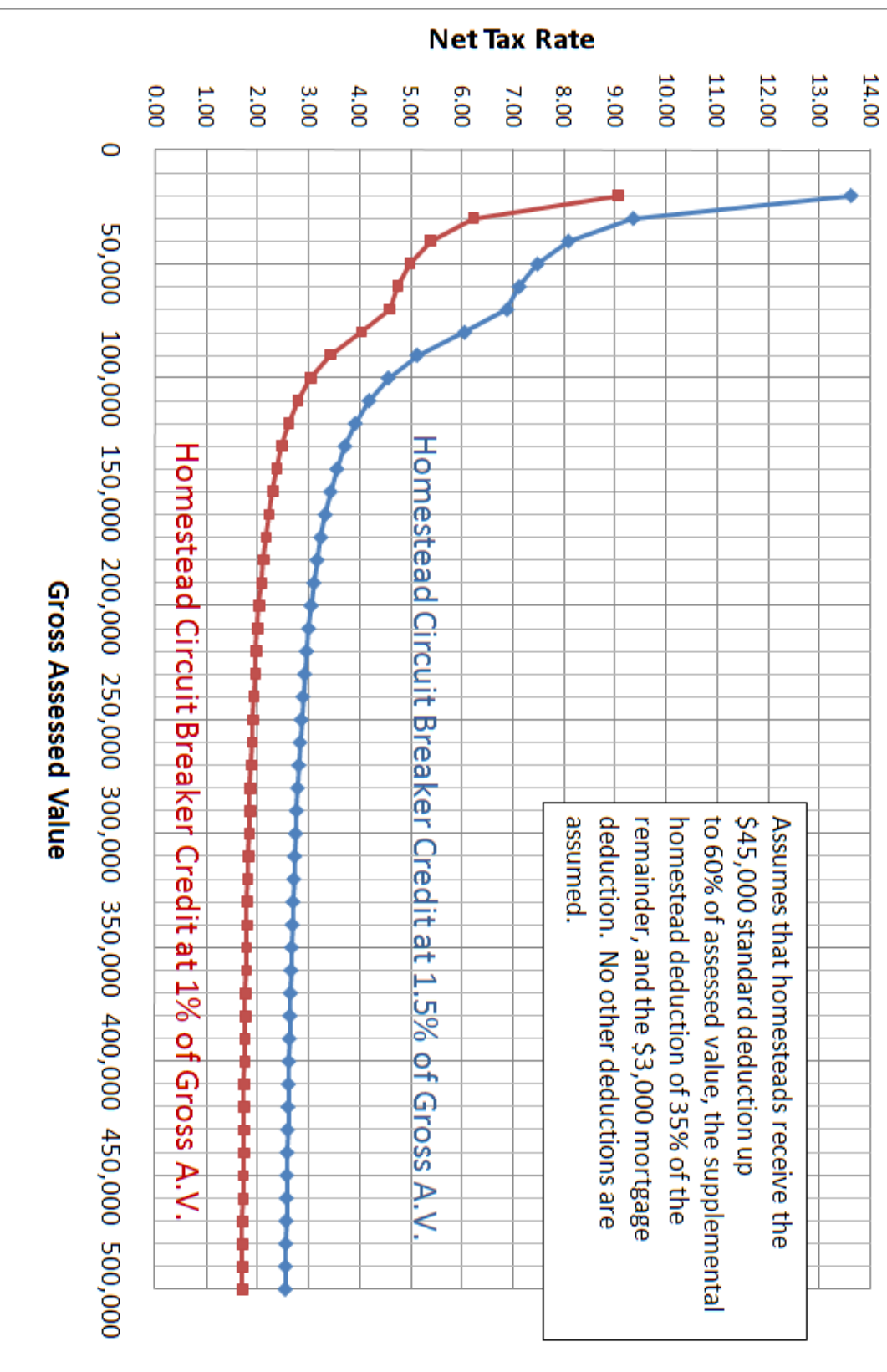
### Indiana Home Price Index Percent Changes, All Sales, 1980 II to 2009 II



### Indiana Home Prices, Percent Change in All Sales Index, 2007-08 and 2008-09



## Gross Assessed Value and Net Tax Rate Required for Eligibility for Homestead Circuit Breaker Credit



## Adoptions of the New Local Option Income Taxes

County	Decision Body	First Tax Year	Levy Freeze	Property Tax Relief	Distribution of Tax Relief			Total Public Safety	Total Added Rate	Total LOIT Rate
					All Taxpayers	Homesteads	Homesteads/Rentals			
Benton	County Council (CAGIT)	2008		1.00%	100%			1.00%	2.290%	
Brown	County Council (CAGIT)	2008	0.20%	0.50%		100%		0.95%	2.200%	
Carroll	County Council (CAGIT)	2009	0.20%	0.20%	100%			0.40%	1.500%	
Clinton	County Council (CAGIT)	2010		0.25%		100%		0.50%	2.000%	
Fayette	Comersville City (COIT)	2008		1.00%		100%		1.00%	2.370%	
Fulton	County Council (CAGIT)	2009		0.25%	100%			0.50%	1.930%	
Grant	Multiple Units (COIT)	2010		1.00%	10%			1.00%	2.250%	
Howard	Kokomo City (COIT)	2008		0.50%		100%		0.50%	1.600%	
Huntington	County Council (CAGIT)	2009		0.25%		100%		0.35%	1.600%	
Jasper	County Council (CAGIT)	2008	0.21%	1.00%	100%			1.46%	2.960%	
Jay	County Council (CAGIT)	2008	0.40%	0.50%		100%		0.95%	2.450%	
Lawrence	County Council (CAGIT)	2010		0.50%	100%			0.75%	1.750%	
Marion	City/County Council (COIT)	2008	0.27%					0.52%	1.620%	
Miami	County Council (COIT)	2009		1.00%	50%	30%	20%	1.25%	2.540%	
Montgomery	Multiple Units (COIT)	2008		1.00%	20%	80%		1.00%	2.100%	
Morgan	County Council (CAGIT)	2008	0.20%	1.00%	100%			1.45%	2.720%	
Parke	County Council (CAGIT)	2008	0.30%	0.25%	100%			0.80%	2.300%	
Pulaski	County Council (CAGIT)	2008	0.40%	1.00%	100%			1.40%	3.130%	
St. Joseph	Multiple Units (COIT)	2010		0.50%	100%			0.75%	1.750%	
Steuben	County Council (CAGIT)	2009		0.25%	100%			0.50%	1.790%	
Wabash	County Council (CAGIT)	2008	0.30%	1.00%	50%		50%	1.30%	2.900%	
Warren	County Council (CAGIT)	2008	0.30%	0.25%	100%			0.80%	2.120%	
Wells	County Council (CAGIT)	2008	0.40%	0.20%	100%			0.65%	2.100%	

Sources: Legislative Services Agency; State Budget Agency; Association of Indiana Counties; Updated August 2009

**Indiana Local Income Tax Rates and Revenues for 2010**

	Basic CAGIT	Basic COIT	Basic EDIT	EDIT for Inventory Homestead	CAGIT or COIT for Levy Freeze	CAGIT or COIT for Prop. Tax Relief	CAGIT or COIT for Public Safety	Total Rate	Total Revenue*
1 Adams		0.60%	0.40%	0.124%				1.124%	6,222,058
2 Allen		0.60%	0.40%					1.000%	77,813,269
3 Bartholomew	1.00%		0.25%					1.250%	22,046,274
4 Benton	1.00%		0.25%	0.040%		1.00%		2.290%	3,667,779
5 Blackford	1.00%		0.25%	0.110%				1.360%	2,670,157
6 Boone		1.00%						1.000%	19,249,795
7 Brown	1.00%		0.25%		0.20%	0.50%	0.25%	2.200%	6,395,001
8 Carroll	1.00%		0.15%		0.20%	0.20%		1.550%	5,784,457
9 Cass	1.00%		0.25%	0.250%				1.500%	9,482,530
10 Clark	1.00%		0.25%	0.250%				1.500%	29,501,983
11 Clay	1.25%							1.250%	5,196,827
12 Clinton	1.00%		0.25%	0.250%		0.25%	0.25%	2.000%	10,982,190
13 Crawford	0.75%		0.25%					1.000%	1,354,539
14 Daviess	1.25%		0.25%	0.250%				1.750%	8,696,024
15 Dearborn		0.60%						0.600%	6,413,322
16 Decatur	1.00%		0.25%	0.080%				1.330%	6,027,787
17 Dekalb	1.00%		0.25%	0.250%				1.500%	10,915,891
18 Delaware		0.60%	0.20%	0.250%				1.050%	18,877,112
19 Dubois		0.60%	0.40%					1.000%	10,218,880
20 Elkhart	1.25%		0.25%					1.500%	51,964,493
21 Fayette		1.00%	0.25%	0.120%		1.00%		2.370%	7,789,062
22 Floyd	0.75%		0.30%	0.100%				1.150%	20,620,790
23 Fountain	1.00%			0.100%				1.100%	3,401,669
24 Franklin	1.00%		0.25%					1.250%	5,585,378
25 Fulton	1.00%		0.18%	0.250%		0.25%	0.25%	1.930%	6,522,558
26 Gibson			0.50%					0.500%	3,383,619
27 Grant		1.00%		0.250%				1.250%	12,940,231
28 Greene		1.00%						1.000%	5,029,541
29 Hamilton		1.00%						1.000%	99,862,358
30 Hancock	1.00%		0.20%					1.200%	20,192,229
31 Harrison	0.75%		0.25%					1.000%	7,451,786
32 Hendricks	1.00%		0.25%	0.150%				1.400%	47,301,637
33 Henry		1.00%		0.250%				1.250%	9,981,565
34 Howard		0.90%	0.20%			0.50%		1.600%	25,459,590
35 Huntington	1.00%		0.25%			0.25%	0.10%	1.600%	10,474,908
36 Jackson	1.10%		0.25%	0.250%				1.600%	11,870,666
37 Jasper	1.25%		0.25%		0.30%	1.00%	0.25%	3.050%	19,258,279
38 Jay	1.00%		0.25%	0.250%	0.40%	0.50%	0.05%	2.450%	7,501,584
39 Jefferson			0.35%					0.350%	2,246,070
40 Jennings	1.00%		0.25%					1.250%	5,093,664
41 Johnson	1.00%							1.000%	32,510,341
42 Knox		0.60%	0.50%					1.100%	7,043,901
43 Kosciusko		0.70%	0.30%					1.000%	17,162,802
44 Lagrange	1.00%		0.25%	0.150%				1.400%	7,249,739
45 Lake									
46 Laporte	0.50%		0.45%					0.950%	19,517,658
47 Lawrence	1.00%					0.50%	0.25%	1.750%	13,312,784
48 Madison		1.00%		0.250%				1.250%	26,362,195
49 Marion		1.00%			0.27%		0.35%	1.620%	299,697,261
50 Marshall	1.25%							1.250%	10,705,124

**Indiana Local Income Tax Rates and Revenues for 2010**

	Basic CAGIT	Basic COIT	Basic EDIT	EDIT for Inventory Homestead	CAGIT or COIT for Levy Freeze	CAGIT or COIT for Prop. Tax Relief	CAGIT or COIT for Public Safety	Total Rate	Total Revenue*
51	Martin	0.80%	0.20%					1.000%	1,789,545
52	Miami	0.85%	0.25%	0.190%		1.00%	0.25%	2.540%	13,565,409
53	Monroe	1.04%						1.040%	25,687,755
54	Montgomery	1.00%		0.100%		1.00%		2.100%	13,861,307
55	Morgan	1.00%	0.20%	0.070%	0.20%	1.00%	0.25%	2.720%	37,822,540
56	Newton	1.00%						1.000%	2,878,928
57	Noble	1.00%	0.25%	0.250%				1.500%	11,034,182
58	Ohio	1.00%						1.000%	1,163,708
59	Orange	1.00%	0.25%					1.250%	3,763,130
60	Owen	1.00%	0.30%					1.300%	4,190,289
61	Parke	1.00%	0.25%	0.250%	0.30%	0.25%	0.25%	2.300%	5,515,562
62	Perry		0.50%	0.50%	0.060%			1.060%	3,243,900
63	Pike		0.40%					0.400%	900,249
64	Porter		0.50%					0.500%	21,597,394
65	Posey		0.50%					1.000%	5,918,719
66	Pulaski	1.30%	0.25%	0.180%	0.40%	1.00%		3.130%	7,728,590
67	Putnam	1.00%	0.25%	0.250%				1.500%	8,974,119
68	Randolph	1.00%	0.50%					1.500%	5,816,876
69	Ripley	1.00%	0.25%	0.130%				1.380%	7,413,797
70	Rush	1.00%	0.25%	0.250%				1.500%	3,680,762
71	St. Joseph		0.60%	0.40%		0.50%	0.25%	1.750%	97,559,761
72	Scott		1.25%	0.160%				1.410%	4,641,299
73	Shelby	1.00%	0.25%					1.250%	10,432,657
74	Spencer		0.30%	0.50%				0.800%	3,071,211
75	Starke	0.50%	0.50%	0.060%				1.060%	3,530,359
76	Steuben	1.00%	0.25%	0.040%		0.25%	0.25%	1.790%	10,499,409
77	Sullivan		0.30%					0.300%	987,956
78	Switzerland		1.00%					1.000%	1,369,774
79	Tippecanoe		0.60%	0.40%	0.100%			1.100%	33,314,877
80	Tipton	1.00%	0.25%	0.080%				1.330%	4,502,378
81	Union	1.25%	0.25%					1.500%	1,659,074
82	Vanderburgh		1.00%					1.000%	35,437,601
83	Vermillion		0.10%					0.100%	313,356
84	Vigo	0.75%	0.50%					1.250%	22,666,501
85	Wabash	1.00%	0.25%	0.250%	0.40%	1.00%		2.900%	16,670,424
86	Warren	1.00%	0.25%	0.070%	0.30%	0.25%	0.25%	2.120%	3,728,710
87	Warrick		0.50%					0.500%	7,718,687
88	Washington	1.00%	0.25%	0.250%				1.500%	5,901,500
89	Wayne	1.25%	0.25%					1.500%	16,259,383
90	Wells	1.00%	0.25%	0.200%	0.40%	0.20%	0.05%	2.100%	12,282,112
91	White	1.00%	0.25%	0.070%				1.320%	5,880,206
92	Whitley	1.00%	0.20%	0.033%				1.233%	10,798,816
Total/Number		56	28	71	42	11	21	15	91 1,574,782,173

\* Revenue estimates for 2010 are from the State Budget Agency, and may not include the newest local option income tax adoptions.