RESOLUTION 2014-03

RESOLUTION OPPOSING ELIMINATION OF THE BUSINESS PERSONAL PROPERTY TAX WITHOUT STATE REPLACEMENT REVENUE

WHEREAS, Governor Mike Pence has proposed eliminating the Business Personal Property Tax as the top priority of his 2014 legislative agenda; and

WHEREAS, the Indiana House and Senate have both proposed legislation to exempt certain personal property from taxation, which appear to be first steps toward complete elimination of Indiana’s Business Personal Property Tax; and

WHEREAS, one option currently being debated is to allow county income tax councils (COIT Councils) to eliminate the Business Personal Property Tax, which will leave many local entities without a voice and pit counties against one another, eroding the regional approach to economic development that has been championed in Indiana in recent years; and

WHEREAS, another option currently under consideration is to eliminate the Business Personal Property Tax for businesses whose personal property assessed value is $25,000 or below, which could impede the growth of small businesses who want to remain below the cap; and

WHEREAS, eliminating Business Personal Property from the assessed valuation will cause a shift in tax burden to real property tax for any properties below the circuit breakers; and

WHEREAS, Indiana consistently ranks in the top ten of 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; and

WHEREAS, none of the proposals being considered by the Governor or Indiana General Assembly contemplate any replacement revenues for those revenues they are eliminating via the full or partial elimination of the Business Personal Property Tax; and

WHEREAS, due to the approximate $800 million in annual losses to local governmental units associated with constitutional property tax caps, not even the smallest amount of revenue loss to cities, towns, counties, schools or other local units can be supported without corresponding replacement revenues;

NOW, THEREFORE, be it resolved by the Cumberland Town Council that we oppose any proposal to eliminate all or any portion of the Business Personal Property Tax without a corresponding replacement revenue stream implemented by the State of Indiana.
This Resolution shall be in full force and in effect from and after its passage in accordance with the law.

Adopted this 19 day of Feb, 2014.

TOWN OF CUMBERLAND, INDIANA, BY ITS TOWN COUNCIL

Joe Sieker, Council President
Anna Pea, Vice Council President
Nicole Bell, Councilman
Brian Gritter, Councilman
Mark Reynolds, Councilman

ATTEST:
Grace Heck, Clerk Treasurer

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