RESOLUTION

OPPOSITION TO ELIMINATION OF PERSONAL PROPERTY TAX

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 what we foresee as first steps towards 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

WHERERAS, 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 what to remain below the cap; and

WHEREAS, eliminating Business Personal Property from the assessed valuation will cause a shift to real property tax for any properties below the circuit breakers and could lead to increased personal income taxes; 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, Business Personal Property Tax collections statewide for 2013 totaled \$1.04 billion including \$33.9 million in Howard County and which represents about 30% of Howard County's property tax revenue; and

WHEREAS, the Eastern Howard School Corporation in Howard County would lose an estimated \$379,000 in tax revenues;

WHEREAS, none of the proposals being considered by the Governor or Indiana General Assembly contemplate any replacement revenues for these revenues they are eliminating via the full or partial elimination for 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, school or other local units can be supported without corresponding replacement revenues;

NOW, THEREFORE, be it resolved by the Eastern Howard School Board of Trustees 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.

Dated this 11th day of March 2014.