

Ordinance # 2016-8

Whereas: the Town of Cloverdale has been requested to create a LOIT special Fund

IT IS THEREFORE ORDAINED that the Town of Cloverdale create and establish the Cloverdale LOIT special fund effective May 19th 2016 for the purpose of receiving LOIT special funds and spending same in accordance with applicable law.

Senate Bill 67

Local income tax distributions provides for a supplemental distribution of local income taxes when the balance in a county's local income tax trust account exceeds 15% (rather than 50% under current law) of the certified distributions to be made to the county. Specifies the accounting, allocation method, and distribution requirements for supplemental distributions. Requires before May 2016 a onetime special allocation for the balance in a county's trust account as of December 31, 2014. Provides that a taxing unit's allocation amount is to be determined in the same manner as a supplemental distribution would have generally been determined under the former income taxes. Requires a special distribution of the allocation amount. Provides that at least 75% of the distribution made to a county, city, or town must be (1) used exclusively for local road construction, maintenances, for repair, or capital projects for aviation, including capital projects of an airport authority or (2) deposited in a rainy day fund and later used for those purposes. Provides that any remaining distribution to a county, city, or town may be used for any purpose of the county, city, or town. Requires the allocation amount for other taxing unit's to be deposited in the taxing unit's rainy day fund.

NOW THEREFORE, BE IT ORDAINED that fund 257 LOIT special Fund be established.



President Coweta Patton

Attest: 

Cheryl Galloway C/T

**ORDINANCE NO. 2016 - 8
OF THE TOWN OF CLOVERDALE**

AN ORDINANCE TO ESTABLISH A FUND FOR LOIT SPECIAL DISTRIBUTIONS

WHEREAS, The Indiana General Assembly enacted SEA 67-2016 to allow for a special distribution of LOIT funding to the Town to be primarily allocated to road funding;

WHEREAS, Indiana's Department of Local Government Finance is requiring political subdivisions in Indiana to establish a new and separate fund to receive the special LOIT distributions; and

WHEREAS, the Town of Cloverdale shall establish the fund to be eligible for the special LOIT distribution;

Now, therefore, be it ordained by the Cloverdale Town Council of the Town of Cloverdale, Putnam County, Indiana it is hereby ordered as follows:

1. **Fund 257.** The following Fund 257 is now established to receive the LOIT special distribution.
2. **Allocation of LOIT special distribution.** The entire LOIT special distribution shall be initially receipted into the Town's Rainy Day Fund. Upon the creation and approval of the Fund 257, the Clerk Treasurer shall transfer seventy-five percent (75%) of the LOIT special distribution to Fund 257. The Clerk Treasurer shall transfer twenty five percent (25%) of the balance in Fund 448 to the Town's Rainy Day Fund.
3. **Construction of Clause Headings.** The clause headings appearing herein have been provided for convenience and reference and do not purport and shall not be deemed to define, limit or extend the scope or intent of the clause to which they appertain.
4. **Repeal of Conflicting Ordinances.** The provisions of all other Town ordinances in conflict with the provisions hereof, if any, are no further force or effect and are hereby repealed.
5. **Severability.** If any part of this Ordinance shall be held invalid, such part shall be deemed severable and the invalidity thereof shall not affect the remainder of this Ordinance.
6. **Duration and Effective Date.** The provisions of this Ordinance shall become and remain in full force and effect and until its repeal by ordinance.

DULY PASSED AND ADOPTED this 19 day of MAY 2016,
by the Town Council of the Town of Cloverdale, Putnam County, Indiana, having been passed
by a vote of 5 in favor and 0 opposed.

**TOWN COUNCIL OF THE TOWN OF CLOVERDALE, PUTNAM
COUNTY, INDIANA**

Coweta Patton President

Don Sublett Vice President

Larry Fidler

Cindy Holland

Gary Bennington

ATTEST:



CHERYL GALLOWAY
CLERK TREASURER