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## MEMORANDUM

**To:** County Auditors  
**From:** Janie Cope, Local Government Specialist  
**Date:** May 2, 2024  
**Subject:** May 2024 Commercial Vehicle Excise Tax Distribution

The Office of the State Comptroller has processed the May 2024 Commercial Vehicle Excise Tax (CVET) distribution. These funds should appear in your designated bank account within the next few days.

The CVET distribution must be deposited into the CVET Fund (SBOA Fund 6023) and then redistributed to eligible taxing units within your county. [IC 6-6-5.5-20\(e\)](#) states that CVET shall be apportioned and distributed among the respective funds of each taxing unit in the same manner and at the same time as property taxes are apportioned and distributed.

The Comptroller 2024 CVET Distribution Amounts report provides the apportionment calculation for each county's CVET and only lists those taxing units eligible to receive CVET distribution. **Taxing units that do not qualify for a CVET distribution are not listed on the Comptroller report.** The report also provides the apportionment calculation for each county's CVET. This report can be found on the Comptroller website [here](#).

The 2024 CVET Distribution Amounts report contains:

- A worksheet for the taxing unit
- The taxing unit percentage of total CVET dollars
- 2024 total annual distribution
- May 2024 distribution
- November 2024 distribution

The CVET distribution to taxing units by fund is calculated by following the four steps. The calculation requires using the 2023 pay 2024 certified property tax rates for each taxing unit (by fund) and the May 2024 distribution amount of the taxing unit on the Comptroller 2024 CVET Distribution Amounts report.

Counties that have adopted Local Income Tax (LIT) for property tax operating levy freeze are required to add the LIT property tax levy freeze equivalency rates with the certified tax rates to determine each fund's share of CVET. This is accomplished by using the Indiana Department of Local Government and Finance (DLGF) calculated 2024 LIT equivalency rates which can be found by clicking your specific county on their website.

### Step One – Calculate the Allocation Factor

The allocation factor for each taxing unit is calculated by dividing the May 2024 distribution amount for the taxing unit (from the Comptroller 2024 CVET Distribution Amounts report) by either (i) the taxing

unit's total 2023 pay 2024 certified property tax rate for all funds or (ii) for levy freeze counties, the 2023 pay 2024 certified property tax rate plus the total 2023 pay 2024 LIT equivalency rates for each fund.

**Township Civil & Fire Allocations:** Townships have a separate CVET allocation for both the civil property tax funds and the fire/EMS property tax funds. The civil township fund rates are the township rates excluding the fire/EMS rates. For township taxing units, the civil allocation factor is calculated by dividing the civil amount shown on the CVET report by the total of the township taxing unit fund rates **excluding** the fire/EMS fund(s) rates. The fire allocation factor is determined by dividing the fire amount shown in the report by the total of **only** the township fire/EMS fund(s) rates.

**Fire Territory Note** – If a fire territory exists, then the fire territory rate(s) is (are) included in the allocation of CVET for the provider taxing unit and each participating taxing unit. The participating taxing unit(s) will determine if the amount is sent to the fire territory's provider unit.

### **Step Two – Calculate Distribution by Fund**

For each taxing unit, the distribution by fund is calculated by multiplying the taxing unit's allocation factor (determined in step one) by either (i) the 2023 pay 2024 certified property tax rate for each taxing unit fund or (ii) for levy freeze counties, the 2023 pay 2024 certified property tax rate plus the 2023 pay 2024 LIT equivalency rates for each fund.

### **Step Three – Review Calculation**

For each taxing unit, sum the fund amounts determined in step two to calculate the total distribution to the taxing unit. Compare the calculated distribution to each taxing unit to the Comptroller 2024 CVET Distribution Amounts report – May 2024 Distribution amount for each taxing unit.

The amount calculated should agree to the Comptroller 2024 CVET Distribution Amounts report. Any small variances, usually less than one dollar (\$1.00), could be attributed to rounding. Any rounding differences will need to be allocated back to the taxing unit funds. The method of allocating the rounding amount can be determined by the County Auditor.

### **Step Four – Distribute to Tax units and Create Form 22**

Along with each taxing unit's share of CVET, a certificate of tax distribution (Form 22) labeled "May 2024 CVET Distribution" must be provided. Form 22 must show the CVET amount for each fund.

If you have questions, contact the Local Government Division at [localgovernment@comptroller.in.gov](mailto:localgovernment@comptroller.in.gov) or call Janie Cope at 317-233-1712.