STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE

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TO: **School Corporations**

FROM: **Brian E. Bailey, Commissioner** BEB

RE: **Adjustment to Transportation Fund Maximum Levy**

DATE: **April 4, 2012**

On March 19, 2012, Governor Mitch Daniels signed into law House Enrolled Act 1072 ("HEA 1072"). Section 113 of HEA 1072 amends IC 20-46-4-6 to allow an adjustment to the transportation fund maximum levy of eligible school corporations.

This memorandum addresses this adjustment and what makes a school eligible for it.

Qualification for Eligibility

An adjustment to a school corporation's transportation fund maximum levy is available to those school corporations whose transportation fund maximum levy for 2009 was at least 24% less than the school corporation's maximum levy for the fund for 2008.

Adjustment to the Maximum Levy

For purposes of determining an eligible school corporation's transportation fund maximum levy for 2013, the school corporation will be treated as having a maximum levy for the fund in 2012 that is equal to the amount the school corporation would have had in 2012 if:

> (1) the school corporation's maximum levy is recalculated for 2009 to eliminate any loss in its maximum levy for the fund; and
> (2) the school corporation is treated as having levied the entire amount of its recalculated maximum levy for the fund in 2009, 2010, and 2011;
> as determined by the Department of Local Government Finance.

This is a permanent adjustment in the school corporation's maximum levy for the fund.

Questions may be directed to Staff Attorney Mike Duffy at (317) 233-9219 or mduffy@dlgf.in.gov.