
STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: All Political Subdivisions

FROM: Jamie Bolser, Budget Director

DATE: September 13, 2024

SUBJECT: 2025 Supplemental Local Income Tax Distribution Forecast

The Department of Local Government Finance (“Department”) issues this memorandum to inform political taxing units (“units”) that any 2025 Supplemental Local Income Tax (“2025 Supplemental LIT”) estimates built into the 2025 budgets by the units will not be removed by the Department.

It has been the prior practice of the Department to remove these estimates from the certified budget, as this revenue is not guaranteed. Please be advised, that the Department will not release estimates for the 2025 Supplemental LIT, and any estimates prepared and used by a local unit is not guaranteed. The final 2025 Supplemental LIT amounts will be subject to actual collections, calculations, distributions, and deposits in an amount certified by the State Budget Agency (“SBA”) on May 1, 2025.

The Department advises exercising caution when using 2025 Supplemental LIT estimates. All units must ensure that their financial planning is capable of accommodating possible fluctuations in revenue, along with a reconciliation of budget estimates against actual figures as necessary. Units are not required to include 2025 Supplemental LIT estimates when preparing 2025 budgets and may continue to additionally appropriate the revenue once actual amounts are certified.

If you have questions about the distribution, please contact your Department [Budget Field Representative](#).