Pulaski County, Indiana,
Guidelines for Applications for
Assessed-Value Deduction (Tax Abatement)
for Non-Residential Projects

The Pulaski County Council (Council) offers assessed-value deductions (tax abatements) to qualifying projects as an incentive for projects to be built in Pulaski County and to foster a business-friendly climate toward the end of facilitating increased assessed value and employment. In determining whether or not to award a requested deduction and the value of such a deduction, the Council and the Pulaski County Economic Development Commission (E.D.C.), which reviews requests and makes recommendations to the Council, must weigh the benefits promised by the project against protecting the taxpayers from avoidable tax increases; assess the necessity of the incentive for the project to move forward and, possibly, to secure State incentives; and contemplate other factors as may arise from project to project. Although no evaluation system can perfectly answer these questions, the guidelines detailed hereunder, the project scoring criteria, and the questions posed in the Application for Economic Revitalization Area Designation and Assessed-Value Deduction provide the E.D.C. and Council with a comprehensive framework for addressing these questions.

Application Process

For projects in unincorporated parts of Pulaski County, the applicant should contact the executive director of the Pulaski County Department of Community Development (D.C.D.) to discuss the project and the tax-abatement process and timeline. For projects within one of the four incorporated towns of Pulaski County, the applicant should first meet with that Town's clerk-treasurer or, in the case of Winamac, the town manager; the role, if any, of the Pulaski County D.C.D. and E.D.C. may vary from town to town or even within towns, depending on the specifics of the project.

The executive director, upon receipt of a satisfactory amount of information regarding the project, will present a preliminary resolution to the Council (or, if applicable, a town council). Following the adoption of the preliminary resolution, the executive director will convene the E.D.C. to consider the request. An application and application fee of $250 (in the form of a check payable to the Pulaski County Treasurer and to be deposited into Fund 1112) are required before the E.D.C. will consider a request for assessed-value deduction or the County or Town Council will conduct a public hearing, review the E.D.C's recommendation, and consider a confirmatory resolution regarding the matter.

From the initial discussion with the executive director, the process for securing an assessed-value deduction may take as many as six weeks and could take up to 10; once the Council has adopted a preliminary resolution, the executive director must publish a legal notice providing details about the Council's public hearing, convene the E.D.C., and prepare a report to the Council, which meets on a monthly basis. The Council may choose to table a request following the hearing to allow for additional time for considering the matter. Additional delays may arise if the Council chooses to require any land-use–related (rezoning, B.Z.A. approvals, platting, *et c.*), infrastructure–related, or financing-related matters to be addressed before it will award a deduction.

The Council reserves the right to deny any requested deduction; cases involving speculative development and projects within Tax Increment Financing districts are particularly subject to additional scrutiny and skepticism. The Council will not consider requests for projects that do not meet requirements outlined in *Indiana Code* 6-1.1.-12.1; awarded projects that fail to comply with annual filing and performance-metric requirements may be subject to deduction denial in any given year of non-compliance. Additionally, applicants may be required to assent to the provisions of Pulaski County Resolution 2021-06, which establishes clawback provisions for projects that leave Pulaski County and addresses limitations on property-tax appeals regarding parcels on which the project is built.

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Application for Assessed-Value Deduction Scoring: Base Points

Category 1: New Investment (40 total points, worth a maximum of 20 after averaging))
An application shall receive points equaling the average of the scores for Subcategories 1A and 1B when applicable. If a project only makes qualifying investment in one of the two subcategories, then the full score for this category will be based on the appropriate subcategory.

Because real property is expected to maintain or to increase its value in the absence of neglect or disuse, while personal property is subject to approved depreciation schedules, Pulaski County values real property more highly than it does personal property for the purpose scoring applications for assessed-value deduction.

Subcategory 1A: Real Property Investment (40 total points, worth a maximum of 20 after averaging))
An application shall receive 1 point for every $75,000 of investment (rounded upward or downward from each intermediary $37,500); investments of less than $75,000 shall receive no points. The Subcategory 1A score is capped at 41 points, with any investment greater than $3,000,000 (40 points) awarded an additional 0.75 bonus points regardless of total investment above $3,000,000.

Subcategory 1B: Personal Property Investment
An application shall receive 2/3 of a point for every $75,000 of investment (rounded upward or downward from each intermediary $37,500); investments of less than $75,000 shall receive no points. The Subcategory 1B score is capped at 40.5 points, with any investment greater than $4,500,000 (40 points) awarded an additional 0.5 bonus points regardless of total investment above $4,500,000.

Category 2: Jobs and Wages (60 total points)
An application shall receive points equaling the average of the scores for Subcategories 2A and 2B.

Subcategory 2A: Average Project Wage (60 total points, worth a maximum of 30 after averaging)
An application shall receive 1.5 points for every 5% tier of the minimum wage, starting at 255% of the minimum wage (rounded upward or downward from each intermediary 2.5%); this score shall be determined based on the average wage of all new jobs to be created or retained. An average project wage below 255% shall receive no points, and the Subcategory 2A score is capped at 61.13 points, with an average project wage above 450% of the minimum wage (60 points) awarded an additional 1.13 bonus points regardless of how far above 450% of the minimum wage the average wage is.

Subcategory 2b. Jobs (60 total points, worth a maximum of 30 after averaging)
A new business shall apply under Category 2B1; an existing business may apply under Category 2B1, 2B2, or a combination of 2B1 and 2B2 depending on the specific circumstances of the project. However, a project that applies under combination of Categories 2B1 and 2B2 may only qualify for 1.13 Subcategory 2B bonus point, and not 1.13 from each segment of the subcategory.

Subcategory 2B1. New Jobs Created (60 total points, worth a maximum of 30 after averaging)
An application shall receive 1.5 points for each new job to be created by the project. The Subcategory 2B1 score is capped at 61.13 points, with any job creation beyond 40 (60 points) awarded an additional 1.13 bonus point regardless of total job creation above 40.

Subcategory 2B2: Existing Jobs Retained (60 total points, worth a maximum of 30 after averaging)
An application shall receive 1.5 points for each existing job to be retained by the project. The Subcategory 2B2 score is capped at 61.13 points, with any job retention beyond 40 (60 points) awarded an additional 1.13 bonus points regardless of total job retention above 40. Applicants will be asked to provide evidence that the project will retain existing jobs.

Maximum total base points: 100 (101.755 if all bonus points are earned)

A project's failure to meet or to exceed the promised investment; average project wage; number of jobs retained, created, or both; or any combination of these may result in the Council's rescission of or amendment to the awarded assessed-value deduction depending on the impact of the loss of these bonus points on the application's total score.

Application for Assessed-Value Deduction Scoring: Bonus Points & Deductions

Category 1: Bonus Points
At the Economic Development Commission's discretion, an application may receive bonus points beyond its base score based on particular project circumstances.

A. A project that fits within one of the Targeted Industry Sectors described in Section III of *Simply Pulaski*, Pulaski County's economic-development strategic plan, as may be amended from time to time, may be awarded between 1 and 5 bonus points depending on how many of the listed sectors are applicable and the extent to which the Commission believes the project complies with one or more of these sectors. *As investment and job creation are addressed in base scoring categories, bonus points will not be awarded for compliance with the "Low-workforce–impact investments" Targeted Sector.*

B. A project that otherwise aligns with *Simply Pulaski*, as may be amended from time to time, may be awarded between 1 and 5 bonus points depending on the extent to which the Commission believes the project aligns with one or more sections of the strategic plan.

C. A project that involves new investment in an existing vacant structure, involves infill development, or both may be awarded between 1 and 5 bonus points depending on the type, location, and duration of vacancy of the building and/or lot. *These bonus points are only applicable in evaluating requests for assessed-value deduction for personal property and new real property; applications for the vacant-building deduction are ineligible for these points*.

D. A project that uses local suppliers and contractors in the construction of the project may be awarded between 1 and 10 bonus points depending on the proportion of project materials and labor sourced locally and the expected wages to be paid to local laborers. *A project that fails to source as many local suppliers and contractors as promised may be subject to the Council's rescission of or amendment to the awarded assessed-value deduction depending on the impact of the loss of these bonus points on the application's total score to the extent permissible by law.*

Category 2: Deductions
At the Economic Development Commission's discretion, applications may have points deducted from their base scores based on particular project circumstances.

A. Any project that requires labor and/or materials expenditure by a municipal or County road/highway/street department, municipal water utility, municipal or regional sewer utility, municipal or cooperative electric utility, or municipal gas utility may have between 1 and 5 points deducted for each affected applicable utility based on the amount of expenditure. *An applicant who reimburses the affected applicable utility/ies will not receive any such deduction for any reimbursed utility expense.*

B. A project that is expected to create adverse environmental impacts may be deducted between 1 and 10 points.

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Guidelines for Schedule of Assessed Value Deduction

The following schedules are guidelines for use by the Economic Development Commission and County Council. The Commission reserves the right to recommend a more favorable schedule in light of an operator's agreement to enter into an Economic Development Agreement with Pulaski County. The Commission reserves the right to recommend a more favorable schedule in light other factors not easily scored but deemed to be in some way potentially beneficial to the community provided that the Commission's report to the Council expresses the rationale behind the Commission's decision.

The Commission reserves the right to recommend a less favorable schedule in light of factors not easily scored but deemed to be in some way potentially threatening to the community provided that the Commission's report to the Council expresses the rationale behind the Commission's decision.

The Council reserves the right to deviate from the recommendation of the Commission and these guidelines as it see fits provided that it expresses its rationale in the confirmatory resolution or an addendum thereto.

Standard Property-Tax Phase-In Schedule

Year 1	100% deduction	Year 6	50% deduction
Year 2	90% deduction	Year 7	40% deduction
Year 3	80% deduction	Year 8	30% deduction
Year 4	70% deduction	Year 9	20% deduction
Year 5	60% deduction	Year 10	10% deduction
		Year 11	0% deduction

Total Score	Property-Tax Phase-In
Below 7 points	No deduction
7.01-14 points	One-year deduction
14.01-21 points	Two-year deduction
21.01-28 points	Three-year deduction
28.01-35 points	Four-year deduction
35.01-42 points	Five-year deduction
42.01-49 points	Six-year deduction
49.01-56 points	Seven-year deduction
56.01-63 points	Eight-year deduction
63.01-70 points	Nine-year deduction
70.01-77 points	Ten-year deduction

Schedules shorter than 10 years begin with a 100% deduction in year 1 and follow the standard schedule, omitting later years' savings; e.g., *a six-year deduction schedule would look like this: 1 – 100%, 2 – 90%, 3 – 80%, 4 – 70%, 5 – 60%, 6 – 50%, 7-11 – 0%.*

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Enhanced Deduction

77.01-84 points	100% deduction in years 1-2, 90% in year 3, years 4-10 adjusted accordingly
84.01-91 points	100% deduction in years 1-3, 90% in year 4, years 5-10 adjusted accordingly
91.01-98 points	100% deduction in years 1-4, 90% in year 5, years 6-10 adjusted accordingly
98.01-105 points	100% deduction in years 1-5, 90% in year 6, years 7-10 adjusted accordingly
105.01-112 points	100% deduction in years 1-6, 90% in year 7, years 8-10 adjusted accordingly
112.01-119 points	100% deduction in years 1-7, 90% in year 8, years 9-10 adjusted accordingly
119.01-126 points	100% deduction in years 1-8, 90% in year 9, year 10 adjusted accordingly
>126 points	100% deduction in years 1-9, 90% in year 10