

RESOLUTION NO. 2024-02

**RESOLUTION APPROVING DEDUCTION FROM ASSESSED VALUE OF PERSONAL
PROPERTY IN AN ALREADY DECLARED ECONOMIC DEVELOPMENT AREA**

(Phillips Patterns & Castings, Inc.)

WHEREAS, the Indiana General Assembly has enacted a statute, I.C. 6-1.1-12.1 (the “Act”), authorizing certain deductions from the assessed value of Personal Property (as defined in the Act) for purposes of taxation of such property if constructed and assessed during the period beginning March 1, 1983 and ending December 31, 2024, or such other date as extended by Indiana Code, in an area that is declared an economic revitalization area; and

WHEREAS, **Phillips Patterns & Castings, Inc.** (the “Company”) plans to install new personal property at its facility located in the area of **311 North Morrison Road, Muncie, Indiana 47304**, during the above-described period; and

WHEREAS, by an already adopted resolution, the **Yorktown Town Council** (the “Council”) declared and affirmed that the general area is defined as an economic revitalization area and authorizes deductions from assessed value of Personal Property installed in the area for purposes of taxation; and

WHEREAS, as a condition of approval of the ensuing abatement, the Company agrees, at the request of the Council, to provide an update in regards to the status of construction, equipment, machinery, the investment, as well as employment, wage and benefit projections during the term of the abatement. Furthermore, maintaining this abatement is contingent upon both parties’ compliance with all projections as stated in the attached Application for Tax Abatement. The Council reserves the right to request proof of compliance at any time.

**NOW, THEREFORE, BE IT RESOLVED BY THE YORKTOWN TOWN
COUNCIL,**

1. The Council finds and determines that the new equipment to be installed at the above referenced location by the Company shall be allowed a ten (10) year phased in Personal Property tax abatement per the attached estimated property tax schedule provided by Baker Tilly & Assoc. in accordance with the provisions of I.C. 6-1.1-12.1-45.
2. The Auditor and Clerk/Treasurer shall take any such further actions as may be required to carry out the purposes of this resolution and to ensure the eligibility of the new Personal Property for the deduction described herein.
3. This Resolution shall be in full force and effect from and after its passage by the Council and after advertised in such publications as may be required by law.

APPROVED, by the Yorktown Town Council this _____ day of _____, 2024.

Rick Glaub, President

ATTEST:

Lance Turner, Clerk-Treasurer

DELAWARE COUNTY, INDIANA

Proposed Phillips Patterns & Castings Project

ESTIMATED PROPERTY TAX LIABILITY FOR THE PROPOSED INVESTMENT IN PERSONAL PROPERTY

Assumes a 10-year personal property tax abatement

Taxes Payable Year	Estimated Net Assessed Value of the Proposed Investment (1)		Estimated Property Tax Liability						Estimated Abatement Savings
	With Proposed Abatement (2)	Without Proposed Abatement	With Proposed Abatement			Without Proposed Abatement			
			Gross Taxes	Circuit Breaker Tax Credit (4)	Net Taxes (3)	Gross Taxes	Circuit Breaker Tax Credit (4)	Net Taxes	
2026	\$0	\$66,690	\$0	\$0	\$0	\$2,190	(\$190)	\$2,000	\$2,000
2027	0	66,690	0	0	0	2,190	(190)	2,000	2,000
2028	0	66,690	0	0	0	2,190	(190)	2,000	2,000
2029	0	66,690	0	0	0	2,190	(190)	2,000	2,000
2030	10,790	66,690	350	(30)	320	2,190	(190)	2,000	2,000
2031	28,520	66,690	940	(80)	860	2,190	(190)	2,000	1,680
2032	40,010	66,690	1,310	(110)	1,200	2,190	(190)	2,000	1,140
2033	46,680	66,690	1,530	(130)	1,400	2,190	(190)	2,000	800
2034	53,350	66,690	1,750	(150)	1,600	2,190	(190)	2,000	600
2035	60,020	66,690	1,970	(170)	1,800	2,190	(190)	2,000	400
Totals			\$7,850	(\$670)	\$7,180	\$21,900	(\$1,900)	\$20,000	\$12,820

- (1) Assumes a \$222,300 investment that will be in service as of January 31, 2024, per information provided by the Company. Accounts for the impact of the existing depreciable personal property investment per the Company's January 1, 2023 personal property assessment returns.
- (2) Assumes a 10-year personal property tax abatement is applied with the following deduction percentages: 100%, 90%, 80%, 70%, 60%, 50%, 40%, 30%, 20%, and 10%.
- (3) Represents the certified pay 2023 tax rate for the Yorktown Sanitary taxing district.
- (4) Assumes the Circuit Breaker Tax Credit, which limits property tax liability to 3% of gross assessed value for an industrial parcel, is applied.

Note: No assumption has been made for existing or additional development beyond that which is outlined in this analysis. Changes to these assumptions may materially impact the property tax liability estimates contained within.

(Subject to the attached letter dated December 11, 2023)
(Preliminary - Subject to Change)
(For Internal Use Only)