

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: Political Subdivisions
FROM: Fred Van Dorp, Budget Division Director
SUBJECT: 2021 Miscellaneous Revenue Estimates
DATE: June 24, 2020

The Miscellaneous Revenue Projections were amended on 2020-06-23 to correct the Local Road and Street distribution estimate for several units.

The Department of Local Government Finance (“Department”) has posted the Statewide Estimated Miscellaneous Revenues for Budget Year 2021. Over the next few days, the Department will post individual county reports on the County Specific Information webpage.

[2021 Miscellaneous Revenue Estimates \(Statewide Report\)](#)

The Estimated Miscellaneous Revenues report was created to assist local government units (“Units”) with estimating several specific revenue sources that they may receive either directly from the State or their local county auditor. Estimating revenue for an 18 month period can be challenging. It is even more challenging during a global pandemic that has significantly altered economic behavior. **Units may use the Department’s estimates or they may use locally calculated estimates for their budgeting.** Regardless of the source of the estimates, units are strongly encouraged to routinely monitor estimates against actual collections during the budget year. If the actuals are less than estimates used, units may need to adjust their spending patterns. If the actuals are greater than the estimates used, units may consider completing an additional appropriation to increase their spending authority for a specific fund.

For 2021, the Department used the methodology below to estimate each revenue type.

Revenue Type	Estimation Method
Commercial Vehicle Excise Tax	Estimates based on a three-year average (June 2016 - December 2019) of CVET reported by the county auditor on Gateway.
Financial Institutions Tax	Estimates based on a three-year average (June 2016 - December 2019) of FIT reported by the county auditor on Gateway.
License Excise Tax	Estimates based on a three-year average (June 2016 - December 2019) of EXCISE reported by the county auditor on Gateway for unit.

ABC Gallonage	Distribution to cities and towns only. Estimates based on the lesser of the average of (A) previous 36 months or (B) previous 12 months.
Cigarette Tax - CCIF	Distribution to cities and towns only. Estimates based on the lesser of the average of (A) previous 36 months or (B) previous 12 months.
Cigarette Tax - General Fund	Distribution to cities and towns only. Estimates based on the lesser of the average of (A) previous 36 months or (B) previous 12 months.
Local Road and Street	Distribution to counties, cities, and towns only. Estimated based on 82% of FY 2020 Distributed Amount.
Motor Vehicle Highway	Distribution to counties, cities, and towns only. Estimated based on 82% of FY 2020 Distributed Amount.

Additional information about the State distributed miscellaneous revenue, including relevant statute, State collected revenue sources, and recipients can be found in a document posted by the Auditor of the State’s Office.

- [MVH, LRS, ABC Gallonage, Cigarette Tax](#)
- [Financial Institution Tax](#)
- [Commercial Vehicle Excise Tax](#)

In addition to the Department’s report, as part of each Unit’s budget preparation, they should also estimate other locally generated and collected revenues, other than property tax, that they may collect over the next 18 months in order to create a complete picture of the revenues available to support their 2021 budgets. Historic information about the miscellaneous revenue estimates used by each unit for each fund can be found in Gateway:

[**Gateway – Public Side: Miscellaneous Revenue Report**](#)

Contact your Department [Budget Field Representative](#) with specific questions about the miscellaneous revenue.