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Comments about Libraries and Local Income Tax

Thank you for the opportunity to provide information related to your discussion of Local Income Tax, specifically related to potential impacts on public libraries. Indiana Library Federation includes members across the state in all types of libraries—public, school, academic and special libraries.

We understand that your focus today is not specific to public libraries. However, we want to make you aware of potential impacts on the majority of libraries if any changes are made to Local Income Tax. There are 236 public libraries with 428 branches throughout Indiana. Library districts vary widely in their geographic and taxing district boundaries.

Public Libraries and Local Income Tax

Most Public Libraries rely on Local Income Tax for a portion of operating revenue. About 200 public libraries receive operating revenue from Local Income Tax or LIT. On average, the amount of LIT received is about 23% of total operating income. The average amount of LIT is \$350,180 statewide. Like other local units of government, libraries develop their budget expenditures based on anticipated operating income. Libraries depend upon LIT.

We respectfully ask that libraries are included in any discussions by policymakers and stakeholders about any possible changes to how LIT is calculated, collected, allocated or distributed. We want to be at the table. And we especially call your attention to current notice provisions, which require specific appropriate and timely notice, to any meetings where changes to LIT are discussed. Any proposed changes should continue to require notice specific to the potentially affected units.

We sincerely appreciate the Indiana General Assembly's support of Indiana's libraries.

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The Indiana Library Federation is the statewide association for academic, public, school and special libraries. Our highest policy priorities for 2018 include:

- Expanded broadband coverage to increase access, affordability and speed/capacity for residents and communities.
- Lifelong learning initiatives to increase literacy, educational attainment and workforce development.
- Effective libraries and certified librarians in K-12 education.

We also supported expansion of library service to unserved areas and merger of the Indiana Historical Bureau into the Indiana State Library. Thanks to the Indiana General Assembly for enacting HEA1412. See our 2018 Policy Priorities at www.ilfonline.org.

Indiana Library Federation leads, educates and advocates to advance library services for the benefit of Indiana residents.

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