

RESOLUTION NO. 2023-R-004

BY THE TOWN COUNCIL OF SELLERSBURG, INDIANA

**RESOLUTION APPROVING STATEMENTS OF BENEFITS FOR
PERSONAL PROPERTY TAX ABATEMENT**

WHEREAS, the Town Council of Sellersburg, Indiana (“Council”) is the town legislative body of the town and the President of the town council is the town executive pursuant to Indiana Code 36-5-2, et seq.; and

WHEREAS, pursuant to Indiana Code 36-5-2-9, the legislative body may adopt ordinances and resolutions for the performance of functions for the town; and,

WHEREAS, Rush Group Limited, LLC (“Owner”) has petitioned the Council for a deduction in personal property taxes to be assessed on new personal property, to be generally located at 7803 Highway 31 located in the Town of Sellersburg, Clark County, Indiana; and

WHEREAS, the Owner has submitted Statement of Benefit on the form prescribed by the Indiana Department of Local Government Finance for personal property, which statement includes a description of the proposed project, an estimate of cost for the addition of personal property, and an estimated start and completion date; and

WHEREAS, the Council has previously determined that the area in which the proposed development project is located qualifies as an economic revitalization area in the Town of Sellersburg pursuant to Indiana Code 6-1.1-12.1-5, et seq.; and

WHEREAS, the Council has reviewed the Statement of Benefits form for the proposed project and its attachments submitted herein, and attaches and incorporates the Statement of Benefits and the attachments herein as “EXHIBIT A” and “EXHIBIT B”, to this Resolution.

NOW, THEREFORE, BE IT RESOLVED, by the Town Council of Sellersburg, Indiana that it specifically and affirmatively finds as follows:

1. The estimate value of the qualifying personal property of \$2,000,000.00 is reasonable for a project of the nature described in the Statement of Benefits submitted by Rush Group Limited, LLC.
2. The estimate of the number of 180 individuals who will be employed can be reasonably expected to result from the proposed project.
3. The estimate of the annual salaries of \$9,038,016.00 of those individuals who will be added can be reasonably expected to result from the proposed project.
4. That the taxes lessened from the granting of this abatement shall be for the addition of qualifying personal property.
5. That all other information requested from Rush Group Limited, LLC has been submitted, and the benefits described in such information can be reasonably expected to result from the proposed project.
6. That the totality of benefits for said project is sufficient to justify the deduction.
7. That the Town Council of Sellersburg, Indiana hereby approves the application for deduction presented by the Statement of Benefits filed by Rush Group Limited, LLC, and that said companies shall be entitled to deduction for a period of FIVE (5) years for added qualifying personal property, as set forth in "EXHIBIT B" and "EXHIBIT C" pursuant to provisions of I.C. 6-1.1-12.1-3(d), with the timely filing and perfection thereof with the Clark County Auditor's office.

This Resolution shall be in full force and effect after its passage and approval by the Town Council of Sellersburg, Indiana.

[signature page to follow]

So Resolved this 11th day of December, 2023.

VOTING "FOR":

VOTING "AGAINST":

Brad Amos
Brad Amos, President

Brad Amos, President

Scott McVoy
Scott McVoy, Vice President

Scott McVoy, Vice President

Randall Mobley
Randall Mobley, Council Member

Randall Mobley, Council Member

Terry Langford
Terry Langford, Council Member

Terry Langford, Council Member

Matthew Czarnecki
Matthew Czarnecki, Council Member

Matthew Czarnecki, Council Member

Attested By:

Michelle D. Miller
Michelle D. Miller, Clerk-Treasurer

EXHIBIT A

ATTACHMENT

STATEMENT OF BENEFITS PERSONAL PROPERTY

FORM SB-1/PP



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R5 / 1-21)

Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

INSTRUCTIONS:

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between January 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between January 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/PP that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. (IC 6-1.1-12.1-17)

SECTION 1 TAXPAYER INFORMATION									
Name of taxpayer Rush Group Limited, LLC			Name of contact person Aaron Rivers						
Address of taxpayer (number and street, city, state, and ZIP code) 7803 Highway 31 East, Sellersburg, IN 47172				Telephone number (810) 291-1288					
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT									
Name of designating body				Resolution number (s)					
Location of property 7803 Highway 31 East, Sellersburg, IN 47172			County	DLGF taxing district number					
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (Use additional sheets if necessary.) Logistics and distribution equipment - fork trucks, scanners, IT Equipment.				ESTIMATED					
				START DATE		COMPLETION DATE			
				Manufacturing Equipment					
				R & D Equipment					
				Logist Dist Equipment		12/15/2023	06/01/2023		
IT Equipment		12/15/2023	03/01/2023						
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT									
Current Number 0	Salaries 0	Number Retained 0	Salaries 0	Number Additional 180	Salaries \$9,038,016				
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT									
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT		
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	
	Current values	0	0	0	0	0	0	0	0
	Plus estimated values of proposed project	0	0	0	0	1,100,000	1,100,000	900,000	900,000
	Less values of any property being replaced	0	0	0	0	0	0	0	0
Net estimated values upon completion of project	0	0	0	0	0	110,000	0	90,000	
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER									
Estimated solid waste converted (pounds) 0			Estimated hazardous waste converted (pounds) 0						
Other benefits:									
SECTION 6 TAXPAYER CERTIFICATION									
I hereby certify that the representations in this statement are true.									
Signature of authorized representative <i>Nicholas J. Hammond</i>				Date signed (month, day, year) 12/11/2023					
Printed name of authorized representative Nicholas Hammond			Title Director of New Business Development						

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____. *NOTE: This question addresses whether the resolution contains an expiration date for the designated area.*

B. The type of deduction that is allowed in the designated area is limited to:

- | | | | |
|--|------------------------------|-----------------------------|--|
| 1. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18
<i>Check box if an enhanced abatement was approved for one or more of these types.</i> |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No | |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____. *(One or both lines may be filled out to establish a limit, if desired.)*

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____. *(One or both lines may be filled out to establish a limit, if desired.)*

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____. *(One or both lines may be filled out to establish a limit, if desired.)*

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____. *(One or both lines may be filled out to establish a limit, if desired.)*

G. Other limitations or conditions (specify) _____

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction is allowed for:

- | | | | | | |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|----------------------------------|---|
| <input type="checkbox"/> Year 1 | <input type="checkbox"/> Year 2 | <input type="checkbox"/> Year 3 | <input type="checkbox"/> Year 4 | <input type="checkbox"/> Year 5 | <input type="checkbox"/> Enhanced Abatement per IC 6-1.1-12.1-18
Number of years approved: _____
<i>(Enter one to twenty (1-20) years; may not exceed twenty (20) years.)</i> |
| <input type="checkbox"/> Year 6 | <input type="checkbox"/> Year 7 | <input type="checkbox"/> Year 8 | <input type="checkbox"/> Year 9 | <input type="checkbox"/> Year 10 | |

I. For a Statement of Benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17? Yes No
If yes, attach a copy of the abatement schedule to this form.
If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved by: (signature and title of authorized member of designating body)	Telephone number ()	Date signed (month, day, year)
Printed name of authorized member of designating body	Name of designating body	
Attested by: (signature and title of attester)	Printed name of attester	

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
- (2) The number of new full-time equivalent jobs created.
- (3) The average wage of the new employees compared to the state minimum wage.
- (4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. Except as provided in IC 6-1.1-12.1-18, an abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

EXHIBIT B

Abatement Schedule Exhibit

PERSONAL PROPERTY	
<u>Year</u>	<u>Abatement Percentage</u>
1	65%
2	65%
3	65%
4	65%
5	65%
6	First year of full personal property tax payment

EXHIBIT C

ATTACHMENT

INDIANA TAX ABATEMENT SAVINGS ESTIMATE

INDIANA TAX ABATEMENT SAVINGS ESTIMATE

Clark County, SELLERSBURG TOWN
 Tax Rate (%): 1.8805
 Project Name: Project Fanning

Personal Property: \$2,000,000

	Abatement Percentage	With Abatement			Without Abatement			Estimated Tax Abatement Savings
		Property Taxes	Circuit Breaker Tax Credit	Net Property Taxes	Property Taxes	Circuit Breaker Tax Credit	Net Property Taxes	
Year 1	65%	\$5,265	\$0	\$5,265	\$15,044	\$0	\$15,044	\$9,779
Year 2	65%	\$7,372	\$0	\$7,372	\$21,062	\$0	\$21,062	\$13,690
Year 3	65%	\$5,529	\$0	\$5,529	\$15,796	\$0	\$15,796	\$10,268
Year 4	65%	\$4,212	\$0	\$4,212	\$12,035	\$0	\$12,035	\$7,823
Year 5	65%	\$3,949	\$0	\$3,949	\$11,283	\$0	\$11,283	\$7,334
Totals		\$26,327	\$0	\$26,327	\$75,220	\$0	\$75,220	\$48,893

Disclosures

- The abatement calculator is prepared by Baker Tilly Municipal Advisors, LLC, in conjunction with Hoosier Energy, based on current Indiana law. This calculation is intended to provide an ILLUSTRATIVE and PRELIMINARY indication of the level of property taxes and potential property tax savings for a proposed investment based on the assumptions provided by the user and those outlined below. Taxpayers must consult their own tax advisors to determine their actual tax liability and to prepare their required annual Indiana property tax filings. These illustrative calculations should not be relied upon for the purposes of inclusion in legal documents including, but not limited to, incentive agreements or resolutions approving property tax abatement. Please read the Disclosures carefully.
- To be eligible to receive property tax abatements in Indiana, a company must follow a specific application process. Please contact your Hoosier Energy Representative for further guidance.
- Assumes taxes payable 2023 property tax rates, as provided by the Indiana Department of Local Government Finance.
- Real property will be assessed by the appropriate local assessing official. The actual assessed value of a real property improvement will be determined upon completion, and the assessed value may vary materially from the cost of the improvement.
- Real property in Indiana is subject to annual adjustments of assessed value to the market value of the structure based on annual sales data ("Trending").
- In order to be eligible for personal property tax abatement, the property must meet certain criteria defined in the Indiana Code and the Indiana Administrative Code. Taxpayers should consult their tax advisors and/or local officials regarding the eligibility requirements for personal property tax abatement.
- All personal property (equipment) is assumed to be new and is assumed to be depreciated in Pool #2 (5-8 year depreciable life) for property tax purposes. A mixture of new and existing equipment (as well as a mixture of depreciation pools) will produce different tax savings results.
- Assumes a one-time investment in real and personal property. Staggering the investments may have a material effect on the actual value of property tax abatements.
- Includes the calculation of Minimum Value Ratio (MVR) for tax abatement of personal property, which effectively increases the assessed value used in the abatement calculation when the taxpayer is subject to the 30% depreciation floor. The MVR equals the adjusted assessed value at the 30% floor divided by the depreciated assessed value of the equipment.
- The calculation of illustrative personal property tax liability and abatement savings does not account for the presence of any existing in-service personal property that may be owned by the taxpayer. The presence of existing in-service personal property may materially impact these calculations.
- It is assumed that the Circuit Breaker Tax Credit, which limits property tax liability to 3.0% of gross assessed value for commercial and industrial properties, is applied.
- This calculation does not account for the application of the Local Income Tax (LIT) Property Tax Replacement Credit (PTRC) in any jurisdictions in which a LIT PTRC is applicable. The application of the LIT PTRC may reduce the property tax liability and the impact of the Circuit Breaker Tax Credit for a commercial/industrial taxpayer.
- The property tax abatement savings value is an illustrative value based on preliminary information entered into this calculator. Actual abatement savings may differ materially from the results of this calculator based on the timing of the investment, actual assessment of structures upon completion by the local assessing official, differences in depreciation pools for personal property, annual changes in tax rates, changes to Indiana property tax law or regulations, or changes in assessment methodology.

