

# **City of Bloomington Common Council Legislative Packet - Addendum**

Posted on March 12, 2026

Containing legislation and materials related to:

Local Income Tax Analysis

**Friday, March 13, 2026**

**Regular Session at 8:30am**

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# City of Bloomington

House Enrolled Act 1210

Local Income Tax ("LIT") Analysis

March 13, 2026

## City Specific LIT vs. HEA 1210 County-Wide LIT Option

Taxing Unit	2020 Census Pop.	% of City/Town	% of Total	Times 1.5 = City/Town Share of Total LIT (County Receives Remainder)	2029 LIT @ 1.2% Rate (County Wide LIT Opt-In)	Max 2029 LIT W/Own 1.2% Rate + Fire/EMS @ 0.4% (2)(3)	County-Wide Opt-In Over/ (Under) City Specific LIT (3)(4)
<b>Bloomington (5)</b>	<b>79,168</b>	<b>92.03%</b>	<b>56.66%</b>	<b>84.99%</b>	<b>\$ 48,929,032</b>	<b>\$ 32,491,900</b>	<b>\$ 16,437,132</b>
Ellettsville	6,655	7.74%	4.76%	7.14%	\$ 4,113,060	\$ 1,424,185	\$ 2,688,875
Stinesville	203	0.24%	0.15%	0.22%	\$ 125,462	\$ 30,505	\$ 94,957
<b>City/Town Total</b>	<b>86,026</b>	<b>100.00%</b>	<b>61.57%</b>	<b>92.36%</b>	<b>\$ 53,167,554</b>	<b>\$ 33,946,590</b>	<b>\$ 19,220,964</b>
County (Uninc)	53,692		38.43%	7.64%	\$ 4,400,036	\$ 7,183,868	\$ (2,783,831)
<b>Total</b>	<b>139,718</b>		<b>100.00%</b>	<b>100.00%</b>	<b>\$ 57,567,590</b>	<b>\$ 41,130,458</b>	<b>\$ 16,437,132</b>

(1): County may still adopt its own LIT Rate up to 1.2% - total LIT Rate not to exceed 2.9%, excluding Special Purpose Rates

(2): Would remove Bloomington from County Opt-in Calculation (% shares would vary from those shown)

(3): "City Specific LIT" based on 2020 Census Average Household Income and City Population - creates margin of error

(4): Per City's Long-Term Financial Plan - projected deficit under SEA 1 w/Own LIT Rate + Fire/EMS = \$9,017,558

(4 cont): Projected County-Wide Opt In LIT Rate needed for City to break even = 1.0181% (excludes \$7.5 million annual capital outlays)

(4 cont): The County-Wide Opt In Max LIT Rate of 1.2% would roughly cover the City's operating deficit and the \$7.5M annual capital

(5): City was projected to receive total LIT of approximately \$41,509,459 in 2029 in the absence of SEA 1 and HEA 1210