



## THE BOARD OF COMMISSIONERS OF THE COUNTY OF LAKE

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### LOCAL OPTION INCOME TAX

Webster's Dictionary defines "OPTION" as "a freedom of choice"... The right to choose! Yet, because Lake County's Commissioners in 2007 vetoed a proposed local option income tax ("LOIT"), your Governor and State officials enacted legislation to freeze the general fund levy of all Lake County's cities, towns and taxing districts other than schools.

If LOIT passed, Lake County governments levies would have increased 2.8% annually. Many taxpayers felt that local government budgets needed reduction. With our veto this has occurred. In the last 4 years every municipal taxing district has reduced its budgets substantially. For example, Lake County's budget fell by 30 percent. The County Commissioners should be congratulated for vetoing LOIT and not criticized.

No other Indiana county has cut more! Lake County funds its governments with property taxes while 91 other counties use property plus income taxes.

Yes, some cities, towns and county taxing districts are now in a difficult position. The excess from property tax budgets has been eliminated. A 2012 balanced budget will require more cuts.

I am against any LOIT because corporations do not pay this tax. Only individual persons do. Corporations benefit but do not pay! Basic steel and oil property taxes are now 60% less.

The LOIT as stated is unconstitutional. It punishes only Lake County.

I proudly say Lake County is the only Indiana county with a balanced budget that has had a "frozen levy" for four years and has not passed a LOIT to subsidize the property tax.

Sincerely,  
Lake County Commissioner

Gerry J. Scheub, Second District