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# Cumulative Fire Fund FAQ

## What is the Cumulative Fire Capital Fund?

The Cumulative Fire Capital Fund is a dedicated property tax levy authorized under Indiana Code 36-8-14. It provides funding for major fire protection expenses, including purchasing fire trucks, firefighting equipment, and fire station improvements.

## Why is the Town reestablishing the fund?

Over time, the maximum allowable tax rate for the fund can decrease due to state-imposed limits. Reestablishing the fund allows the Town to restore it to the statutory maximum, ensuring adequate funding for essential fire protection needs.

## What is the maximum rate allowed?

Per Indiana Code 36-8-14, the maximum rate for the Cumulative Fire Capital Fund is \$0.0333 per \$100 of assessed value. This means that for a home assessed at \$200,000, the maximum annual tax impact would be \$66.60 per year (or \$5.55 per month).

## How can the funds be used?

The Cumulative Fire Capital Fund is restricted to capital expenditures, such as:

- Fire truck and emergency vehicle purchases
- Firefighting and rescue equipment
- Fire station renovations or new construction
- Protective gear and technology upgrades

## Does reestablishing the fund increase my property taxes?

If the Town is currently levying below the statutory maximum rate, reestablishing the fund may result in an increase. However, the impact is limited by state-mandated property tax caps (1% for homesteads, 2% for rental properties, and 3% for businesses). Additionally, while this specific fund's certified rate may increase, other rates within the broader taxing district may continue to trend lower. This would be caused by growth of assessed value within the area.

## What happens if the fund is not reestablished?

Without sufficient funding, the Town may face challenges in replacing aging fire trucks and equipment, maintaining fire stations, and ensuring the highest level of fire protection for residents.

## Who decides whether the fund is reestablished?

The Town Council must adopt a resolution to reestablish the fund, followed by a public hearing. The proposal is then submitted to the Indiana Department of Local Government Finance (DLGF) for approval.

For additional questions, please contact the Town of Yorktown.