

Tax Abatement Reporting in Indiana

*The Governmental Accounting Standards Board (GASB) is the professional organization that establishes standards of accounting and financial reporting for state and local governments. In 2015, GASB added "[Statement No. 77 on Tax Abatement Disclosures](#)" to its Generally Accepted Accounting Principles (GAAP). GASB 77 requires most state and local governments (including school districts) to report tax abatement programs (if they have such a program/s) in their annual comprehensive financial reports (ACFRs), specifying the **amount of revenue reduced or foregone** as a result of these tax abatements programs. This new rule, GASB 77, allows the public to see how much public-service revenue is lost due to tax breaks given to corporations. This road map highlights key people and organizations involved in the implementation of GASB 77, the reporting status of jurisdictions in the state, and other information relevant to GASB 77 compliance in Indiana.*

Who in state government is most likely to influence GASB 77 disclosure? State Examiner Paul Joyce. [The State Examiner leads the State Board of Accounts](#) and is responsible for setting accounting standards for all governments in the state, gathering financial reports from all governmental bodies, and auditing them according to the dictates of state law (there are different rules for smaller entities).

Does the state's most recent ACFR include GASB 77 disclosure on state revenue losses?
Yes.

How many counties, municipalities and school districts in the state are required to conform with Generally Accepted Accounting Principles (GAAP) and therefore GASB Statements? According to GASB's [research brief](#) titled "State and Local Government Use of Generally Accepted Accounting Principles for General Purpose External Financial Reporting" (2008), none of Indiana's counties, municipalities, or school districts are required by state law to use GAAP accounting. Indiana's school districts use the accounting standards set forth by the Indiana State Board of Accounts. Therefore, GASB 77 does not apply, even though the state does have local tax abatement programs, according to our 2021 report, [Abating Our Future](#).

Does state government monitor fiscal stress within county/municipality/school district? Indiana is one of 22 states to operate programs to [monitor fiscal stress](#) among local governments.

Who commented on the GASB 77 Exposure Draft from Indiana? No one.

Which of the state’s five most populous counties, municipalities, and school districts reported GASB 77 disclosures [in the most recent ACFR available?](#)

Report Tax Abatements	Do Not Report Tax Abatements
City of Indianapolis	City of Evansville
City of Fort Wayne	City of Carmel
City of South Bend	Lake County
Marion County	All school districts
Allen County	
Hamilton County	
St. Joseph County	

Does the state government or do any academic/NGO institutions provide technical assistance on GAAP, GASB, or completing ACFRs? The State Board of Accounts provides a wide range of technical assistance on financial reporting for local governments, including advice on [complying with GASB 77](#).

Is there a state office that collects Annual Comprehensive Financial Reports (ACFRs) from counties/cities/school districts? [The Indiana Gateway for Government Units](#) is a data collection and transparency portal supported by the State of Indiana and Indiana University. The database catalogs key financial data within the state, but does not post actual ACFRs or notes from ACFRs.

[The State Board of Accounts](#) audits the financial statements of all governmental units within the state, including cities, towns, utilities, schools, counties, license branches, state agencies, hospitals, libraries, townships, and state colleges and universities. The agency, as a part of the audit process, publishes opinions on the quality of financial statements – including how well jurisdictions comply with accounting standards. The State Board of Accounts audits the state’s books annually along with some schools, counties, cities, and towns.

Which state office is responsible for completing state’s ACFR? Indiana Office of State Auditor.

For more information on GASB 77, visit goodjobsfirst.org/tax-abatement-disclosures

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