

GET IN-VOLVED

Budgets, Ballots, &
Better Communities

WEEK 1:
**LET'S TALK
TAXES**

INDIANA TAX AND
BUDGET IOI



INDIANA
COMMUNITY ACTION
POVERTY INSTITUTE
Research and Public Policy

GET INVOLVED

Budgets, Ballots, & Better Communities

Get IN-VOLVED is a non-partisan, five-week challenge series to help Hoosiers get to know a little more about their elected officials and the policymaking process. Participants receive weekly, bite-sized challenges to learn when and how they can participate in legislative processes.



The Indiana Community Action Poverty Institute is a program of the Indiana Community Action Association. We engage in research and promotes public policies to help Hoosier families achieve and maintain financial well-being.

AGENDA

- Learn about fiscal year, tax year, and the cadence of tax and revenue changes
- Understand the different types of tax revenue Indiana collects
- Learn about the mix of state and federal revenue that Indiana relies on
- Review federal changes that will impact Indiana's next budget
- Ways to Get IN-VOLVED



Indiana's Fiscal Calendar

State Fiscal Year

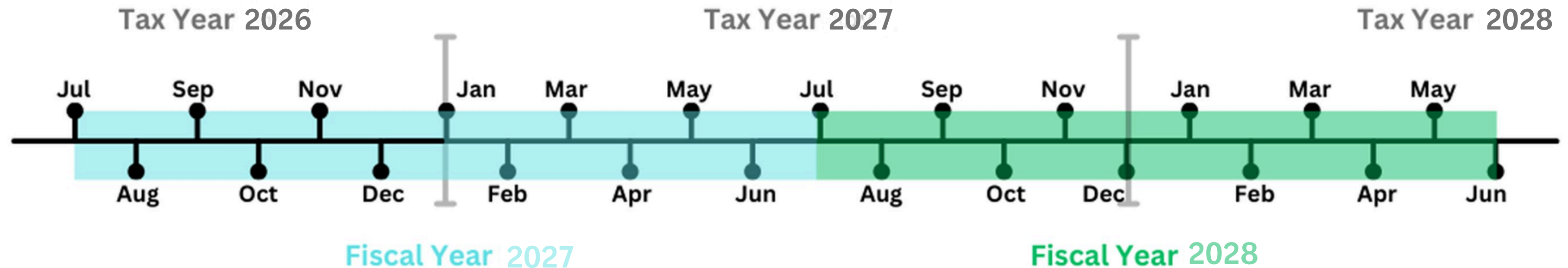
Jul 1st - Jun 30th

→ Tax revenues, budgeting, and program funding

Tax Year

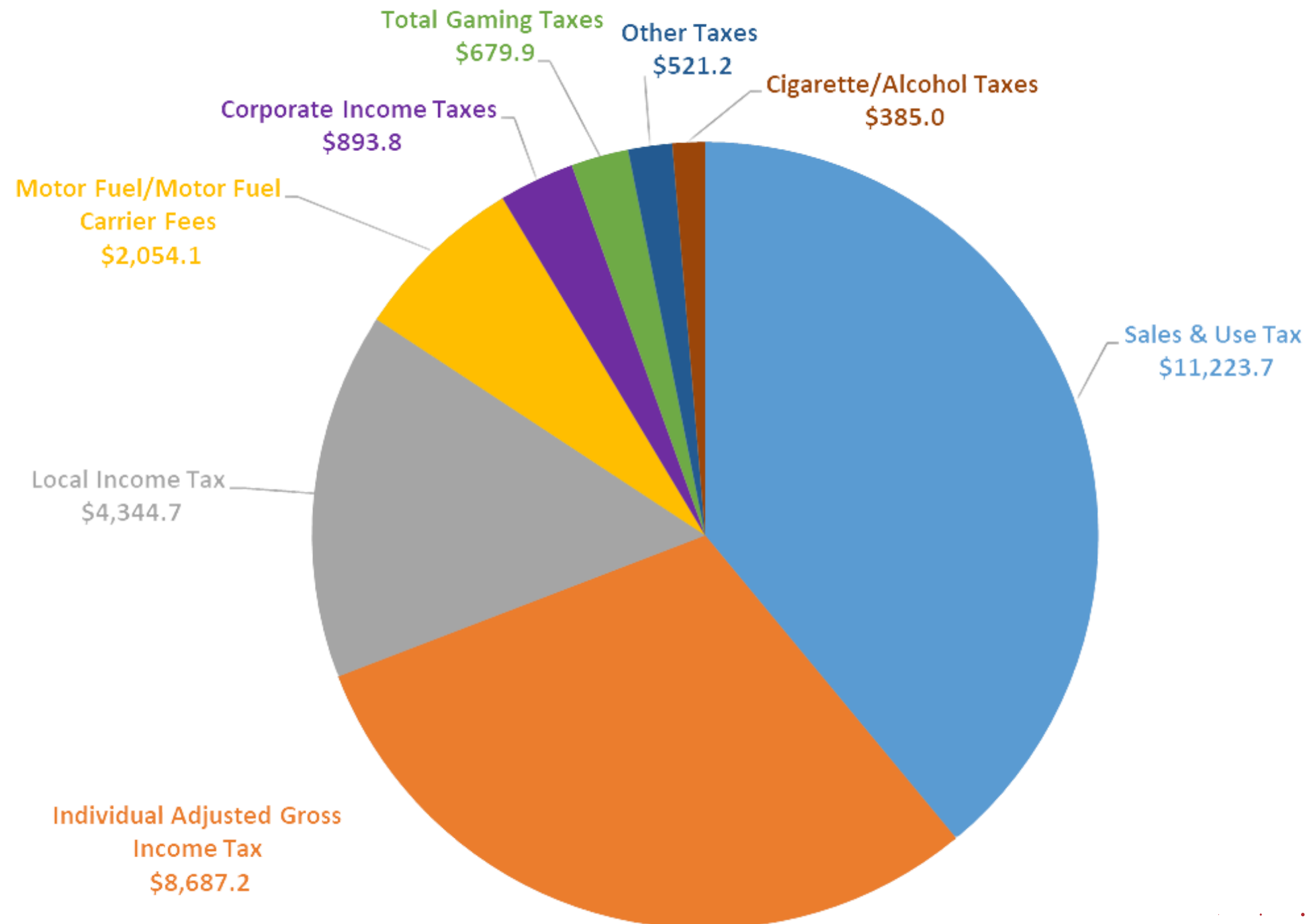
Jan 1st - Dec 31st

→ State legislation impacting the tax code



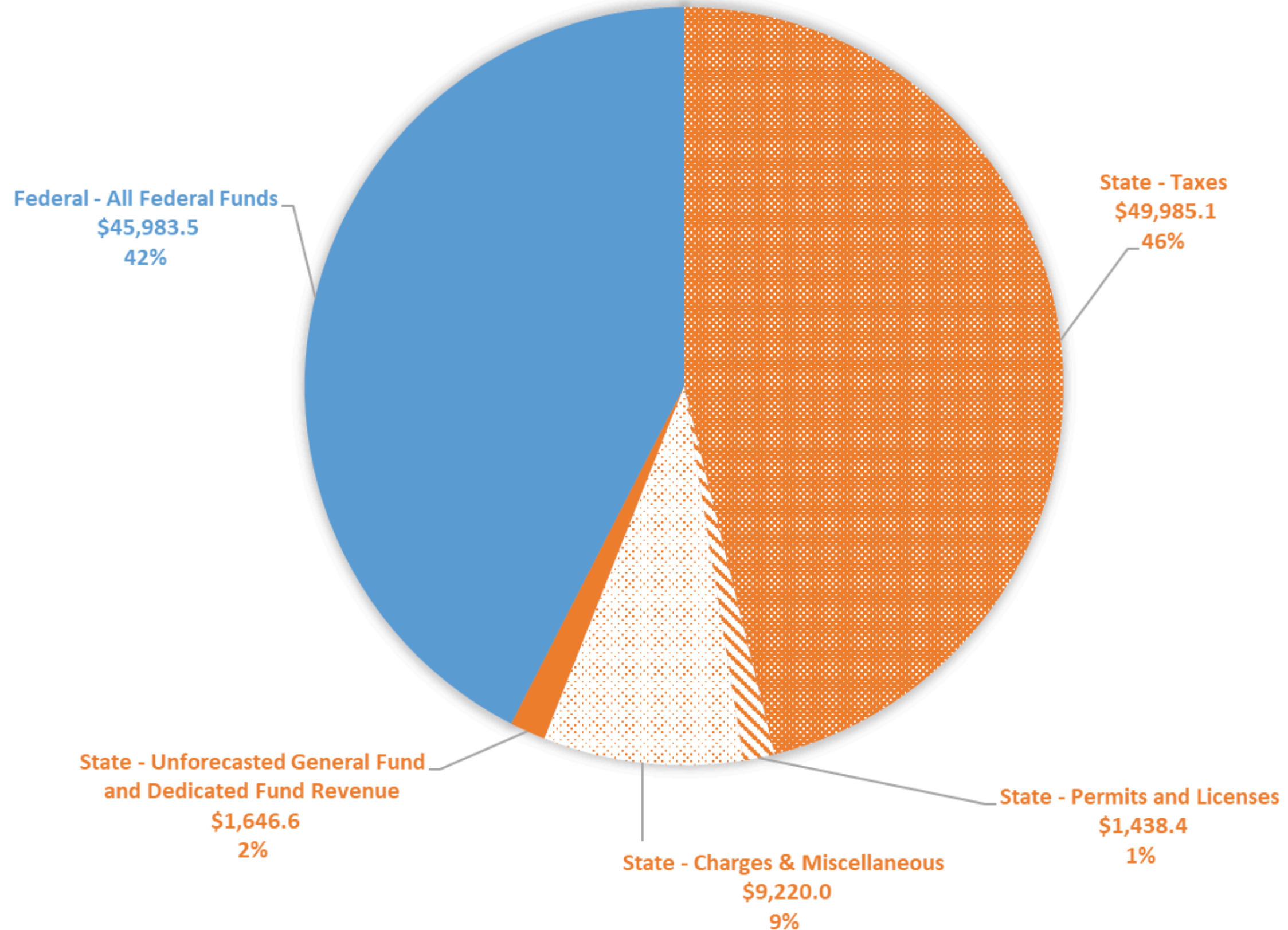
IN DEPARTMENT OF REVENUE

INDIANA DEPARTMENT OF REVENUE COLLECTIONS (IN MILLIONS) FY 2025



Source: [Indiana Department of Revenue Annual Report 2025](#)

TOTAL INDIANA REVENUE BY SOURCE (IN MILLION DOLLARS)
2025 - 2027 BIENNIUM
TOTAL REVENUE: \$108.3 BILLION



Source: SBA: 2025 - 2027 As-Passed Budget

TO BUILD A BUDGET

**How does
Indiana go
from collecting
tax revenue...**



**...to actually
creating
the state
budget?**

Biennial Budget Building

Biennial = Every two years

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State Budget Agency

Summer + Fall 2026

Collects budget requests from state agencies and makes recommendation to the Budget Committee

Budget Committee

Fall + Winter 2026

Creates itemized budget report and draft of budget bill for submittal to the Governor

Governor

January 2027

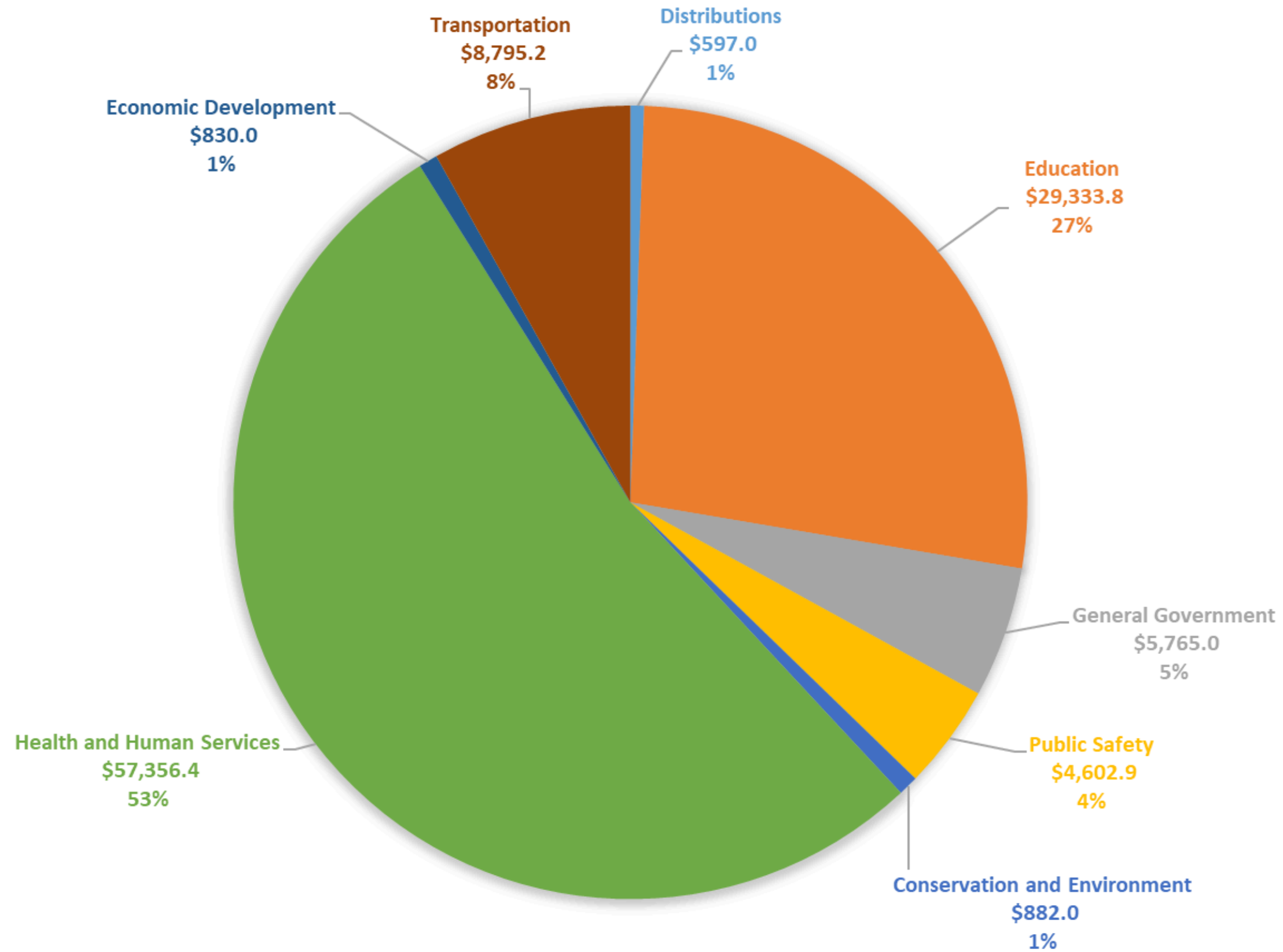
Delivers final proposed budget report and budget bill to the Indiana General Assembly

Indiana General Assembly

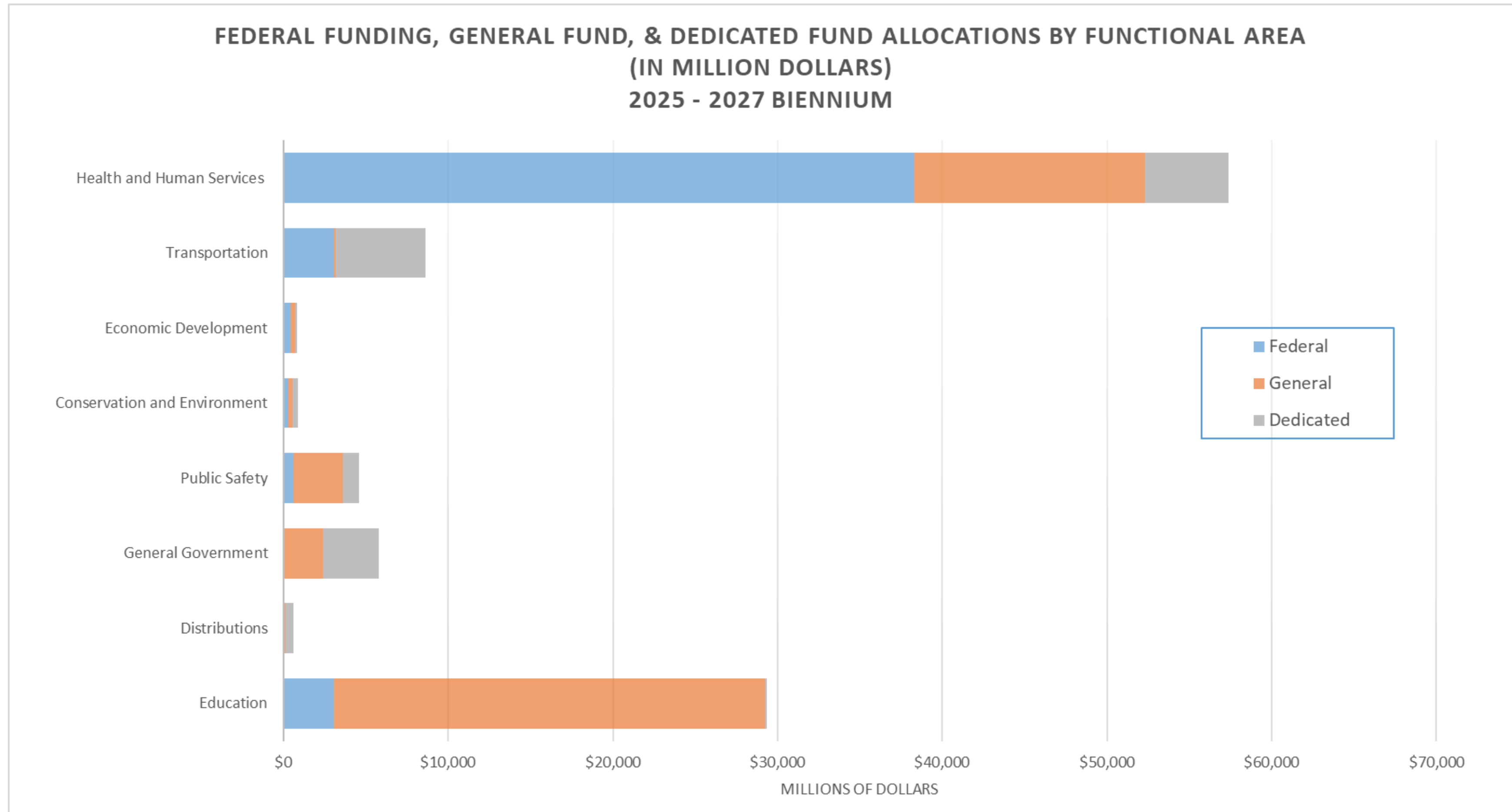
January - April 2027

The piece of legislation that is the "budget bill" must begin in the House Ways and Means Committee, after which it follows the legislative process to become law at the end of session

TOTAL APPROPRIATION BY FUNCTIONAL CATEGORY (IN MILLION DOLLARS)
2025- 2027 BIENNIUM
TOTAL APPROPRIATIONS: \$108.1 BILLION



Source: SBA: 2025 - 2027 As-Passed Budget



Last Budget = Big Cuts

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"A grim revenue forecast forced the state's budget architects to chop \$2 billion in spending from the 232-page House Enrolled Act 1001 in just a week."

Indiana CAPITAL CHRONICLE 

COMMENTARY EDUCATION ECONOMY GOVERNMENT & POLITICS HEALTH & ENVIRONMENT

GOVERNMENT & POLITICS

Newest forecast data projects \$2B less in revenue

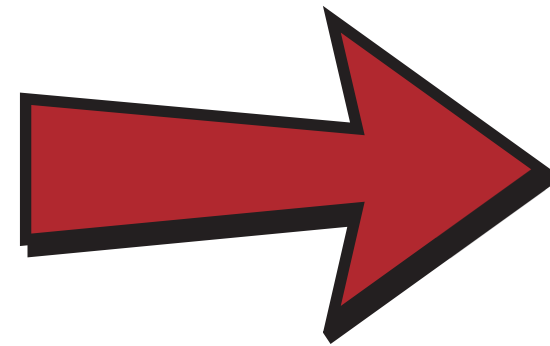
BY: WHITNEY DOWNARD - APRIL 16, 2025 6:06 PM



FEDERAL PRESSURE

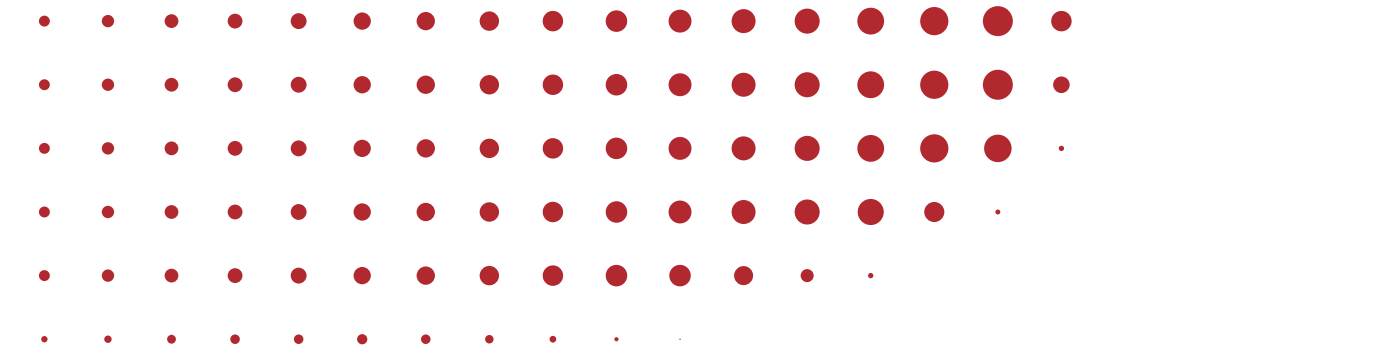
Changes from HRI / OBBBA

- requiring states to absorb a portion of SNAP benefit costs for the first time ever
- cutting federal funding for state administrative costs in SNAP
- implementing new forms of red tape that will increase uncompensated care costs
- restricting how states can fund their Medicaid programs, including through provider taxes.



Fiscal Impacts on Indiana

- Requires most states to pay between 5 to 15 % of SNAP food benefit costs, which could force between \$71M and \$214M in new costs onto Indiana.
- The portion of administrative costs that Indiana will be required to pay for SNAP will increase by about \$46 million starting in FY 2027.
- Medicaid and SNAP cuts will cause the loss of an estimated 25,800 jobs in Indiana in 2029. Indiana's state and local governments will also lose an estimated \$218 million in tax revenue, squeezing public budgets for vital services such as education and social services



Ways to Get IN-VOLVED

Before January 2027

- Call, email, or meet with your state legislators
 - Go to iga.in.gov, click "Find My Legislator" and type in your address to look up your elected officials
- Attend a candidate forum and ask them about their budget priorities
- Watch State Budget Committee meetings
 - Fall - Agency budget requests
 - December - Revenue Forecast and Medicaid Forecast

During the Legislative Session

- Call, email, or meet with your state legislators
 - Find my legislator @ iga.in.gov
- Attend a day of action at the statehouse
- Watch committee hearings or attend in person at the statehouse and provide public testimony on the budget bill

YOUR CHALLENGE

*UNDERSTAND THE STEPS AND TIMING
OF THE STATE'S BUDGET PROCESS*

*UNDERSTAND THE DIFFERENT
SOURCES OF TAX REVENUE THAT ARE
COLLECTED IN INDIANA*

*REVENUE FORECASTS, THE LAST
BUDGET, AND WHAT TO EXPECT IN
JANUARY 2027*

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Thank
you for
joining
us!



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