

FOR IMMEDIATE RELEASE September 28, 2022

## <u>Individual Income Tax Rates to Rise in Five Indiana Counties</u> Effective Oct. 1

INDIANAPOLIS, Ind. – Effective Oct. 1, 2022, five Indiana county income tax rates will increase, according to the Indiana Department of Revenue (DOR).

Local income tax rates are determined by county officials and provided to DOR for review regarding compliance with Indiana law.

Below are the five counties impacted along with their new tax rates:

- Boone County: **0.017** (increased from 0.015)
- Johnson County: **0.014** (increased from 0.012)
- Knox County: **0.017** (increased from 0.012)
- LaPorte County: **0.0145** (increased from 0.0095)
- Monroe County: **0.02035** (increased from 0.01345)

These tax rates affect businesses with employees who live or work in any of these counties and have income tax withholdings.

- For Indiana residents on Jan. 1, 2022, county tax rates for individuals are based on the employee's Indiana county of residence on that date.
- For individuals who are not Indiana residents on Jan. 1, 2022, county tax rates are based on the individual's county of principal business or employment on Jan. 1.

In addition to the rate changes, Departmental Notice #1 has been updated to provide withholding instructions for the new adopted child exemption.

Current rates for all Indiana counties are available on DOR's website at <u>dor.in.gov</u> in <u>Departmental Notice #1</u>. To view the complete list, click on "Legal Resources", then "Tax Library", followed by "Departmental Notices".

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