

ORIGINAL

RESOLUTION NO. 2010-022

RESOLUTION APPROVING DEDUCTION FROM ASSESSED VALUE  
OF NEW MANUFACTURING EQUIPMENT AND NEW LOGISTICAL  
DISTRIBUTION EQUIPMENT IN AN ALREADY DECLARED  
ECONOMIC REVITALIZATION AREA  
(Magna Powertrain of America, Inc.)

WHEREAS, the Indiana General Assembly has enacted a statute, I.C. 6-1.1-12.1 (the "Act"), authorizing certain deductions from the assessed value of new manufacturing equipment and new logistical distribution equipment (as defined in the Act) for purposes of taxation of such equipment if installed during the period beginning March 1, 1983 and ending December 31, 2011, or such other date as extended by Indiana Code, in an area that is declared an economic revitalization area; and

WHEREAS, Magna Powertrain of America, Inc. will install new manufacturing equipment and new logistical distribution equipment at its plant located at 1400 West Fuson Road, Muncie, Indiana, 47302 during the above-described period; and

WHEREAS, by previously adopted resolutions, the Delaware County Council declared and affirmed that the area commonly described as 1400 West Fuson Road which is identified on the attached map and legal description (the "Area"), is an economic revitalization area, and authorizes deductions from assessed value of new equipment, installed in the area for purposes of taxation; and


WHEREAS, as a condition of approval of the ensuing abatement, Magna Powertrain of America, Inc. agrees to update the County Council on a semi-annual basis with regard to the status of employment at the facility during the term of the life of the abatement.

NOW, THEREFORE, BE IT RESOLVED by the County Council of the County of Delaware in the State of Indiana:

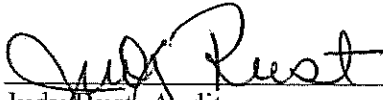
1. The Delaware County Council finds and determines that the new manufacturing equipment and new logistical distribution equipment to be installed in the above referenced area by Magna Powertrain of America, Inc. shall be allowed a deduction for ten (10) years from the assessed value of such equipment, in accordance with the provisions of I.C. 6-1.1-12.1-4.5.
2. The Delaware County Auditor shall take such further actions as may be required to carry out the purposes of this Resolution and to insure the eligibility of the new equipment for the deduction hereinabove described.
3. This Resolution shall be in full force and effect from and after its passage by the Delaware County Council and such publications as may be required by law.

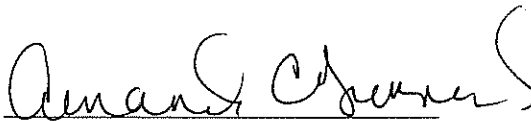
	Yeas	Nays	Abstained	Absent
Ted Bowman	<u>✓</u>	<u>—</u>	<u>—</u>	<u>—</u>
Mary Chambers	<u>X</u>	<u>—</u>	<u>—</u>	<u>—</u>
Mike Jones	<u>X</u>	<u>—</u>	<u>—</u>	<u>—</u>
James King	<u>X</u>	<u>—</u>	<u>—</u>	<u>—</u>
Chris Matchett	<u>X</u>	<u>—</u>	<u>—</u>	<u>—</u>
Kevin Nemyer	<u>X</u>	<u>—</u>	<u>—</u>	<u>—</u>
Ron Quakenbush	<u>X</u>	<u>—</u>	<u>—</u>	<u>—</u>

Passed by the County Council of Delaware County, Indiana this 25 day of September 2010.

  
 Chris Matchett, President County Council  
 Delaware County, Indiana

ATTEST:

  
 Judy Rust, Auditor  
 Delaware County, Indiana

This Resolution is approved in form by   
 Amanda Dunnuck  
 Legal Counsel

**APPLICATION FOR TAX ABATEMENT**  
**New Manufacturing Equipment**

**This completed application, including a map identifying the general location of the facility, should be signed by the owner (or representative) of the new manufacturing equipment and submitted to:**

**Delaware County Council**  
**c/o Bruce Baldwin, Vision 2011**  
**P.O. Box 842**  
**Muncie, IN 47308-0842**  
**PH: 765.751.9104**  
**Please type or print.**

Date: 9-13-2010 Name of Company: Magna Powertrain of America, Inc.

Address of Property: 1400 West Fuson Road, Muncie, IN 47302

Township: Center

Is legal description attached? Yes  No

Property Owner (s): Magna Powertrain of America, Inc

Name Stephen Brand Name \_\_\_\_\_

Address 1400 West Fuson Road Address \_\_\_\_\_

Muncie, IN 47302 \_\_\_\_\_

Owner's Representative:

Name Stephen Brand Telephone 765-587-1302

Address PO Box 2950, Muncie, IN 47307

Is property / facility served by adequate utilities?

Yes \_\_\_\_\_ No

Are present utilities adequate for new equipment?

Yes \_\_\_\_\_ No

If not, please explain: Shell building needs to have utilities connected

Briefly describe the use of the new equipment and its purchase price: Purchase price of \$8,173,000 to relocate used equipment and refurbish it for the manufacturing of automotive components and assemblies for transfer cases.

Tax Assessment and Payment:

Amount of last business personal property assessment: \$ 0

Amount of last business personal property taxes: \$ 0

**(Please attached a copy of your latest paid tax receipts to this form)**

**APPLICATION FOR NEW MANUFACTURING EQUIPMENT TAX ABATEMENT - PAGE 2**

Total number of employees currently working for the company: 0

Number of Minorities: 0; Number of Females: 0; Number of Handicapped: 0

What percentage of employees are Delaware County Residents? 0 %

Number of new employees to be added as a result of abatement : 47 Actual (+-) jobs         

**Fringe Benefits:** Health Insurance (Y or N) Y; % paid by employer: 80; % paid by employee: 20  
Pension: (Y or N) N; % paid by employer:         ; % paid by employee:         

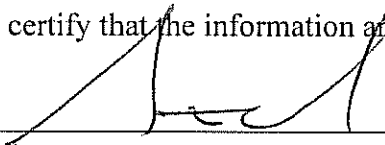
**Wage Package:** Starting Wage: \$ 14.00; High Wage: \$ 20.29; Average Wage: \$ 15.00

Job skill of new employees / entry level skill: pass entrance test – observation, basic English, basic math and basic reading         

Current average expected wage for jobs resulting from abatement (range): \$ 15.00

Number of jobs retained as a result of this project: 0

I hereby certify that the information and representations on this application are true and complete.

                   General Manager          9/14/10  
Name Title Date

**NOTICE:** Your signature above indicates that you are aware that you must annually file both form CF-1 (Compliance with Statement of Benefits), and Form 322 ERA/PP (Application for Deduction from Assessed Valuation) by the dates indicated on the forms in order to actually receive your tax deduction.

The amount of the deduction equals the product of the taxes on the newly installed manufacturing equipment multiplied by the following percentages:

1 <sup>st</sup> year .....	100%
2 <sup>nd</sup> year .....	95%
3 <sup>rd</sup> year .....	80%
4 <sup>th</sup> year .....	65%
5 <sup>th</sup> year .....	50%
6 <sup>th</sup> year and thereafter .....	0%

To be eligible for the abatement, the equipment must be installed during the period beginning March 1, 1983 and ending December 31, 2011 or such other date as extended by Indiana code. The equipment must be used in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining or finishing of other tangible personal property.

A non-refundable fee of one hundred fifty dollars (\$150.00) payable to the **Delaware County Treasurer** is required of applicants for filing of applications for designation of economic revitalization areas and for tax abatement in already approved areas.

APPLICATION FOR TAX ABATEMENT

New Logistics Equipment

This completed application, including a map identifying the general location of the facility, should be signed by the owner (or representative) of the new manufacturing equipment and submitted to:

Delaware County Council
c/o Bruce Baldwin, Vision 2011
P.O. Box 842
Muncie, IN 47308-0842
PH: 765.751.9104
Please type or print.

Date: 9-13-2010 Name of Company: Magna Powertrain of America, Inc.

Address of Property: 1400 West Fuson Road, Muncie, IN 47302

Township: Center

Is legal description attached? Yes X No

Property Owner (s): Magna Powertrain of America, Inc

Name Stephen Brand Name

Address 1400 West Fuson Road Address

Muncie, IN 47302

Owner's Representative:

Name Stephen Brand Telephone 765-587-1302

Address PO Box 2950, Muncie, IN 47307

Is property / facility served by adequate utilities?

Yes No X

Are present utilities adequate for new equipment?

Yes No X

If not, please explain: Shell building needs to have utilities connected

Briefly describe the use of the new equipment and its purchase price: Logistics equipment of \$100,000.00 to support the relocation of used equipment and refurbish it for the manufacturing of automotive components and assemblies for transfer cases.

Tax Assessment and Payment:

Amount of last business personal property assessment: \$ 0

Amount of last business personal property taxes: \$ 0

(Please attached a copy of your latest paid tax receipts to this form)

**APPLICATION FOR NEW MANUFACTURING EQUIPMENT TAX ABATEMENT - PAGE 2**

Total number of employees currently working for the company: 0

Number of Minorities: 0; Number of Females: 0; Number of Handicapped: 0

What percentage of employees are Delaware County Residents? 0 %

Number of new employees to be added as a result of abatement : 47 Actual (+-) jobs         

**Fringe Benefits:** Health Insurance (Y or N) Y; % paid by employer: 80; % paid by employee: 20

Pension: (Y or N) N; % paid by employer:         ; % paid by employee:         

**Wage Package:** Starting Wage: \$ 14.00; High Wage: \$ 20.29; Average Wage: \$ 15.00

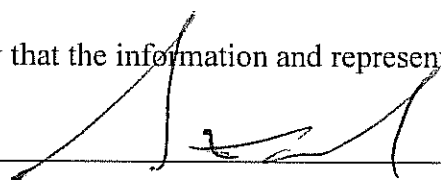
Job skill of new employees / entry level skill: pass entrance test – observation, basic English, basic math and basic reading         

Current average expected wage for jobs resulting from abatement (range): \$ 15.00

Number of jobs retained as a result of this project: 0

I hereby certify that the information and representations on this application are true and complete.

Name

 General Manager

Title

9/14/10

Date

**NOTICE:** Your signature above indicates that you are aware that you must annually file both form *CF-1 (Compliance with Statement of Benefits)*, and *Form 322 ERA/PP (Application for Deduction from Assessed Valuation)* by the dates indicated on the forms in order to actually receive your tax deduction.

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5 <sup>th</sup> year .....	50%
6 <sup>th</sup> year and thereafter .....	0%

To be eligible for the abatement, the equipment must be installed during the period beginning March 1, 1983 and ending December 31, 2011 or such other date as extended by Indiana code. The equipment must be used in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining or finishing of other tangible personal property.

A non-refundable fee of one hundred fifty dollars (\$150.00) payable to the **Delaware County Treasurer** is required of applicants for filing of applications for designation of economic revitalization areas and for tax abatement in already approved areas.



**STATEMENT OF BENEFITS  
PERSONAL PROPERTY**

State Form 51764 (R / 1-06)

Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

**PRIVACY NOTICE**

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

**INSTRUCTIONS:**

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))

**SECTION 1 TAXPAYER INFORMATION**

Name of taxpayer <b>Magna Powertrain of America, Inc</b>	
Address of taxpayer (number and street, city, state, and ZIP code) <b>PO Box 2950, Muncie, IN 47307</b>	
Name of contact person <b>Stephen Brand</b>	Telephone number <b>(765) 587-1302</b>

**SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT**

Name of designating body <b>County Council of Delaware County</b>		Resolution number (s)
Location of property <b>1400 West Fuson Road, Muncie, IN 47302</b>	County <b>Delaware</b>	DLGF taxing district number <b>0002</b>
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (use additional sheets if necessary)  <b>Relocation of used equipment for manufacturing components and assemblies for automotive transfer cases. Logistics and IT equipment to support production of transfer cases.</b>	<b>ESTIMATED</b>	
		START DATE      COMPLETION DATE
	Manufacturing Equipment	10/01/2010      12/31/2011
	R & D Equipment	
	Logist Dist Equipment	10/01/2010      12/31/2011
IT Equipment	10/01/2010      12/31/2011	

**SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT**

Current number <b>0</b>	Salaries <b>0.00</b>	Number retained <b>0</b>	Salaries <b>0.00</b>	Number additional <b>47</b>	Salaries <b>1,600,000.00</b>
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**SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT**

NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	<b>MANUFACTURING EQUIPMENT</b>		<b>R &amp; D EQUIPMENT</b>		<b>LOGIST DIST EQUIPMENT</b>		<b>IT EQUIPMENT</b>	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current values								
Plus estimated values of proposed project	8,173,000.00	3,269,200.00	0.00	0.00	100,000.00	40,000.00	130,000.00	84,500.00
Less values of any property being replaced								
Net estimated values upon completion of project	8,173,000.00	3,269,200.00	0.00	0.00	100,000.00	40,000.00	130,000.00	84,500.00

**SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER**

Estimated solid waste converted (pounds) _____	Estimated hazardous waste converted (pounds) _____
Other benefits:	

**SECTION 6 TAXPAYER CERTIFICATION**

I hereby certify that the representations in this statement are true.		
Signature of authorized representative 	Title <b>General Manager</b>	Date signed (month, day, year) <b>9/14/10</b>

**FOR USE OF THE DESIGNATING BODY**

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed \_\_\_\_\_ calendar years \* (see below). The date this designation expires is \_\_\_\_\_.

- B. The type of deduction that is allowed in the designated area is limited to:
- |  |                              |                             |
|--|------------------------------|-----------------------------|
| 1. Installation of new manufacturing equipment;            | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment.  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Installation of new information technology equipment;   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.

D. The amount of deduction applicable to new research and development equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.

F. The amount of deduction applicable to new information technology equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.


G. Other limitations or conditions (specify) \_\_\_\_\_

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction on or after July 1, 2000, is allowed for:

- |                                     |                                      |
|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> 1 year     | <input type="checkbox"/> 6 years     |
| <input type="checkbox"/> 2 years    | <input type="checkbox"/> 7 years     |
| <input type="checkbox"/> 3 years    | <input type="checkbox"/> 8 years     |
| <input type="checkbox"/> 4 years    | <input type="checkbox"/> 9 years     |
| <input type="checkbox"/> 5 years ** | <input type="checkbox"/> 10 years ** |

\*\* For ERA's established prior to July 1, 2000, only a 5 or 10 year schedule may be deducted.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member)  COUNCIL PRESIDENT	Telephone number	Date signed (month, day, year)
Attested by:	Designated body	

\* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5



NAME: Delaware County Treasurer      ACCOUNT NO: 200540      CHECK NO: 020998      DATE: 05/27/2010

Invoice Number	Invoice Date	Description	Amount	Discount	Net Amount
1900007655	05/25/2010	2010 TAX ABATEME	250.00	0.00	250.00

DETACH STUB BEFORE DEPOSITING - RETAIN VOUCHER FOR YOUR RECORDS

THIS CHECK IS VOID WITHOUT A BURGUNDY & GRAY BORDER AND BACKGROUND PLUS A KNIGHT & FINGERPRINT WATERMARK ON THE BACK - HOLD AT ANGLE TO VIEW

MAGNA POWERTRAIN  
4701 S. Cowan Road  
Muncie, IN 47302

JPMorganChase Bank  
Dearborn, MI

74-1292/724

CHECK NO. 020998  
CHECK DATE 05/27/2010

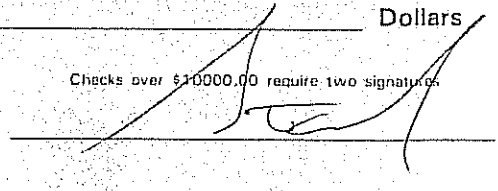
PAY THIS AMOUNT  
\$ \* \* \* 250.00 \* \* \*

PAY \*\* TWO HUNDRED FIFTY \*\*

Dollars

TO THE ORDER OF  
Delaware County Treasurer  
100 W. Main St.  
Muncie IN 47305

Checks over \$10000.00 require two signatures



AUTHORIZED SIGNATURE

SIGNATURE AREA CONTAINS A KNIGHT & FINGERPRINT CHECK WORDING

⑈020998⑈ ⑆072412927⑆ 701333379⑈

NAME: Delaware County Treasurer

ACCOUNT NO: 200540

CHECK NO: 021899

DATE: 09/14/2010

Invoice Number	Invoice Date	Description	Amount	Discount	Net Amount
1900008467	09/14/2010	APP	200.00	0.00	200.00

DETACH STUB BEFORE DEPOSITING - RETAIN VOUCHER FOR YOUR RECORDS

THIS CHECK IS VOID WITHOUT A BURGUNDY & GRAY BORDER AND BACKGROUND PLUS A KNIGHT & FINGERPRINT WATERMARK ON THE BACK - HOLD AT ANGLE TO VIEW

MAGNA POWERTRAIN  
4701 S. Cowan Road  
Muncie, IN 47302

JPMorganChase Bank  
Dearborn, MI

74-1292/724

CHECK NO. 021899  
CHECK DATE 09/14/2010

PAY THIS AMOUNT

\*\*\* 200.00 \*\*\*

PAY \*\*\* TWO HUNDRED \*\*\*

Dollars

TO THE ORDER OF  
Delaware County Treasurer  
Real Property  
100 W. Main St.  
Muncie IN 47305

Checks over \$10000.00 require two signatures

*Joe Ban*  
AUTHORIZED SIGNATURE

SIGNATURE AREA CONTAINS A KNIGHT & FINGERPRINT CHECK WORDING

Memo:

⑈021899⑈ ⑆072412927⑆ 701333379⑈