

IC 16-23-9

Chapter 9. Benevolent Hospitals in Certain Townships

IC 16-23-9-1

Application of chapter

Sec. 1. This chapter applies to a nonprofit hospital corporation that:

- (1) is located in a township having a population of more than eight thousand (8,000) but less than ten thousand (10,000) located in a county having a population of more than forty-seven thousand (47,000) but less than forty-seven thousand five hundred (47,500);
- (2) has a majority of members who are residents of the township;
- (3) is managed by directors, a majority of whom are residents of the township and who serve without compensation;
- (4) is free from political or sectarian influence and is required by the hospital's articles of incorporation to be so managed and maintained perpetually; and
- (5) is unable to be maintained and supported and to perform the hospital service reasonably needed and required for the people of the township without assistance, as determined by the township trustee and township board.

As added by P.L.2-1993, SEC.6. Amended by P.L.170-2002, SEC.107; P.L.119-2012, SEC.138.

IC 16-23-9-2

Tax levies

Sec. 2. The township board may, at the request of the township trustee, levy annually and cause to be collected as other taxes are collected a tax upon all of the taxable property within the township. The tax may not exceed six and sixty-seven hundredths cents (\$0.0667) on each one hundred dollars (\$100) of assessed valuation. The tax is for the use of the hospital in defraying the expenses of the hospital's maintenance and support, for providing necessary additions, and for the payment of mortgage indebtedness.

As added by P.L.2-1993, SEC.6. Amended by P.L.6-1997, SEC.176.

IC 16-23-9-3

Tax collection

Sec. 3. The taxes levied under section 2 of this chapter shall be collected as provided by statute for the collection of other taxes upon property in the township. When the taxes are collected, the taxes shall be paid into the treasury of the nonprofit hospital corporation and used for the purposes set out in section 2 of this chapter.

As added by P.L.2-1993, SEC.6.

IC 16-23-9-4

Authority to borrow funds; bonds; tax levies; bond proceeds

Sec. 4. (a) This section applies if the township trustee and the

township board of the township determine the following:

(1) That the hospital is indebted in an amount not exceeding five thousand dollars (\$5,000), the payment of which is secured by a mortgage encumbering the buildings and grounds of the hospital.

(2) That an addition to the hospital structure or additional building or buildings, or equipment is required to enable the hospital to efficiently carry on the hospital's activities under the hospital's articles of incorporation.

(b) The township board may authorize the trustee, by special order entered and signed upon the township board's records, to borrow an amount on behalf of the township sufficient to pay the mortgage indebtedness, or to construct and equip an addition to a building or for an additional building. The township board may authorize the trustee of the township to issue bonds of the township to pay the debt created. The bonds:

(1) may run for a period not exceeding ten (10) years;

(2) may bear interest at any rate; and

(3) shall be sold by one (1) of the trustees, with the consent of the township board, for not less than par value.

(c) The township board shall annually levy sufficient taxes to pay at least one-tenth (1/10) of the township bonds, including interest, and the township trustee shall apply the tax levy collected each year to the retirement of the bonds and the payment of the interest on the bonds. The bonds issued under this section may not exceed an amount equal to one percent (1%) of the adjusted value of all the taxable property in the township, including that in a town, as determined under IC 36-1-15.

(d) This debt may not be created except by the township board in the manner specified in this section. A payment of an unauthorized debt by a trustee from public funds is recoverable upon the bond of the trustee.

(e) The township trustee shall pay the proceeds from the borrowing and the sale of bonds into the treasury of the hospital. The hospital may use the money only to pay the mortgage indebtedness for which bonds had been sold or for construction and equipment of buildings or additions to buildings.

As added by P.L.2-1993, SEC.6. Amended by P.L.6-1997, SEC.177.

IC 16-23-9-5

Ex officio board membership by township trustees

Sec. 5. A township may not exercise the powers under this chapter, raise money by taxation, or incur debt of the township on behalf of a hospital unless the trustee of the township is an ex officio member of the board of directors or other governing board of the hospital throughout the term of the expenditure of all public money.

As added by P.L.2-1993, SEC.6.