

# HOUSE BILL No. 1407

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-4-4.1.

**Synopsis:** Assessed value. Limits the annual increase in assessed value of real property to 5% unless ownership of the real property changes during the year or the increase results from physical changes to the real property.

**Effective:** January 1, 2025.

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## Payne

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January 11, 2024, read first time and referred to Committee on Ways and Means.

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Second Regular Session of the 123rd General Assembly (2024)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2023 Regular Session of the General Assembly.

# HOUSE BILL No. 1407

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-1.1-4-4.1 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE  
3 JANUARY 1, 2025]: **Sec. 4.1. (a) Except as provided in subsection**  
4 **(b) and subject to subsection (c), for assessment dates after 2024,**  
5 **an increase in the assessed value of real property for an assessment**  
6 **date may not exceed five percent (5%).**  
7 **(b) Subsection (a) does not apply for an assessment date if:**  
8 **(1) the entire ownership interest; or**  
9 **(2) any part of the ownership interest;**  
10 **in the real property changes on or before that assessment date and**  
11 **after the immediately preceding assessment date.**  
12 **(c) Subsection (a):**  
13 **(1) applies only to the extent that the increase in the assessed**  
14 **value of the real property is attributable to:**  
15 **(A) an annual adjustment under section 4.5 of this chapter;**  
16 **or**  
17 **(B) the application in:**



- 1                   (i) a reassessment under section 4.2 of this chapter; or
- 2                   (ii) an assessment determined for the assessment date in
- 3                   a year other than a year in which an assessment under
- 4                   section 4.2 of this chapter first applies;
- 5                   of factors other than the recognition of one (1) or more
- 6                   physical changes to the property; and
- 7                   (2) does not apply to the extent that the increase is
- 8                   attributable to the recognition of one (1) or more physical
- 9                   changes to the property.
- 10                  (d) The department of local government finance shall adopt
- 11                  rules under IC 4-22-2 to implement this section.

