



## CONFERENCE COMMITTEE REPORT DIGEST FOR EHB 1120

**Citations Affected:** IC 5-10; IC 5-11-20; IC 6-1.1; IC 6-3.6-7-28; IC 6-9-18; IC 7.1-4; IC 10-12-7; IC 12-7-2-48.7; IC 12-15-13-1.8; IC 15-13-7-1; IC 16-27-5.5; IC 20-26-12; IC 20-28-9-28; IC 20-40; IC 21-34-6-6; IC 36-1-32; IC 36-7; IC 36-8.

**Synopsis:** State and local administration. Increases the assessed value limit for the disabled veteran property tax deduction from \$200,000 to \$240,000. Allows that, for purposes of various property tax deductions, an individual has until January 15 of a calendar year in which property taxes are first due and payable to complete, date, and file the required certified statement with the county auditor. Extends through 2025 the expiration of the threshold amounts used for determining whether a political subdivision's project is a controlled project and whether the petition and remonstrance process or the referendum process applies based on the political subdivision's total debt service tax rate. Specifies that a political subdivision's total debt service tax rate does not include a tax rate approved by voters for a referendum debt service tax levy. Extends the current cap on operating referendum tax that may be levied by a school corporation to taxes due and payable in 2025, and provides a formula to determine the cap for that year. Reestablishes, and enumerates requirements and procedures for, a petition and remonstrance and a referendum for controlled projects funded by debt service if the project scope changes from the purpose initially advertised to taxpayers. Adds trailer provisions pertaining to SEA 228-2024 regarding alcoholic beverage taxes on liquor, wine, and hard cider. Requires the state fair commission to approve future dates of the state fair and the state fair board to advise the commission on future dates of the state fair. Provides that a state employee may affirmatively elect to enroll in the deferred compensation plan prior to the auto enroll date on day 31 of the state employee's employment. Requires, effective July 1, 2025, the trustee of the state police pension trust to maintain a supplemental allowance reserve account for the purpose of paying postretirement benefit adjustments. Requires certain political subdivisions to present to the interim study committee on pension management oversight concerning a delinquent employee retirement plan offered by the political subdivision. Increases the maximum date that a member or participant of certain retirement funds can participate in the deferred retirement option plan from 36 to 60 months. Removes a reference in current law to outstanding bonds for which a fee replacement appropriation was made in a provision prohibiting a state educational institution



from issuing bonds for refunding or advance refunding of outstanding bonds without approval of the budget agency and the board of trustees of the issuing state educational institution making certain findings. Provides that grant awards authorized in the 2023 budget bill and awarded after December 31, 2024, for regional mental health facility grants to counties for use in constructing new facilities or renovating existing facilities to provide mental health services for certain incarcerated individuals may not exceed \$5,000,000 per county (instead of \$2,500,000 per county). Prohibits a unit from entering into a sister city or cooperative agreement with a city, town, province, county, school, college, or university located in a foreign adversary. Provides parameters for the northwestern Indiana regional planning commission, beginning with calendar year 2025 and for each year thereafter through calendar year 2029, to annually adjust each participating county's portion of the budget. Authorizes the office of the secretary of family and social services (office of the secretary) to implement a risk based managed care program for certain Medicaid recipients. Requires the office of Medicaid policy and planning to convene a workgroup and, with managed care organizations, to conduct a claims submission testing period before the risk based managed care program is established. Authorizes the establishment of home health agency cooperative agreements and provides for the expiration of those provisions on June 30, 2027. (A similar law enacted in 2022 expired on July 1, 2023.) Specifies that a home health agency may contract directly or indirectly through a network of home health agencies. Provides that distributions for curricular materials may not be considered for purposes of determining whether a school corporation met the requirement to expend a minimum amount of state tuition support for teacher compensation. Repeals the requirement that each school maintained by a school corporation and each charter school establish a curricular materials account. Requires a public school to deposit distributions for curricular materials in: (1) the education fund of the school corporation that maintains the school; or (2) the fund in which a charter school receives state tuition support. Adds a provision to allow a redevelopment commission to expend revenues from its allocation fund that are allocated for police and fire services on both capital expenditures and operating expenses as authorized in the 2023 session in HB 1454. Provides that, if a township transitions from a single township firefighting and emergency services fund to two separate funds as authorized under current law, the township legislative body must approve a transfer of the remaining cash balance from the single fund to the two new separate funds and determine the amounts attributable to each fund. Requires the office of the secretary to present to the Medicaid oversight committee a detailed plan for monitoring expenses of the complete Medicaid program. Requires the office of the secretary to present to the budget committee a policy to set a required minimum percentage of the reimbursement for personal care services under the home and community-based services waivers that must be paid to the individual providing the direct service. Provides that, if the county fiscal body of Howard County makes certain findings, the Howard County fiscal body may adopt an ordinance that would impose the innkeeper's tax on a person engaged in the business of renting or furnishing rooms, lodgings, or accommodations located within an inn, a hotel, or a motel for a period of more than 30 days. (Current law limits the imposition of the innkeeper's tax to renting or furnishing rooms, lodgings, or accommodations for periods of less than 30 days.) Provides that an ordinance would not apply to existing rooms, lodgings, or accommodations that were not subject to the 30 day threshold prior to January 1, 2024. Provides that an ordinance may not become effective until after April 30, 2024, and must expire before July 1, 2025. Requires the county fiscal body, if an ordinance is adopted, to reduce the tax for any person subject to the innkeeper's tax from 8% (current law) to 6% until the ordinance expires. Allows the county fiscal body to return the tax rate to 8% after the ordinance expires. Reinstates a provision that was repealed in SEA 325-2023 (P.L.182-2023) that includes as a "homestead" property that is an individual's principal place of residence, is located in Indiana, and is owned by an entity, if the individual is a shareholder, partner, or member of the entity that owns the property. Amends a redevelopment commission provision defining "residential property" to apply to allocation areas established after June 30, 2025 (rather than June 30, 2024). Amends certain language in provisions in HEA 1199-2024. Makes



amending changes to the Grant County local income tax special purpose rate added in HEA 1121-2024. Requires the state and local tax review task force to study several additional topics during the 2024 legislative interim. Makes technical corrections. Makes conforming changes. **(This conference committee report is the same as the Senate passed version of the bill (February 28, 2024), except that it does the following: (1) Removes the provision that extends through 2026 the calculation to be used in determining the maximum levy growth quotient as added in the 2023 session in HB 1499. (2) Provides that the state board of accounts (not the department of education) may establish an account code to track expenditures of money distributed for curricular materials. (3) Adds the following additional topics for the state and local tax review task force: (A) The maximum levy growth quotient formula. (B) The use of an influence factor or assessed value deduction for assessment of excess residential acreage. (C) The movement of parcels between allocation areas. (D) The agricultural land base rate formula. (E) The use of debt by school corporations. (4) Adds the provision from the House passed version of the bill (January 30, 2024) that extends the current cap on operating referendum tax that may be levied by a school corporation with certain modifications. (5) Adds provisions from the House passed version of SB 256 (March 1, 2024) that do the following: (A) Reestablish, and enumerate requirements and procedures for, a petition and remonstrance and a referendum for controlled projects funded by debt service if the project scope changes from the purpose initially advertised to taxpayers. (B) Provide that a state employee may affirmatively elect to enroll in the deferred compensation plan prior to the auto enroll date on day 31 of the state employee's employment. (C) Require, effective July 1, 2025, the trustee of the state police pension trust to maintain a supplemental allowance reserve account for the purpose of paying postretirement benefit adjustments. (D) Require certain political subdivisions to present to the interim study committee on pension management oversight concerning a delinquent employee retirement plan offered by the political subdivision. (E) Increase the maximum date that a member or participant of certain retirement funds can participate in the deferred retirement option plan from 36 to 60 months. (F) Remove a reference in current law to outstanding bonds for which a fee replacement appropriation was made in a provision prohibiting a state educational institution from issuing bonds for refunding or advance refunding of outstanding bonds without approval of the budget agency and the board of trustees of the issuing state educational institution making certain findings. (G) Provide that grant awards authorized in the 2023 budget bill and awarded after December 31, 2024, for regional mental health facility grants to counties for use in constructing new facilities or renovating existing facilities to provide mental health services for certain incarcerated individuals may not exceed \$5,000,000 per county (instead of \$2,500,000 per county). (H) Prohibit a unit from entering into a sister city or cooperative agreement with a city, town, province, county, school, college, or university located in a foreign adversary. (I) Provide parameters for the northwestern Indiana regional planning commission, beginning with calendar year 2025 and for each year thereafter through calendar year 2029, to annually adjust each participating county's portion of the budget. (J) Authorize the office of the secretary of family and social services (office of the secretary) to implement a risk based managed care program for certain Medicaid recipients. (K) Require the office of Medicaid policy and planning to convene a workgroup and, with managed care organizations, to conduct a claims submission testing period before the risk based managed care program is established. (L) Authorize the establishment of home health agency cooperative agreements and provide for the expiration of those provisions on June 30, 2027 (a similar law enacted in 2022 expired on July 1, 2023), and specify that a home health agency may contract directly or indirectly through a network of home health agencies. (M) Require the office of the secretary to present to the Medicaid oversight committee a detailed plan for monitoring expenses of the complete Medicaid program. (N) Require the office of the secretary to present to the budget committee a policy to set a required**



minimum percentage of the reimbursement for personal care services under the home and community-based services waivers that must be paid to the individual providing the direct service (with modifications). (6) Adds provisions from the House-passed version of ESB 238 (February 28, 2024) allowing the Howard County fiscal body to adopt an ordinance to impose the innkeeper's tax on a person engaged in the business of renting or furnishing rooms, lodgings, or accommodations located within an inn, a hotel, or a motel for a period of more than 30 days, but requires the county fiscal body to make certain findings related to economic development in the county to adopt an ordinance to extend the innkeeper's tax. (7) Adds SECTION 2 from the House-passed version of HB 1417 (January 29, 2024) requiring the state fair commission to approve future dates of the state fair and the state fair board to advise the commission on future dates of the state fair. (8) Reinstates a provision that was repealed in SEA 325-2023 (P.L.182-2023) that includes as a "homestead" property that is an individual's principal place of residence, is located in Indiana, and is owned by an entity, if the individual is a shareholder, partner, or member of the entity that owns the property to align with SECTION 11 from Senate passed version of HEA 1328-2024. (9) Adds a new provision to amend a redevelopment commission provision defining "residential property" to apply to allocation areas established after June 30, 2025 (rather than June 30, 2024). (10) Adds trailer provisions pertaining to SEA 228-2024 regarding alcoholic beverage taxes on liquor, wine, and hard cider. (11) Adds trailer provisions to amend HEA 1199-2024. (12) Adds trailer provisions to amend the Grant County local income tax special purpose rate added in HEA 1121-2024.)

**Effective:** Upon passage; January 1, 2023 (retroactive); January 1, 2024 (retroactive); July 1, 2024; January 1, 2025; July 1, 2025.



# CONFERENCE COMMITTEE REPORT

**MADAM PRESIDENT:**

*Your Conference Committee appointed to confer with a like committee from the House upon Engrossed Senate Amendments to Engrossed House Bill No. 1120 respectfully reports that said two committees have conferred and agreed as follows to wit:*

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning state
- 3 and local administration.
- 4 Delete everything after the enacting clause and insert the following:
- 5 SECTION 1. IC 5-10-1.1-3.5, AS AMENDED BY THE
- 6 TECHNICAL CORRECTIONS BILL OF THE 2024 GENERAL
- 7 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 8 UPON PASSAGE]: Sec. 3.5. (a) This section applies to an individual
- 9 who becomes an employee of the state after June 30, 2007.
- 10 (b) Unless an employee notifies the state that the employee does not
- 11 want to enroll in the deferred compensation plan **or makes an**
- 12 **affirmative election under subsection (h)**, on day thirty-one (31) of
- 13 the employee's employment:
- 14 (1) the employee is automatically enrolled in the deferred
- 15 compensation plan; and
- 16 (2) the state is authorized to begin deductions as otherwise
- 17 allowed under this chapter.
- 18 (c) The ~~auditor~~ of state **comptroller** shall provide notice to an
- 19 employee of the provisions of this chapter. The notice provided under

- 1 this subsection must:
- 2 (1) contain a statement concerning:
- 3 (A) the purposes of;
- 4 (B) procedures for notifying the state that the employee does
- 5 not want to enroll in;
- 6 (C) the tax consequences of; and
- 7 (D) the details of the state match for employee contribution to;
- 8 the deferred compensation plan; and
- 9 (2) list the telephone number, electronic mail address, and other
- 10 contact information for the plan administrator.
- 11 (d) This subsection applies to contributions made before July 1,
- 12 2011. Notwithstanding IC 22-2-6, except as provided by subsection (h),
- 13 the state shall deduct from an employee's compensation as a
- 14 contribution to the deferred compensation plan established by the state
- 15 under this chapter an amount equal to the maximum amount of any
- 16 match provided by the state on behalf of the employee to a defined
- 17 contribution plan established under section 1.5(a) of this chapter.
- 18 (e) This subsection applies to contributions made after June 30,
- 19 2011, and before July 1, 2013. Notwithstanding IC 22-2-6 and except
- 20 as provided by subsection (h), during the first year an employee is
- 21 enrolled under subsection (b) in the deferred compensation plan, the
- 22 state shall deduct each pay period from the employee's compensation
- 23 as a contribution to the deferred compensation plan an amount equal
- 24 to the greater of the following:
- 25 (1) The maximum amount of any match provided by the state on
- 26 behalf of the employee to a defined contribution plan established
- 27 under section 1.5(a) of this chapter.
- 28 (2) One-half percent (0.5%) of the employee's base salary.
- 29 (f) This subsection applies to contributions made after June 30,
- 30 2013. Notwithstanding IC 22-2-6 and except as provided by subsection
- 31 (h), during the first year an employee is enrolled under subsection (b)
- 32 in the deferred compensation plan, the state shall deduct each pay
- 33 period from the employee's compensation as a contribution to the
- 34 deferred compensation plan an amount equal to the greater of the
- 35 following:
- 36 (1) The maximum amount of any match provided by the state on
- 37 behalf of the employee to a defined contribution plan established
- 38 under section 1.5(a) of this chapter.
- 39 (2) Two percent (2%) of the employee's base salary.
- 40 (g) This subsection applies to a year:
- 41 (1) after the first year in which an employee is enrolled in the
- 42 deferred compensation plan; and
- 43 (2) in which the employee does not affirmatively choose a
- 44 contribution amount under subsection (h).
- 45 The percentage of the employee's base salary used for the year in
- 46 subsection (e)(2) or (f)(2) to determine the employee's contribution
- 47 increases by one-half percent (0.5%) from the percentage determined
- 48 in the immediately preceding year. The maximum percentage of an
- 49 employee's base salary that may be deducted under this subsection is
- 50 five percent (5%). The contribution increase occurs on the anniversary

1 date of the employee's enrollment in the deferred compensation plan.

2 (h) **An employee may affirmatively elect to enroll in the deferred**  
 3 **compensation plan in the amount described in subsections (d)**  
 4 **through (g).** An employee may contribute to the deferred  
 5 compensation plan established by the state under this chapter an  
 6 amount other than the amount described in subsections (d) through (g)  
 7 by affirmatively choosing to contribute:

- 8 (1) a higher amount;
- 9 (2) a lower amount; or
- 10 (3) zero (0).

11 SECTION 2. IC 5-10-5.5-22, AS AMENDED BY P.L.145-2020,  
 12 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 JULY 1, 2024]: Sec. 22. (a) As used in this section, "DROP" refers to  
 14 a deferred retirement option plan established under this section.

15 (b) As used in this section, "DROP entry date" means the date that  
 16 a participant's election to enter a DROP becomes effective.

17 (c) As used in this section, "DROP frozen benefit" refers to an  
 18 annual retirement allowance computed under section 10 of this chapter  
 19 based on a participant's:

- 20 (1) average annual salary; and
- 21 (2) years of creditable service;

22 on the date the participant enters the DROP.

23 (d) As used in this section, "DROP retirement date" means the  
 24 future retirement date selected by a participant at the time the  
 25 participant elects to enter the DROP.

26 (e) Only a participant who is eligible to receive an unreduced annual  
 27 retirement allowance immediately upon termination of employment  
 28 may elect to enter a DROP. A participant who elects to enter the DROP  
 29 **must shall do the following:**

30 (1) Agree to the following:

31 ~~(1)~~ **(A)** The participant shall execute an irrevocable election to  
 32 retire on the DROP retirement date and must remain in active  
 33 service until that date.

34 ~~(2)~~ **(B)** While in the DROP, the participant shall continue to  
 35 make contributions under section 8 of this chapter.

36 ~~(3)~~ **(C)** The participant shall select a DROP retirement date not  
 37 less than twelve (12) months and not more than:

38 **(i)** thirty-six (36) months after the participant's DROP entry  
 39 date, **for a participant who executes an election described**  
 40 **in clause (A) before July 1, 2024; or**

41 **(ii)** sixty (60) months after the participant's DROP entry  
 42 date, **for a participant who executes an election**  
 43 **described in clause (A) after June 30, 2024.**

44 ~~(4)~~ **(D)** The participant may not remain in the DROP after the  
 45 date the participant reaches the mandatory retirement age  
 46 under section 9 of this chapter.

47 ~~(5)~~ **(E)** The participant may make an election to enter the  
 48 DROP only once in the participant's lifetime.

49 **(2) Notify the participant's employer of the DROP election**  
 50 **within thirty (30) days of the election.**

1 **(f) Notwithstanding subsection (e), a participant that entered the**  
 2 **DROP before July 1, 2024, and that has not exited the DROP may**  
 3 **elect to extend the participant's DROP retirement date up to sixty**  
 4 **(60) months after the participant's DROP entry date.**

5 **(g) A participant that makes the election described in subsection**  
 6 **(f) shall notify the participant's employer within thirty (30) days of**  
 7 **the election.**

8 ~~(f)~~ **(h)** Contributions or payments provided by the general assembly  
 9 under section 4(b)(4) of this chapter continue for a participant while  
 10 the participant is in the DROP.

11 ~~(g)~~ **(i)** A participant shall exit the DROP on the earliest of the  
 12 following:

13 (1) The participant's DROP retirement date.

14 (2) **Either:**

15 **(A) thirty-six (36) months after the participant's DROP entry**  
 16 **date, if the participant:**

17 **(i) executes an election described in subsection (e) before**  
 18 **July 1, 2024; and**

19 **(ii) does not execute an extension described in subsection**  
 20 **(f); or**

21 **(B) sixty (60) months after the participant's DROP entry**  
 22 **date, if the participant:**

23 **(i) executes an election described in subsection (e) after**  
 24 **June 30, 2024; or**

25 **(ii) executes an extension described in subsection (f).**

26 (3) The participant's mandatory retirement age.

27 (4) The date the participant retires because of a disability as  
 28 provided by subsection ~~(k)~~ **(m).**

29 ~~(h)~~ **(j)** A participant who retires on the participant's DROP  
 30 retirement date or on the date the participant retires because of a  
 31 disability as provided by subsection ~~(k)~~ **(m)** may elect to receive an  
 32 annual retirement allowance:

33 (1) computed under section 10 of this chapter as if the participant  
 34 had never entered the DROP; or

35 (2) consisting of:

36 **(A) the DROP frozen benefit; plus**

37 **(B) an additional amount, paid as the participant elects under**  
 38 **subsection ~~(j)~~ **(k)**, determined by multiplying:**

39 **(i) the DROP frozen benefit; by**

40 **(ii) the number of months the participant was in the DROP.**

41 ~~(i)~~ **(k)** The participant shall elect, at the participant's retirement, to  
 42 receive the additional amount calculated under subsection ~~(h)~~~~(2)~~~~(B)~~

43 **(j)(2)(B)** in one (1) of the following ways:

44 (1) A lump sum paid on:

45 **(A) the participant's DROP retirement date; or**

46 **(B) the date the participant retires because of a disability as**  
 47 **provided by subsection ~~(k)~~ **(m).****

48 (2) Three (3) equal annual payments:

49 **(A) commencing on:**

50 **(i) the participant's DROP retirement date; or**

51 **(ii) the date the participant retires because of a disability as**



- 1 provided by subsection ~~(k)~~; **(m)**; and  
 2 **(B)** thereafter paid on:  
 3 (i) the anniversary of the participant's DROP retirement  
 4 date; or  
 5 (ii) the date the participant retires because of a disability as  
 6 provided by subsection ~~(k)~~; **(m)**.
- 7 ~~(j)~~ **(I)** A cost of living increase determined under section 21(c) of  
 8 this chapter does not apply to the additional amount calculated under  
 9 subsection ~~(h)(2)(B)~~ **(j)(2)(B)** at the participant's DROP retirement date  
 10 or the date the participant retires because of a disability as provided by  
 11 subsection ~~(k)~~; **(m)**. No cost of living increase is applied to a DROP  
 12 frozen benefit while the participant is in the DROP. After the  
 13 participant's DROP retirement date or the date the participant retires  
 14 because of a disability as provided by subsection ~~(k)~~; **(m)**, cost of living  
 15 increases determined under section 21(c) of this chapter apply to the  
 16 participant's annual retirement allowance computed under this section.
- 17 ~~(k)~~ **(m)** If a participant becomes disabled, in the line of duty or other  
 18 than in the line of duty while in the DROP, the participant's annual  
 19 retirement allowance is computed as follows:  
 20 (1) If the participant retires because of a disability less than  
 21 twelve (12) months after the date the participant enters the DROP,  
 22 the participant's annual retirement allowance is calculated as if  
 23 the participant had never entered the DROP.  
 24 (2) If the participant retires because of a disability at least twelve  
 25 (12) months after the date the participant enters the DROP, the  
 26 participant's annual retirement allowance is calculated under this  
 27 section, and the participant's retirement date is the date the  
 28 member retires because of a disability rather than the participant's  
 29 DROP retirement date.
- 30 ~~(h)~~ **(n)** If, before payment of the participant's annual retirement  
 31 allowance begins, the participant dies in the line of duty or other than  
 32 in the line of duty, death benefits are payable to the participant's  
 33 surviving spouse. If there is no surviving spouse, the death benefits  
 34 must be divided equally among the participant's surviving children. If  
 35 there are no surviving children, the death benefits are paid to the  
 36 participant's parents. If there are no surviving parents, the death  
 37 benefits are paid to the participant's estate. The death benefits are  
 38 determined as follows:  
 39 (1) If the participant dies less than twelve (12) months after the  
 40 date the participant enters the DROP, the death benefits are  
 41 calculated as if the participant had never entered the DROP.  
 42 (2) If the participant dies at least twelve (12) months after the date  
 43 the participant enters the DROP, the death benefits consist of both  
 44 of the following:  
 45 (A) At the election of the survivor or survivors to whom the  
 46 benefit is payable, the benefit calculated under subsection  
 47 ~~(h)(2)(B)~~ **(j)(2)(B)** is paid in either:  
 48 (i) a lump sum; or  
 49 (ii) three (3) equal annual payments, the first as soon as  
 50 practicable after the date of the participant's death, the

1 second on the first anniversary of the participant's death, and  
 2 the third on the second anniversary of the participant's death.  
 3 (B) A benefit is paid on the DROP frozen benefit under the  
 4 terms of the retirement plan created by this chapter.

5 ~~(m)~~ (o) Except as provided under subsections ~~(k)~~ (m) and ~~(j)~~ (n),  
 6 the annual retirement allowance for a participant who exits the DROP  
 7 for any reason other than retirement on the participant's DROP  
 8 retirement date is calculated as if the participant had never entered the  
 9 DROP.

10 SECTION 3. IC 5-11-20-1.5 IS ADDED TO THE INDIANA CODE  
 11 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
 12 UPON PASSAGE]: **Sec. 1.5. (a) As used in this chapter, "delinquent  
 13 political subdivision" means a political subdivision offering an  
 14 employee retirement plan described in section 3(b) of this chapter  
 15 that:**

16 (1) received less than the actuarially determined contribution  
 17 for at least three (3) out of the last five (5) immediately  
 18 preceding fiscal years, as determined by the system or its  
 19 agent; or

20 (2) was less than fifty percent (50%) funded at any time  
 21 during the immediately preceding fiscal year, as determined  
 22 by the system or its agent.

23 (b) As used in this chapter, "delinquent political subdivision"  
 24 does not include a political subdivision offering an employee  
 25 retirement plan described in section 3(b) of this chapter that:

26 (1) satisfies subsection (a)(1) or (a)(2) but is subject to an  
 27 existing court order requiring the political subdivision to fund  
 28 the plan benefits; or

29 (2) satisfies subsection (a)(1) or (a)(2) but was established  
 30 some time during the last five (5) immediately preceding fiscal  
 31 years.

32 (c) A police benefit fund qualifies as a delinquent political  
 33 subdivision if it satisfies subsection (a)(1). A police benefit fund  
 34 does not qualify as a delinquent political subdivision if it satisfies  
 35 subsection (a)(2) but does not satisfy subsection (a)(1).

36 SECTION 4. IC 5-11-20-2.5 IS ADDED TO THE INDIANA CODE  
 37 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
 38 UPON PASSAGE]: **Sec. 2.5. As used in this chapter, "system"  
 39 refers to the Indiana public retirement system established by  
 40 IC 5-10.5-2-1.**

41 SECTION 5. IC 5-11-20-6 IS ADDED TO THE INDIANA CODE  
 42 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
 43 UPON PASSAGE]: **Sec. 6. (a) On or before June 15 of each year,  
 44 the system shall send a delinquency notice to a delinquent political  
 45 subdivision. The delinquency notice must inform the delinquent  
 46 political subdivision that:**

47 (1) an employee retirement plan offered by the delinquent  
 48 political subdivision:

49 (A) received less than ninety-five percent (95%) of the  
 50 actuarially determined contribution for the immediately  
 51 preceding fiscal year, as determined by the system or its

- 1 agent; or  
 2 **(B) was less than fifty percent (50%) funded at any time**  
 3 **during the immediately preceding fiscal year, as**  
 4 **determined by the system or its agent; and**  
 5 **(2) the delinquent political subdivision must take the steps**  
 6 **described in subsection (b).**  
 7 **(b) After receiving the notice described in subsection (a), a**  
 8 **political subdivision shall make a presentation that includes a**  
 9 **remediation plan to the interim study committee on pension**  
 10 **management oversight (established by IC 2-5-1.3-4) regarding the**  
 11 **delinquent employee retirement plan described in subsection (a).**  
 12 SECTION 6. IC 6-1.1-12-10.1, AS AMENDED BY P.L.257-2019,  
 13 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14 JANUARY 1, 2025]: Sec. 10.1. (a) Except as provided in section 17.8  
 15 of this chapter and subject to section 45 of this chapter, an individual  
 16 who desires to claim the deduction provided by section 9 of this  
 17 chapter must file a sworn statement, on forms prescribed by the  
 18 department of local government finance, with the auditor of the county  
 19 in which the real property, mobile home, or manufactured home is  
 20 located. To obtain the deduction for a desired calendar year in which  
 21 property taxes are first due and payable, the statement must be  
 22 completed, and dated, ~~in the immediately preceding calendar year~~ and  
 23 filed with the county auditor on or before January ~~5~~ **15** of the calendar  
 24 year in which the property taxes are first due and payable. The  
 25 statement may be filed in person or by mail. If mailed, the mailing must  
 26 be postmarked on or before the last day for filing.  
 27 (b) The statement referred to in subsection (a) shall be in affidavit  
 28 form or require verification under penalties of perjury. The statement  
 29 must be filed in duplicate if the applicant owns, or is buying under a  
 30 contract, real property, a mobile home, or a manufactured home subject  
 31 to assessment in more than one (1) county or in more than one (1)  
 32 taxing district in the same county. The statement shall contain:  
 33 (1) the source and exact amount of gross income received by the  
 34 individual and the individual's spouse during the preceding  
 35 calendar year;  
 36 (2) the description and assessed value of the real property, mobile  
 37 home, or manufactured home;  
 38 (3) the individual's full name and complete residence address;  
 39 (4) the record number and page where the contract or  
 40 memorandum of the contract is recorded if the individual is  
 41 buying the real property, mobile home, or manufactured home on  
 42 contract; and  
 43 (5) any additional information which the department of local  
 44 government finance may require.  
 45 (c) In order to substantiate the deduction statement, the applicant  
 46 shall submit for inspection by the county auditor a copy of the  
 47 applicant's and a copy of the applicant's spouse's income tax returns  
 48 that were originally due in the calendar year immediately preceding the  
 49 desired calendar year in which the property taxes are first due and  
 50 payable and for which the applicant and the applicant's spouse desire  
 51 to claim the deduction. If either was not required to file an income tax

1 return, the applicant shall subscribe to that fact in the deduction  
2 statement.

3 SECTION 7. IC 6-1.1-12-12, AS AMENDED BY P.L.257-2019,  
4 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 JANUARY 1, 2025]: Sec. 12. (a) Except as provided in section 17.8 of  
6 this chapter and subject to section 45 of this chapter, a person who  
7 desires to claim the deduction provided in section 11 of this chapter  
8 must file an application, on forms prescribed by the department of local  
9 government finance, with the auditor of the county in which the real  
10 property, mobile home not assessed as real property, or manufactured  
11 home not assessed as real property is located. To obtain the deduction  
12 for a desired calendar year in which property taxes are first due and  
13 payable, the application must be completed, ~~and dated, in the~~  
14 ~~immediately preceding calendar year~~ and filed with the county auditor  
15 on or before January 5 15 of the calendar year in which the property  
16 taxes are first due and payable. The application may be filed in person  
17 or by mail. If mailed, the mailing must be postmarked on or before the  
18 last day for filing.

19 (b) Proof of blindness may be supported by:

- 20 (1) the records of the division of family resources or the division
- 21 of disability and rehabilitative services; or
- 22 (2) the written statement of a physician who is licensed by this
- 23 state and skilled in the diseases of the eye or of a licensed
- 24 optometrist.

25 (c) The application required by this section must contain the record  
26 number and page where the contract or memorandum of the contract  
27 is recorded if the individual is buying the real property, mobile home,  
28 or manufactured home on a contract that provides that the individual  
29 is to pay property taxes on the real property, mobile home, or  
30 manufactured home.

31 SECTION 8. IC 6-1.1-12-14, AS AMENDED BY P.L.174-2022,  
32 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
33 JANUARY 1, 2024 (RETROACTIVE)]: Sec. 14. (a) Except as  
34 provided in subsection (c) and except as provided in section 40.5 of  
35 this chapter, an individual may have the sum of fourteen thousand  
36 dollars (\$14,000) deducted from the assessed value of the real property,  
37 mobile home not assessed as real property, or manufactured home not  
38 assessed as real property that the individual owns (or the real property,  
39 mobile home not assessed as real property, or manufactured home not  
40 assessed as real property that the individual is buying under a contract  
41 that provides that the individual is to pay property taxes on the real  
42 property, mobile home, or manufactured home if the contract or a  
43 memorandum of the contract is recorded in the county recorder's office)  
44 if:

- 45 (1) the individual served in the military or naval forces of the
- 46 United States for at least ninety (90) days;
- 47 (2) the individual received an honorable discharge;
- 48 (3) the individual either:
  - 49 (A) has a total disability; or
  - 50 (B) is at least sixty-two (62) years old and has a disability of at

- 1 least ten percent (10%);
- 2 (4) the individual's disability is evidenced by:
- 3 (A) a pension certificate or an award of compensation issued
- 4 by the United States Department of Veterans Affairs; or
- 5 (B) a certificate of eligibility issued to the individual by the
- 6 Indiana department of veterans' affairs after the Indiana
- 7 department of veterans' affairs has determined that the
- 8 individual's disability qualifies the individual to receive a
- 9 deduction under this section; and
- 10 (5) the individual:
- 11 (A) owns the real property, mobile home, or manufactured
- 12 home; or
- 13 (B) is buying the real property, mobile home, or manufactured
- 14 home under contract;
- 15 on the date the statement required by section 15 of this chapter is
- 16 filed.
- 17 (b) Except as provided in subsections (c) and (d), the surviving
- 18 spouse of an individual may receive the deduction provided by this
- 19 section if:
- 20 (1) the individual satisfied the requirements of subsection (a)(1)
- 21 through (a)(4) at the time of death; or
- 22 (2) the individual:
- 23 (A) was killed in action;
- 24 (B) died while serving on active duty in the military or naval
- 25 forces of the United States; or
- 26 (C) died while performing inactive duty training in the military
- 27 or naval forces of the United States; and
- 28 the surviving spouse satisfies the requirement of subsection (a)(5) at
- 29 the time the deduction statement is filed. The surviving spouse is
- 30 entitled to the deduction regardless of whether the property for which
- 31 the deduction is claimed was owned by the deceased veteran or the
- 32 surviving spouse before the deceased veteran's death.
- 33 (c) Except as provided in subsection (f), no one is entitled to the
- 34 deduction provided by this section if the assessed value of the
- 35 individual's Indiana real property, Indiana mobile home not assessed as
- 36 real property, and Indiana manufactured home not assessed as real
- 37 property, as shown by the tax duplicate, exceeds the assessed value
- 38 limit specified in subsection (d).
- 39 (d) Except as provided in subsection (f), for the:
- 40 (1) January 1, 2017, January 1, 2018, and January 1, 2019,
- 41 assessment dates, the assessed value limit for purposes of
- 42 subsection (c) is one hundred seventy-five thousand dollars
- 43 (\$175,000); ~~and~~
- 44 (2) **January 1, 2020, January 1, 2021, January 1, 2022, and**
- 45 **January 1, 2023, assessment dates, assessment date and for each**
- 46 ~~assessment date thereafter,~~ the assessed value limit for purposes
- 47 of subsection (c) is two hundred thousand dollars (\$200,000); **and**
- 48 (3) **January 1, 2024, assessment date and for each assessment**
- 49 **date thereafter, the assessed value limit for purposes of**
- 50 **subsection (c) is two hundred forty thousand dollars**

1           **(\$240,000).**

2           (e) An individual who has sold real property, a mobile home not  
3 assessed as real property, or a manufactured home not assessed as real  
4 property to another person under a contract that provides that the  
5 contract buyer is to pay the property taxes on the real property, mobile  
6 home, or manufactured home may not claim the deduction provided  
7 under this section against that real property, mobile home, or  
8 manufactured home.

9           (f) For purposes of determining the assessed value of the real  
10 property, mobile home, or manufactured home under subsection (d) for  
11 an individual who has received a deduction under this section in a  
12 previous year, increases in assessed value that occur after the later of:

13           (1) December 31, 2019; or

14           (2) the first year that the individual has received the deduction;  
15 are not considered unless the increase in assessed value is attributable  
16 to substantial renovation or new improvements. Where there is an  
17 increase in assessed value for purposes of the deduction under this  
18 section, the assessor shall provide a report to the county auditor  
19 describing the substantial renovation or new improvements, if any, that  
20 were made to the property prior to the increase in assessed value.

21           SECTION 9. IC 6-1.1-12-15, AS AMENDED BY P.L.156-2020,  
22 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
23 JANUARY 1, 2025]: Sec. 15. (a) Except as provided in section 17.8 of  
24 this chapter and subject to section 45 of this chapter, an individual who  
25 desires to claim the deduction provided by section 13 or 14 of this  
26 chapter must file a statement with the auditor of the county in which  
27 the individual resides. To obtain the deduction for a desired calendar  
28 year in which property taxes are first due and payable, the statement  
29 must be completed, ~~and dated, in the immediately preceding calendar~~  
30 ~~year~~ and filed with the county auditor on or before January ~~5~~ **15** of the  
31 calendar year in which the property taxes are first due and payable. The  
32 statement may be filed in person or by mail. If mailed, the mailing must  
33 be postmarked on or before the last day for filing. The statement shall  
34 contain a sworn declaration that the individual is entitled to the  
35 deduction.

36           (b) In addition to the statement, the individual shall submit to the  
37 county auditor for the auditor's inspection:

38           (1) a pension certificate, an award of compensation, or a disability  
39 compensation check issued by the United States Department of  
40 Veterans Affairs if the individual claims the deduction provided  
41 by section 13 of this chapter;

42           (2) a pension certificate or an award of compensation issued by  
43 the United States Department of Veterans Affairs if the individual  
44 claims the deduction provided by section 14 of this chapter; or

45           (3) the appropriate certificate of eligibility issued to the individual  
46 by the Indiana department of veterans' affairs if the individual  
47 claims the deduction provided by section 13 or 14 of this chapter.

48           (c) If the individual claiming the deduction is under guardianship,  
49 the guardian shall file the statement required by this section. If a  
50 deceased veteran's surviving spouse is claiming the deduction, the

1 surviving spouse shall provide the documentation necessary to  
 2 establish that at the time of death the deceased veteran satisfied the  
 3 requirements of section 13(a)(1) through 13(a)(4) of this chapter,  
 4 section 14(a)(1) through 14(a)(4) of this chapter, or section 14(b)(2) of  
 5 this chapter, whichever applies.

6 (d) If the individual claiming a deduction under section 13 or 14 of  
 7 this chapter is buying real property, a mobile home not assessed as real  
 8 property, or a manufactured home not assessed as real property under  
 9 a contract that provides that the individual is to pay property taxes for  
 10 the real estate, mobile home, or manufactured home, the statement  
 11 required by this section must contain the record number and page  
 12 where the contract or memorandum of the contract is recorded.

13 SECTION 10. IC 6-1.1-12-17, AS AMENDED BY P.L.257-2019,  
 14 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 15 JANUARY 1, 2025]: Sec. 17. Except as provided in section 17.8 of this  
 16 chapter and subject to section 45 of this chapter, a surviving spouse  
 17 who desires to claim the deduction provided by section 16 of this  
 18 chapter must file a statement with the auditor of the county in which  
 19 the surviving spouse resides. To obtain the deduction for a desired  
 20 calendar year in which property taxes are first due and payable, the  
 21 statement must be completed, ~~and dated, in the immediately preceding~~  
 22 ~~calendar year~~ and filed with the county auditor on or before January 5  
 23 **15** of the calendar year in which the property taxes are first due and  
 24 payable. The statement may be filed in person or by mail. If mailed, the  
 25 mailing must be postmarked on or before the last day for filing. The  
 26 statement shall contain:

27 (1) a sworn statement that the surviving spouse is entitled to the  
 28 deduction; and

29 (2) the record number and page where the contract or  
 30 memorandum of the contract is recorded, if the individual is  
 31 buying the real property on a contract that provides that the  
 32 individual is to pay property taxes on the real property.

33 In addition to the statement, the surviving spouse shall submit to the  
 34 county auditor for the auditor's inspection a letter or certificate from the  
 35 United States Department of Veterans Affairs establishing the service  
 36 of the deceased spouse in the military or naval forces of the United  
 37 States before November 12, 1918.

38 SECTION 11. IC 6-1.1-12-27.1, AS AMENDED BY P.L.257-2019,  
 39 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 40 JANUARY 1, 2025]: Sec. 27.1. Except as provided in sections 36 and  
 41 44 of this chapter and subject to section 45 of this chapter, a person  
 42 who desires to claim the deduction provided by section 26 or 26.1 of  
 43 this chapter must file a certified statement in duplicate, on forms  
 44 prescribed by the department of local government finance, with the  
 45 auditor of the county in which the real property, mobile home,  
 46 manufactured home, or solar power device is subject to assessment. To  
 47 obtain the deduction for a desired calendar year in which property taxes  
 48 are first due and payable, the person must complete, ~~and date, the~~  
 49 ~~certified statement in the immediately preceding calendar year~~ and file  
 50 the certified statement with the county auditor on or before January 5

1 **15** of the calendar year in which the property taxes are first due and  
2 payable. The person must:

- 3 (1) own the real property, mobile home, or manufactured home or  
4 own the solar power device;  
5 (2) be buying the real property, mobile home, manufactured  
6 home, or solar power device under contract; or  
7 (3) be leasing the real property from the real property owner and  
8 be subject to assessment and property taxation with respect to the  
9 solar power device;

10 on the date the statement is filed under this section. The statement may  
11 be filed in person or by mail. If mailed, the mailing must be postmarked  
12 on or before the last day for filing. On verification of the statement by  
13 the assessor of the township in which the real property, mobile home,  
14 manufactured home, or solar power device is subject to assessment, or  
15 the county assessor if there is no township assessor for the township,  
16 the county auditor shall allow the deduction.

17 SECTION 12. IC 6-1.1-12-30, AS AMENDED BY P.L.257-2019,  
18 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
19 JANUARY 1, 2025]: Sec. 30. Except as provided in sections 36 and 44  
20 of this chapter and subject to section 45 of this chapter, a person who  
21 desires to claim the deduction provided by section 29 of this chapter  
22 must file a certified statement in duplicate, on forms prescribed by the  
23 department of local government finance, with the auditor of the county  
24 in which the real property or mobile home is subject to assessment. To  
25 obtain the deduction for a desired calendar year in which property taxes  
26 are first due and payable, the person must complete, ~~and date, the~~  
27 ~~statement in the immediately preceding calendar year~~ and file the  
28 statement with the county auditor on or before January ~~5~~ **15** of the  
29 calendar year in which the property taxes are first due and payable. The  
30 person must:

- 31 (1) own the real property, mobile home, or manufactured home;  
32 or  
33 (2) be buying the real property, mobile home, or manufactured  
34 home under contract;

35 on the date the statement is filed under this section. On verification of  
36 the statement by the assessor of the township in which the real property  
37 or mobile home is subject to assessment, or the county assessor if there  
38 is no township assessor for the township, the county auditor shall allow  
39 the deduction.

40 SECTION 13. IC 6-1.1-12-35.5, AS AMENDED BY P.L.236-2023,  
41 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
42 JANUARY 1, 2025]: Sec. 35.5. (a) Except as provided in section 36 or  
43 44 of this chapter and subject to section 45 of this chapter, a person  
44 who desires to claim the deduction provided by section 33 or 34 of this  
45 chapter must file a certified statement in duplicate, on forms prescribed  
46 by the department of local government finance and proof of  
47 certification under subsection (b) with the auditor of the county in  
48 which the property for which the deduction is claimed is subject to  
49 assessment. To obtain the deduction for a desired calendar year in  
50 which property taxes are first due and payable, the person must



1 complete, and date, the certified statement in the immediately  
 2 preceding calendar year and file the certified statement with the county  
 3 auditor on or before January 5 15 of the calendar year in which the  
 4 property taxes are first due and payable. The statement may be filed in  
 5 person or by mail. If mailed, the mailing must be postmarked on or  
 6 before the last day for filing. On verification of the statement by the  
 7 assessor of the township in which the property for which the deduction  
 8 is claimed is subject to assessment, or the county assessor if there is no  
 9 township assessor for the township, the county auditor shall allow the  
 10 deduction.

11 (b) The department of environmental management, upon application  
 12 by a property owner, shall determine whether a system or device  
 13 qualifies for a deduction provided by section 33 or 34 of this chapter.  
 14 If the department determines that a system or device qualifies for a  
 15 deduction, it shall certify the system or device and provide proof of the  
 16 certification to the property owner. The department shall prescribe the  
 17 form and manner of the certification process required by this  
 18 subsection.

19 (c) If the department of environmental management receives an  
 20 application for certification, the department shall determine whether  
 21 the system or device qualifies for a deduction. If the department fails  
 22 to make a determination under this subsection before December 31 of  
 23 the year in which the application is received, the system or device is  
 24 considered certified.

25 (d) A denial of a deduction claimed under section 33 or 34 of this  
 26 chapter may be appealed as provided in IC 6-1.1-15. The appeal is  
 27 limited to a review of a determination made by the township assessor  
 28 county property tax assessment board of appeals, or department of local  
 29 government finance.

30 (e) Notwithstanding any other law, if there is a change in ownership  
 31 of real property, or a mobile home that is not assessed as real property:

32 (1) that is equipped with a geothermal energy heating or cooling  
 33 device; and

34 (2) whose previous owner received a property tax deduction under  
 35 section 34 of this chapter for the geothermal energy heating or  
 36 cooling device prior to the change in ownership;

37 the new owner shall be eligible for the property tax deduction following  
 38 the change in ownership and, in subsequent taxable years, shall not be  
 39 required to obtain a determination of qualification from the department  
 40 of environmental management under subsection (b) and shall not be  
 41 required to file a certified statement of qualification with the county  
 42 auditor under subsection (a) to remain eligible for the property tax  
 43 deduction.

44 SECTION 14. IC 6-1.1-12-37, AS AMENDED BY P.L.236-2023,  
 45 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 46 JANUARY 1, 2025]: Sec. 37. (a) The following definitions apply  
 47 throughout this section:

48 (1) "Dwelling" means any of the following:

49 (A) Residential real property improvements that an individual  
 50 uses as the individual's residence, limited to a single house and

- 1 a single garage, regardless of whether the single garage is  
 2 attached to the single house or detached from the single house.  
 3 (B) A mobile home that is not assessed as real property that an  
 4 individual uses as the individual's residence.  
 5 (C) A manufactured home that is not assessed as real property  
 6 that an individual uses as the individual's residence.
- 7 (2) "Homestead" means an individual's principal place of  
 8 residence:  
 9 (A) that is located in Indiana;  
 10 (B) that:  
 11 (i) the individual owns;  
 12 (ii) the individual is buying under a contract recorded in the  
 13 county recorder's office, or evidenced by a memorandum of  
 14 contract recorded in the county recorder's office under  
 15 IC 36-2-11-20, that provides that the individual is to pay the  
 16 property taxes on the residence, and that obligates the owner  
 17 to convey title to the individual upon completion of all of the  
 18 individual's contract obligations;  
 19 (iii) the individual is entitled to occupy as a  
 20 tenant-stockholder (as defined in 26 U.S.C. 216) of a  
 21 cooperative housing corporation (as defined in 26 U.S.C.  
 22 216); or  
 23 (iv) is a residence described in section 17.9 of this chapter  
 24 that is owned by a trust if the individual is an individual  
 25 described in section 17.9 of this chapter; and  
 26 (C) that consists of a dwelling and includes up to one (1) acre  
 27 of land immediately surrounding that dwelling, and any of the  
 28 following improvements:  
 29 (i) Any number of decks, patios, gazebos, or pools.  
 30 (ii) One (1) additional building that is not part of the  
 31 dwelling if the building is predominantly used for a  
 32 residential purpose and is not used as an investment property  
 33 or as a rental property.  
 34 (iii) One (1) additional residential yard structure other than  
 35 a deck, patio, gazebo, or pool.
- 36 **Except as provided in subsection (r)**, the term does not include  
 37 property owned by a corporation, partnership, limited liability  
 38 company, or other entity not described in this subdivision.
- 39 (b) Each year a homestead is eligible for a standard deduction from  
 40 the assessed value of the homestead for an assessment date. Except as  
 41 provided in subsection ~~(m)~~; **(n)**, the deduction provided by this section  
 42 applies to property taxes first due and payable for an assessment date  
 43 only if an individual has an interest in the homestead described in  
 44 subsection (a)(2)(B) on:  
 45 (1) the assessment date; or  
 46 (2) any date in the same year after an assessment date that a  
 47 statement is filed under subsection (e) or section 44 of this  
 48 chapter, if the property consists of real property.
- 49 If more than one (1) individual or entity qualifies property as a  
 50 homestead under subsection (a)(2)(B) for an assessment date, only one

1 (1) standard deduction from the assessed value of the homestead may  
2 be applied for the assessment date. Subject to subsection (c), the  
3 auditor of the county shall record and make the deduction for the  
4 individual or entity qualifying for the deduction.

5 (c) Except as provided in section 40.5 of this chapter, the total  
6 amount of the deduction that a person may receive under this section  
7 for a particular year is the lesser of:

8 (1) sixty percent (60%) of the assessed value of the real property,  
9 mobile home not assessed as real property, or manufactured home  
10 not assessed as real property; or

11 (2) for assessment dates:

12 (A) before January 1, 2023, forty-five thousand dollars  
13 (\$45,000); or

14 (B) after December 31, 2022, forty-eight thousand dollars  
15 (\$48,000).

16 (d) A person who has sold real property, a mobile home not assessed  
17 as real property, or a manufactured home not assessed as real property  
18 to another person under a contract that provides that the contract buyer  
19 is to pay the property taxes on the real property, mobile home, or  
20 manufactured home may not claim the deduction provided under this  
21 section with respect to that real property, mobile home, or  
22 manufactured home.

23 (e) Except as provided in sections 17.8 and 44 of this chapter and  
24 subject to section 45 of this chapter, an individual who desires to claim  
25 the deduction provided by this section must file a certified statement on  
26 forms prescribed by the department of local government finance, with  
27 the auditor of the county in which the homestead is located. The  
28 statement must include:

29 (1) the parcel number or key number of the property and the name  
30 of the city, town, or township in which the property is located;

31 (2) the name of any other location in which the applicant or the  
32 applicant's spouse owns, is buying, or has a beneficial interest in  
33 residential real property;

34 (3) the names of:

35 (A) the applicant and the applicant's spouse (if any):

36 (i) as the names appear in the records of the United States  
37 Social Security Administration for the purposes of the  
38 issuance of a Social Security card and Social Security  
39 number; or

40 (ii) that they use as their legal names when they sign their  
41 names on legal documents;

42 if the applicant is an individual; or

43 (B) each individual who qualifies property as a homestead  
44 under subsection (a)(2)(B) and the individual's spouse (if any):

45 (i) as the names appear in the records of the United States  
46 Social Security Administration for the purposes of the  
47 issuance of a Social Security card and Social Security  
48 number; or

49 (ii) that they use as their legal names when they sign their  
50 names on legal documents;

- 1 if the applicant is not an individual; and  
 2 (4) either:  
 3 (A) the last five (5) digits of the applicant's Social Security  
 4 number and the last five (5) digits of the Social Security  
 5 number of the applicant's spouse (if any); or  
 6 (B) if the applicant or the applicant's spouse (if any) does not  
 7 have a Social Security number, any of the following for that  
 8 individual:  
 9 (i) The last five (5) digits of the individual's driver's license  
 10 number.  
 11 (ii) The last five (5) digits of the individual's state  
 12 identification card number.  
 13 (iii) The last five (5) digits of a preparer tax identification  
 14 number that is obtained by the individual through the  
 15 Internal Revenue Service of the United States.  
 16 (iv) If the individual does not have a driver's license, a state  
 17 identification card, or an Internal Revenue Service preparer  
 18 tax identification number, the last five (5) digits of a control  
 19 number that is on a document issued to the individual by the  
 20 United States government.

21 If a form or statement provided to the county auditor under this section,  
 22 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or  
 23 part or all of the Social Security number of a party or other number  
 24 described in subdivision (4)(B) of a party, the telephone number and  
 25 the Social Security number or other number described in subdivision  
 26 (4)(B) included are confidential. The statement may be filed in person  
 27 or by mail. If the statement is mailed, the mailing must be postmarked  
 28 on or before the last day for filing. The statement applies for that first  
 29 year and any succeeding year for which the deduction is allowed. ~~To~~  
 30 ~~obtain the deduction for a desired calendar year in which property taxes~~  
 31 ~~are first due and payable, the statement must be completed and dated~~  
 32 ~~in the immediately preceding calendar year and filed with the county~~  
 33 ~~auditor on or before January 5 of the calendar year in which the~~  
 34 ~~property taxes are first due and payable.~~

35 **(f) To obtain the deduction for a desired calendar year under**  
 36 **this section in which property taxes are first due and payable, the**  
 37 **individual desiring to claim the deduction must do the following as**  
 38 **applicable:**

- 39 **(1) Complete, date, and file the certified statement described**  
 40 **in subsection (e) on or before January 15 of the calendar year**  
 41 **in which the property taxes are first due and payable.**  
 42 **(2) Satisfy any recording requirements on or before January**  
 43 **15 of the calendar year in which the property taxes are first**  
 44 **due and payable for a homestead described in subsection**  
 45 **(a)(2).**

46 ~~(f)~~ **(g)** Except as provided in subsection ~~(k)~~; **(l)**, if a person who is  
 47 receiving, or seeks to receive, the deduction provided by this section in  
 48 the person's name:

- 49 (1) changes the use of the individual's property so that part or all  
 50 of the property no longer qualifies for the deduction under this  
 51 section; or

1 (2) is not eligible for a deduction under this section because the  
2 person is already receiving:

3 (A) a deduction under this section in the person's name as an  
4 individual or a spouse; or

5 (B) a deduction under the law of another state that is  
6 equivalent to the deduction provided by this section;

7 the person must file a certified statement with the auditor of the county,  
8 notifying the auditor of the person's ineligibility, not more than sixty  
9 (60) days after the date of the change in eligibility. A person who fails  
10 to file the statement required by this subsection may, under  
11 IC 6-1.1-36-17, be liable for any additional taxes that would have been  
12 due on the property if the person had filed the statement as required by  
13 this subsection plus a civil penalty equal to ten percent (10%) of the  
14 additional taxes due. The civil penalty imposed under this subsection  
15 is in addition to any interest and penalties for a delinquent payment that  
16 might otherwise be due. One percent (1%) of the total civil penalty  
17 collected under this subsection shall be transferred by the county to the  
18 department of local government finance for use by the department in  
19 establishing and maintaining the homestead property data base under  
20 subsection ~~(h)~~ **(j)** and, to the extent there is money remaining, for any  
21 other purposes of the department. This amount becomes part of the  
22 property tax liability for purposes of this article.

23 ~~(g)~~ **(h)** The department of local government finance may adopt rules  
24 or guidelines concerning the application for a deduction under this  
25 section.

26 ~~(h)~~ **(i)** This subsection does not apply to property in the first year for  
27 which a deduction is claimed under this section if the sole reason that  
28 a deduction is claimed on other property is that the individual or  
29 married couple maintained a principal residence at the other property  
30 on the assessment date in the same year in which an application for a  
31 deduction is filed under this section or, if the application is for a  
32 homestead that is assessed as personal property, on the assessment date  
33 in the immediately preceding year and the individual or married couple  
34 is moving the individual's or married couple's principal residence to the  
35 property that is the subject of the application. Except as provided in  
36 subsection ~~(k)~~ **(l)**, the county auditor may not grant an individual or a  
37 married couple a deduction under this section if:

38 (1) the individual or married couple, for the same year, claims the  
39 deduction on two (2) or more different applications for the  
40 deduction; and

41 (2) the applications claim the deduction for different property.

42 ~~(i)~~ **(j)** The department of local government finance shall provide  
43 secure access to county auditors to a homestead property data base that  
44 includes access to the homestead owner's name and the numbers  
45 required from the homestead owner under subsection (e)(4) for the sole  
46 purpose of verifying whether an owner is wrongly claiming a deduction  
47 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or  
48 IC 6-3.6-5 (after December 31, 2016). Each county auditor shall submit  
49 data on deductions applicable to the current tax year on or before  
50 March 15 of each year in a manner prescribed by the department of

1 local government finance.

2 ~~(j)~~ **(k)** A county auditor may require an individual to provide  
 3 evidence proving that the individual's residence is the individual's  
 4 principal place of residence as claimed in the certified statement filed  
 5 under subsection (e). The county auditor may limit the evidence that an  
 6 individual is required to submit to a state income tax return, a valid  
 7 driver's license, or a valid voter registration card showing that the  
 8 residence for which the deduction is claimed is the individual's  
 9 principal place of residence. The county auditor may not deny an  
 10 application filed under section 44 of this chapter because the applicant  
 11 does not have a valid driver's license or state identification card with  
 12 the address of the homestead property. The department of local  
 13 government finance shall work with county auditors to develop  
 14 procedures to determine whether a property owner that is claiming a  
 15 standard deduction or homestead credit is not eligible for the standard  
 16 deduction or homestead credit because the property owner's principal  
 17 place of residence is outside Indiana.

18 ~~(k)~~ **(l)** A county auditor shall grant an individual a deduction under  
 19 this section regardless of whether the individual and the individual's  
 20 spouse claim a deduction on two (2) different applications and each  
 21 application claims a deduction for different property if the property  
 22 owned by the individual's spouse is located outside Indiana and the  
 23 individual files an affidavit with the county auditor containing the  
 24 following information:

25 (1) The names of the county and state in which the individual's  
 26 spouse claims a deduction substantially similar to the deduction  
 27 allowed by this section.

28 (2) A statement made under penalty of perjury that the following  
 29 are true:

30 (A) That the individual and the individual's spouse maintain  
 31 separate principal places of residence.

32 (B) That neither the individual nor the individual's spouse has  
 33 an ownership interest in the other's principal place of  
 34 residence.

35 (C) That neither the individual nor the individual's spouse has,  
 36 for that same year, claimed a standard or substantially similar  
 37 deduction for any property other than the property maintained  
 38 as a principal place of residence by the respective individuals.

39 A county auditor may require an individual or an individual's spouse to  
 40 provide evidence of the accuracy of the information contained in an  
 41 affidavit submitted under this subsection. The evidence required of the  
 42 individual or the individual's spouse may include state income tax  
 43 returns, excise tax payment information, property tax payment  
 44 information, driver license information, and voter registration  
 45 information.

46 ~~(l)~~ **(m)** If:

47 (1) a property owner files a statement under subsection (e) to  
 48 claim the deduction provided by this section for a particular  
 49 property; and

50 (2) the county auditor receiving the filed statement determines

1 that the property owner's property is not eligible for the deduction;  
 2 the county auditor shall inform the property owner of the county  
 3 auditor's determination in writing. If a property owner's property is not  
 4 eligible for the deduction because the county auditor has determined  
 5 that the property is not the property owner's principal place of  
 6 residence, the property owner may appeal the county auditor's  
 7 determination as provided in IC 6-1.1-15. The county auditor shall  
 8 inform the property owner of the owner's right to appeal when the  
 9 county auditor informs the property owner of the county auditor's  
 10 determination under this subsection.

11 ~~(m)~~ **(n)** An individual is entitled to the deduction under this section  
 12 for a homestead for a particular assessment date if:

13 (1) either:

14 (A) the individual's interest in the homestead as described in  
 15 subsection (a)(2)(B) is conveyed to the individual after the  
 16 assessment date, but within the calendar year in which the  
 17 assessment date occurs; or

18 (B) the individual contracts to purchase the homestead after  
 19 the assessment date, but within the calendar year in which the  
 20 assessment date occurs;

21 (2) on the assessment date:

22 (A) the property on which the homestead is currently located  
 23 was vacant land; or

24 (B) the construction of the dwelling that constitutes the  
 25 homestead was not completed; and

26 (3) either:

27 (A) the individual files the certified statement required by  
 28 subsection (e); or

29 (B) a sales disclosure form that meets the requirements of  
 30 section 44 of this chapter is submitted to the county assessor  
 31 on or before December 31 of the calendar year for the  
 32 individual's purchase of the homestead.

33 An individual who satisfies the requirements of subdivisions (1)  
 34 through (3) is entitled to the deduction under this section for the  
 35 homestead for the assessment date, even if on the assessment date the  
 36 property on which the homestead is currently located was vacant land  
 37 or the construction of the dwelling that constitutes the homestead was  
 38 not completed. The county auditor shall apply the deduction for the  
 39 assessment date and for the assessment date in any later year in which  
 40 the homestead remains eligible for the deduction. A homestead that  
 41 qualifies for the deduction under this section as provided in this  
 42 subsection is considered a homestead for purposes of section 37.5 of  
 43 this chapter and IC 6-1.1-20.6.

44 ~~(n)~~ **(o)** This subsection applies to an application for the deduction  
 45 provided by this section that is filed for an assessment date occurring  
 46 after December 31, 2013. Notwithstanding any other provision of this  
 47 section, an individual buying a mobile home that is not assessed as real  
 48 property or a manufactured home that is not assessed as real property  
 49 under a contract providing that the individual is to pay the property  
 50 taxes on the mobile home or manufactured home is not entitled to the

1 deduction provided by this section unless the parties to the contract  
2 comply with IC 9-17-6-17.

3 ~~(o)~~ **(p)** This subsection:

4 (1) applies to an application for the deduction provided by this  
5 section that is filed for an assessment date occurring after  
6 December 31, 2013; and

7 (2) does not apply to an individual described in subsection ~~(n)~~  
8 **(o)**.

9 The owner of a mobile home that is not assessed as real property or a  
10 manufactured home that is not assessed as real property must attach a  
11 copy of the owner's title to the mobile home or manufactured home to  
12 the application for the deduction provided by this section.

13 ~~(p)~~ **(q)** For assessment dates after 2013, the term "homestead"  
14 includes property that is owned by an individual who:

15 (1) is serving on active duty in any branch of the armed forces of  
16 the United States;

17 (2) was ordered to transfer to a location outside Indiana; and

18 (3) was otherwise eligible, without regard to this subsection, for  
19 the deduction under this section for the property for the  
20 assessment date immediately preceding the transfer date specified  
21 in the order described in subdivision (2).

22 For property to qualify under this subsection for the deduction provided  
23 by this section, the individual described in subdivisions (1) through (3)  
24 must submit to the county auditor a copy of the individual's transfer  
25 orders or other information sufficient to show that the individual was  
26 ordered to transfer to a location outside Indiana. The property continues  
27 to qualify for the deduction provided by this section until the individual  
28 ceases to be on active duty, the property is sold, or the individual's  
29 ownership interest is otherwise terminated, whichever occurs first.  
30 Notwithstanding subsection (a)(2), the property remains a homestead  
31 regardless of whether the property continues to be the individual's  
32 principal place of residence after the individual transfers to a location  
33 outside Indiana. The property continues to qualify as a homestead  
34 under this subsection if the property is leased while the individual is  
35 away from Indiana and is serving on active duty, if the individual has  
36 lived at the property at any time during the past ten (10) years.  
37 Otherwise, the property ceases to qualify as a homestead under this  
38 subsection if the property is leased while the individual is away from  
39 Indiana. Property that qualifies as a homestead under this subsection  
40 shall also be construed as a homestead for purposes of section 37.5 of  
41 this chapter.

42 **(r) As used in this section, "homestead" includes property that**  
43 **satisfies each of the following requirements:**

44 **(1) The property is located in Indiana and consists of a**  
45 **dwelling and includes up to one (1) acre of land immediately**  
46 **surrounding that dwelling, and any of the following**  
47 **improvements:**

48 **(A) Any number of decks, patios, gazebos, or pools.**

49 **(B) One (1) additional building that is not part of the**  
50 **dwelling if the building is predominately used for a**  
51 **residential purpose and is not used as an investment**



- 1                    **property or as a rental property.**  
 2                    **(C) One (1) additional residential yard structure other**  
 3                    **than a deck, patio, gazebo, or pool.**  
 4                    **(2) The property is the principal place of residence of an**  
 5                    **individual.**  
 6                    **(3) The property is owned by an entity that is not described in**  
 7                    **subsection (a)(2)(B).**  
 8                    **(4) The individual residing on the property is a shareholder,**  
 9                    **partner, or member of the entity that owns the property.**  
 10                   **(5) The property was eligible for the standard deduction**  
 11                   **under this section on March 1, 2009.**

12                   SECTION 15. IC 6-1.1-12-38, AS AMENDED BY P.L.183-2014,  
 13                   SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14                   JANUARY 1, 2025]: Sec. 38. (a) A person is entitled to a deduction  
 15                   from the assessed value of the person's property in an amount equal to  
 16                   the difference between:

- 17                   (1) the assessed value of the person's property, including the  
 18                   assessed value of the improvements made to comply with the  
 19                   fertilizer storage rules adopted by the state chemist under  
 20                   IC 15-16-2-44 and the pesticide storage rules adopted by the state  
 21                   chemist under IC 15-16-4-52; minus  
 22                   (2) the assessed value of the person's property, excluding the  
 23                   assessed value of the improvements made to comply with the  
 24                   fertilizer storage rules adopted by the state chemist under  
 25                   IC 15-16-2-44 and the pesticide storage rules adopted by the state  
 26                   chemist under IC 15-16-4-52.

27                   (b) To obtain the deduction under this section, a person must file a  
 28                   certified statement in duplicate, on forms prescribed by the department  
 29                   of local government finance, with the auditor of the county in which the  
 30                   property is subject to assessment. In addition to the certified statement,  
 31                   the person must file a certification by the state chemist listing the  
 32                   improvements that were made to comply with the fertilizer storage  
 33                   rules adopted under IC 15-16-2-44 and the pesticide storage rules  
 34                   adopted by the state chemist under IC 15-16-4-52. Subject to section  
 35                   45 of this chapter, the statement must be completed, ~~and dated, in the~~  
 36                   ~~calendar year for which the person wishes to obtain the deduction, and~~  
 37                   ~~the statement and certification must be and~~ filed with the county  
 38                   auditor on or before January 5 15 of the immediately succeeding  
 39                   calendar year. Upon the verification of the statement and certification  
 40                   by the assessor of the township in which the property is subject to  
 41                   assessment, or the county assessor if there is no township assessor for  
 42                   the township, the county auditor shall allow the deduction.

43                   (c) The deduction provided by this section applies only if the  
 44                   person:

- 45                   (1) owns the property; or  
 46                   (2) is buying the property under contract;

47                   on the assessment date for which the deduction applies.

48                   SECTION 16. IC 6-1.1-12-44, AS AMENDED BY P.L.236-2023,  
 49                   SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 50                   JANUARY 1, 2025]: Sec. 44. (a) A sales disclosure form under  
 51                   IC 6-1.1-5.5:

- 1 (1) that is submitted:  
 2 (A) as a paper form; or  
 3 (B) electronically;  
 4 on or before ~~December 31~~ **January 15** of a calendar year **in**  
 5 **which property taxes are first due and payable** to the county  
 6 assessor by or on behalf of the purchaser of a homestead (as  
 7 defined in section 37 of this chapter) assessed as real property;  
 8 (2) that is accurate and complete;  
 9 (3) that is approved by the county assessor as eligible for filing  
 10 with the county auditor; and  
 11 (4) that is filed:  
 12 (A) as a paper form; or  
 13 (B) electronically;  
 14 with the county auditor by or on behalf of the purchaser;  
 15 constitutes an application for the deductions provided by sections 26,  
 16 29, 33, 34, and 37 of this chapter with respect to property taxes first  
 17 due and payable in the calendar year ~~that immediately succeeds the~~  
 18 ~~calendar year~~ referred to in subdivision (1). The county auditor may not  
 19 deny an application for the deductions provided by section 37 of this  
 20 chapter because the applicant does not have a valid driver's license or  
 21 state identification card with the address of the homestead property.
- 22 (b) Except as provided in subsection (c), if:  
 23 (1) the county auditor receives in a calendar year a sales  
 24 disclosure form that meets the requirements of subsection (a); and  
 25 (2) the homestead for which the sales disclosure form is submitted  
 26 is otherwise eligible for a deduction referred to in subsection (a);  
 27 the county auditor shall apply the deduction to the homestead for  
 28 property taxes first due and payable in the calendar year for which the  
 29 homestead qualifies under subsection (a) and in any later year in which  
 30 the homestead remains eligible for the deduction.
- 31 (c) Subsection (b) does not apply if the county auditor, after  
 32 receiving a sales disclosure form from or on behalf of a purchaser  
 33 under subsection (a)(4), determines that the homestead is ineligible for  
 34 the deduction.
- 35 SECTION 17. IC 6-1.1-12-45, AS AMENDED BY P.L.174-2022,  
 36 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 37 JANUARY 1, 2025]: Sec. 45. (a) Subject to subsections (b) and (c), a  
 38 deduction under this chapter applies for an assessment date and for the  
 39 property taxes due and payable based on the assessment for that  
 40 assessment date, regardless of whether with respect to the real property  
 41 or mobile home or manufactured home not assessed as real property:  
 42 (1) the title is conveyed one (1) or more times; or  
 43 (2) one (1) or more contracts to purchase are entered into;  
 44 after that assessment date and on or before the next succeeding  
 45 assessment date.
- 46 (b) Subsection (a) applies regardless of whether:  
 47 (1) one (1) or more grantees of title under subsection (a)(1); or  
 48 (2) one (1) or more contract purchasers under subsection (a)(2);  
 49 file a statement under this chapter to claim the deduction.
- 50 (c) A deduction applies under subsection (a) for only one (1) year.

1 The requirements of this chapter for filing a statement to apply for a  
 2 deduction under this chapter apply to subsequent years. A person who  
 3 fails to apply for a deduction or credit under this article by the  
 4 deadlines prescribed by this article may not apply for the deduction or  
 5 credit retroactively.

6 (d) If:

7 (1) a taxpayer wishes to claim a deduction under this chapter for  
 8 a desired calendar year in which property taxes are first due and  
 9 payable;

10 (2) the taxpayer files a statement under this chapter on or before  
 11 January **5 15** of the calendar year in which the property taxes are  
 12 first due and payable; and

13 (3) the eligibility criteria for the deduction are met;

14 the deduction applies for the desired calendar year in which the  
 15 property taxes are first due and payable.

16 (e) A person who is required to record a contract with a county  
 17 recorder in order to qualify for a deduction under this article must  
 18 record the contract, or a memorandum of the contract, before, or  
 19 concurrently with, the filing of the corresponding deduction  
 20 application.

21 (f) Before a county auditor terminates a deduction under this article,  
 22 the county auditor shall give to the person claiming the deduction  
 23 written notice that states the county auditor's intention to terminate the  
 24 deduction and the county auditor's reason for terminating the  
 25 deduction. The county auditor may send the notice to the taxpayer  
 26 claiming the deduction by first class mail or by electronic mail. A  
 27 notice issued under this subsection is not appealable under IC 6-1.1-15.  
 28 However, after a deduction is terminated by a county auditor, the  
 29 taxpayer may appeal the county auditor's action under IC 6-1.1-15.

30 SECTION 18. IC 6-1.1-12.6-3, AS AMENDED BY P.L.148-2015,  
 31 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 JANUARY 1, 2025]: Sec. 3. (a) A property owner that qualifies for the  
 33 deduction under this chapter and that desires to receive the deduction  
 34 **for a calendar year** must complete and date a statement containing the  
 35 information required by subsection (b) ~~in the calendar year for which~~  
 36 ~~the person desires to obtain the deduction~~ and file the statement with  
 37 the county auditor on or before January **5 15** of the immediately  
 38 succeeding calendar year. The township assessor shall verify each  
 39 statement filed under this section, and the county auditor shall:

40 (1) make the deductions; and

41 (2) notify the county property tax assessment board of appeals of  
 42 all deductions approved;

43 under this section.

44 (b) The statement referred to in subsection (a) must be verified  
 45 under penalties for perjury and must contain the following information:

46 (1) The assessed value of the real property for which the person  
 47 is claiming the deduction.

48 (2) The full name and complete business address of the person  
 49 claiming the deduction.

50 (3) The complete address and a brief description of the real

1 property for which the person is claiming the deduction.

2 (4) The name of any other county in which the person has applied  
3 for a deduction under this chapter for that assessment date.

4 (5) The complete address and a brief description of any other real  
5 property for which the person has applied for a deduction under  
6 this chapter for that assessment date.

7 SECTION 19. IC 6-1.1-12.8-4, AS AMENDED BY P.L.148-2015,  
8 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
9 JANUARY 1, 2025]: Sec. 4. (a) A property owner that qualifies for the  
10 deduction under this chapter and that desires to receive the deduction  
11 **for a calendar year** must complete and date a statement containing the  
12 information required by subsection (b) ~~in the calendar year for which~~  
13 ~~the person desires to obtain the deduction~~ and file the statement with  
14 the county auditor on or before January 5 15 of the immediately  
15 succeeding calendar year. The township assessor, or the county  
16 assessor if there is no township assessor for the township, shall verify  
17 each statement filed under this section, and the county auditor shall:

18 (1) make the deductions; and

19 (2) notify the county property tax assessment board of appeals of  
20 all deductions approved;

21 under this section.

22 (b) The statement referred to in subsection (a) must be verified  
23 under penalties for perjury and must contain the following information:

24 (1) The assessed value of the real property for which the person  
25 is claiming the deduction.

26 (2) The full name and complete business address of the person  
27 claiming the deduction.

28 (3) The complete address and a brief description of the real  
29 property for which the person is claiming the deduction.

30 (4) The name of any other county in which the person has applied  
31 for a deduction under this chapter for that assessment date.

32 (5) The complete address and a brief description of any other real  
33 property for which the person has applied for a deduction under  
34 this chapter for that assessment date.

35 (6) An affirmation by the owner that the owner is receiving not  
36 more than three (3) deductions under this chapter, including the  
37 deduction being applied for by the owner, either:

38 (A) as the owner of the residence in inventory; or

39 (B) as an owner that is part of an affiliated group.

40 (7) An affirmation that the real property has not been leased and  
41 will not be leased for any purpose during the term of the  
42 deduction.

43 SECTION 20. IC 6-1.1-17-3.1, AS ADDED BY P.L.239-2023,  
44 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
45 UPON PASSAGE]: Sec. 3.1. (a) This section:

46 (1) applies only to an operating referendum tax levy under  
47 IC 20-46-1 approved by the voters before January 1, 2023, that is  
48 imposed by a school corporation for taxes first due and payable in  
49 2024 **and 2025**;

50 (2) does not apply to an operating referendum tax levy under

1 IC 20-46-1:

2 **(A) approved by the voters during a time that the school**  
 3 **corporation imposing the levy was designated as a**  
 4 **distressed political subdivision; or**

5 **(B) approved by the voters after December 31, 2022, and**  
 6 **before January 1, 2024, 2025, that is imposed by a school**  
 7 **corporation for taxes first due and payable in 2024 or 2025;**  
 8 **and**

9 (3) does not apply to any other tax year.

10 **(b) As used in this section, "ADM" refers to the school**  
 11 **corporation's average daily membership used to determine the**  
 12 **state tuition support distribution under IC 20-43. In the case of a**  
 13 **school corporation that has entered into an agreement with one (1)**  
 14 **or more charter schools to participate as an innovation network**  
 15 **charter school under IC 20-25.7-5, the term includes the average**  
 16 **daily membership of any innovation network charter school that**  
 17 **is treated as a school operated by the school corporation when**  
 18 **calculating the total amount of state tuition support to be**  
 19 **distributed to the school corporation.**

20 ~~(b)~~ **(c) Notwithstanding any increase in the assessed value of**  
 21 **property from the previous assessment date, for taxes first due and**  
 22 **payable in 2024, the total amount of operating referendum tax that**  
 23 **may be levied by a school corporation may not exceed the lesser of:**

24 (1) the maximum operating referendum tax that could ~~be~~ **have**  
 25 **been** levied by the school corporation **if the maximum**  
 26 **referendum rate was imposed** for taxes first due and payable in  
 27 2023 multiplied by one and three-hundredths (1.03); or

28 (2) the maximum operating referendum tax that could otherwise  
 29 be levied by the school corporation for taxes first due and payable  
 30 in 2024.

31 The tax rate for an operating referendum tax levy shall be decreased,  
 32 if necessary, to comply with this limitation.

33 ~~(c) This section expires July 1, 2025.~~

34 **(d) Notwithstanding any increase in the assessed value of**  
 35 **property from the previous assessment date, for taxes first due and**  
 36 **payable in 2025, the total amount of operating referendum tax that**  
 37 **may be levied by a school corporation may not exceed the lesser of**  
 38 **the following:**

39 **(1) The maximum operating referendum tax that could have**  
 40 **been levied by the school corporation if the maximum**  
 41 **referendum rate was imposed for taxes first due and payable**  
 42 **in the immediately preceding calendar year, as adjusted by**  
 43 **this section, multiplied by the result determined under STEP**  
 44 **SEVEN of the following formula:**

45 **STEP ONE: Subtract:**

46 **(i) the school corporation's spring count of ADM made**  
 47 **in the calendar year preceding by five (5) years the**  
 48 **calendar year in which the property taxes are first due**  
 49 **and payable; from**

50 **(ii) the school corporation's spring count of ADM made**  
 51 **in the immediately preceding calendar year.**

- 1           **STEP TWO: Divide the STEP ONE result by four (4).**  
 2           **STEP THREE: Divide the STEP TWO result by the school**  
 3           **corporation's spring count of ADM made in the calendar**  
 4           **year preceding by five (5) years the calendar year in which**  
 5           **the property taxes are first due and payable.**  
 6           **STEP FOUR: Multiply the STEP THREE amount by one**  
 7           **and five-tenths (1.5).**  
 8           **STEP FIVE: Add the STEP FOUR result and one and**  
 9           **six-hundredths (1.06).**  
 10          **STEP SIX: Determine the greater of the STEP FIVE result**  
 11          **or one and six-hundredths (1.06).**  
 12          **STEP SEVEN: Determine the lesser of the STEP SIX**  
 13          **result or one and twelve-hundredths (1.12).**  
 14          **(2) The maximum operating referendum tax that could**  
 15          **otherwise be levied by the school corporation for taxes first**  
 16          **due and payable in the current calendar year.**  
 17          **The tax rate for an operating referendum tax levy shall be**  
 18          **decreased, if necessary, to comply with this limitation.**  
 19          **(e) The department of education shall provide to the department**  
 20          **of local government finance each school corporation's applicable**  
 21          **ADM counts as needed to make the determinations under this**  
 22          **section.**  
 23          SECTION 21. IC 6-1.1-18.5-1, AS AMENDED BY P.L.236-2023,  
 24          SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25          JULY 1, 2024]: Sec. 1. As used in this chapter:  
 26          "Ad valorem property tax levy for an ensuing calendar year" means  
 27          the total property taxes imposed by a civil taxing unit for current  
 28          property taxes collectible in that ensuing calendar year. However, if a  
 29          township elects to establish both a township firefighting levy and a  
 30          township emergency services levy under ~~IC 36-8-13-4(b)(2);~~  
 31          **IC 36-8-13-4(c)(2)**, the township firefighting levy and township  
 32          emergency services levy shall be combined and considered as a single  
 33          levy for purposes of this chapter.  
 34          "Civil taxing unit" means any taxing unit except a school  
 35          corporation.  
 36          "Maximum permissible ad valorem property tax levy for the  
 37          preceding calendar year" means, for purposes of determining a  
 38          maximum permissible ad valorem property tax levy under section 3 of  
 39          this chapter for property taxes imposed for an assessment date after  
 40          January 15, 2011, the civil taxing unit's maximum permissible ad  
 41          valorem property tax levy for the calendar year immediately preceding  
 42          the ensuing calendar year, as that levy was determined under section 3  
 43          of this chapter (regardless of whether the taxing unit imposed the entire  
 44          amount of the maximum permissible ad valorem property tax levy in  
 45          the immediately preceding year).  
 46          "Taxable property" means all tangible property that is subject to the  
 47          tax imposed by this article and is not exempt from the tax under  
 48          IC 6-1.1-10 or any other law. For purposes of sections 2 and 3 of this  
 49          chapter, the term "taxable property" is further defined in section 6 of  
 50          this chapter.  
 51          SECTION 22. IC 6-1.1-20-1.1, AS AMENDED BY P.L.236-2023,

1 SECTION 35, AND AS AMENDED BY P.L.239-2023, SECTION 6,  
 2 AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL  
 3 OF THE 2024 GENERAL ASSEMBLY, IS CORRECTED AND  
 4 AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1,  
 5 2024 (RETROACTIVE)]: Sec. 1.1. (a) As used in this chapter,  
 6 "controlled project" means any project financed by bonds or a lease,  
 7 except for the following:

8 (1) A project for which the political subdivision reasonably  
 9 expects to pay:

10 (A) debt service; or

11 (B) lease rentals;

12 from funds other than property taxes that are exempt from the  
 13 levy limitations of IC 6-1.1-18.5 or (before January 1, 2009)  
 14 IC 20-45-3. A project is not a controlled project even though the  
 15 political subdivision has pledged to levy property taxes to pay the  
 16 debt service or lease rentals if those other funds are insufficient.

17 (2) *Subject to subsection (b)*, a project that will not cost the  
 18 political subdivision more than the lesser of the following:

19 (A) An amount equal to the following:

20 (i) In the case of an ordinance or resolution adopted before  
 21 January 1, 2018, making a preliminary determination to  
 22 issue bonds or enter into a lease for the project, two million  
 23 dollars (\$2,000,000).

24 (ii) In the case of an ordinance or resolution adopted after  
 25 December 31, 2017, and before January 1, 2019, making a  
 26 preliminary determination to issue bonds or enter into a  
 27 lease for the project, five million dollars (\$5,000,000).

28 (iii) In the case of an ordinance or resolution adopted in a  
 29 calendar year after December 31, 2018, making a  
 30 preliminary determination to issue bonds or enter into a  
 31 lease for the project, an amount (as determined by the  
 32 department of local government finance) equal to the result  
 33 of the maximum levy growth quotient determined under  
 34 IC 6-1.1-18.5-2 for the year multiplied by the amount  
 35 determined under this clause for the preceding calendar  
 36 year.

37 The department of local government finance shall publish the  
 38 threshold determined under item (iii) in the Indiana Register  
 39 under IC 4-22-7-7 not more than sixty (60) days after the date  
 40 the budget agency releases the maximum levy growth quotient  
 41 for the ensuing year under IC 6-1.1-18.5-2.

42 (B) An amount equal to the following:

43 (i) One percent (1%) of the total gross assessed value of  
 44 property within the political subdivision on the last  
 45 assessment date, if that total gross assessed value is more  
 46 than one hundred million dollars (\$100,000,000).

47 (ii) One million dollars (\$1,000,000), if the total gross  
 48 assessed value of property within the political subdivision  
 49 on the last assessment date is not more than one hundred  
 50 million dollars (\$100,000,000).

- 1 (3) A project that is being refinanced for the purpose of providing  
 2 gross or net present value savings to taxpayers.
- 3 (4) A project for which bonds were issued or leases were entered  
 4 into before January 1, 1996, or where the state board of tax  
 5 commissioners has approved the issuance of bonds or the  
 6 execution of leases before January 1, 1996.
- 7 (5) A project that:  
 8 (A) is required by a court order holding that a federal law  
 9 mandates the project; or  
 10 (B) is in response to a court order holding that:  
 11 (i) a federal law has been violated; and  
 12 (ii) the project is to address the deficiency or violation.
- 13 (6) A project that is in response to:  
 14 (A) a natural disaster;  
 15 (B) an accident; or  
 16 (C) an emergency;  
 17 in the political subdivision that makes a building or facility  
 18 unavailable for its intended use.
- 19 (7) A project that was not a controlled project under this section  
 20 as in effect on June 30, 2008, and for which:  
 21 (A) the bonds or lease for the project were issued or entered  
 22 into before July 1, 2008; or  
 23 (B) the issuance of the bonds or the execution of the lease for  
 24 the project was approved by the department of local  
 25 government finance before July 1, 2008.
- 26 (8) A project of the Little Calumet River basin development  
 27 commission for which bonds are payable from special  
 28 assessments collected under IC 14-13-2-18.6.
- 29 (9) A project for engineering, land and right-of-way acquisition,  
 30 construction, resurfacing, maintenance, restoration, and  
 31 rehabilitation exclusively for or of:  
 32 (A) local road and street systems, including bridges that are  
 33 designated as being in a local road and street system;  
 34 (B) arterial road and street systems, including bridges that are  
 35 designated as being in an arterial road and street system; or  
 36 (C) any combination of local and arterial road and street  
 37 systems, including designated bridges.
- 38 *(b) This subsection does not apply to a project for which a public*  
 39 *hearing to issue bonds or enter into a lease has been conducted under*  
 40 *IC 20-26-7-37 before July 1, 2023. If:*  
 41 *(1) a political subdivision's total debt service tax rate is more*  
 42 *than forty cents (\$0.40) per one hundred dollars (\$100) of*  
 43 *assessed value; and*  
 44 *(2) subsection (a)(1) and subsection (a)(3) through (a)(9) are not*  
 45 *applicable;*  
 46 *the term includes any project to be financed by bonds or a lease,*  
 47 *including a project that does not otherwise meet the threshold amount*  
 48 *provided in subsection (a)(2). This subsection expires December 31,*  
 49 ***2024-2025. For purposes of this subsection, a political subdivision's***  
 50 ***total debt service tax rate does not include a tax rate imposed in a***



1 **referendum debt service tax levy approved by voters.**

2 SECTION 23. IC 6-1.1-20-3.1, AS AMENDED BY P.L.239-2023,  
3 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JANUARY 1, 2024 (RETROACTIVE)]: Sec. 3.1. (a) Subject to section  
5 3.5(a)(1)(C) of this chapter, this section applies only to the following:

6 (1) A controlled project (as defined in section 1.1 of this chapter  
7 as in effect June 30, 2008) for which the proper officers of a  
8 political subdivision make a preliminary determination in the  
9 manner described in subsection (b) before July 1, 2008.

10 (2) An elementary school building, middle school building, high  
11 school building, or other school building for academic instruction  
12 that:

13 (A) is a controlled project;

14 (B) will be used for any combination of kindergarten through  
15 grade 12; and

16 (C) will not cost more than the lesser of the following:

17 (i) The threshold amount determined under this item. In the  
18 case of an ordinance or resolution adopted before January 1,  
19 2018, making a preliminary determination to issue bonds or  
20 enter into a lease for the project, the threshold amount is ten  
21 million dollars (\$10,000,000). In the case of an ordinance or  
22 resolution adopted after December 31, 2017, and before  
23 January 1, 2019, making a preliminary determination to  
24 issue bonds or enter into a lease for the project, the threshold  
25 amount is fifteen million dollars (\$15,000,000). In the case  
26 of an ordinance or resolution adopted in a calendar year after  
27 December 31, 2018, making a preliminary determination to  
28 issue bonds or enter into a lease for the project, the threshold  
29 amount is an amount (as determined by the department of  
30 local government finance) equal to the result of the  
31 maximum levy growth quotient determined under  
32 IC 6-1.1-18.5-2 for the year multiplied by the threshold  
33 amount determined under this item for the preceding  
34 calendar year. In the case of a threshold amount determined  
35 under this item that applies for a calendar year after  
36 December 31, 2018, the department of local government  
37 finance shall publish the threshold in the Indiana Register  
38 under IC 4-22-7-7 not more than sixty (60) days after the  
39 date the budget agency releases the maximum levy growth  
40 quotient for the ensuing year under IC 6-1.1-18.5-2.

41 (ii) An amount equal to one percent (1%) of the total gross  
42 assessed value of property within the political subdivision  
43 on the last assessment date, if that total gross assessed value  
44 is more than one billion dollars (\$1,000,000,000), or ten  
45 million dollars (\$10,000,000), if the total gross assessed  
46 value of property within the political subdivision on the last  
47 assessment date is not more than one billion dollars  
48 (\$1,000,000,000).

49 (3) Any other controlled project that:

50 (A) is not a controlled project described in subdivision (1) or

1 (2); and  
 2 (B) will not cost the political subdivision more than the lesser  
 3 of the following:

4 (i) The threshold amount determined under this item. In the  
 5 case of an ordinance or resolution adopted before January 1,  
 6 2018, making a preliminary determination to issue bonds or  
 7 enter into a lease for the project, the threshold amount is  
 8 twelve million dollars (\$12,000,000). In the case of an  
 9 ordinance or resolution adopted after December 31, 2017,  
 10 and before January 1, 2019, making a preliminary  
 11 determination to issue bonds or enter into a lease for the  
 12 project, the threshold amount is fifteen million dollars  
 13 (\$15,000,000). In the case of an ordinance or resolution  
 14 adopted in a calendar year after December 31, 2018, making  
 15 a preliminary determination to issue bonds or enter into a  
 16 lease for the project, the threshold amount is an amount (as  
 17 determined by the department of local government finance)  
 18 equal to the result of the maximum levy growth quotient  
 19 determined under IC 6-1.1-18.5-2 for the year multiplied by  
 20 the threshold amount determined under this item for the  
 21 preceding calendar year. In the case of a threshold amount  
 22 determined under this item that applies for a calendar year  
 23 after December 31, 2018, the department of local  
 24 government finance shall publish the threshold in the  
 25 Indiana Register under IC 4-22-7-7 not more than sixty (60)  
 26 days after the date the budget agency releases the maximum  
 27 levy growth quotient for the ensuing year under  
 28 IC 6-1.1-18.5-2.

29 (ii) An amount equal to one percent (1%) of the total gross  
 30 assessed value of property within the political subdivision  
 31 on the last assessment date, if that total gross assessed value  
 32 is more than one hundred million dollars (\$100,000,000), or  
 33 one million dollars (\$1,000,000), if the total gross assessed  
 34 value of property within the political subdivision on the last  
 35 assessment date is not more than one hundred million  
 36 dollars (\$100,000,000).

37 **(4) A controlled project funded by debt service if the scope of**  
 38 **the project changes from the purpose of the project initially**  
 39 **advertised to taxpayers as determined under section 4.2(c) of**  
 40 **this chapter.**

41 ~~(4)~~ **(5)** This subdivision does not apply to a project for which a  
 42 public hearing to issue bonds or enter into a lease has been  
 43 conducted under IC 20-26-7-37 before July 1, 2023. Any other  
 44 controlled project if both of the following apply:

45 (A) The political subdivision's total debt service tax rate is  
 46 more than forty cents (\$0.40) per one hundred dollars (\$100)  
 47 of assessed value, but less than eighty cents (\$0.80) per one  
 48 hundred dollars (\$100) of assessed value.

49 (B) The controlled project is not otherwise described in section  
 50 3.5(a)(1) of this chapter.

1 This subdivision expires December 31, ~~2024~~ **2025. For purposes**  
 2 **of this subdivision, a political subdivision's total debt service**  
 3 **tax rate does not include a tax rate imposed in a referendum**  
 4 **debt service levy approved by voters.**

5 (b) A political subdivision may not impose property taxes to pay  
 6 debt service on bonds or lease rentals on a lease for a controlled project  
 7 without completing the following procedures:

8 (1) The proper officers of a political subdivision shall publish  
 9 notice in accordance with IC 5-3-1 and send notice by first class  
 10 mail to the circuit court clerk and to any organization that delivers  
 11 to the officers, before January 1 of that year, an annual written  
 12 request for such notices of any meeting to consider adoption of a  
 13 resolution or an ordinance making a preliminary determination to  
 14 issue bonds or enter into a lease and shall conduct at least two (2)  
 15 public hearings on a preliminary determination before adoption  
 16 of the resolution or ordinance. The political subdivision must at  
 17 each of the public hearings on the preliminary determination  
 18 allow the public to testify regarding the preliminary determination  
 19 and must make the following information available to the public  
 20 at each of the public hearings on the preliminary determination,  
 21 in addition to any other information required by law:

22 (A) The result of the political subdivision's current and  
 23 projected annual debt service payments divided by the net  
 24 assessed value of taxable property within the political  
 25 subdivision.

26 (B) The result of:

27 (i) the sum of the political subdivision's outstanding long  
 28 term debt plus the outstanding long term debt of other taxing  
 29 units that include any of the territory of the political  
 30 subdivision; divided by

31 (ii) the net assessed value of taxable property within the  
 32 political subdivision.

33 (C) The information specified in subdivision (3)(A) through  
 34 (3)(H).

35 (2) When the proper officers of a political subdivision make a  
 36 preliminary determination to issue bonds or enter into a lease for  
 37 a controlled project, the officers shall give notice of the  
 38 preliminary determination by:

39 (A) publication in accordance with IC 5-3-1; and

40 (B) first class mail to the circuit court clerk and to the  
 41 organizations described in subdivision (1).

42 (3) A notice under subdivision (2) of the preliminary  
 43 determination of the political subdivision to issue bonds or enter  
 44 into a lease for a controlled project must include the following  
 45 information:

46 (A) The maximum term of the bonds or lease.

47 (B) The maximum principal amount of the bonds or the  
 48 maximum lease rental for the lease.

49 (C) The estimated interest rates that will be paid and the total  
 50 interest costs associated with the bonds or lease.

- 1 (D) The purpose of the bonds or lease.
- 2 (E) A statement that any owners of property within the
- 3 political subdivision or registered voters residing within the
- 4 political subdivision who want to initiate a petition and
- 5 remonstrance process against the proposed debt service or
- 6 lease payments must file a petition that complies with
- 7 subdivisions (4) and (5) not later than thirty (30) days after
- 8 publication in accordance with IC 5-3-1.
- 9 (F) With respect to bonds issued or a lease entered into to
- 10 open:
- 11 (i) a new school facility; or
- 12 (ii) an existing facility that has not been used for at least
- 13 three (3) years and that is being reopened to provide
- 14 additional classroom space;
- 15 the estimated costs the school corporation expects to incur
- 16 annually to operate the facility.
- 17 (G) A statement of whether the school corporation expects to
- 18 appeal for a new facility adjustment (as defined in
- 19 IC 20-45-1-16 (repealed) before January 1, 2009) for an
- 20 increased maximum permissible tuition support levy to pay the
- 21 estimated costs described in clause (F).
- 22 (H) The following information:
- 23 (i) The political subdivision's current debt service levy and
- 24 rate.
- 25 (ii) The estimated increase to the political subdivision's debt
- 26 service levy and rate that will result if the political
- 27 subdivision issues the bonds or enters into the lease.
- 28 (iii) The estimated amount of the political subdivision's debt
- 29 service levy and rate that will result during the following ten
- 30 (10) years if the political subdivision issues the bonds or
- 31 enters into the lease, after also considering any changes that
- 32 will occur to the debt service levy and rate during that
- 33 period on account of any outstanding bonds or lease
- 34 obligations that will mature or terminate during that period.
- 35 (I) The information specified in subdivision (1)(A) through
- 36 (1)(B).
- 37 (4) After notice is given, a petition requesting the application of
- 38 a petition and remonstrance process may be filed by the lesser of:
- 39 (A) five hundred (500) persons who are either owners of
- 40 property within the political subdivision or registered voters
- 41 residing within the political subdivision; or
- 42 (B) five percent (5%) of the registered voters residing within
- 43 the political subdivision.
- 44 (5) The state board of accounts shall design and, upon request by
- 45 the county voter registration office, deliver to the county voter
- 46 registration office or the county voter registration office's
- 47 designated printer the petition forms to be used solely in the
- 48 petition process described in this section. The county voter
- 49 registration office shall issue to an owner or owners of property
- 50 within the political subdivision or a registered voter residing

1 within the political subdivision the number of petition forms  
2 requested by the owner or owners or the registered voter. Each  
3 form must be accompanied by instructions detailing the  
4 requirements that:

5 (A) the carrier and signers must be owners of property or  
6 registered voters;

7 (B) the carrier must be a signatory on at least one (1) petition;

8 (C) after the signatures have been collected, the carrier must  
9 swear or affirm before a notary public that the carrier  
10 witnessed each signature; and

11 (D) govern the closing date for the petition period.

12 Persons requesting forms may be required to identify themselves  
13 as owners of property or registered voters and may be allowed to  
14 pick up additional copies to distribute to other owners of property  
15 or registered voters. Each person signing a petition must indicate  
16 whether the person is signing the petition as a registered voter  
17 within the political subdivision or is signing the petition as the  
18 owner of property within the political subdivision. A person who  
19 signs a petition as a registered voter must indicate the address at  
20 which the person is registered to vote. A person who signs a  
21 petition as an owner of property must indicate the address of the  
22 property owned by the person in the political subdivision.

23 (6) Each petition must be verified under oath by at least one (1)  
24 qualified petitioner in a manner prescribed by the state board of  
25 accounts before the petition is filed with the county voter  
26 registration office under subdivision (7).

27 (7) Each petition must be filed with the county voter registration  
28 office not more than thirty (30) days after publication under  
29 subdivision (2) of the notice of the preliminary determination.

30 (8) The county voter registration office shall determine whether  
31 each person who signed the petition is a registered voter.  
32 However, after the county voter registration office has determined  
33 that at least five hundred twenty-five (525) persons who signed  
34 the petition are registered voters within the political subdivision,  
35 the county voter registration office is not required to verify  
36 whether the remaining persons who signed the petition are  
37 registered voters. If the county voter registration office does not  
38 determine that at least five hundred twenty-five (525) persons  
39 who signed the petition are registered voters, the county voter  
40 registration office shall, not more than fifteen (15) business days  
41 after receiving a petition, forward a copy of the petition to the  
42 county auditor. Not more than ten (10) business days after  
43 receiving the copy of the petition, the county auditor shall provide  
44 to the county voter registration office a statement verifying:

45 (A) whether a person who signed the petition as a registered  
46 voter but is not a registered voter, as determined by the county  
47 voter registration office, is the owner of property in the  
48 political subdivision; and

49 (B) whether a person who signed the petition as an owner of  
50 property within the political subdivision does in fact own

1 property within the political subdivision.  
2 (9) The county voter registration office, not more than ten (10)  
3 business days after determining that at least five hundred  
4 twenty-five (525) persons who signed the petition are registered  
5 voters or receiving the statement from the county auditor under  
6 subdivision (8), as applicable, shall make the final determination  
7 of the number of petitioners that are registered voters in the  
8 political subdivision and, based on the statement provided by the  
9 county auditor, the number of petitioners that own property within  
10 the political subdivision. Whenever the name of an individual  
11 who signs a petition form as a registered voter contains a minor  
12 variation from the name of the registered voter as set forth in the  
13 records of the county voter registration office, the signature is  
14 presumed to be valid, and there is a presumption that the  
15 individual is entitled to sign the petition under this section. Except  
16 as otherwise provided in this chapter, in determining whether an  
17 individual is a registered voter, the county voter registration office  
18 shall apply the requirements and procedures used under IC 3 to  
19 determine whether a person is a registered voter for purposes of  
20 voting in an election governed by IC 3. However, an individual is  
21 not required to comply with the provisions concerning providing  
22 proof of identification to be considered a registered voter for  
23 purposes of this chapter. A person is entitled to sign a petition  
24 only one (1) time in a particular petition and remonstrance  
25 process under this chapter, regardless of whether the person owns  
26 more than one (1) parcel of real property, mobile home assessed  
27 as personal property, or manufactured home assessed as personal  
28 property, or a combination of those types of property within the  
29 subdivision and regardless of whether the person is both a  
30 registered voter in the political subdivision and the owner of  
31 property within the political subdivision. Notwithstanding any  
32 other provision of this section, if a petition is presented to the  
33 county voter registration office within forty-five (45) days before  
34 an election, the county voter registration office may defer acting  
35 on the petition, and the time requirements under this section for  
36 action by the county voter registration office do not begin to run  
37 until five (5) days after the date of the election.  
38 (10) The county voter registration office must file a certificate and  
39 each petition with:  
40 (A) the township trustee, if the political subdivision is a  
41 township, who shall present the petition or petitions to the  
42 township board; or  
43 (B) the body that has the authority to authorize the issuance of  
44 the bonds or the execution of a lease, if the political  
45 subdivision is not a township;  
46 within thirty-five (35) business days of the filing of the petition  
47 requesting a petition and remonstrance process. The certificate  
48 must state the number of petitioners that are owners of property  
49 within the political subdivision and the number of petitioners who  
50 are registered voters residing within the political subdivision.

1 If a sufficient petition requesting a petition and remonstrance process  
2 is not filed by owners of property or registered voters as set forth in this  
3 section, the political subdivision may issue bonds or enter into a lease  
4 by following the provisions of law relating to the bonds to be issued or  
5 lease to be entered into.

6 (c) A political subdivision may not divide a controlled project in  
7 order to avoid the requirements of this section and section 3.2 of this  
8 chapter. A person that owns property within a political subdivision or  
9 a person that is a registered voter residing within a political subdivision  
10 may file a petition with the department of local government finance  
11 objecting that the political subdivision has divided a controlled project  
12 in order to avoid the requirements of this section and section 3.2 of this  
13 chapter. The petition must be filed not more than ten (10) days after the  
14 political subdivision gives notice of the political subdivision's decision  
15 to issue bonds or enter into leases for a capital project that the person  
16 believes is the result of a division of a controlled project that is  
17 prohibited by this subsection. If the department of local government  
18 finance receives a petition under this subsection, the department shall  
19 not later than thirty (30) days after receiving the petition make a final  
20 determination on the issue of whether the political subdivision divided  
21 a controlled project in order to avoid the requirements of this section  
22 and section 3.2 of this chapter. If the department of local government  
23 finance determines that a political subdivision divided a controlled  
24 project in order to avoid the requirements of this section and section  
25 3.2 of this chapter and the political subdivision continues to desire to  
26 proceed with the project, the political subdivision shall fulfill the  
27 requirements of this section and section 3.2 of this chapter, if  
28 applicable, regardless of the cost of the project in dispute. A political  
29 subdivision shall be considered to have divided a capital project in  
30 order to avoid the requirements of this section and section 3.2 of this  
31 chapter if the result of one (1) or more of the subprojects cannot  
32 reasonably be considered an independently desirable end in itself  
33 without reference to another capital project. This subsection does not  
34 prohibit a political subdivision from undertaking a series of capital  
35 projects in which the result of each capital project can reasonably be  
36 considered an independently desirable end in itself without reference  
37 to another capital project.

38 SECTION 24. IC 6-1.1-20-3.5, AS AMENDED BY P.L.239-2023,  
39 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
40 JANUARY 1, 2024 (RETROACTIVE)]: Sec. 3.5. (a) This section  
41 applies only to a controlled project that meets the following conditions:

42 (1) The controlled project is described in one (1) of the following  
43 categories:

44 (A) An elementary school building, middle school building,  
45 high school building, or other school building for academic  
46 instruction that will be used for any combination of  
47 kindergarten through grade 12 and will cost more than the  
48 lesser of the following:

49 (i) The threshold amount determined under this item. In the  
50 case of an ordinance or resolution adopted before January 1,

1 2018, making a preliminary determination to issue bonds or  
2 enter into a lease for the project, the threshold amount is ten  
3 million dollars (\$10,000,000). In the case of an ordinance or  
4 resolution adopted after December 31, 2017, and before  
5 January 1, 2019, making a preliminary determination to  
6 issue bonds or enter into a lease for the project, the threshold  
7 amount is fifteen million dollars (\$15,000,000). In the case  
8 of an ordinance or resolution adopted in a calendar year after  
9 December 31, 2018, making a preliminary determination to  
10 issue bonds or enter into a lease for the project, the threshold  
11 amount is an amount (as determined by the department of  
12 local government finance) equal to the result of the  
13 maximum levy growth quotient determined under  
14 IC 6-1.1-18.5-2 for the year multiplied by the threshold  
15 amount determined under this item for the preceding  
16 calendar year. In the case of a threshold amount determined  
17 under this item that applies for a calendar year after  
18 December 31, 2018, the department of local government  
19 finance shall publish the threshold in the Indiana Register  
20 under IC 4-22-7-7 not more than sixty (60) days after the  
21 date the budget agency releases the maximum levy growth  
22 quotient for the ensuing year under IC 6-1.1-18.5-2.

23 (ii) An amount equal to one percent (1%) of the total gross  
24 assessed value of property within the political subdivision  
25 on the last assessment date, if that total gross assessed value  
26 is more than one billion dollars (\$1,000,000,000), or ten  
27 million dollars (\$10,000,000), if the total gross assessed  
28 value of property within the political subdivision on the last  
29 assessment date is not more than one billion dollars  
30 (\$1,000,000,000).

31 (B) Any other controlled project that is not a controlled project  
32 described in clause (A) and will cost the political subdivision  
33 more than the lesser of the following:

34 (i) The threshold amount determined under this item. In the  
35 case of an ordinance or resolution adopted before January 1,  
36 2018, making a preliminary determination to issue bonds or  
37 enter into a lease for the project, the threshold amount is  
38 twelve million dollars (\$12,000,000). In the case of an  
39 ordinance or resolution adopted after December 31, 2017,  
40 and before January 1, 2019, making a preliminary  
41 determination to issue bonds or enter into a lease for the  
42 project, the threshold amount is fifteen million dollars  
43 (\$15,000,000). In the case of an ordinance or resolution  
44 adopted in a calendar year after December 31, 2018, making  
45 a preliminary determination to issue bonds or enter into a  
46 lease for the project, the threshold amount is an amount (as  
47 determined by the department of local government finance)  
48 equal to the result of the maximum levy growth quotient  
49 determined under IC 6-1.1-18.5-2 for the year multiplied by  
50 the threshold amount determined under this item for the



1 preceding calendar year. In the case of a threshold amount  
 2 determined under this item that applies for a calendar year  
 3 after December 31, 2018, the department of local  
 4 government finance shall publish the threshold in the  
 5 Indiana Register under IC 4-22-7-7 not more than sixty (60)  
 6 days after the date the budget agency releases the maximum  
 7 levy growth quotient for the ensuing year under  
 8 IC 6-1.1-18.5-2.

9 (ii) An amount equal to one percent (1%) of the total gross  
 10 assessed value of property within the political subdivision  
 11 on the last assessment date, if that total gross assessed value  
 12 is more than one hundred million dollars (\$100,000,000), or  
 13 one million dollars (\$1,000,000), if the total gross assessed  
 14 value of property within the political subdivision on the last  
 15 assessment date is not more than one hundred million  
 16 dollars (\$100,000,000).

17 (C) Any other controlled project for which a political  
 18 subdivision adopts an ordinance or resolution making a  
 19 preliminary determination to issue bonds or enter into a lease  
 20 for the project, if the sum of:

21 (i) the cost of that controlled project; plus

22 (ii) the costs of all other controlled projects for which the  
 23 political subdivision has previously adopted within the  
 24 preceding three hundred sixty-five (365) days an ordinance  
 25 or resolution making a preliminary determination to issue  
 26 bonds or enter into a lease for those other controlled  
 27 projects;

28 exceeds twenty-five million dollars (\$25,000,000).

29 **(D) A controlled project funded by debt service if the scope**  
 30 **of the project changes from the purpose of the project**  
 31 **initially advertised to taxpayers as determined under**  
 32 **section 4.3(c) of this chapter.**

33 ~~(E)~~ **(E)** This clause does not apply to a project for which a  
 34 public hearing to issue bonds or enter into a lease has been  
 35 conducted under IC 20-26-7-37 before July 1, 2023. Except as  
 36 provided in section 4.5 of this chapter, any other controlled  
 37 project if the political subdivision's total debt service tax rate  
 38 is at least eighty cents (\$0.80) per one hundred dollars (\$100)  
 39 of assessed value. This clause expires December 31, ~~2024~~  
 40 **2025. For purposes of this clause, a political subdivision's**  
 41 **total debt service tax rate does not include a tax rate**  
 42 **imposed in a referendum debt service tax levy approved by**  
 43 **voters.**

44 (2) The proper officers of the political subdivision make a  
 45 preliminary determination after June 30, 2008, in the manner  
 46 described in subsection (b) to issue bonds or enter into a lease for  
 47 the controlled project.

48 (b) Subject to subsection (d), a political subdivision may not impose  
 49 property taxes to pay debt service on bonds or lease rentals on a lease  
 50 for a controlled project without completing the following procedures:

51 (1) The proper officers of a political subdivision shall publish

1 notice in accordance with IC 5-3-1 and send notice by first class  
 2 mail to the circuit court clerk and to any organization that delivers  
 3 to the officers, before January 1 of that year, an annual written  
 4 request for notices of any meeting to consider the adoption of an  
 5 ordinance or a resolution making a preliminary determination to  
 6 issue bonds or enter into a lease and shall conduct at least two (2)  
 7 public hearings on the preliminary determination before adoption  
 8 of the ordinance or resolution. The political subdivision must at  
 9 each of the public hearings on the preliminary determination  
 10 allow the public to testify regarding the preliminary determination  
 11 and must make the following information available to the public  
 12 at each of the public hearings on the preliminary determination,  
 13 in addition to any other information required by law:

14 (A) The result of the political subdivision's current and  
 15 projected annual debt service payments divided by the net  
 16 assessed value of taxable property within the political  
 17 subdivision.

18 (B) The result of:

19 (i) the sum of the political subdivision's outstanding long  
 20 term debt plus the outstanding long term debt of other taxing  
 21 units that include any of the territory of the political  
 22 subdivision; divided by

23 (ii) the net assessed value of taxable property within the  
 24 political subdivision.

25 (C) The information specified in subdivision (3)(A) through  
 26 (3)(G).

27 (2) If the proper officers of a political subdivision make a  
 28 preliminary determination to issue bonds or enter into a lease, the  
 29 officers shall give notice of the preliminary determination by:

30 (A) publication in accordance with IC 5-3-1; and

31 (B) first class mail to the circuit court clerk and to the  
 32 organizations described in subdivision (1).

33 (3) A notice under subdivision (2) of the preliminary  
 34 determination of the political subdivision to issue bonds or enter  
 35 into a lease must include the following information:

36 (A) The maximum term of the bonds or lease.

37 (B) The maximum principal amount of the bonds or the  
 38 maximum lease rental for the lease.

39 (C) The estimated interest rates that will be paid and the total  
 40 interest costs associated with the bonds or lease.

41 (D) The purpose of the bonds or lease.

42 (E) A statement that the proposed debt service or lease  
 43 payments must be approved in an election on a local public  
 44 question held under section 3.6 of this chapter.

45 (F) With respect to bonds issued or a lease entered into to  
 46 open:

47 (i) a new school facility; or

48 (ii) an existing facility that has not been used for at least  
 49 three (3) years and that is being reopened to provide  
 50 additional classroom space;

- 1 the estimated costs the school corporation expects to annually  
 2 incur to operate the facility.
- 3 (G) The following information:
- 4 (i) The political subdivision's current debt service levy and  
 5 rate.
- 6 (ii) The estimated increase to the political subdivision's debt  
 7 service levy and rate that will result if the political  
 8 subdivision issues the bonds or enters into the lease.
- 9 (iii) The estimated amount of the political subdivision's debt  
 10 service levy and rate that will result during the following ten  
 11 (10) years if the political subdivision issues the bonds or  
 12 enters into the lease, after also considering any changes that  
 13 will occur to the debt service levy and rate during that  
 14 period on account of any outstanding bonds or lease  
 15 obligations that will mature or terminate during that period.
- 16 (H) The information specified in subdivision (1)(A) through  
 17 (1)(B).
- 18 (4) This subdivision does not apply to a controlled project  
 19 described in subsection ~~(a)(1)(D)~~ **(a)(1)(E)** (before its expiration).  
 20 After notice is given, a petition requesting the application of the  
 21 local public question process under section 3.6 of this chapter  
 22 may be filed by the lesser of:
- 23 (A) five hundred (500) persons who are either owners of  
 24 property within the political subdivision or registered voters  
 25 residing within the political subdivision; or
- 26 (B) five percent (5%) of the registered voters residing within  
 27 the political subdivision.
- 28 (5) This subdivision does not apply to a controlled project  
 29 described in subsection ~~(a)(1)(D)~~ **(a)(1)(E)** (before its expiration).  
 30 The state board of accounts shall design and, upon request by the  
 31 county voter registration office, deliver to the county voter  
 32 registration office or the county voter registration office's  
 33 designated printer the petition forms to be used solely in the  
 34 petition process described in this section. The county voter  
 35 registration office shall issue to an owner or owners of property  
 36 within the political subdivision or a registered voter residing  
 37 within the political subdivision the number of petition forms  
 38 requested by the owner or owners or the registered voter. Each  
 39 form must be accompanied by instructions detailing the  
 40 requirements that:
- 41 (A) the carrier and signers must be owners of property or  
 42 registered voters;
- 43 (B) the carrier must be a signatory on at least one (1) petition;
- 44 (C) after the signatures have been collected, the carrier must  
 45 swear or affirm before a notary public that the carrier  
 46 witnessed each signature; and
- 47 (D) govern the closing date for the petition period.
- 48 Persons requesting forms may be required to identify themselves  
 49 as owners of property or registered voters and may be allowed to  
 50 pick up additional copies to distribute to other owners of property

1 or registered voters. Each person signing a petition must indicate  
 2 whether the person is signing the petition as a registered voter  
 3 within the political subdivision or is signing the petition as the  
 4 owner of property within the political subdivision. A person who  
 5 signs a petition as a registered voter must indicate the address at  
 6 which the person is registered to vote. A person who signs a  
 7 petition as an owner of property must indicate the address of the  
 8 property owned by the person in the political subdivision.

9 (6) This subdivision does not apply to a controlled project  
 10 described in subsection ~~(a)(1)(D)~~ **(a)(1)(E)** (before its expiration).  
 11 Each petition must be verified under oath by at least one (1)  
 12 qualified petitioner in a manner prescribed by the state board of  
 13 accounts before the petition is filed with the county voter  
 14 registration office under subdivision (7).

15 (7) This subdivision does not apply to a controlled project  
 16 described in subsection ~~(a)(1)(D)~~ **(a)(1)(E)** (before its expiration).  
 17 Each petition must be filed with the county voter registration  
 18 office not more than thirty (30) days after publication under  
 19 subdivision (2) of the notice of the preliminary determination.

20 (8) This subdivision does not apply to a controlled project  
 21 described in subsection ~~(a)(1)(D)~~ **(a)(1)(E)** (before its expiration).  
 22 The county voter registration office shall determine whether each  
 23 person who signed the petition is a registered voter. However,  
 24 after the county voter registration office has determined that at  
 25 least five hundred twenty-five (525) persons who signed the  
 26 petition are registered voters within the political subdivision, the  
 27 county voter registration office is not required to verify whether  
 28 the remaining persons who signed the petition are registered  
 29 voters. If the county voter registration office does not determine  
 30 that at least five hundred twenty-five (525) persons who signed  
 31 the petition are registered voters, the county voter registration  
 32 office, not more than fifteen (15) business days after receiving a  
 33 petition, shall forward a copy of the petition to the county auditor.  
 34 Not more than ten (10) business days after receiving the copy of  
 35 the petition, the county auditor shall provide to the county voter  
 36 registration office a statement verifying:

37 (A) whether a person who signed the petition as a registered  
 38 voter but is not a registered voter, as determined by the county  
 39 voter registration office, is the owner of property in the  
 40 political subdivision; and

41 (B) whether a person who signed the petition as an owner of  
 42 property within the political subdivision does in fact own  
 43 property within the political subdivision.

44 (9) This subdivision does not apply to a controlled project  
 45 described in subsection ~~(a)(1)(D)~~ **(a)(1)(E)** (before its expiration).  
 46 The county voter registration office, not more than ten (10)  
 47 business days after determining that at least five hundred  
 48 twenty-five (525) persons who signed the petition are registered  
 49 voters or after receiving the statement from the county auditor  
 50 under subdivision (8), as applicable, shall make the final

1 determination of whether a sufficient number of persons have  
 2 signed the petition. Whenever the name of an individual who  
 3 signs a petition form as a registered voter contains a minor  
 4 variation from the name of the registered voter as set forth in the  
 5 records of the county voter registration office, the signature is  
 6 presumed to be valid, and there is a presumption that the  
 7 individual is entitled to sign the petition under this section. Except  
 8 as otherwise provided in this chapter, in determining whether an  
 9 individual is a registered voter, the county voter registration office  
 10 shall apply the requirements and procedures used under IC 3 to  
 11 determine whether a person is a registered voter for purposes of  
 12 voting in an election governed by IC 3. However, an individual is  
 13 not required to comply with the provisions concerning providing  
 14 proof of identification to be considered a registered voter for  
 15 purposes of this chapter. A person is entitled to sign a petition  
 16 only one (1) time in a particular referendum process under this  
 17 chapter, regardless of whether the person owns more than one (1)  
 18 parcel of real property, mobile home assessed as personal  
 19 property, or manufactured home assessed as personal property or  
 20 a combination of those types of property within the political  
 21 subdivision and regardless of whether the person is both a  
 22 registered voter in the political subdivision and the owner of  
 23 property within the political subdivision. Notwithstanding any  
 24 other provision of this section, if a petition is presented to the  
 25 county voter registration office within forty-five (45) days before  
 26 an election, the county voter registration office may defer acting  
 27 on the petition, and the time requirements under this section for  
 28 action by the county voter registration office do not begin to run  
 29 until five (5) days after the date of the election.

30 (10) This subdivision does not apply to a controlled project  
 31 described in subsection ~~(a)(1)(D)~~ **(a)(1)(E)** (before its expiration).  
 32 The county voter registration office must file a certificate and  
 33 each petition with:

34 (A) the township trustee, if the political subdivision is a  
 35 township, who shall present the petition or petitions to the  
 36 township board; or

37 (B) the body that has the authority to authorize the issuance of  
 38 the bonds or the execution of a lease, if the political  
 39 subdivision is not a township;

40 within thirty-five (35) business days of the filing of the petition  
 41 requesting the referendum process. The certificate must state the  
 42 number of petitioners who are owners of property within the  
 43 political subdivision and the number of petitioners who are  
 44 registered voters residing within the political subdivision.

45 (11) This subdivision does not apply to a controlled project  
 46 described in subsection ~~(a)(1)(D)~~ **(a)(1)(E)** (before its expiration).  
 47 If a sufficient petition requesting the local public question process  
 48 is not filed by owners of property or registered voters as set forth  
 49 in this section, the political subdivision may issue bonds or enter  
 50 into a lease by following the provisions of law relating to the

- 1           bonds to be issued or lease to be entered into.
- 2           (c) If the proper officers of a political subdivision make a
- 3 preliminary determination to issue bonds or enter into a lease, the
- 4 officers shall provide to the county auditor:
- 5           (1) a copy of the notice required by subsection (b)(2); and
- 6           (2) any other information the county auditor requires to fulfill the
- 7 county auditor's duties under section 3.6 of this chapter.
- 8           (d) In addition to the procedures in subsection (b), if any capital
- 9 improvement components addressed in the most recent:
- 10          (1) threat assessment of the buildings within the school
- 11 corporation; or
- 12          (2) school safety plan (as described in IC 20-26-18.2-2(b));
- 13 concerning a particular school have not been completed or require
- 14 additional funding to be completed, before the school corporation may
- 15 impose property taxes to pay debt service on bonds or lease rentals for
- 16 a lease for a controlled project, and in addition to any other components
- 17 of the controlled project, the controlled project must include any capital
- 18 improvements necessary to complete those components described in
- 19 subdivisions (1) and (2) that have not been completed or that require
- 20 additional funding to be completed.
- 21          (e) In addition to the other procedures in this section, an ordinance
- 22 or resolution making a preliminary determination to issue bonds or
- 23 enter into leases that is considered for adoption must include a
- 24 statement of:
- 25          (1) the maximum annual debt service for the controlled project for
- 26 each year in which the debt service will be paid; and
- 27          (2) the schedule of the estimated annual tax levy and rate over a
- 28 ten (10) year period;
- 29 factoring in changes that will occur to the debt service levy and tax rate
- 30 during the period on account of any outstanding bonds or lease
- 31 obligations that will mature or terminate during the period.
- 32          SECTION 25. IC 6-1.1-20-3.6, AS AMENDED BY P.L.239-2023,
- 33 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 34 JANUARY 1, 2024 (RETROACTIVE)]: Sec. 3.6. (a) Except as
- 35 provided in sections 3.7 and 3.8 of this chapter, this section applies
- 36 only to a controlled project described in section 3.5(a) of this chapter.
- 37          (b) In the case of a controlled project:
- 38          (1) described in section 3.5(a)(1)(A) through 3.5(a)(1)(C) of this
- 39 chapter, if a sufficient petition requesting the application of the
- 40 local public question process has been filed as set forth in section
- 41 3.5 of this chapter; or
- 42          (2) described in section ~~3.5(a)(1)(D)~~ **3.5(a)(1)(E)** of this chapter
- 43 (before its expiration);
- 44 a political subdivision may not impose property taxes to pay debt
- 45 service on bonds or lease rentals on a lease for a controlled project
- 46 unless the political subdivision's proposed debt service or lease rental
- 47 is approved in an election on a local public question held under this
- 48 section.
- 49          (c) Except as provided in subsection (k), the following question
- 50 shall be submitted to the eligible voters at the election conducted under

1 this section:  
2 "Shall \_\_\_\_\_ (insert the name of the political subdivision)  
3 increase property taxes paid to the \_\_\_\_\_ (insert the type of  
4 taxing unit) by homeowners and businesses? If this public  
5 question is approved by the voters, the average property tax paid  
6 to the \_\_\_\_\_ (insert the type of taxing unit) per year on a  
7 residence would increase by \_\_\_\_\_% (insert the estimated  
8 average percentage of property tax increase paid to the political  
9 subdivision on a residence within the political subdivision as  
10 determined under subsection (n)) and the average property tax  
11 paid to the \_\_\_\_\_ (insert the type of taxing unit) per year on a  
12 business property would increase by \_\_\_\_\_% (insert the  
13 estimated average percentage of property tax increase paid to the  
14 political subdivision on a business property within the political  
15 subdivision as determined under subsection (o)). The political  
16 subdivision may issue bonds or enter into a lease to \_\_\_\_\_  
17 (insert a brief description of the controlled project), which is  
18 estimated to cost \_\_\_\_\_ (insert the total cost of the project)  
19 over \_\_\_\_\_ (insert number of years to bond maturity or  
20 termination of lease) years. The most recent property tax  
21 referendum within the boundaries of the political subdivision for  
22 which this public question is being considered was proposed by  
23 \_\_\_\_\_ (insert name of political subdivision) in \_\_\_\_\_ (insert  
24 year of most recent property tax referendum) and \_\_\_\_\_  
25 (insert whether the measure passed or failed).".

26 The public question must appear on the ballot in the form approved by  
27 the county election board. If the political subdivision proposing to issue  
28 bonds or enter into a lease is located in more than one (1) county, the  
29 county election board of each county shall jointly approve the form of  
30 the public question that will appear on the ballot in each county. The  
31 form approved by the county election board may differ from the  
32 language certified to the county election board by the county auditor.  
33 If the county election board approves the language of a public question  
34 under this subsection, the county election board shall submit the  
35 language and the certification of the county auditor described in  
36 subsection (p) to the department of local government finance for  
37 review.

38 (d) The department of local government finance shall review the  
39 language of the public question to evaluate whether the description of  
40 the controlled project is accurate and is not biased against either a vote  
41 in favor of the controlled project or a vote against the controlled  
42 project. The department of local government finance shall post the  
43 estimated average percentage of property tax increases to be paid to a  
44 political subdivision on a residence and business property that are  
45 certified by the county auditor under subsection (p) on the department's  
46 Internet web site. The department of local government finance may  
47 either approve the ballot language as submitted or recommend that the  
48 ballot language be modified as necessary to ensure that the description  
49 of the controlled project is accurate and is not biased. The department  
50 of local government finance shall certify its approval or

1 recommendations to the county auditor and the county election board  
2 not more than ten (10) days after the language of the public question is  
3 submitted to the department for review. If the department of local  
4 government finance recommends a modification to the ballot language,  
5 the county election board shall, after reviewing the recommendations  
6 of the department of local government finance, submit modified ballot  
7 language to the department for the department's approval or  
8 recommendation of any additional modifications. The public question  
9 may not be certified by the county auditor under subsection (e) unless  
10 the department of local government finance has first certified the  
11 department's final approval of the ballot language for the public  
12 question.

13 (e) The county auditor shall certify the finally approved public  
14 question under IC 3-10-9-3 to the county election board of each county  
15 in which the political subdivision is located. The certification must  
16 occur not later than noon:

17 (1) seventy-four (74) days before a primary election if the public  
18 question is to be placed on the primary or municipal primary  
19 election ballot; or

20 (2) August 1 if the public question is to be placed on the general  
21 or municipal election ballot.

22 Subject to the certification requirements and deadlines under this  
23 subsection and except as provided in subsection (j), the public question  
24 shall be placed on the ballot at the next primary election, general  
25 election or municipal election in which all voters of the political  
26 subdivision are entitled to vote. However, if a primary election, general  
27 election, or municipal election will not be held during the first year in  
28 which the public question is eligible to be placed on the ballot under  
29 this section and if the political subdivision requests the public question  
30 to be placed on the ballot at a special election, the public question shall  
31 be placed on the ballot at a special election to be held on the first  
32 Tuesday after the first Monday in May or November of the year. The  
33 certification must occur not later than noon seventy-four (74) days  
34 before a special election to be held in May (if the special election is to  
35 be held in May) or noon on August 1 (if the special election is to be  
36 held in November). The fiscal body of the political subdivision that  
37 requests the special election shall pay the costs of holding the special  
38 election. The county election board shall give notice under IC 5-3-1 of  
39 a special election conducted under this subsection. A special election  
40 conducted under this subsection is under the direction of the county  
41 election board. The county election board shall take all steps necessary  
42 to carry out the special election.

43 (f) The circuit court clerk shall certify the results of the public  
44 question to the following:

45 (1) The county auditor of each county in which the political  
46 subdivision is located.

47 (2) The department of local government finance.

48 (g) Subject to the requirements of IC 6-1.1-18.5-8, the political  
49 subdivision may issue the proposed bonds or enter into the proposed  
50 lease rental if a majority of the eligible voters voting on the public



1 question vote in favor of the public question.

2 (h) If a majority of the eligible voters voting on the public question  
3 vote in opposition to the public question, both of the following apply:

4 (1) The political subdivision may not issue the proposed bonds or  
5 enter into the proposed lease rental.

6 (2) Another public question under this section on the same or a  
7 substantially similar project may not be submitted to the voters  
8 earlier than:

9 (A) except as provided in clause (B), seven hundred (700)  
10 days after the date of the public question; or

11 (B) three hundred fifty (350) days after the date of the election,  
12 if a petition that meets the requirements of subsection (m) is  
13 submitted to the county auditor.

14 (i) IC 3, to the extent not inconsistent with this section, applies to an  
15 election held under this section.

16 (j) A political subdivision may not divide a controlled project in  
17 order to avoid the requirements of this section and section 3.5 of this  
18 chapter. A person that owns property within a political subdivision or  
19 a person that is a registered voter residing within a political subdivision  
20 may file a petition with the department of local government finance  
21 objecting that the political subdivision has divided a controlled project  
22 into two (2) or more capital projects in order to avoid the requirements  
23 of this section and section 3.5 of this chapter. The petition must be filed  
24 not more than ten (10) days after the political subdivision gives notice  
25 of the political subdivision's decision under section 3.5 of this chapter  
26 or a determination under section 5 of this chapter to issue bonds or  
27 enter into leases for a capital project that the person believes is the  
28 result of a division of a controlled project that is prohibited by this  
29 subsection. If the department of local government finance receives a  
30 petition under this subsection, the department shall not later than thirty  
31 (30) days after receiving the petition make a final determination on the  
32 issue of whether the political subdivision divided a controlled project  
33 in order to avoid the requirements of this section and section 3.5 of this  
34 chapter. If the department of local government finance determines that  
35 a political subdivision divided a controlled project in order to avoid the  
36 requirements of this section and section 3.5 of this chapter and the  
37 political subdivision continues to desire to proceed with the project, the  
38 political subdivision may appeal the determination of the department  
39 of local government finance to the Indiana board of tax review. A  
40 political subdivision shall be considered to have divided a capital  
41 project in order to avoid the requirements of this section and section  
42 3.5 of this chapter if the result of one (1) or more of the subprojects  
43 cannot reasonably be considered an independently desirable end in  
44 itself without reference to another capital project. This subsection does  
45 not prohibit a political subdivision from undertaking a series of capital  
46 projects in which the result of each capital project can reasonably be  
47 considered an independently desirable end in itself without reference  
48 to another capital project.

49 (k) This subsection applies to a political subdivision for which a  
50 petition requesting a public question has been submitted under section

1 3.5 of this chapter. The legislative body (as defined in IC 36-1-2-9) of  
 2 the political subdivision may adopt a resolution to withdraw a  
 3 controlled project from consideration in a public question. If the  
 4 legislative body provides a certified copy of the resolution to the county  
 5 auditor and the county election board not later than sixty-three (63)  
 6 days before the election at which the public question would be on the  
 7 ballot, the public question on the controlled project shall not be placed  
 8 on the ballot and the public question on the controlled project shall not  
 9 be held, regardless of whether the county auditor has certified the  
 10 public question to the county election board. If the withdrawal of a  
 11 public question under this subsection requires the county election  
 12 board to reprint ballots, the political subdivision withdrawing the  
 13 public question shall pay the costs of reprinting the ballots. If a political  
 14 subdivision withdraws a public question under this subsection that  
 15 would have been held at a special election and the county election  
 16 board has printed the ballots before the legislative body of the political  
 17 subdivision provides a certified copy of the withdrawal resolution to  
 18 the county auditor and the county election board, the political  
 19 subdivision withdrawing the public question shall pay the costs  
 20 incurred by the county in printing the ballots. If a public question on a  
 21 controlled project is withdrawn under this subsection, a public question  
 22 under this section on the same controlled project or a substantially  
 23 similar controlled project may not be submitted to the voters earlier  
 24 than three hundred fifty (350) days after the date the resolution  
 25 withdrawing the public question is adopted.

26 (l) If a public question regarding a controlled project is placed on  
 27 the ballot to be voted on at an election under this section, the political  
 28 subdivision shall submit to the department of local government finance,  
 29 at least thirty (30) days before the election, the following information  
 30 regarding the proposed controlled project for posting on the  
 31 department's Internet web site:

32 (1) The cost per square foot of any buildings being constructed as  
 33 part of the controlled project.

34 (2) The effect that approval of the controlled project would have  
 35 on the political subdivision's property tax rate.

36 (3) The maximum term of the bonds or lease.

37 (4) The maximum principal amount of the bonds or the maximum  
 38 lease rental for the lease.

39 (5) The estimated interest rates that will be paid and the total  
 40 interest costs associated with the bonds or lease.

41 (6) The purpose of the bonds or lease.

42 (7) In the case of a controlled project proposed by a school  
 43 corporation:

44 (A) the current and proposed square footage of school building  
 45 space per student;

46 (B) enrollment patterns within the school corporation; and

47 (C) the age and condition of the current school facilities.

48 (m) If a majority of the eligible voters voting on the public question  
 49 vote in opposition to the public question, a petition may be submitted  
 50 to the county auditor to request that the limit under subsection

1 (h)(2)(B) apply to the holding of a subsequent public question by the  
 2 political subdivision. If such a petition is submitted to the county  
 3 auditor and is signed by the lesser of:

4 (1) five hundred (500) persons who are either owners of property  
 5 within the political subdivision or registered voters residing  
 6 within the political subdivision; or

7 (2) five percent (5%) of the registered voters residing within the  
 8 political subdivision;

9 the limit under subsection (h)(2)(B) applies to the holding of a second  
 10 public question by the political subdivision and the limit under  
 11 subsection (h)(2)(A) does not apply to the holding of a second public  
 12 question by the political subdivision.

13 (n) At the request of a political subdivision that proposes to impose  
 14 property taxes to pay debt service on bonds or lease rentals on a lease  
 15 for a controlled project, the county auditor of a county in which the  
 16 political subdivision is located shall determine the estimated average  
 17 percentage of property tax increase on a homestead to be paid to the  
 18 political subdivision that must be included in the public question under  
 19 subsection (c) as follows:

20 STEP ONE: Determine the average assessed value of a homestead  
 21 located within the political subdivision.

22 STEP TWO: For purposes of determining the net assessed value  
 23 of the average homestead located within the political subdivision,  
 24 subtract:

25 (A) an amount for the homestead standard deduction under  
 26 IC 6-1.1-12-37 as if the homestead described in STEP ONE  
 27 was eligible for the deduction; and

28 (B) an amount for the supplemental homestead deduction  
 29 under IC 6-1.1-12-37.5 as if the homestead described in STEP  
 30 ONE was eligible for the deduction;

31 from the result of STEP ONE.

32 STEP THREE: Divide the result of STEP TWO by one hundred  
 33 (100).

34 STEP FOUR: Determine the overall average tax rate per one  
 35 hundred dollars (\$100) of assessed valuation for the current year  
 36 imposed on property located within the political subdivision.

37 STEP FIVE: For purposes of determining net property tax liability  
 38 of the average homestead located within the political subdivision:

39 (A) multiply the result of STEP THREE by the result of STEP  
 40 FOUR; and

41 (B) as appropriate, apply any currently applicable county  
 42 property tax credit rates and the credit for excessive property  
 43 taxes under IC 6-1.1-20.6-7.5(a)(1).

44 STEP SIX: Determine the amount of the political subdivision's  
 45 part of the result determined in STEP FIVE.

46 STEP SEVEN: Determine the estimated tax rate that will be  
 47 imposed if the public question is approved by the voters.

48 STEP EIGHT: Multiply the result of STEP SEVEN by the result  
 49 of STEP THREE.

50 STEP NINE: Divide the result of STEP EIGHT by the result of

1 STEP SIX, expressed as a percentage.

2 (o) At the request of a political subdivision that proposes to impose  
3 property taxes to pay debt service on bonds or lease rentals on a lease  
4 for a controlled project, the county auditor of a county in which the  
5 political subdivision is located shall determine the estimated average  
6 percentage of property tax increase on a business property to be paid  
7 to the political subdivision that must be included in the public question  
8 under subsection (c) as follows:

9 STEP ONE: Determine the average assessed value of business  
10 property located within the political subdivision.

11 STEP TWO: Divide the result of STEP ONE by one hundred  
12 (100).

13 STEP THREE: Determine the overall average tax rate per one  
14 hundred dollars (\$100) of assessed valuation for the current year  
15 imposed on property located within the political subdivision.

16 STEP FOUR: For purposes of determining net property tax  
17 liability of the average business property located within the  
18 political subdivision:

19 (A) multiply the result of STEP TWO by the result of STEP  
20 THREE; and

21 (B) as appropriate, apply any currently applicable county  
22 property tax credit rates and the credit for excessive property  
23 taxes under IC 6-1.1-20.6-7.5 as if the applicable percentage  
24 was three percent (3%).

25 STEP FIVE: Determine the amount of the political subdivision's  
26 part of the result determined in STEP FOUR.

27 STEP SIX: Determine the estimated tax rate that will be imposed  
28 if the public question is approved by the voters.

29 STEP SEVEN: Multiply the result of STEP TWO by the result of  
30 STEP SIX.

31 STEP EIGHT: Divide the result of STEP SEVEN by the result of  
32 STEP FIVE, expressed as a percentage.

33 (p) The county auditor shall certify the estimated average  
34 percentage of property tax increase on a homestead to be paid to the  
35 political subdivision determined under subsection (n), and the  
36 estimated average percentage of property tax increase on a business  
37 property to be paid to the political subdivision determined under  
38 subsection (o), in a manner prescribed by the department of local  
39 government finance, and provide the certification to the political  
40 subdivision that proposes to impose property taxes. The political  
41 subdivision shall provide the certification to the county election board  
42 and include the estimated average percentages in the language of the  
43 public question at the time the language of the public question is  
44 submitted to the county election board for approval as described in  
45 subsection (c).

46 SECTION 26. IC 6-1.1-20-4.2 IS ADDED TO THE INDIANA  
47 CODE AS A NEW SECTION TO READ AS FOLLOWS  
48 [EFFECTIVE UPON PASSAGE]: **Sec. 4.2. (a) This section applies**  
49 **only if, with respect to a particular controlled project that fulfilled**  
50 **the petition and remonstrance process under sections 3.1 and 3.2**

1 of this chapter, the political subdivision subsequently changes the  
2 scope of the controlled project beyond that initially presented.

3 (b) Notwithstanding any other provision in this chapter, if at  
4 least ten (10) persons who are either owners of property within the  
5 political subdivision or registered voters residing within the  
6 political subdivision file a petition with the proper officers of the  
7 political subdivision contending that the scope of a controlled  
8 project has changed from how it was initially presented, the proper  
9 officers of the political subdivision shall hold a public hearing to  
10 determine whether any change in scope is significant enough to  
11 warrant a new petition and remonstrance process. A petition under  
12 this subsection must be filed not later than one (1) year after the  
13 controlled project received final approval.

14 (c) Notwithstanding any other provision in this chapter, if it is  
15 determined at the hearing described in subsection (b) that the  
16 political subdivision has subsequently changed the scope of a  
17 controlled project beyond that initially presented as described in  
18 subsection (a), the political subdivision must complete the following  
19 procedures under this section:

20 (1) The proper officers of the political subdivision shall give  
21 notice of the applicability of the petition and remonstrance  
22 process by:

23 (A) publication in accordance with IC 5-3-1; and

24 (B) first class mail to the circuit court clerk and to the  
25 organizations described in section 3.1(b)(1) of this chapter.

26 A notice under this subdivision must include a statement that  
27 any owners of property within the political subdivision or  
28 registered voters residing within the political subdivision who  
29 want to petition in favor of or remonstrate against the  
30 proposed debt service or lease payments must file petitions  
31 and remonstrances in compliance with subdivisions (2)  
32 through (4) not earlier than thirty (30) days or later than sixty  
33 (60) days after publication in accordance with IC 5-3-1.

34 (2) Not earlier than thirty (30) days or later than sixty (60)  
35 days after the notice under subdivision (1) is given:

36 (A) petitions (described in subdivision (3)) in favor of the  
37 bonds or lease; and

38 (B) remonstrances (described in subdivision (3)) against  
39 the bonds or lease;

40 may be filed by an owner or owners of property within the  
41 political subdivision or a registered voter residing within the  
42 political subdivision. Each signature on a petition must be  
43 dated, and the date of signature may not be before the date on  
44 which the petition and remonstrance forms may be issued  
45 under subdivision (3). A petition described in clause (A) or a  
46 remonstrance described in clause (B) must be verified in  
47 compliance with subdivision (4) before the petition or  
48 remonstrance is filed with the county voter registration office  
49 under subdivision (4).

50 (3) The state board of accounts shall design and, upon request  
51 by the county voter registration office, deliver to the county

1 voter registration office or the county voter registration  
2 office's designated printer the petition and remonstrance  
3 forms to be used solely in the petition and remonstrance  
4 process described in this section. The county voter  
5 registration office shall issue to an owner or owners of  
6 property within the political subdivision or a registered voter  
7 residing within the political subdivision the number of petition  
8 or remonstrance forms requested by the owner or owners or  
9 the registered voter. Each form must be accompanied by  
10 instructions detailing the requirements that:

11 (A) the carrier and signers must be owners of property or  
12 registered voters;

13 (B) the carrier must be a signatory on at least one (1)  
14 petition;

15 (C) after the signatures have been collected, the carrier  
16 must swear or affirm before a notary public that the  
17 carrier witnessed each signature;

18 (D) govern the closing date for the petition and  
19 remonstrance period; and

20 (E) apply to the carrier under section 10 of this chapter.

21 Persons requesting forms may be required to identify  
22 themselves as owners of property or registered voters and  
23 may be allowed to pick up additional copies to distribute to  
24 other owners of property or registered voters. Each person  
25 signing a petition or remonstrance must indicate whether the  
26 person is signing the petition or remonstrance as a registered  
27 voter within the political subdivision or is signing the petition  
28 or remonstrance as the owner of property within the political  
29 subdivision. A person who signs a petition or remonstrance as  
30 a registered voter must indicate the address at which the  
31 person is registered to vote. A person who signs a petition or  
32 remonstrance as an owner of property must indicate the  
33 address of the property owned by the person in the political  
34 subdivision. The county voter registration office may not issue  
35 a petition or remonstrance form earlier than twenty-nine (29)  
36 days after the notice is given under subdivision (1). The  
37 county voter registration office shall certify the date of  
38 issuance on each petition or remonstrance form that is  
39 distributed under this subdivision.

40 (4) The petitions and remonstrances must be verified in the  
41 manner prescribed by the state board of accounts and filed  
42 with the county voter registration office within the sixty (60)  
43 day period described in subdivision (2) in the manner set forth  
44 in section 3.1 of this chapter relating to requests for a petition  
45 and remonstrance process.

46 (5) The county voter registration office shall determine  
47 whether each person who signed the petition or remonstrance  
48 is a registered voter. The county voter registration office shall  
49 not more than fifteen (15) business days after receiving a  
50 petition or remonstrance forward a copy of the petition or  
51 remonstrance to the county auditor. Not more than ten (10)

1           **business days after receiving the copy of the petition or**  
2           **remonstrance, the county auditor shall provide to the county**  
3           **voter registration office a statement verifying:**

4           **(A) whether a person who signed the petition or**  
5           **remonstrance as a registered voter but is not a registered**  
6           **voter, as determined by the county voter registration**  
7           **office, is the owner of property in the political subdivision;**  
8           **and**

9           **(B) whether a person who signed the petition or**  
10           **remonstrance as an owner of property within the political**  
11           **subdivision does in fact own property within the political**  
12           **subdivision.**

13           **(6) The county voter registration office shall not more than**  
14           **ten (10) business days after receiving the statement from the**  
15           **county auditor under subdivision (5) make the final**  
16           **determination of:**

17           **(A) the number of registered voters in the political**  
18           **subdivision that signed a petition and, based on the**  
19           **statement provided by the county auditor, the number of**  
20           **owners of property within the political subdivision that**  
21           **signed a petition; and**

22           **(B) the number of registered voters in the political**  
23           **subdivision that signed a remonstrance and, based on the**  
24           **statement provided by the county auditor, the number of**  
25           **owners of property within the political subdivision that**  
26           **signed a remonstrance.**

27           **Whenever the name of an individual who signs a petition or**  
28           **remonstrance as a registered voter contains a minor variation**  
29           **from the name of the registered voter as set forth in the**  
30           **records of the county voter registration office, the signature**  
31           **is presumed to be valid, and there is a presumption that the**  
32           **individual is entitled to sign the petition or remonstrance**  
33           **under this section. Except as otherwise provided in this**  
34           **chapter, in determining whether an individual is a registered**  
35           **voter, the county voter registration office shall apply the**  
36           **requirements and procedures used under IC 3 to determine**  
37           **whether a person is a registered voter for purposes of voting**  
38           **in an election governed by IC 3. However, an individual is not**  
39           **required to comply with the provisions concerning providing**  
40           **proof of identification to be considered a registered voter for**  
41           **purposes of this chapter. A person is entitled to sign a petition**  
42           **or remonstrance only one (1) time in a particular petition and**  
43           **remonstrance process under this chapter, regardless of**  
44           **whether the person owns more than one (1) parcel of real**  
45           **property, mobile home assessed as personal property, or**  
46           **manufactured home assessed as personal property or a**  
47           **combination of those types of property within the subdivision**  
48           **and regardless of whether the person is both a registered**  
49           **voter in the political subdivision and the owner of property**  
50           **within the political subdivision. Notwithstanding any other**  
51           **provision of this section, if a petition or remonstrance is**

1 presented to the county voter registration office within  
 2 forty-five (45) days before an election, the county voter  
 3 registration office may defer acting on the petition or  
 4 remonstrance, and the time requirements under this section  
 5 for action by the county voter registration office do not begin  
 6 to run until five (5) days after the date of the election.

7 (7) The county voter registration office must file a certificate  
 8 and the petition or remonstrance with the body of the political  
 9 subdivision within thirty-five (35) business days of the filing  
 10 of a petition or remonstrance under subdivision (4),  
 11 whichever applies, containing ten thousand (10,000)  
 12 signatures or less. The county voter registration office may  
 13 take an additional five (5) days to review and certify the  
 14 petition or remonstrance for each additional five thousand  
 15 (5,000) signatures up to a maximum of sixty (60) days. The  
 16 certificate must state the number of petitioners and  
 17 remonstrators that are owners of property within the political  
 18 subdivision and the number of petitioners who are registered  
 19 voters residing within the political subdivision.

20 (8) If a greater number of persons who are either owners of  
 21 property within the political subdivision or registered voters  
 22 residing within the political subdivision sign a remonstrance  
 23 than the number that signed a petition, the political  
 24 subdivision may not proceed with the changed scope of the  
 25 controlled project. In that case, the political subdivision may  
 26 either:

27 (A) proceed with the controlled project as it was initially  
 28 presented; or

29 (B) terminate the controlled project as it was initially  
 30 presented and initiate procedures for the controlled  
 31 project that reflects the change in scope.

32 Withdrawal of a petition carries the same consequences as a  
 33 defeat of the petition.

34 (9) After a political subdivision has gone through the petition  
 35 and remonstrance process set forth in this section, the  
 36 political subdivision is not required to follow any other  
 37 remonstrance or objection procedures under any other law  
 38 (including section 5 of this chapter) relating to bonds or leases  
 39 designed to protect owners of property within the political  
 40 subdivision from the imposition of property taxes to pay debt  
 41 service or lease rentals. However, the political subdivision  
 42 must still receive the approval of the department of local  
 43 government finance if required by:

44 (A) IC 6-1.1-18.5-8; or

45 (B) IC 20-46-7-8, IC 20-46-7-9, and IC 20-46-7-10.

46 SECTION 27. IC 6-1.1-20-4.3 IS ADDED TO THE INDIANA  
 47 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 48 [EFFECTIVE UPON PASSAGE]: Sec. 4.3. (a) This section applies  
 49 only if, with respect to a particular controlled project that fulfilled  
 50 the referendum process under sections 3.5 and 3.6 of this chapter,  
 51 the political subdivision subsequently changes the scope of the



1 controlled project beyond that initially presented.

2 (b) Notwithstanding any other provision in this chapter, if at  
3 least ten (10) persons who are either owners of property within the  
4 political subdivision or registered voters residing within the  
5 political subdivision file a petition with the proper officers of the  
6 political subdivision contending that the scope of a controlled  
7 project has changed from how it was initially presented, the proper  
8 officers of the political subdivision shall hold a public hearing to  
9 determine whether any change in scope is significant enough to  
10 warrant a new referendum process. A petition under this  
11 subsection must be filed not later than one (1) year after the  
12 controlled project received final approval.

13 (c) Notwithstanding any other provision in this chapter, if it is  
14 determined at the hearing described in subsection (b) that the  
15 political subdivision has subsequently changed the scope of a  
16 controlled project beyond that initially presented as described in  
17 subsection (a), the following procedures apply:

18 (1) A petition requesting the application of the local public  
19 question process under this section may be filed using, and in  
20 compliance with, the provisions that initially applied to the  
21 particular controlled project under section 3.5 of this chapter.  
22 For purposes of this subdivision, the relevant provisions in  
23 section 3.5 of this chapter shall be construed in a manner  
24 consistent with this section.

25 (2) If a sufficient petition requesting the application of the  
26 local public question process for purposes of this section has  
27 been filed under subdivision (1), the following question shall  
28 be submitted to the eligible voters at the election conducted  
29 under this section:

30 "On \_\_\_\_\_ (insert date) the voters approved a public  
31 question to increase property taxes paid to the \_\_\_\_\_ (insert  
32 the type of taxing unit) by homeowners and businesses. The  
33 political subdivision has determined that the scope of the  
34 project for which the public question was placed on the ballot  
35 has changed beyond that initially presented. To fund the  
36 increase in the scope of the project, the average property tax  
37 paid to the \_\_\_\_\_ (insert the type of taxing unit) per year on  
38 a residence is estimated to increase by \_\_\_\_\_% (insert the  
39 estimated average percentage of property tax increase paid to  
40 the political subdivision on a residence within the political  
41 subdivision) and the average property tax paid to the \_\_\_\_\_  
42 (insert the type of taxing unit) per year on a business property  
43 would increase by \_\_\_\_\_% (insert the estimated average  
44 percentage of property tax increase paid to the political  
45 subdivision on a business property within the political  
46 subdivision). Shall \_\_\_\_\_ (insert the name of the political  
47 subdivision) increase property taxes paid to the \_\_\_\_\_  
48 (insert the type of taxing unit) by homeowners and businesses  
49 to fund the increase in the scope of the project previously  
50 approved? If this public question is approved by the voters,  
51 the average property tax paid to the \_\_\_\_\_ (insert the type

1 of taxing unit) per year on a residence would increase by  
2 \_\_\_\_\_% (insert the estimated average percentage of  
3 property tax increase paid to the political subdivision on a  
4 residence within the political subdivision) and the average  
5 property tax paid to the \_\_\_\_\_ (insert the type of taxing unit)  
6 per year on a business property would increase by \_\_\_\_\_%  
7 (insert the estimated average percentage of property tax  
8 increase paid to the political subdivision on a business  
9 property within the political subdivision).".

10 (3) The public question must appear on the ballot in the form  
11 approved by the county election board. If the political  
12 subdivision in which the particular controlled project is  
13 located in more than one (1) county, the county election board  
14 of each county shall jointly approve the form of the public  
15 question that will appear on the ballot in each county. The  
16 form approved by the county election board may differ from  
17 the language certified to the county election board by the  
18 county auditor. If the county election board approves the  
19 language of a public question under this subsection, the  
20 county election board shall submit the language to the  
21 department of local government finance for review.

22 (4) The department of local government finance shall review  
23 the language of the public question to evaluate whether the  
24 description of the controlled project is accurate and is not  
25 biased against either a vote in favor of the controlled project  
26 or a vote against the controlled project. The department of  
27 local government finance may either approve the ballot  
28 language as submitted or recommend that the ballot language  
29 be modified as necessary to ensure that the description of the  
30 controlled project is accurate and is not biased. The  
31 department of local government finance shall certify its  
32 approval or recommendations to the county auditor and the  
33 county election board not more than ten (10) days after the  
34 language of the public question is submitted to the department  
35 for review. If the department of local government finance  
36 recommends a modification to the ballot language, the county  
37 election board shall, after reviewing the recommendations of  
38 the department of local government finance, submit modified  
39 ballot language to the department for the department's  
40 approval or recommendation of any additional modifications.  
41 The public question may not be certified by the county  
42 auditor under subdivision (5) unless the department of local  
43 government finance has first certified the department's final  
44 approval of the ballot language for the public question.

45 (5) The county auditor shall certify the finally approved  
46 public question under IC 3-10-9-3 to the county election board  
47 of each county in which the political subdivision is located.  
48 The certification must occur not later than noon:

49 (A) seventy-four (74) days before a primary election if the  
50 public question is to be placed on the primary or municipal  
51 primary election ballot; or

- 1           **(B) August 1 if the public question is to be placed on the**  
 2           **general or municipal election ballot.**
- 3           **(6) The public question shall be placed on the ballot at the**  
 4           **next primary election, general election or municipal election**  
 5           **in which all voters of the political subdivision are entitled to**  
 6           **vote. However, if a primary election, general election, or**  
 7           **municipal election will not be held during the first year in**  
 8           **which the public question is eligible to be placed on the ballot**  
 9           **under this section and if the political subdivision requests the**  
 10           **public question to be placed on the ballot at a special election,**  
 11           **the public question shall be placed on the ballot at a special**  
 12           **election to be held on the first Tuesday after the first Monday**  
 13           **in May or November of the year. The certification must occur**  
 14           **not later than noon seventy-four (74) days before a special**  
 15           **election to be held in May (if the special election is to be held**  
 16           **in May) or noon on August 1 (if the special election is to be**  
 17           **held in November). The fiscal body of the political subdivision**  
 18           **that requests the special election shall pay the costs of holding**  
 19           **the special election. The county election board shall give**  
 20           **notice under IC 5-3-1 of a special election conducted under**  
 21           **this subsection. A special election conducted under this**  
 22           **subsection is under the direction of the county election board.**  
 23           **The county election board shall take all steps necessary to**  
 24           **carry out the special election.**
- 25           **(7) The circuit court clerk shall certify the results of the public**  
 26           **question to the following:**
- 27               **(A) The county auditor of each county in which the**  
 28               **political subdivision is located.**
- 29               **(B) The department of local government finance.**
- 30           **(8) IC 3, to the extent not inconsistent with this section,**  
 31           **applies to an election held under this section.**
- 32           **(9) If a majority of the eligible voters voting on the public**  
 33           **question vote in opposition to the public question, or if a**  
 34           **petition is not filed under subdivision (1), the political**  
 35           **subdivision may not proceed with the changed scope of the**  
 36           **controlled project. In that case, the political subdivision may**  
 37           **either:**
- 38               **(A) proceed with the controlled project as it was initially**  
 39               **presented; or**
- 40               **(B) terminate the controlled project as it was initially**  
 41               **presented and initiate procedures for the controlled**  
 42               **project that reflects the change in scope.**
- 43           **(10) If a majority of the eligible voters voting on the public**  
 44           **question vote in favor of the public question, the political**  
 45           **subdivision may impose property taxes to fund the increase in**  
 46           **the scope of the controlled project previously approved.**
- 47           SECTION 28. IC 6-1.1-20-4.5, AS ADDED BY P.L.239-2023,  
 48           SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 49           JANUARY 1, 2024 (RETROACTIVE)]: Sec. 4.5. (a) As used in this  
 50           section, "maintenance emergency" refers to a response to a condition  
 51           that is not otherwise subject to the application of section 1.1(a)(6) of

1 this chapter and includes:

- 2 (1) repair of a boiler or chiller system;  
 3 (2) roof repair;  
 4 (3) storm damage repair; or  
 5 (4) any other repair that the department determines is a  
 6 maintenance emergency for which waiver of the application of  
 7 section ~~3.5(a)(1)(D)~~ **3.5(a)(1)(E)** of this chapter (before its  
 8 expiration) is warranted.

9 (b) A political subdivision may submit a request to the department  
 10 to waive the application of section ~~3.5(a)(1)(D)~~ **3.5(a)(1)(E)** of this  
 11 chapter (before its expiration), if the proposed controlled project of the  
 12 political subdivision is to address a maintenance emergency with  
 13 respect to a building owned or leased by the political subdivision.

14 (c) The department shall require the political subdivision to submit  
 15 any information that the department considers necessary to determine  
 16 whether the condition that the political subdivision contends is a  
 17 maintenance emergency.

18 (d) The department shall review a request and issue a determination  
 19 not later than forty-five (45) days after the department receives a  
 20 request under this section determining whether the condition that the  
 21 political subdivision contends is a maintenance emergency is sufficient  
 22 to waive the application of section ~~3.5(a)(1)(D)~~ **3.5(a)(1)(E)** of this  
 23 chapter (before its expiration). If the department determines that the  
 24 condition is a maintenance emergency then section ~~3.5(a)(1)(D)~~  
 25 **3.5(a)(1)(E)** of this chapter (before its expiration) is waived and does  
 26 not apply to the proposed controlled project.

27 (e) A waiver of the application of section ~~3.5(a)(1)(D)~~ **3.5(a)(1)(E)**  
 28 of this chapter (before its expiration) in accordance with this section  
 29 may not be construed as a waiver of any other requirement of this  
 30 chapter with respect to the proposed controlled project.

31 (f) This section expires December 31, ~~2024~~. **2025**.

32 SECTION 29. IC 6-1.1-49-10, AS ADDED BY P.L.95-2023,  
 33 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JANUARY 1, 2025]: Sec. 10. (a) If an individual who is receiving the  
 35 credit provided by this chapter:

- 36 (1) knows or should have known that the individual does not  
 37 qualify for the credit under this chapter; or  
 38 (2) changes the use of the individual's property so that part or all  
 39 of the property no longer qualifies for the credit under this  
 40 chapter;

41 the individual must file a certified statement with the county auditor,  
 42 notifying the county auditor that subdivision (1) or (2) applies, not  
 43 more than sixty (60) days after the date subdivision (1) or (2) first  
 44 applies.

45 (b) An individual who fails to file the statement required by this  
 46 section is liable for any additional taxes that would have been due on  
 47 the property if the individual had filed the statement as required by this  
 48 section, plus a civil penalty equal to ten percent (10%) of the additional  
 49 taxes due. The additional taxes owed plus the civil penalty become part  
 50 of the property tax liability for purposes of this article.

1 (c) The civil penalty imposed under this section is in addition to any  
 2 interest and penalties for a delinquent payment that might otherwise be  
 3 due. One percent (1%) of the total civil penalty collected under this  
 4 section shall be transferred by the county to the department of local  
 5 government finance for use by the department in establishing and  
 6 maintaining the homestead property data base under ~~IC 6-1.1-12-37(i)~~  
 7 **IC 6-1.1-12-37(j)** and, to the extent there is money remaining, for any  
 8 other purposes of the department.

9 SECTION 30. IC 6-3.6-7-28 AS ADDED BY HEA 1121-2024,  
 10 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 UPON PASSAGE]: Sec. 28. (a) This section applies to Grant County  
 12 and only if the **county local income tax** council repeals provisions of  
 13 its local income tax ordinance providing that under IC 6-3.6-10-2(7)  
 14 one-hundredth of one percent (0.01%) of the county's special purpose  
 15 rate revenue is used to fund the Grant County Economic Growth  
 16 Council, Inc.

17 (b) The **county local income tax** council may, by ordinance,  
 18 determine that additional local income tax revenue is needed in the  
 19 county to do the following:

20 (1) Finance, construct, acquire, improve, renovate, and equip the  
 21 county jail, including costs related to the demolition of existing  
 22 buildings, the acquisition of land, and any other reasonably  
 23 related costs.

24 (2) Repay bonds issued or leases entered into for the purposes  
 25 described in subdivision (1)

26 (c) If the **county local income tax** council makes the determination  
 27 set forth in subsection (b), the **county local income tax** council may  
 28 impose a tax on the adjusted gross income of local taxpayers at a tax  
 29 rate that does not exceed the lesser of the following:

30 (1) Five-tenths percent (0.5%).

31 (2) The rate necessary to carry out the purposes described in this  
 32 section.

33 The tax rate may not be greater than the rate necessary to pay for the  
 34 purposes described in subsection (b).

35 (d) The tax rate used to pay for the purposes described in subsection  
 36 (b)(1) and (b)(2) may be imposed only until the latest of the following  
 37 dates:

38 (1) The date on which the financing, construction, acquisition,  
 39 improvement, renovation, and equipping of the facilities as  
 40 described in subsection (b) are completed.

41 (2) The date on which the last of any bonds issued (including  
 42 refunding bonds) or leases entered into to finance the  
 43 construction, acquisition, improvement, renovation, and  
 44 equipping of the facilities described in subsection (b) are fully  
 45 paid.

46 (3) The date on which an ordinance adopted under subsection (c)  
 47 is rescinded.

48 (e) The tax rate under this section may be imposed beginning in the  
 49 year following the year the ordinance is adopted and until the date on  
 50 which the ordinance adopted under this section is rescinded.

1 (f) The term of a bond issued (including any refunding bond) or a  
 2 lease entered into under subsection (b) may not exceed twenty-five (25)  
 3 years.

4 (g) The county treasurer shall establish a county jail revenue fund  
 5 to be used only for the purposes described in this section. Local income  
 6 tax revenues derived from the tax rate imposed under this section shall  
 7 be deposited in the county jail revenue fund.

8 (h) Local income tax revenues derived from the tax rate imposed  
 9 under this section:

10 (1) may be used only for the purposes described in this section;

11 (2) may not be considered by the department of local government  
 12 finance in determining the county's maximum permissible  
 13 property tax levy limit under IC 6-1.1-18.5; and

14 (3) may be pledged to the repayment of bonds issued or leases  
 15 entered into for the purposes described in subsection (b).

16 (i) Grant County possesses unique governmental challenges and  
 17 opportunities due to deficiencies in the current county jail. The use of  
 18 local income tax revenues as provided in this section is necessary for  
 19 the county to provide adequate jail capacity in the county and to  
 20 maintain low property tax rates essential to economic development.  
 21 The use of local income tax revenues as provided in this section to pay  
 22 any bonds issued or leases entered into to finance the construction,  
 23 acquisition, improvement, renovation, and equipping of the facilities  
 24 described in subsection (b), rather than the use of property taxes,  
 25 promotes those purposes.

26 (j) Money accumulated from the local income tax rate imposed  
 27 under this section after the termination of the tax under this section  
 28 shall be transferred to the county rainy day fund under IC 36-1-8-5.1.

29 SECTION 31. IC 6-9-18-3, AS AMENDED BY THE TECHNICAL  
 30 CORRECTIONS BILL OF THE 2024 GENERAL ASSEMBLY, IS  
 31 AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON  
 32 PASSAGE]: Sec. 3. (a) The fiscal body of a county may levy a tax on  
 33 every person engaged in the business of renting or furnishing, for  
 34 periods of less than thirty (30) days, any room or rooms, lodgings, or  
 35 accommodations in any:

36 (1) hotel;

37 (2) motel;

38 (3) boat motel;

39 (4) inn;

40 (5) college or university memorial union;

41 (6) college or university residence hall or dormitory; or

42 (7) tourist cabin;

43 located in the county.

44 (b) The tax does not apply to gross income received in a transaction  
 45 in which:

46 (1) a student rents lodgings in a college or university residence  
 47 hall while that student participates in a course of study for which  
 48 the student receives college credit from a college or university  
 49 located in the county; or

50 (2) a person rents a room, lodging, or accommodations for a

1 period of thirty (30) days or more.

2 (c) The tax may not exceed:

3 (1) the rate of five percent (5%) in a county other than a county  
4 subject to subdivision (2), (3), or (4);

5 (2) after June 30, 2019, **and except as provided in section 6.7 of**  
6 **this chapter**, the rate of eight percent (8%) in Howard County;

7 (3) after June 30, 2021, the rate of nine percent (9%) in Daviess  
8 County; or

9 (4) after June 30, 2023, the rate of eight percent (8%) in Parke  
10 County.

11 The tax is imposed on the gross retail income derived from lodging  
12 income only and is in addition to the state gross retail tax imposed  
13 under IC 6-2.5.

14 (d) The county fiscal body may adopt an ordinance to require that  
15 the tax shall be paid monthly to the county treasurer. If such an  
16 ordinance is adopted, the tax shall be paid to the county treasurer not  
17 more than twenty (20) days after the end of the month the tax is  
18 collected. If such an ordinance is not adopted, the tax shall be imposed,  
19 paid, and collected in exactly the same manner as the state gross retail  
20 tax is imposed, paid, and collected under IC 6-2.5.

21 (e) All of the provisions of IC 6-2.5 relating to rights, duties,  
22 liabilities, procedures, penalties, definitions, exemptions, and  
23 administration are applicable to the imposition and administration of  
24 the tax imposed under this section except to the extent those provisions  
25 are in conflict or inconsistent with the specific provisions of this  
26 chapter or the requirements of the county treasurer. If the tax is paid to  
27 the department of state revenue, the return to be filed for the payment  
28 of the tax under this section may be either a separate return or may be  
29 combined with the return filed for the payment of the state gross retail  
30 tax as the department of state revenue may, by rule, determine.

31 (f) If the tax is paid to the department of state revenue, the amounts  
32 received from the tax imposed under this section shall be paid monthly  
33 by the treasurer of state to the county treasurer upon warrants issued by  
34 the ~~auditor of state~~ **comptroller**.

35 SECTION 32. IC 6-9-18-6.7 IS ADDED TO THE INDIANA CODE  
36 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**  
37 **UPON PASSAGE]: Sec. 6.7. (a) This section applies only to Howard**  
38 **County.**

39 **(b) This section applies only to rooms, lodgings, or**  
40 **accommodations located within:**

41 **(1) an inn;**

42 **(2) a hotel; or**

43 **(3) a motel.**

44 **(c) As used in this section, "innkeeper's tax" means the tax that**  
45 **except as provided in this section is imposed on a person engaged**  
46 **in the business of renting or furnishing any rooms, lodgings, or**  
47 **accommodations for a duration of less than thirty (30) days.**

48 **(d) As used in this section, "person" means an individual, a**  
49 **corporation, a limited liability company, a partnership, a**  
50 **marketplace facilitator under IC 6-9-29-6, or any other legal entity.**

51 **(e) If the county fiscal body finds that:**

1 (1) an economic development project with a capital  
 2 investment of at least two billion dollars (\$2,000,000,000) will  
 3 be under construction in the county during the time in which  
 4 the ordinance would be in effect; and

5 (2) the construction of the economic development project will  
 6 require workers that must relocate to the county for a period  
 7 of more than thirty (30) days;

8 the county fiscal body may adopt an ordinance to extend the thirty  
 9 (30) day duration described in subsection (c) for existing or newly  
 10 built inns, hotels, or motels while the ordinance is in effect.

11 (f) An ordinance adopted under this section does not apply to a  
 12 person that, prior to January 1, 2024, rented or furnished rooms,  
 13 lodgings, or accommodations that were not subject to the  
 14 innkeeper's tax because the rental or furnishing period exceeded  
 15 the thirty (30) day duration described in subsection (c).

16 (g) An ordinance adopted under this section:

17 (1) may not become effective until after April 30, 2024; and

18 (2) must expire before July 1, 2025.

19 (h) An ordinance adopted under this section must become  
 20 effective on the first day of a month and must expire on the last day  
 21 of a month.

22 (i) If the county fiscal body adopts an ordinance under this  
 23 section, the county fiscal body shall reduce the innkeeper's tax rate  
 24 for any person subject to the innkeeper's tax rate from the current  
 25 rate of eight percent (8%) to the rate of six percent (6%),  
 26 beginning with the month that the ordinance becomes effective and  
 27 effective until the ordinance expires.

28 (j) Beginning with the first month after an ordinance under this  
 29 section expires, the county fiscal body may return the innkeeper's  
 30 tax rate for any person subject to the innkeeper's tax to a  
 31 maximum rate of eight percent (8%) as described in section 3(c)(2)  
 32 of this chapter.

33 (k) If the county fiscal body adopts an ordinance under this  
 34 section, the county fiscal body shall:

35 (1) specify the effective date of the ordinance to provide that  
 36 the ordinance does not take effect before May 1, 2024;

37 (2) specify that the ordinance will expire before July 1, 2025;  
 38 and

39 (3) immediately send a certified copy of the ordinance to the  
 40 commissioner of the department of state revenue.

41 (l) If the county fiscal body does not immediately send a  
 42 certified copy of the ordinance to the commissioner of the  
 43 department of state revenue as required under subsection (k), the  
 44 department of state revenue shall treat an extension of the duration  
 45 under this section for which an innkeeper's tax is imposed as  
 46 having been adopted on the later of:

47 (1) the first day of the month that is not less than thirty (30)  
 48 days after the ordinance is sent to the commissioner of the  
 49 department of state revenue; or

50 (2) the effective date specified in the ordinance.

51 The department of state revenue shall collect the tax imposed on



1 **the days subject to an ordinance adopted under this section unless**  
 2 **the extension exceeds the maximum period allowable under this**  
 3 **section.**

4 **(m) If an ordinance does not specify an effective date, the**  
 5 **ordinance shall be considered effective on the earliest date**  
 6 **allowable under this section.**

7 SECTION 33. IC 7.1-4-3-2, AS AMENDED BY SEA 228-2024,  
 8 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9 JANUARY 1, 2025]: Sec. 2. (a) Except as provided in subsections (b)  
 10 and (c), the liquor excise tax shall be levied against a permittee who  
 11 holds an artisan distiller's permit, a distiller's permit, a rectifier's permit,  
 12 a liquor wholesaler's permit, a dining car liquor permit, a vintner's  
 13 permit, a wine wholesaler's permit, a dining car wine permit, or a boat  
 14 wine permit, whether the sale or gift, or withdrawal for sale or gift, is  
 15 to a person authorized to purchase or receive it or not. However, the  
 16 same article shall be taxed only once for liquor excise tax purposes.

17 (b) In the case of a permittee referenced in subsection (a) receiving  
 18 liquor from an unpermitted seller outside Indiana, the permittee is  
 19 liable for the liquor excise tax imposed upon the transaction.

20 (c) In the case of a permittee referenced in subsection (a) receiving,  
 21 selling, or giving liquor within Indiana from or to another permittee,  
 22 the permittee who first receives the liquor in Indiana is liable for the  
 23 liquor excise tax imposed upon the transaction.

24 **(d) For purposes of subsection (b), nothing in that subsection**  
 25 **shall be construed to:**

- 26 **(1) authorize an otherwise unlawful sale of liquor in Indiana;**  
 27 **or**  
 28 **(2) relieve an out-of-state seller from having to obtain a**  
 29 **permit described in subsection (a) that the out-of-state seller**  
 30 **is required to obtain under this article prior to the sale of**  
 31 **liquor in Indiana.**

32 SECTION 34. IC 7.1-4-4-3, AS AMENDED BY SEA 228-2024,  
 33 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JANUARY 1, 2025]: Sec. 3. (a) Except as provided in subsections (b)  
 35 and (c), the wine excise tax shall be paid by the holder of a vintner's  
 36 permit, a farm winery permit, a wine wholesaler's permit, a direct wine  
 37 seller's permit, a dining car wine permit, or a boat wine permit on the  
 38 alcoholic beverage to which the tax is applicable and which has been  
 39 manufactured or imported by the permit holder into this state.  
 40 However, the same article shall be taxed only once for wine excise tax  
 41 purposes.

42 (b) In the case of a permittee referenced in subsection (a) receiving  
 43 wine from an unpermitted seller outside Indiana, the permittee is liable  
 44 for the wine excise tax imposed upon the transaction.

45 (c) In the case of a permittee referenced in subsection (a) receiving,  
 46 selling, or giving wine within Indiana from or to another permittee, the  
 47 permittee who first receives the wine in Indiana is liable for the wine  
 48 excise tax imposed upon the transaction.

49 **(d) For purposes of subsection (b), nothing in that subsection**  
 50 **shall be construed to:**

- 51 **(1) authorize an otherwise unlawful sale of wine in Indiana;**

1 or

2 **(2) relieve an out-of-state seller from having to obtain a**  
 3 **permit described in subsection (a) that the out-of-state seller**  
 4 **is required to obtain under this article prior to the sale of**  
 5 **wine in Indiana.**

6 SECTION 35. IC 7.1-4-4.5-3, AS AMENDED BY SEA 228-2024,  
 7 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 JANUARY 1, 2025]: Sec. 3. (a) Except as provided in subsections (b)  
 9 and (c), the hard cider excise tax shall be paid by the holder of a  
 10 vintner's permit, a farm winery permit, a wine wholesaler's permit, a  
 11 direct wine seller's permit, a beer wholesaler's permit, a dining car wine  
 12 permit, or a boat wine permit on the hard cider to which the tax is  
 13 applicable and that is manufactured or imported by the person into this  
 14 state. However, an item may only be taxed once for hard cider excise  
 15 tax purposes.

16 (b) In the case of a permittee referenced in subsection (a) receiving  
 17 hard cider from an unpermitted seller outside Indiana, the permittee is  
 18 liable for the hard cider excise tax imposed upon the transaction.

19 (c) In the case of a permittee referenced in subsection (a) receiving,  
 20 selling, or giving hard cider within Indiana from or to another  
 21 permittee, the permittee who first receives the hard cider in Indiana is  
 22 liable for the hard cider excise tax imposed upon the transaction.

23 **(d) For purposes of subsection (b), nothing in that subsection**  
 24 **shall be construed to:**

25 **(1) authorize an otherwise unlawful sale of hard cider in**  
 26 **Indiana; or**

27 **(2) relieve an out-of-state seller from having to obtain a**  
 28 **permit described in subsection (a) that the out-of-state seller**  
 29 **is required to obtain under this article prior to the sale of**  
 30 **hard cider in Indiana.**

31 SECTION 36. IC 10-12-7 IS ADDED TO THE INDIANA CODE  
 32 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 33 JULY 1, 2025]:

34 **Chapter 7. Supplemental Allowance Reserve Account**

35 **Sec. 0.5. This chapter applies to the state police pre-1987 benefit**  
 36 **system covered by IC 10-12-3 and the state police 1987 benefit**  
 37 **system covered by IC 10-12-4.**

38 **Sec. 1. For purposes of this chapter, "account" means the**  
 39 **supplemental allowance reserve account described in section 2 of**  
 40 **this chapter.**

41 **Sec. 2. (a) The trustee shall maintain a separate supplemental**  
 42 **allowance reserve account for both the state police pre-1987 benefit**  
 43 **system under IC 10-12-3 and the state police 1987 benefit system**  
 44 **under IC 10-12-4 for the purpose of paying postretirement benefit**  
 45 **adjustments, including:**

46 **(1) postretirement benefit increases; and**

47 **(2) thirteenth checks;**

48 **granted by the general assembly to employee beneficiaries after**  
 49 **June 30, 2025.**

50 **(b) For purposes of subsection (a), "postretirement benefit**  
 51 **adjustments" does not include a supplemental pension benefit**

1 under IC 10-12-5.

2 **Sec. 3. The account consists of amounts appropriated or**  
 3 **transferred to the account by the general assembly.**

4 **Sec. 4. The trustee may not:**

5 **(1) deposit money in the account; or**

6 **(2) transfer money to the account.**

7 SECTION 37. IC 12-7-2-48.7 IS ADDED TO THE INDIANA  
 8 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 9 [EFFECTIVE UPON PASSAGE]: **Sec. 48.7. "Covered population",**  
 10 **for purposes of IC 12-15-13-1.8, has the meaning set forth in**  
 11 **IC 12-15-13-1.8(a).**

12 SECTION 38. IC 12-15-13-1.8 IS ADDED TO THE INDIANA  
 13 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 14 [EFFECTIVE UPON PASSAGE]: **Sec. 1.8. (a) As used in this section,**  
 15 **"covered population" means all Medicaid recipients who meet the**  
 16 **criteria set forth in subsection (b).**

17 **(b) An individual is a member of the covered population if the**  
 18 **individual:**

19 **(1) is eligible to participate in the federal Medicare program**  
 20 **(42 U.S.C. 1395 et seq.) and receives nursing facility services;**

21 **or**

22 **(2) is:**

23 **(A) at least sixty (60) years of age;**

24 **(B) blind, aged, or disabled; and**

25 **(C) receiving services through one (1) of the following:**

26 **(i) The aged and disabled Medicaid waiver.**

27 **(ii) A risk based managed care program for aged, blind,**  
 28 **or disabled individuals who are not eligible to participate**  
 29 **in the federal Medicare program.**

30 **(iii) The state Medicaid plan.**

31 **(c) The office of the secretary may implement a risk based**  
 32 **managed care program for the covered population.**

33 **(d) The office of Medicaid policy and planning and the managed**  
 34 **care organizations that intend to participate in the risk based**  
 35 **managed care program established under subsection (c) shall**  
 36 **conduct a claims submission testing period before the risk based**  
 37 **managed care program is implemented under subsection (c).**

38 **(e) The office of Medicaid policy and planning shall convene a**  
 39 **workgroup for purposes of this section. The members of the**  
 40 **workgroup shall consist of the fiscal officer of the office of**  
 41 **Medicaid policy and planning, representatives of managed care**  
 42 **organizations that intend to participate in the risk based managed**  
 43 **care program established under subsection (c) who are appointed**  
 44 **by the director, and provider representatives appointed by the**  
 45 **director. The workgroup shall do the following:**

46 **(1) Develop a uniform billing format to be used by the**  
 47 **managed care organizations participating in the risk based**  
 48 **managed care program established under subsection (c).**

49 **(2) Seek and receive feedback on the claims submission testing**  
 50 **period conducted under subsection (d).**

51 **(3) Advise the office of Medicaid policy and planning on claim**

1 submission education and training needs of providers  
2 participating in the risk based managed care program  
3 established under subsection (c).

4 (4) Develop a policy for defining "claims submitted  
5 appropriately" for the purposes of subsection (g)(1) and  
6 (g)(2).

7 (f) Subsections (g) through (k) apply during the first two  
8 hundred ten (210) days after the risk based managed care program  
9 for the covered population is implemented under subsection (c).

10 (g) The office of Medicaid policy and planning shall establish a  
11 temporary emergency financial assistance program for providers  
12 that experience financial emergencies due to claims payment issues  
13 while participating in the risk based managed care program  
14 established under subsection (c). For purposes of the program  
15 established under this subsection, a financial emergency exists:

16 (1) when the rate of denial of claims submitted in one (1)  
17 billing period by the provider to a managed care organization  
18 exceeds fifteen percent (15%) of claims submitted  
19 appropriately by the provider to the managed care  
20 organization under the risk based managed care program;

21 (2) when the provider, twenty-one (21) days after  
22 appropriately submitting claims to a managed care  
23 organization under the risk based managed care program, has  
24 not received payment for at least twenty-five thousand dollars  
25 (\$25,000) in aggregate claims from the managed care  
26 organization;

27 (3) when, in the determination of the director, the claim  
28 submission system of a managed care organization with which  
29 the provider is contracted under the risk based managed care  
30 program experiences failure or overload; or

31 (4) upon the occurrence of other circumstances that, in the  
32 determination of the director, constitute a financial  
33 emergency for a provider.

34 (h) To be eligible for a payment of temporary emergency  
35 financial assistance under the program established under  
36 subsection (g), a provider:

37 (1) must have participated in the claims submission testing  
38 period conducted under subsection (d) for all managed care  
39 organizations with which the provider is contracted under the  
40 risk based managed care program established under  
41 subsection (c); and

42 (2) must submit to the office of Medicaid policy and planning  
43 a written request that includes all of the following:

44 (A) Documentation providing evidence of the provider's  
45 financial need for emergency assistance.

46 (B) Evidence that the provider's billing staff participated  
47 in claims submission education and training offered  
48 through the risk based managed care program established  
49 under subsection (c).

50 (C) Evidence that the provider participated in the claims  
51 submission testing period conducted under subsection (d)

1 for all managed care organizations with which the  
2 provider is contracted under the risk based managed care  
3 program established under subsection (c).

4 **(D) Evidence of a consistent effort by the provider to**  
5 **submit claims in accordance with the uniform billing**  
6 **requirements developed under subsection (e)(1).**

7 **(i) The office of Medicaid policy and planning:**

8 **(1) shall determine whether a provider is experiencing a**  
9 **financial emergency based upon the provider's submission of**  
10 **a written request that meets the requirements of subsection**  
11 **(h)(2); and**

12 **(2) shall make a determination whether a provider is**  
13 **experiencing a financial emergency not more than seven (7)**  
14 **calendar days after it receives a written request submitted by**  
15 **a provider under subsection (h)(2).**

16 **(j) If the office of Medicaid policy and planning determines that**  
17 **a provider is experiencing a financial emergency for purposes of**  
18 **the program established under subsection (g), it shall direct each**  
19 **managed care organization with which the provider is contracted**  
20 **under the risk based managed care program established under**  
21 **subsection (c) to provide a temporary emergency assistance**  
22 **payment to the provider. A managed care organization directed to**  
23 **provide a temporary emergency assistance payment to a provider**  
24 **under this subsection shall provide the payment in not more than**  
25 **seven (7) calendar days after the office directs the managed care**  
26 **organization to provide the payment. The amount of the temporary**  
27 **emergency assistance payment that a managed care organization**  
28 **shall make to a provider under this subsection is equal to**  
29 **seventy-five percent (75%) of the monthly average of the**  
30 **provider's long-term services and supports Medicaid claims for the**  
31 **six (6) month period immediately preceding the implementation of**  
32 **the risk based managed care program under subsection (c),**  
33 **adjusted in proportion to the ratio of the managed care**  
34 **organization's covered population membership to the total covered**  
35 **population membership of the risk based managed care program**  
36 **established under subsection (c).**

37 **(k) Upon issuing any payment of a temporary emergency**  
38 **assistance to a provider under subsection (j), a managed care**  
39 **organization shall set up a receivable to reconcile the temporary**  
40 **emergency assistance funds with actual claims payment amounts.**  
41 **A managed care organization shall reconcile the temporary**  
42 **emergency assistance payment funds with actual claims payment**  
43 **amounts on the first day of the month that is more than thirty-one**  
44 **(31) days after the managed care organization issues the temporary**  
45 **emergency assistance funds to the provider. If a temporary**  
46 **emergency assistance payment is issued to a provider, managed**  
47 **care organizations are still required to meet contract obligations**  
48 **for reviewing and paying claims, specifically claims that total a**  
49 **payment in excess of the temporary emergency assistance payment**  
50 **reconciliation. However, if a managed care organization fails to**  
51 **comply with a directive of the office of Medicaid policy and**

1 **planning under subsection (j) to provide a temporary emergency**  
 2 **assistance payment to a provider, the failure of the managed care**  
 3 **organization:**

- 4 **(1) is a violation of the claim processing requirements of the**  
 5 **managed care organization's contract; and**  
 6 **(2) makes the managed care organization subject to the**  
 7 **penalties set forth in the contract, including payment of**  
 8 **interest on the amount of the unpaid temporary emergency**  
 9 **assistance at the rate set forth in IC 12-15-21-3(7)(A).**

10 SECTION 39. IC 15-13-7-1, AS AMENDED BY P.L.92-2019,  
 11 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 JULY 1, 2024]: Sec. 1. (a) The commission and board shall hold one  
 13 (1) state agricultural fair each year. The fair must emphasize  
 14 agriculture and agribusiness.

15 (b) The commission is responsible for the following:

- 16 (1) Personnel.  
 17 (2) Management of the facilities.  
 18 (3) Contracts and contract procedures.  
 19 (4) All fiduciary responsibilities.  
 20 **(5) Approving future dates of the fair.**

21 (c) The board is responsible for the following:

- 22 (1) Committees established under IC 15-13-5-5.5 to assist with  
 23 planning the fair.  
 24 (2) Approving the annual premium books for the fair that set forth  
 25 the general terms and conditions, schedule, loading and unloading  
 26 of livestock, qualifications, animal testing, breed specific terms  
 27 and conditions, entry fees, and premiums for all fair exhibits and  
 28 judges.  
 29 (3) Advising on matters related to agriculture and livestock,  
 30 including department staffing and judges.  
 31 (4) Approving breed champions to be included in the celebration  
 32 of champions, and establishing the formula for determining  
 33 monetary awards, based on recommendations of the Indiana State  
 34 Fair Foundation.  
 35 ~~Approving~~ **Advising the commission on** future dates of the  
 36 fair.  
 37 (6) Fundraising to support youth development.  
 38 (7) Advocating for the fair within the community.  
 39 (8) Participating in the commission's strategic planning process.

40 (d) The board:

- 41 (1) shall assign a delegated board member to a committee of the  
 42 board; and  
 43 (2) may assign a delegated board member to at least one (1)  
 44 department during the fair.

45 With the assistance of staff, the delegated board member is responsible  
 46 for compliance with the terms and conditions established by the board  
 47 within the delegated board member's department during the fair.

48 (e) The board shall provide a list of recommendations to the  
 49 commission concerning the hiring of judges for livestock and  
 50 competitive events during the fair. The commission may use the  
 51 recommendations provided by the board to hire judges for livestock

1 and competitive events during the fair.

2 SECTION 40. IC 16-27-5.5 IS ADDED TO THE INDIANA CODE  
3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2024]:

5 **Chapter 5.5. Home Health Agency Cooperative Agreements**

6 **Sec. 1. The definitions in IC 16-27-1 apply throughout this  
7 chapter.**

8 **Sec. 2. As used in this chapter, "office" refers to the office of the  
9 secretary of family and social services established by IC 12-8-1.5-1.**

10 **Sec. 3. As used in this chapter, "secretary" refers to the  
11 secretary of family and social services appointed under  
12 IC 12-8-1.5-2.**

13 **Sec. 4. Home health agencies may enter into cooperative  
14 agreements to carry out the following activities:**

15 **(1) To form and operate, either directly or indirectly, one (1)  
16 or more networks of home health agencies to arrange for the  
17 provision of health care services through such networks,  
18 including to contract either directly or indirectly through a  
19 network.**

20 **(2) To contract, either directly or through such networks, with  
21 the office, or the office's contractors, to provide:**

22 **(A) services to Medicaid beneficiaries; and**

23 **(B) health care services in an efficient and cost effective  
24 manner on a prepaid, capitation, or other reimbursement  
25 basis.**

26 **(3) To undertake other managed health care activities.**

27 **Sec. 5. (a) Any health care provider licensed under this title or  
28 IC 25 may apply to become a participating provider in the  
29 networks described in this chapter provided the services the  
30 provider contracts for are within the lawful scope of the provider's  
31 practice.**

32 **(b) This section does not require a plan or network to provide  
33 coverage for any specific health care service.**

34 **Sec. 6. A home health agency may authorize any of the  
35 following, or any combination of the following, to undertake or  
36 effectuate any of the activities identified in this chapter:**

37 **(1) The Indiana Association for Home and Hospice Care, Inc.**

38 **(2) Any subsidiary of the corporation named in subdivision  
39 (1).**

40 **Sec. 7. The secretary or the secretary's designee shall supervise  
41 and oversee the activities described in this chapter and may take  
42 the following actions:**

43 **(1) Gather relevant facts, collect data, conduct public  
44 hearings, invite and receive public comments, investigate  
45 market conditions, conduct studies, and review documentary  
46 evidence or require the home health agencies or their third  
47 party designee to do the same.**

48 **(2) Evaluate the substantive merits of any action to be taken  
49 by the home health agencies and assess whether the action  
50 comports with the standards established by the general  
51 assembly.**

1 (3) Issue written decisions approving, modifying, or  
 2 disapproving the recommended action, and explaining the  
 3 reasons and rationale for the decision.

4 (4) Require home health agencies or their third party  
 5 designees to report annually on the extent of the benefits  
 6 realized by the actions taken under this chapter.

7 **Sec. 8. The office shall report annually to the Medicaid oversight**  
 8 **committee established by IC 2-5-54-2 on the use and outcomes of**  
 9 **the home health agency cooperative agreements.**

10 **Sec. 9. The secretary may adopt rules under IC 4-22-2 to**  
 11 **implement this chapter.**

12 **Sec. 10. This chapter expires June 30, 2027.**

13 SECTION 41. IC 20-26-12-1, AS AMENDED BY P.L.201-2023,  
 14 SECTION 163, IS AMENDED TO READ AS FOLLOWS  
 15 [EFFECTIVE JANUARY 1, 2025]: Sec. 1. (a) Except as provided in  
 16 subsection (b) but notwithstanding any other law, each governing body  
 17 of a school corporation and each organizer of a charter school shall  
 18 purchase from a publisher, either individually or through a purchasing  
 19 cooperative of school corporations, as applicable, the curricular  
 20 materials selected by the proper local officials, and shall provide at no  
 21 cost the curricular materials to each student enrolled in the school  
 22 corporation or charter school. Curricular materials provided to a  
 23 student under this section remain the property of the governing body of  
 24 the school corporation or organizer of the charter school.

25 (b) This section does not prohibit a governing body of a school  
 26 corporation or an organizer of a charter school from assessing and  
 27 collecting a reasonable fee for lost or significantly damaged curricular  
 28 materials in accordance with rules established by the state board under  
 29 subsection (c). Fees collected under this subsection must be deposited  
 30 in the: ~~separate curricular materials account established under~~  
 31 ~~IC 20-40-22-9 for~~

32 **(1) education fund of the school corporation; or**

33 **(2) education fund of the charter school, or, if the charter**  
 34 **school does not have an education fund, the same fund into**  
 35 **which state tuition support is deposited for the charter school;**

36 in which the student was enrolled at the time the fee was imposed.

37 (c) The state board shall adopt rules under IC 4-22-2, including  
 38 emergency rules in the manner provided in IC 4-22-2-37.1, to  
 39 implement this section.

40 SECTION 42. IC 20-26-12-2, AS AMENDED BY P.L.201-2023,  
 41 SECTION 164, IS AMENDED TO READ AS FOLLOWS  
 42 [EFFECTIVE JANUARY 1, 2025]: Sec. 2. (a) A governing body or an  
 43 organizer of a charter school may purchase from a publisher any  
 44 curricular material selected by the proper local officials. The governing  
 45 body or the organizer of a charter school may not rent the curricular  
 46 materials to students enrolled in any public school.

47 (b) A governing body may rent curricular materials to students  
 48 enrolled in any nonpublic school that is located within the attendance  
 49 unit served by the governing body. An organizer of a charter school  
 50 may rent curricular materials to students enrolled in any nonpublic  
 51 school.



1 (c) A governing body or an organizer of a charter school may  
 2 negotiate the rental rate for the curricular materials rented to any  
 3 nonpublic school under subsection (b).

4 (d) A governing body shall collect and deposit the amounts received  
 5 from the rental of curricular materials to a nonpublic school into the  
 6 ~~curricular materials account, in accordance with IC 20-40-22-9, in~~  
 7 ~~equal amounts for each public school of the school corporation: school~~  
 8 **corporation's education fund.**

9 (e) An organizer of a charter school shall deposit all money received  
 10 from the rental of curricular materials to a nonpublic school into the  
 11 charter school's ~~curricular materials account described in~~  
 12 ~~IC 20-40-22-9: education fund, or, if the charter school does not~~  
 13 **have an education fund, the same fund into which state tuition**  
 14 **support is deposited for the charter school.**

15 (f) This section does not limit other laws.

16 SECTION 43. IC 20-28-9-28, AS AMENDED BY P.L.246-2023,  
 17 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 18 JANUARY 1, 2025]: Sec. 28. (a) **Subject to subsection (g)**, for each  
 19 school year in a state fiscal year beginning after June 30, 2023, a school  
 20 corporation shall expend an amount for teacher compensation that is  
 21 not less than an amount equal to sixty-two percent (62%) of the state  
 22 tuition support distributed to the school corporation during the state  
 23 fiscal year. For purposes of determining whether a school corporation  
 24 has complied with this requirement, the amount a school corporation  
 25 expends for teacher compensation shall include the amount the school  
 26 corporation expends for adjunct teachers, supplemental pay for  
 27 teachers, stipends, and for participating in a special education  
 28 cooperative or an interlocal agreement or consortium that is directly  
 29 attributable to the compensation of teachers employed by the  
 30 cooperative or interlocal agreement or consortium. Teacher benefits  
 31 include all benefit categories collected by the department for Form 9  
 32 purposes.

33 (b) If a school corporation determines that the school corporation  
 34 cannot comply with the requirement under subsection (a) for a  
 35 particular school year, the school corporation shall apply for a waiver  
 36 from the department.

37 (c) The waiver application must include an explanation of the  
 38 financial challenges, with detailed data, that preclude the school  
 39 corporation from meeting the requirement under subsection (a) and  
 40 describe the cost saving measures taken by the school corporation in  
 41 attempting to meet the requirement in subsection (a). The waiver may  
 42 also include an explanation of an innovative or efficient approach in  
 43 delivering instruction that is responsible for the school corporation  
 44 being unable to meet the requirement under subsection (a).

45 (d) If, after review, the department determines that the school  
 46 corporation has exhausted all reasonable efforts in attempting to meet  
 47 the requirement in subsection (a), the department may grant the school  
 48 corporation a one (1) year exception from the requirement.

49 (e) A school corporation that receives a waiver under this section  
 50 shall work with the department to develop a plan to identify additional

1 cost saving measures and any other steps that may be taken to allow the  
2 school corporation to meet the requirement under subsection (a).

3 (f) A school corporation may not receive more than three (3)  
4 waivers under this section.

5 **(g) For purposes of determining whether a school corporation**  
6 **has complied with the requirement in subsection (a), distributions**  
7 **from the curricular materials fund established by IC 20-40-22-5**  
8 **that are deposited in a school corporation's education fund in a**  
9 **state fiscal year are not considered to be state tuition support**  
10 **distributed to the school corporation during the state fiscal year.**

11 ~~(g)~~ **(h)** Before November 1, 2022, and before November 1 of each  
12 year thereafter, the department shall submit a report to the legislative  
13 council in an electronic format under IC 5-14-6 and the state budget  
14 committee that contains information as to:

15 (1) the percent and amount that each school corporation expended  
16 and the statewide total expended for teacher compensation;

17 (2) the percent and amount that each school corporation expended  
18 and statewide total expended for teacher benefits, including  
19 health, dental, life insurance, and pension benefits;

20 (3) whether the school corporation met the requirement set forth  
21 in subsection (a); and

22 (4) whether the school corporation received a waiver under  
23 subsection (d).

24 SECTION 44. IC 20-40-2-3, AS AMENDED BY P.L.244-2017,  
25 SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
26 JANUARY 1, 2025]: Sec. 3. Distributions of:

27 **(1) tuition support; and**

28 **(2) money for curricular materials;**

29 shall be received in the education fund.

30 SECTION 45. IC 20-40-2-4, AS AMENDED BY P.L.201-2023,  
31 SECTION 182, IS AMENDED TO READ AS FOLLOWS  
32 [EFFECTIVE JANUARY 1, 2025]: Sec. 4. Except as provided in  
33 IC 36-1-8-5.1 (school corporation rainy day fund), the education fund  
34 of the school corporation or, if applicable, a charter school, shall be  
35 used only to pay for expenses:

36 **(1) allocated to student instruction and learning under IC 20-42.5;**

37 **and**

38 **(2) related to the cost of providing curricular materials.**

39 The fund may not be used to pay directly any expenses that are not  
40 allocated to student instruction and learning under IC 20-42.5, **are not**  
41 **expenses related to the cost of providing curricular materials,** or  
42 expenses permitted to be paid from the school corporation's or charter  
43 school's operations fund.

44 SECTION 46. IC 20-40-2-5.5 IS ADDED TO THE INDIANA  
45 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
46 [EFFECTIVE JANUARY 1, 2025]: **Sec. 5.5. The state board of**  
47 **accounts may take action, including the establishment of an**  
48 **account code, to track expenditures of money distributed for**  
49 **curricular materials.**

50 SECTION 47. IC 20-40-2-6, AS AMENDED BY P.L.201-2023,  
51 SECTION 183, IS AMENDED TO READ AS FOLLOWS

1 [EFFECTIVE JANUARY 1, 2025]: Sec. 6. (a) Each school corporation  
 2 and, if applicable, charter school, shall make every reasonable effort to  
 3 transfer not more than fifteen percent (15%) of the total revenue  
 4 deposited in the school corporation's or, if applicable, charter school's,  
 5 education fund from the school corporation's or, if applicable, charter  
 6 school's, education fund to the school corporation's or, if applicable,  
 7 charter school's, operations fund during a calendar year.

8 (b) Only after the transfer is authorized by the governing body in a  
 9 public meeting with public notice, money in the education fund may be  
 10 transferred to the operations fund to cover expenditures that are not  
 11 allocated to student instruction and learning under IC 20-42.5 **or**  
 12 **related to the cost of providing curricular materials.** The amount  
 13 transferred from the education fund to the operations fund shall be  
 14 reported by the school corporation or, if applicable, charter school, to  
 15 the department. The transfers made during the:

16 (1) first six (6) months of each state fiscal year shall be reported  
 17 before January 31 of the following year; and

18 (2) last six (6) months of each state fiscal year shall be reported  
 19 before July 31 of that year.

20 (c) The report must include information as required by the  
 21 department and in the form required by the department.

22 (d) The department must post the report submitted under subsection  
 23 (b) on the department's website.

24 (e) Beginning in 2020, the department shall track for each school  
 25 corporation or, if applicable, charter school, transfers from the school  
 26 corporation's or, if applicable, charter school's, education fund to its  
 27 operations fund for the preceding six (6) month period. Beginning in  
 28 2021, before March 1 of each year, the department shall compile an  
 29 excessive education fund transfer list comprised of all school  
 30 corporations or, if applicable, charter schools, that transferred more  
 31 than fifteen percent (15%) of the total revenue deposited in the school  
 32 corporation's or, if applicable, charter school's, education fund from the  
 33 school corporation's or, if applicable, charter school's, education fund  
 34 to the school corporation's or, if applicable, charter school's, operations  
 35 fund during the immediately preceding calendar year. A school  
 36 corporation or, if applicable, charter school, that is not included on the  
 37 excessive education fund transfer list is considered to have met the  
 38 education fund transfer target percentage for the immediately preceding  
 39 calendar year.

40 SECTION 48. IC 20-40-2-7, AS ADDED BY P.L.244-2017,  
 41 SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 JANUARY 1, 2025]: Sec. 7. (a) On January 1, 2019, the balance, as of  
 43 December 31, 2018, in the school corporation's general fund shall be  
 44 transferred to the education fund.

45 (b) Before March 1, 2019, the governing body of a school  
 46 corporation may transfer to the school corporation's operations fund,  
 47 from the amounts transferred from the school corporation's general  
 48 fund under subsection (a), any amounts that are not allocated to student  
 49 instruction and learning under IC 20-42.5 **or related to the cost of**  
 50 **providing curricular materials.** A school corporation may make a

1 transfer under this section only after complying with section 6 of this  
 2 chapter, including the requirements for public notice and a public  
 3 hearing.

4 SECTION 49. IC 20-40-22-9 IS REPEALED [EFFECTIVE  
 5 JANUARY 1, 2025]. ~~Sec. 9: Each public school shall establish a  
 6 separate curricular materials account for the purpose of receiving  
 7 distributions under this chapter, amounts received from the rental of  
 8 curricular materials to nonpublic schools, and fees collected under  
 9 IC 20-26-12-1(b) for lost or significantly damaged curricular materials.  
 10 A public school that receives a distribution of money from the  
 11 curricular materials fund under this chapter shall deposit the distributed  
 12 amount in the public school's curricular materials account. Money in  
 13 the account may be used only for the costs of curricular materials.~~

14 SECTION 50. IC 20-40-22-10 IS ADDED TO THE INDIANA  
 15 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 16 [EFFECTIVE JANUARY 1, 2025]: **Sec. 10. (a) A school maintained  
 17 by a school corporation that receives a distribution of money from  
 18 the curricular materials fund under this chapter shall deposit the  
 19 amount in the education fund of the school corporation that  
 20 maintains the school. A charter school that receives a distribution  
 21 of money from the curricular materials fund under this chapter  
 22 shall deposit the amount in the charter school's education fund, or,  
 23 if the charter school does not have an education fund, in the same  
 24 fund into which state tuition support is deposited for the charter  
 25 school.**

26 **(b) Money received from the curricular materials fund under  
 27 this chapter by a public school may be used only for the costs of  
 28 curricular materials and shall not be subject to collective  
 29 bargaining.**

30 **(c) The state board of accounts may take action, including the  
 31 establishment of an account code for the funds into which  
 32 distributions are deposited under this section, to track  
 33 expenditures of money distributed for curricular materials.**

34 SECTION 51. IC 21-34-6-6, AS AMENDED BY P.L.143-2014,  
 35 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 UPON PASSAGE]: Sec. 6. (a) The board of trustees of a state  
 37 educational institution may issue bonds for the purpose of:

38 (1) reimbursing the state educational institution for funds  
 39 expended or advanced for interim financing of the cost of any  
 40 building facility or facilities before the issuance of bonds for the  
 41 facility or facilities; or

42 (2) subject to subsection (b) and to existing covenants and  
 43 agreements with the holders of the outstanding obligations:

44 (A) funding outstanding obligations incurred or refunding  
 45 outstanding bonds issued either under:

46 (i) this article; or

47 (ii) other applicable law;

48 for building facilities approved by the governor and the budget  
 49 agency or its predecessor; or

50 (B) in part for funding or refunding purposes and in part for  
 51 any other purpose authorized by this article; and

1 may secure the payment of the bonds as provided in this article.

2 (b) Bonds for refunding or advance refunding of any outstanding  
3 bonds approved under this article ~~for which the general assembly has~~  
4 ~~made a fee replacement appropriation~~ may not be issued by a state  
5 educational institution under this chapter without the specific approval  
6 of the budget agency and before the board of trustees of the issuing  
7 state educational institution finds that the refunding or advance  
8 refunding will benefit the state educational institution because:

9 (1) a net savings to the state educational institution will be  
10 effected; or

11 (2) the net present value of principal and interest payments on the  
12 bonds is less than the net present value of the principal and  
13 interest payments on the outstanding bonds to be refunded.

14 The length of the term may not be extended for refunding or advance  
15 refunding bonds that are approved under this subsection compared to  
16 the term of the outstanding bonds being refunded.

17 SECTION 52. IC 36-1-32 IS ADDED TO THE INDIANA CODE  
18 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
19 JULY 1, 2024]:

20 **Chapter 32. Sister City and Cooperative Agreements**

21 **Sec. 1. As used in this chapter, "prohibited person" means a**  
22 **city, town, province, county, school, college, or university located**  
23 **in a foreign adversary (as defined in 15 CFR 7.4).**

24 **Sec. 2. As used in this chapter, "unit" means a county, city,**  
25 **town, or township.**

26 **Sec. 3. A unit may not enter into a sister city agreement or any**  
27 **cooperative agreement with a prohibited person.**

28 SECTION 53. IC 36-7-7.6-18, AS AMENDED BY P.L.197-2016,  
29 SECTION 124, IS AMENDED TO READ AS FOLLOWS  
30 [EFFECTIVE JULY 1, 2024]: Sec. 18. (a) The commission shall  
31 prepare and adopt an annual appropriation budget for its operation. The  
32 appropriation budget shall be apportioned to each participating county  
33 on a pro rata per capita basis. After adoption of the appropriation  
34 budget, any amount that does not exceed an amount for each  
35 participating county equal to ~~seventy cents (\$0.70)~~ **the following**  
36 **amounts** per capita for each participating county shall be certified to  
37 the respective county ~~auditor.~~ **auditor:**

38 (1) **Seventy cents (\$0.70) for calendar years ending before**  
39 **January 1, 2025.**

40 (2) **Eighty-six cents (\$0.86) for calendar years beginning after**  
41 **December 31, 2024, and ending before January 1, 2026.**

42 (3) **One dollar and two cents (\$1.02) for calendar years**  
43 **beginning after December 31, 2025, and ending before**  
44 **January 1, 2027.**

45 (4) **One dollar and eighteen cents (\$1.18) for calendar years**  
46 **beginning after December 31, 2026, and ending before**  
47 **January 1, 2028.**

48 (5) **One dollar and thirty-four cents (\$1.34) for calendar years**  
49 **beginning after December 31, 2027, and ending before**  
50 **January 1, 2029.**

51 (6) **One dollar and fifty cents (\$1.50) for calendar years**

1           beginning after December 31, 2028, and ending before  
2           January 1, 2030.

3           **(b) For calendar years beginning after December 31, 2029, and**  
4 **ending before January 1, 2031, and for each ensuing calendar year**  
5 **thereafter, the commission shall, based on a participating county's**  
6 **amount in calendar year 2029, or a participating county's amount**  
7 **in the calendar year preceding an ensuing calendar year, as**  
8 **applicable, adjust a participating county's portion of the**  
9 **commission's appropriation budget for the ensuing year by the**  
10 **greater of the following:**

11           **(1) The annual percentage change in the Consumer Price**  
12 **Index for all Urban Consumers as published by the United**  
13 **States Bureau of Labor Statistics for the year preceding the**  
14 **ensuing year.**

15           **(2) The participating county's maximum levy growth quotient**  
16 **for the ensuing year as determined under IC 6-1.1-18.5-2.**

17 **Not later than August 1 of each year, the department of local**  
18 **government finance shall provide to the commission the value of**  
19 **each participating county's maximum levy growth quotient under**  
20 **IC 6-1.1-18.5-2 for the ensuing year.**

21           **(c) Any adjustment under subsection (b) that will result in an**  
22 **appropriation in excess of one dollar and fifty cents (\$1.50) per**  
23 **capita in a participating county requires prior approval from the**  
24 **fiscal body of the participating county.**

25           ~~(b)~~ **(d) A county's portion of the commission's appropriation budget**  
26 **may be paid from any of the following, as determined by the county**  
27 **fiscal body:**

28           **(1) Property tax revenue as provided in subsections ~~(e)~~ (e) and**  
29 **~~(d)~~ (f).**

30           **(2) Any other local revenue, other than property tax revenue,**  
31 **received by the county, including local income tax revenue under**  
32 **IC 6-3.6, excise tax revenue, riverboat admissions tax revenue,**  
33 **riverboat wagering tax revenue, riverboat incentive payments, and**  
34 **any funds received from the state that may be used for this**  
35 **purpose.**

36           **(3) Any combination of the sources set forth in subdivisions**  
37 **(1) and (2).**

38           ~~(e)~~ **(e) The county auditor shall:**

39           **(1) advertise the amount of property taxes that the county fiscal**  
40 **body determines will be levied to pay the county's portion of the**  
41 **commission's appropriation budget, after the county fiscal body**  
42 **determines the amount of other local revenue that will be paid**  
43 **under subsection ~~(b)~~(2); (d)(2); and**

44           **(2) establish the rate necessary to collect that property tax**  
45 **revenue;**

46 **in the same manner as for other county budgets.**

47           ~~(d)~~ **(f) The tax levied under this section and certified shall be**  
48 **estimated and entered upon the tax duplicates by the county auditor and**  
49 **shall be collected and enforced by the county treasurer in the same**  
50 **manner as other county taxes are estimated, entered, collected, and**  
51 **enforced. The tax collected by the county treasurer shall be transferred**

1 to the commission.

2 (e) (g) In fixing and determining the amount of the necessary levy  
3 for the purpose provided in this section, the commission shall take into  
4 consideration the amount of revenue, if any, to be derived from federal  
5 grants, contractual services, and miscellaneous revenues above the  
6 amount of those revenues considered necessary to be applied upon or  
7 reserved upon the operation, maintenance, and administrative expenses  
8 for working capital throughout the year.

9 (f) (h) After the budget is approved, amounts may not be expended  
10 except as budgeted unless the commission authorizes their expenditure.  
11 Before the expenditure of sums appropriated as provided in this  
12 section, a claim must be filed and processed as other claims for  
13 allowance or disallowance for payment as provided by law.

14 (g) (i) Any two (2) of the following officers may allow claims:

- 15 (1) Chairperson.
- 16 (2) Vice chairperson.
- 17 (3) Secretary.
- 18 (4) Treasurer.

19 (h) (j) The treasurer of the commission may receive, disburse, and  
20 otherwise handle funds of the commission, subject to applicable  
21 statutes and to procedures established by the commission.

22 (i) (k) The commission shall act as a board of finance under the  
23 statutes relating to the deposit of public funds by political subdivisions.

24 (j) (l) Any appropriated money remaining unexpended or  
25 unencumbered at the end of a year becomes part of a nonreverting  
26 cumulative fund to be held in the name of the commission. Unbudgeted  
27 expenditures from this fund may be authorized by vote of the  
28 commission and upon other approval as required by statute. The  
29 commission is responsible for the safekeeping and deposit of the  
30 amounts in the nonreverting cumulative fund, and the state board of  
31 accounts shall prescribe the methods and forms for keeping the  
32 accounts, records, and books to be used by the commission. The books,  
33 records, and accounts of the commission shall be audited periodically  
34 by the state board of accounts, and those audits shall be paid for as  
35 provided by statute.

36 SECTION 54. IC 36-7-14-39, AS AMENDED BY P.L.236-2023,  
37 SECTION 179, IS AMENDED TO READ AS FOLLOWS  
38 [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]: Sec. 39. (a) As  
39 used in this section:

40 "Allocation area" means that part of a redevelopment project area  
41 to which an allocation provision of a declaratory resolution adopted  
42 under section 15 of this chapter refers for purposes of distribution and  
43 allocation of property taxes.

44 "Base assessed value" means, subject to subsection (j), the  
45 following:

46 (1) If an allocation provision is adopted after June 30, 1995, in a  
47 declaratory resolution or an amendment to a declaratory  
48 resolution establishing an economic development area:

49 (A) the net assessed value of all the property as finally  
50 determined for the assessment date immediately preceding the

- 1 effective date of the allocation provision of the declaratory  
 2 resolution, as adjusted under subsection (h); plus  
 3 (B) to the extent that it is not included in clause (A), the net  
 4 assessed value of property that is assessed as residential  
 5 property under the rules of the department of local government  
 6 finance, within the allocation area, as finally determined for  
 7 the current assessment date.
- 8 (2) If an allocation provision is adopted after June 30, 1997, in a  
 9 declaratory resolution or an amendment to a declaratory  
 10 resolution establishing a redevelopment project area:  
 11 (A) the net assessed value of all the property as finally  
 12 determined for the assessment date immediately preceding the  
 13 effective date of the allocation provision of the declaratory  
 14 resolution, as adjusted under subsection (h); plus  
 15 (B) to the extent that it is not included in clause (A), the net  
 16 assessed value of property that is assessed as residential  
 17 property under the rules of the department of local government  
 18 finance, as finally determined for the current assessment date.
- 19 (3) If:  
 20 (A) an allocation provision adopted before June 30, 1995, in  
 21 a declaratory resolution or an amendment to a declaratory  
 22 resolution establishing a redevelopment project area expires  
 23 after June 30, 1997; and  
 24 (B) after June 30, 1997, a new allocation provision is included  
 25 in an amendment to the declaratory resolution;  
 26 the net assessed value of all the property as finally determined for  
 27 the assessment date immediately preceding the effective date of  
 28 the allocation provision adopted after June 30, 1997, as adjusted  
 29 under subsection (h).
- 30 (4) Except as provided in subdivision (5), for all other allocation  
 31 areas, the net assessed value of all the property as finally  
 32 determined for the assessment date immediately preceding the  
 33 effective date of the allocation provision of the declaratory  
 34 resolution, as adjusted under subsection (h).
- 35 (5) If an allocation area established in an economic development  
 36 area before July 1, 1995, is expanded after June 30, 1995, the  
 37 definition in subdivision (1) applies to the expanded part of the  
 38 area added after June 30, 1995.
- 39 (6) If an allocation area established in a redevelopment project  
 40 area before July 1, 1997, is expanded after June 30, 1997, the  
 41 definition in subdivision (2) applies to the expanded part of the  
 42 area added after June 30, 1997.
- 43 Except as provided in section 39.3 of this chapter, "property taxes"  
 44 means taxes imposed under IC 6-1.1 on real property. However, upon  
 45 approval by a resolution of the redevelopment commission adopted  
 46 before June 1, 1987, "property taxes" also includes taxes imposed  
 47 under IC 6-1.1 on depreciable personal property. If a redevelopment  
 48 commission adopted before June 1, 1987, a resolution to include within  
 49 the definition of property taxes, taxes imposed under IC 6-1.1 on  
 50 depreciable personal property that has a useful life in excess of eight



1 (8) years, the commission may by resolution determine the percentage  
2 of taxes imposed under IC 6-1.1 on all depreciable personal property  
3 that will be included within the definition of property taxes. However,  
4 the percentage included must not exceed twenty-five percent (25%) of  
5 the taxes imposed under IC 6-1.1 on all depreciable personal property.

6 (b) A declaratory resolution adopted under section 15 of this chapter  
7 on or before the allocation deadline determined under subsection (i)  
8 may include a provision with respect to the allocation and distribution  
9 of property taxes for the purposes and in the manner provided in this  
10 section. A declaratory resolution previously adopted may include an  
11 allocation provision by the amendment of that declaratory resolution on  
12 or before the allocation deadline determined under subsection (i) in  
13 accordance with the procedures required for its original adoption. A  
14 declaratory resolution or amendment that establishes an allocation  
15 provision must include a specific finding of fact, supported by  
16 evidence, that the adoption of the allocation provision will result in  
17 new property taxes in the area that would not have been generated but  
18 for the adoption of the allocation provision. For an allocation area  
19 established before July 1, 1995, the expiration date of any allocation  
20 provisions for the allocation area is June 30, 2025, or the last date of  
21 any obligations that are outstanding on July 1, 2015, whichever is later.  
22 A declaratory resolution or an amendment that establishes an allocation  
23 provision after June 30, 1995, must specify an expiration date for the  
24 allocation provision. For an allocation area established before July 1,  
25 2008, the expiration date may not be more than thirty (30) years after  
26 the date on which the allocation provision is established. For an  
27 allocation area established after June 30, 2008, the expiration date may  
28 not be more than twenty-five (25) years after the date on which the first  
29 obligation was incurred to pay principal and interest on bonds or lease  
30 rentals on leases payable from tax increment revenues. However, with  
31 respect to bonds or other obligations that were issued before July 1,  
32 2008, if any of the bonds or other obligations that were scheduled when  
33 issued to mature before the specified expiration date and that are  
34 payable only from allocated tax proceeds with respect to the allocation  
35 area remain outstanding as of the expiration date, the allocation  
36 provision does not expire until all of the bonds or other obligations are  
37 no longer outstanding. Notwithstanding any other law, in the case of an  
38 allocation area that is established after June 30, 2019, and that is  
39 located in a redevelopment project area described in section  
40 25.1(c)(3)(C) of this chapter, an economic development area described  
41 in section 25.1(c)(3)(C) of this chapter, or an urban renewal project  
42 area described in section 25.1(c)(3)(C) of this chapter, the expiration  
43 date of the allocation provision may not be more than thirty-five (35)  
44 years after the date on which the allocation provision is established.  
45 The allocation provision may apply to all or part of the redevelopment  
46 project area. The allocation provision must require that any property  
47 taxes subsequently levied by or for the benefit of any public body  
48 entitled to a distribution of property taxes on taxable property in the  
49 allocation area be allocated and distributed as follows:

50 (1) Except as otherwise provided in this section, the proceeds of

1 the taxes attributable to the lesser of:  
2 (A) the assessed value of the property for the assessment date  
3 with respect to which the allocation and distribution is made;  
4 or  
5 (B) the base assessed value;  
6 shall be allocated to and, when collected, paid into the funds of  
7 the respective taxing units.  
8 (2) This subdivision applies to a fire protection territory  
9 established after December 31, 2022. If a unit becomes a  
10 participating unit of a fire protection territory that is established  
11 after a declaratory resolution is adopted under section 15 of this  
12 chapter, the excess of the proceeds of the property taxes  
13 attributable to an increase in the property tax rate for the  
14 participating unit of a fire protection territory:  
15 (A) except as otherwise provided by this subdivision, shall be  
16 determined as follows:  
17 STEP ONE: Divide the unit's tax rate for fire protection for  
18 the year before the establishment of the fire protection  
19 territory by the participating unit's tax rate as part of the fire  
20 protection territory.  
21 STEP TWO: Subtract the STEP ONE amount from one (1).  
22 STEP THREE: Multiply the STEP TWO amount by the  
23 allocated property tax attributable to the participating unit of  
24 the fire protection territory; and  
25 (B) to the extent not otherwise included in subdivisions (1)  
26 and (3), the amount determined under STEP THREE of clause  
27 (A) shall be allocated to and distributed in the form of an  
28 allocated property tax revenue pass back to the participating  
29 unit of the fire protection territory for the assessment date with  
30 respect to which the allocation is made.  
31 However, if the redevelopment commission determines that it is  
32 unable to meet its debt service obligations with regards to the  
33 allocation area without all or part of the allocated property tax  
34 revenue pass back to the participating unit of a fire protection area  
35 under this subdivision, then the allocated property tax revenue  
36 pass back under this subdivision shall be reduced by the amount  
37 necessary for the redevelopment commission to meet its debt  
38 service obligations of the allocation area. The calculation under  
39 this subdivision must be made by the redevelopment commission  
40 in collaboration with the county auditor and the applicable fire  
41 protection territory. Any calculation determined according to  
42 clause (A) must be submitted to the department of local  
43 government finance in the manner prescribed by the department  
44 of local government finance. The department of local government  
45 finance shall verify the accuracy of each calculation.  
46 (3) The excess of the proceeds of the property taxes imposed for  
47 the assessment date with respect to which the allocation and  
48 distribution is made that are attributable to taxes imposed after  
49 being approved by the voters in a referendum or local public  
50 question conducted after April 30, 2010, not otherwise included

1 in subdivisions (1) and (2) shall be allocated to and, when  
 2 collected, paid into the funds of the taxing unit for which the  
 3 referendum or local public question was conducted.

4 (4) Except as otherwise provided in this section, property tax  
 5 proceeds in excess of those described in subdivisions (1), (2), and  
 6 (3) shall be allocated to the redevelopment district and, when  
 7 collected, paid into an allocation fund for that allocation area that  
 8 may be used by the redevelopment district only to do one (1) or  
 9 more of the following:

10 (A) Pay the principal of and interest on any obligations  
 11 payable solely from allocated tax proceeds which are incurred  
 12 by the redevelopment district for the purpose of financing or  
 13 refinancing the redevelopment of that allocation area.

14 (B) Establish, augment, or restore the debt service reserve for  
 15 bonds payable solely or in part from allocated tax proceeds in  
 16 that allocation area.

17 (C) Pay the principal of and interest on bonds payable from  
 18 allocated tax proceeds in that allocation area and from the  
 19 special tax levied under section 27 of this chapter.

20 (D) Pay the principal of and interest on bonds issued by the  
 21 unit to pay for local public improvements that are physically  
 22 located in or physically connected to that allocation area.

23 (E) Pay premiums on the redemption before maturity of bonds  
 24 payable solely or in part from allocated tax proceeds in that  
 25 allocation area.

26 (F) Make payments on leases payable from allocated tax  
 27 proceeds in that allocation area under section 25.2 of this  
 28 chapter.

29 (G) Reimburse the unit for expenditures made by it for local  
 30 public improvements (which include buildings, parking  
 31 facilities, and other items described in section 25.1(a) of this  
 32 chapter) that are physically located in or physically connected  
 33 to that allocation area.

34 (H) Reimburse the unit for rentals paid by it for a building or  
 35 parking facility that is physically located in or physically  
 36 connected to that allocation area under any lease entered into  
 37 under IC 36-1-10.

38 (I) For property taxes first due and payable before January 1,  
 39 2009, pay all or a part of a property tax replacement credit to  
 40 taxpayers in an allocation area as determined by the  
 41 redevelopment commission. This credit equals the amount  
 42 determined under the following STEPS for each taxpayer in a  
 43 taxing district (as defined in IC 6-1.1-1-20) that contains all or  
 44 part of the allocation area:

45 STEP ONE: Determine that part of the sum of the amounts  
 46 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),  
 47 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and  
 48 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to  
 49 the taxing district.

50 STEP TWO: Divide:

- 1 (i) that part of each county's eligible property tax  
 2 replacement amount (as defined in IC 6-1.1-21-2 (before its  
 3 repeal)) for that year as determined under IC 6-1.1-21-4  
 4 (before its repeal) that is attributable to the taxing district;  
 5 by  
 6 (ii) the STEP ONE sum.
- 7 STEP THREE: Multiply:  
 8 (i) the STEP TWO quotient; times  
 9 (ii) the total amount of the taxpayer's taxes (as defined in  
 10 IC 6-1.1-21-2 (before its repeal)) levied in the taxing district  
 11 that have been allocated during that year to an allocation  
 12 fund under this section.
- 13 If not all the taxpayers in an allocation area receive the credit  
 14 in full, each taxpayer in the allocation area is entitled to  
 15 receive the same proportion of the credit. A taxpayer may not  
 16 receive a credit under this section and a credit under section  
 17 39.5 of this chapter (before its repeal) in the same year.
- 18 (J) Pay expenses incurred by the redevelopment commission  
 19 for local public improvements that are in the allocation area or  
 20 serving the allocation area. Public improvements include  
 21 buildings, parking facilities, and other items described in  
 22 section 25.1(a) of this chapter.
- 23 (K) Reimburse public and private entities for expenses  
 24 incurred in training employees of industrial facilities that are  
 25 located:  
 26 (i) in the allocation area; and  
 27 (ii) on a parcel of real property that has been classified as  
 28 industrial property under the rules of the department of local  
 29 government finance.
- 30 However, the total amount of money spent for this purpose in  
 31 any year may not exceed the total amount of money in the  
 32 allocation fund that is attributable to property taxes paid by the  
 33 industrial facilities described in this clause. The  
 34 reimbursements under this clause must be made within three  
 35 (3) years after the date on which the investments that are the  
 36 basis for the increment financing are made.
- 37 (L) Pay the costs of carrying out an eligible efficiency project  
 38 (as defined in IC 36-9-41-1.5) within the unit that established  
 39 the redevelopment commission. However, property tax  
 40 proceeds may be used under this clause to pay the costs of  
 41 carrying out an eligible efficiency project only if those  
 42 property tax proceeds exceed the amount necessary to do the  
 43 following:  
 44 (i) Make, when due, any payments required under clauses  
 45 (A) through (K), including any payments of principal and  
 46 interest on bonds and other obligations payable under this  
 47 subdivision, any payments of premiums under this  
 48 subdivision on the redemption before maturity of bonds, and  
 49 any payments on leases payable under this subdivision.  
 50 (ii) Make any reimbursements required under this

- 1 subdivision.
- 2 (iii) Pay any expenses required under this subdivision.
- 3 (iv) Establish, augment, or restore any debt service reserve
- 4 under this subdivision.
- 5 (M) Expend money and provide financial assistance as
- 6 authorized in section 12.2(a)(27) of this chapter.
- 7 **(N) Expend revenues that are allocated for police and fire**
- 8 **services on both capital expenditures and operating**
- 9 **expenses as authorized in section 12.2(a)(28) of this**
- 10 **chapter.**
- 11 The allocation fund may not be used for operating expenses of the
- 12 commission.
- 13 (5) Except as provided in subsection (g), before June 15 of each
- 14 year, the commission shall do the following:
- 15 (A) Determine the amount, if any, by which the assessed value
- 16 of the taxable property in the allocation area for the most
- 17 recent assessment date minus the base assessed value, when
- 18 multiplied by the estimated tax rate of the allocation area, will
- 19 exceed the amount of assessed value needed to produce the
- 20 property taxes necessary to make, when due, principal and
- 21 interest payments on bonds described in subdivision (4), plus
- 22 the amount necessary for other purposes described in
- 23 subdivision (4).
- 24 (B) Provide a written notice to the county auditor, the fiscal
- 25 body of the county or municipality that established the
- 26 department of redevelopment, and the officers who are
- 27 authorized to fix budgets, tax rates, and tax levies under
- 28 IC 6-1.1-17-5 for each of the other taxing units that is wholly
- 29 or partly located within the allocation area. The county auditor,
- 30 upon receiving the notice, shall forward this notice (in an
- 31 electronic format) to the department of local government
- 32 finance not later than June 15 of each year. The notice must:
- 33 (i) state the amount, if any, of excess assessed value that the
- 34 commission has determined may be allocated to the
- 35 respective taxing units in the manner prescribed in
- 36 subdivision (1); or
- 37 (ii) state that the commission has determined that there is no
- 38 excess assessed value that may be allocated to the respective
- 39 taxing units in the manner prescribed in subdivision (1).
- 40 The county auditor shall allocate to the respective taxing units
- 41 the amount, if any, of excess assessed value determined by the
- 42 commission. The commission may not authorize an allocation
- 43 of assessed value to the respective taxing units under this
- 44 subdivision if to do so would endanger the interests of the
- 45 holders of bonds described in subdivision (4) or lessors under
- 46 section 25.3 of this chapter.
- 47 (C) If:
- 48 (i) the amount of excess assessed value determined by the
- 49 commission is expected to generate more than two hundred
- 50 percent (200%) of the amount of allocated tax proceeds
- 51 necessary to make, when due, principal and interest

1 payments on bonds described in subdivision (4); plus  
2 (ii) the amount necessary for other purposes described in  
3 subdivision (4);  
4 the commission shall submit to the legislative body of the unit  
5 its determination of the excess assessed value that the  
6 commission proposes to allocate to the respective taxing units  
7 in the manner prescribed in subdivision (1). The legislative  
8 body of the unit may approve the commission's determination  
9 or modify the amount of the excess assessed value that will be  
10 allocated to the respective taxing units in the manner  
11 prescribed in subdivision (1).

12 (6) Notwithstanding subdivision (5), in the case of an allocation  
13 area that is established after June 30, 2019, and that is located in  
14 a redevelopment project area described in section 25.1(c)(3)(C)  
15 of this chapter, an economic development area described in  
16 section 25.1(c)(3)(C) of this chapter, or an urban renewal project  
17 area described in section 25.1(c)(3)(C) of this chapter, for each  
18 year the allocation provision is in effect, if the amount of excess  
19 assessed value determined by the commission under subdivision  
20 (5)(A) is expected to generate more than two hundred percent  
21 (200%) of:

22 (A) the amount of allocated tax proceeds necessary to make,  
23 when due, principal and interest payments on bonds described  
24 in subdivision (4) for the project; plus  
25 (B) the amount necessary for other purposes described in  
26 subdivision (4) for the project;  
27 the amount of the excess assessed value that generates more than  
28 two hundred percent (200%) of the amounts described in clauses  
29 (A) and (B) shall be allocated to the respective taxing units in the  
30 manner prescribed by subdivision (1).

31 (c) For the purpose of allocating taxes levied by or for any taxing  
32 unit or units, the assessed value of taxable property in a territory in the  
33 allocation area that is annexed by any taxing unit after the effective  
34 date of the allocation provision of the declaratory resolution is the  
35 lesser of:

36 (1) the assessed value of the property for the assessment date with  
37 respect to which the allocation and distribution is made; or  
38 (2) the base assessed value.

39 (d) Property tax proceeds allocable to the redevelopment district  
40 under subsection (b)(4) may, subject to subsection (b)(5), be  
41 irrevocably pledged by the redevelopment district for payment as set  
42 forth in subsection (b)(4).

43 (e) Notwithstanding any other law, each assessor shall, upon  
44 petition of the redevelopment commission, reassess the taxable  
45 property situated upon or in, or added to, the allocation area, effective  
46 on the next assessment date after the petition.

47 (f) Notwithstanding any other law, the assessed value of all taxable  
48 property in the allocation area, for purposes of tax limitation, property  
49 tax replacement, and formulation of the budget, tax rate, and tax levy  
50 for each political subdivision in which the property is located is the

1 lesser of:

- 2 (1) the assessed value of the property as valued without regard to  
3 this section; or  
4 (2) the base assessed value.

5 (g) If any part of the allocation area is located in an enterprise zone  
6 created under IC 5-28-15, the unit that designated the allocation area  
7 shall create funds as specified in this subsection. A unit that has  
8 obligations, bonds, or leases payable from allocated tax proceeds under  
9 subsection (b)(4) shall establish an allocation fund for the purposes  
10 specified in subsection (b)(4) and a special zone fund. Such a unit  
11 shall, until the end of the enterprise zone phase out period, deposit each  
12 year in the special zone fund any amount in the allocation fund derived  
13 from property tax proceeds in excess of those described in subsection  
14 (b)(1), (b)(2), and (b)(3) from property located in the enterprise zone  
15 that exceeds the amount sufficient for the purposes specified in  
16 subsection (b)(4) for the year. The amount sufficient for purposes  
17 specified in subsection (b)(4) for the year shall be determined based on  
18 the pro rata portion of such current property tax proceeds from the part  
19 of the enterprise zone that is within the allocation area as compared to  
20 all such current property tax proceeds derived from the allocation area.  
21 A unit that has no obligations, bonds, or leases payable from allocated  
22 tax proceeds under subsection (b)(4) shall establish a special zone fund  
23 and deposit all the property tax proceeds in excess of those described  
24 in subsection (b)(1), (b)(2), and (b)(3) in the fund derived from  
25 property tax proceeds in excess of those described in subsection (b)(1),  
26 (b)(2), and (b)(3) from property located in the enterprise zone. The unit  
27 that creates the special zone fund shall use the fund (based on the  
28 recommendations of the urban enterprise association) for programs in  
29 job training, job enrichment, and basic skill development that are  
30 designed to benefit residents and employers in the enterprise zone or  
31 other purposes specified in subsection (b)(4), except that where  
32 reference is made in subsection (b)(4) to allocation area it shall refer  
33 for purposes of payments from the special zone fund only to that part  
34 of the allocation area that is also located in the enterprise zone. Those  
35 programs shall reserve at least one-half (1/2) of their enrollment in any  
36 session for residents of the enterprise zone.

37 (h) The state board of accounts and department of local government  
38 finance shall make the rules and prescribe the forms and procedures  
39 that they consider expedient for the implementation of this chapter.  
40 After each reassessment in an area under a reassessment plan prepared  
41 under IC 6-1.1-4-4.2, the department of local government finance shall  
42 adjust the base assessed value one (1) time to neutralize any effect of  
43 the reassessment of the real property in the area on the property tax  
44 proceeds allocated to the redevelopment district under this section.  
45 After each annual adjustment under IC 6-1.1-4-4.5, the department of  
46 local government finance shall adjust the base assessed value one (1)  
47 time to neutralize any effect of the annual adjustment on the property  
48 tax proceeds allocated to the redevelopment district under this section.  
49 However, the adjustments under this subsection:

- 50 (1) may not include the effect of phasing in assessed value due to

1 property tax abatements under IC 6-1.1-12.1;  
 2 (2) may not produce less property tax proceeds allocable to the  
 3 redevelopment district under subsection (b)(4) than would  
 4 otherwise have been received if the reassessment under the  
 5 reassessment plan or the annual adjustment had not occurred; and  
 6 (3) may decrease base assessed value only to the extent that  
 7 assessed values in the allocation area have been decreased due to  
 8 annual adjustments or the reassessment under the reassessment  
 9 plan.

10 Assessed value increases attributable to the application of an abatement  
 11 schedule under IC 6-1.1-12.1 may not be included in the base assessed  
 12 value of an allocation area. The department of local government  
 13 finance may prescribe procedures for county and township officials to  
 14 follow to assist the department in making the adjustments.

15 (i) The allocation deadline referred to in subsection (b) is  
 16 determined in the following manner:

17 (1) The initial allocation deadline is December 31, 2011.

18 (2) Subject to subdivision (3), the initial allocation deadline and  
 19 subsequent allocation deadlines are automatically extended in  
 20 increments of five (5) years, so that allocation deadlines  
 21 subsequent to the initial allocation deadline fall on December 31,  
 22 2016, and December 31 of each fifth year thereafter.

23 (3) At least one (1) year before the date of an allocation deadline  
 24 determined under subdivision (2), the general assembly may enact  
 25 a law that:

26 (A) terminates the automatic extension of allocation deadlines  
 27 under subdivision (2); and

28 (B) specifically designates a particular date as the final  
 29 allocation deadline.

30 (j) If a redevelopment commission adopts a declaratory resolution  
 31 or an amendment to a declaratory resolution that contains an allocation  
 32 provision and the redevelopment commission makes either of the  
 33 filings required under section 17(e) of this chapter after the first  
 34 anniversary of the effective date of the allocation provision, the auditor  
 35 of the county in which the unit is located shall compute the base  
 36 assessed value for the allocation area using the assessment date  
 37 immediately preceding the later of:

38 (1) the date on which the documents are filed with the county  
 39 auditor; or

40 (2) the date on which the documents are filed with the department  
 41 of local government finance.

42 (k) For an allocation area established after June 30, ~~2024~~, **2025**,  
 43 "residential property" refers to the assessed value of property that is  
 44 allocated to the one percent (1%) homestead land and improvement  
 45 categories in the county tax and billing software system, along with the  
 46 residential assessed value as defined for purposes of calculating the  
 47 rate for the local income tax property tax relief credit designated for  
 48 residential property under IC 6-3.6-5-6(d)(3).

49 SECTION 55. IC 36-7-40-4, AS AMENDED BY HEA 1199-2024,  
 50 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 UPON PASSAGE]: Sec. 4. After conducting a hearing under section  
 2 3.5 of this chapter, the legislative body of a city may adopt an  
 3 ordinance on or before December 31, 2024, establishing a special  
 4 assessment district known as the economic enhancement district. The  
 5 adopting ordinance must contain the following:

6 (1) The boundaries of the proposed economic enhancement  
 7 district, which may exceed the boundaries of the Mile Square area  
 8 of the city. However, the boundary must be the same distance in  
 9 length on all sides compared to the center of the city, but may not  
 10 exceed a two (2) mile square.

11 (2) A finding that the proposed economic enhancement projects  
 12 will provide special benefits to all property owners of the  
 13 economic enhancement district.

14 (3) A finding that excludes the following types of properties from  
 15 the assessment of benefits:

16 (A) Any property that receives a homestead standard  
 17 deduction under IC 6-1.1-12-37.

18 (B) Any property that is used for multi-unit residential  
 19 housing.

20 **(C) Any property that is used for single-unit residential**  
 21 **housing.**

22 However, notwithstanding the exclusion provisions, an owner of  
 23 property described in clause (A), ~~or~~ (B), ~~or~~ (C) and the owner of  
 24 any property located outside the economic enhancement district  
 25 may voluntarily opt-in to include their property in the economic  
 26 enhancement district assessment of benefits by notifying the  
 27 county auditor in writing. If a property that is opted into the  
 28 economic enhancement district assessment of benefits is  
 29 subsequently sold, the new owner of the property shall have the  
 30 opportunity to determine whether or not they will opt-in to  
 31 include the property in the economic enhancement district  
 32 assessment of benefits. A determination to opt-in to the economic  
 33 enhancement district assessment of benefits is binding until a  
 34 property is sold.

35 (4) The formula to be used for the assessment of benefits, which  
 36 shall be as follows:

37 (A) The annual special benefits assessment shall be calculated  
 38 in a manner that will generate an amount not to exceed five  
 39 million five hundred thousand dollars (\$5,500,000).

40 (B) For each taxable property in the district, the special  
 41 benefits assessment shall be calculated as follows:

42 (i) Residential properties shall be assessed a flat fee of two  
 43 hundred fifty dollars (\$250) each.

44 (ii) All other nonresidential taxable property shall be  
 45 assessed at a rate equal to the total budget amount minus the  
 46 total amount raised from residential properties divided by  
 47 the total assessed value of all the nonresidential taxable  
 48 property in the district. This fraction shall be considered the  
 49 economic enhancement district assessment rate. The  
 50 economic enhancement district assessment rate shall be

1 multiplied by the assessed value of any nonresidential  
2 taxable property to determine that property's assessment.

3 (5) An expiration date of the economic enhancement district,  
4 which may not be later than ten (10) years from the date of the  
5 adoption of the ordinance and may not be renewed. The adopting  
6 ordinance must establish an economic enhancement district  
7 board.

8 SECTION 56. IC 36-8-8.5-10 IS AMENDED TO READ AS  
9 FOLLOWS [EFFECTIVE JULY 1, 2024]: Sec. 10. A member who  
10 elects to enter the DROP shall **do the following:**

11 (1) Agree to the following:

12 ~~(1)~~ (A) The member shall execute an irrevocable election to  
13 retire on the DROP retirement date and shall remain in active  
14 service until that date.

15 ~~(2)~~ (B) While in the DROP, the member shall continue to  
16 make contributions to the applicable fund under the provisions  
17 of that fund.

18 ~~(3)~~ (C) The member shall elect a DROP retirement date not  
19 less than twelve (12) months and not more than:

20 (i) thirty-six (36) months after the member's DROP entry  
21 date, **for a member who executes an election described in**  
22 **clause (A) before July 1, 2024; or**

23 (ii) sixty (60) months after the member's DROP entry  
24 date, **for a member who executes an election described in**  
25 **clause (A) after June 30, 2024.**

26 ~~(4)~~ (D) The member may not remain in the DROP after the  
27 date the member reaches any mandatory retirement age that  
28 may apply to the member.

29 ~~(5)~~ (E) The member may make an election to enter the DROP  
30 only once in the member's lifetime.

31 (2) **Notify the member's employer of the DROP election**  
32 **within thirty (30) days of the election.**

33 SECTION 57. IC 36-8-8.5-10.5 IS ADDED TO THE INDIANA  
34 CODE AS A NEW SECTION TO READ AS FOLLOWS  
35 [EFFECTIVE JULY 1, 2024]: **Sec. 10.5. (a) Notwithstanding section**  
36 **10 of this chapter, a member that entered the DROP before July 1,**  
37 **2024, and that has not exited the DROP may elect to extend the**  
38 **member's DROP retirement date up to sixty (60) months after the**  
39 **member's DROP entry date.**

40 (b) **A member that makes the election described in subsection**  
41 **(a) shall notify the member's employer within thirty (30) days of**  
42 **the election.**

43 SECTION 58. IC 36-8-8.5-14, AS AMENDED BY P.L.156-2020,  
44 SECTION 147, IS AMENDED TO READ AS FOLLOWS  
45 [EFFECTIVE JULY 1, 2024]: Sec. 14. (a) Subject to subsection (b), a  
46 member who enters the DROP established by this chapter shall exit the  
47 DROP at the earliest of:

48 (1) the member's DROP retirement date;

49 (2) **either:**

50 (A) thirty-six (36) months after the member's DROP entry

- 1 date, if the member:
- 2 (i) executes an election described in section 10 of this
- 3 chapter before July 1, 2024; and
- 4 (ii) does not execute an extension described in section
- 5 10.5 of this chapter; or
- 6 (B) sixty (60) months after the member's DROP entry date,
- 7 if the member:
- 8 (i) executes an election described in section 10 of this
- 9 chapter after June 30, 2024; or
- 10 (ii) executes an extension described in section 10.5 of this
- 11 chapter;
- 12 (3) the mandatory retirement age applicable to the member, if
- 13 any; or
- 14 (4) the date the member retires because of a disability as provided
- 15 under section 16.5(d) of this chapter.
- 16 (b) A member of the 1925 fund, the 1937 fund, or the 1953 fund
- 17 who enters the DROP established by this chapter must exit the DROP
- 18 on the date the authority of the board of trustees of the Indiana public
- 19 retirement system to distribute from the pension relief fund established
- 20 under IC 5-10.3-11-1 to units of local government (described in
- 21 IC 5-10.3-11-3) amounts determined under IC 5-10.3-11-4.7 expires.
- 22 SECTION 59. IC 36-8-13-4, AS AMENDED BY P.L.236-2023,
- 23 SECTION 203, IS AMENDED TO READ AS FOLLOWS
- 24 [EFFECTIVE JULY 1, 2024]: Sec. 4. (a) Each township shall ~~annually~~
- 25 establish either:
- 26 (1) a township firefighting and emergency services fund which is
- 27 to be used by the township for the payment of costs attributable
- 28 to providing fire protection or emergency services under the
- 29 methods prescribed in section 3 of this chapter and for no other
- 30 purposes; or
- 31 (2) two (2) separate funds consisting of:
- 32 (A) a township firefighting fund that is to be used by the
- 33 township for the payment of costs attributable to providing fire
- 34 protection under the methods prescribed in section 3 of this
- 35 chapter and for no other purposes; and
- 36 (B) a township emergency services fund that is to be used by
- 37 the township for the payment of costs attributable to providing
- 38 emergency services under the methods prescribed in section 3
- 39 of this chapter and for no other purposes.
- 40 The money in the funds described in either subdivision (1) or (2) may
- 41 be paid out by the township executive with the consent of the township
- 42 legislative body.
- 43 **(b) If a township transitions from a single township firefighting**
- 44 **and emergency services fund under subsection (a)(1) to two (2)**
- 45 **separate funds as allowed under subsection (a)(2), the township**
- 46 **legislative body shall approve a transfer of the remaining cash**
- 47 **balance in the township firefighting and emergency services fund**
- 48 **to the two (2) new separate funds. As part of the transfer under**
- 49 **this subsection, the legislative body shall determine the amounts of**
- 50 **the remaining cash balance that will be attributable to the**
- 51 **township firefighting fund and the township emergency services**

1 **fund.**

- 2 ~~(b)~~ **(c)** Each township may levy, for each year, a tax for either:  
 3 (1) the township firefighting and emergency services fund  
 4 described in subsection (a)(1); or  
 5 (2) both:  
 6 (A) the township firefighting fund; and  
 7 (B) the township emergency services fund;  
 8 described in subsection (a)(2).

9 Other than a township providing fire protection or emergency services  
 10 or both to municipalities in the township under section 3(b) or 3(c) of  
 11 this chapter, the tax levy is on all taxable real and personal property in  
 12 the township outside the corporate boundaries of municipalities.  
 13 Subject to the levy limitations contained in IC 6-1.1-18.5, the township  
 14 firefighting and emergency services levy is to be in an amount  
 15 sufficient to pay costs attributable to fire protection and emergency  
 16 services that are not paid from other revenues available to the fund. If  
 17 a township establishes a township firefighting fund and a township  
 18 emergency services fund described in subdivision (2), the combined  
 19 levies are to be an amount sufficient to pay costs attributable to fire  
 20 protection and emergency services. However, fire protection services  
 21 may be paid only from the township firefighting fund and emergency  
 22 services may be paid only from the township emergency services fund,  
 23 and each fund may pay costs attributable to the respective fund for  
 24 services that are not paid from other revenues available to either  
 25 applicable fund. The tax rate and levy for a levy described in this  
 26 subsection shall be established in accordance with the procedures set  
 27 forth in IC 6-1.1-17.

28 ~~(c)~~ **(d)** In addition to the tax levy and service charges received under  
 29 IC 36-8-12-13 and IC 36-8-12-16, the executive may accept donations  
 30 to the township for the purpose of firefighting and other emergency  
 31 services and shall place them in the township firefighting and  
 32 emergency services fund established under subsection (a)(1), or if  
 33 applicable, the township firefighting fund established under subsection  
 34 (a)(2)(A) if the purpose of the donation is for firefighting, or in the  
 35 township emergency services fund established under subsection  
 36 (a)(2)(B) if the purpose of the donation is for emergency services,  
 37 keeping an accurate record of the sums received. A person may also  
 38 donate partial payment of any purchase of firefighting or other  
 39 emergency services equipment made by the township.

40 ~~(d)~~ **(e)** If a fire department serving a township dispatches fire  
 41 apparatus or personnel to a building or premises in the township in  
 42 response to:

- 43 (1) an alarm caused by improper installation or improper  
 44 maintenance; or  
 45 (2) a drill or test, if the fire department is not previously notified  
 46 that the alarm is a drill or test;

47 the township may impose a fee or service charge upon the owner of the  
 48 property. However, if the owner of property that constitutes the owner's  
 49 residence establishes that the alarm is under a maintenance contract  
 50 with an alarm company and that the alarm company has been notified

1 of the improper installation or maintenance of the alarm, the alarm  
2 company is liable for the payment of the fee or service charge.

3 ~~(e)~~ **(f)** The amount of a fee or service charge imposed under  
4 subsection ~~(d)~~ **(e)** shall be determined by the township legislative body.  
5 All money received by the township from the fee or service charge  
6 must be deposited in the township's firefighting and emergency  
7 services fund or the township's firefighting fund.

8 SECTION 60. IC 36-8-13-4.7, AS AMENDED BY P.L.236-2023,  
9 SECTION 206, IS AMENDED TO READ AS FOLLOWS  
10 [EFFECTIVE JULY 1, 2024]: Sec. 4.7. (a) For a township that elects  
11 to have the township provide fire protection and emergency services  
12 under section 3(c) of this chapter, the department of local government  
13 finance shall adjust the township's maximum permissible levy  
14 described in section ~~4(b)(1) or 4(b)(2)~~ **4(c)(1) or 4(c)(2)** of this  
15 chapter, as applicable, in the year following the year in which the  
16 change is elected, as determined under IC 6-1.1-18.5-3, to reflect the  
17 change from providing fire protection or emergency services under a  
18 contract between the municipality and the township to allowing the  
19 township to impose a property tax levy on the taxable property located  
20 within the corporate boundaries of each municipality. For the ensuing  
21 calendar year, the township's maximum permissible property tax levy  
22 described in section ~~4(b)(1)~~ **4(c)(1)** of this chapter, or the combined  
23 levies described in section ~~4(b)(2)~~ **4(c)(2)** of this chapter, which is  
24 considered a single levy for purposes of this section, shall be increased  
25 by the product of:

- 26 (1) one and five-hundredths (1.05); multiplied by  
27 (2) the amount the township contracted or billed to receive,  
28 regardless of whether the amount was collected:  
29 (A) in the year in which the change is elected; and  
30 (B) as fire protection or emergency service payments from the  
31 municipalities or residents of the municipalities covered by the  
32 election under section 3(c) of this chapter.

33 The maximum permissible levy for a general fund or other fund of a  
34 municipality covered by the election under section 3(c) of this chapter  
35 shall be reduced for the ensuing calendar year to reflect the change to  
36 allowing the township to impose a property tax levy on the taxable  
37 property located within the corporate boundaries of the municipality.  
38 The total reduction in the maximum permissible levies for all electing  
39 municipalities must equal the amount that the maximum permissible  
40 levy for the township described in section ~~4(b)(1)~~ **4(c)(1)** of this  
41 chapter or the combined levies described in section ~~4(b)(2)~~ **4(c)(2)** of  
42 this chapter, as applicable, is increased under this subsection for  
43 contracts or billings, regardless of whether the amount was collected,  
44 less the amount actually paid from sources other than property tax  
45 revenue.

46 (b) For purposes of determining a township's and each  
47 municipality's maximum permissible ad valorem property tax levy  
48 under IC 6-1.1-18.5-3 for years following the first year after the year in  
49 which the change is elected, a township's and each municipality's  
50 maximum permissible ad valorem property tax levy is the levy (or in

1 the case of a township electing to establish levies described in section  
2 ~~4(b)(2)~~ **4(c)(2)** of this chapter, the combined levies) after the  
3 adjustment made under subsection (a).

4 (c) The township may use the amount of a maximum permissible  
5 property tax levy (or in the case of a township electing to establish  
6 levies described in section ~~4(b)(2)~~ **4(c)(2)** of this chapter, the combined  
7 levies) computed under this section in setting budgets and property tax  
8 levies for any year in which the election in section 3(c) of this chapter  
9 is in effect.

10 (d) Section 4.6 of this chapter does not apply to a property tax levy  
11 or a maximum property tax levy subject to this section.

12 **SECTION 61. [EFFECTIVE UPON PASSAGE] (a) As used in this**  
13 **SECTION, "public school" has the meaning set forth in**  
14 **IC 20-40-22-4.**

15 **(b) Any balance in a public school's curricular materials**  
16 **account established under IC 20-40-22-9, as repealed by this act,**  
17 **shall be transferred to:**

18 **(1) in the case of a school maintained by a school corporation,**  
19 **the education fund of the school corporation that maintains**  
20 **the school; and**

21 **(2) in the case of a charter school, the education fund of the**  
22 **charter school, or, if the charter school does not have an**  
23 **education fund, the same fund into which state tuition support**  
24 **is deposited for the charter school;**

25 **on or before December 31, 2024.**

26 **(c) This SECTION expires July 1, 2025.**

27 **SECTION 62. [EFFECTIVE UPON PASSAGE] (a)**  
28 **Notwithstanding the two million five hundred thousand dollars**  
29 **(\$2,500,000) per county maximum grant amount specified in**  
30 **P.L.201-2023, SECTION 3 (HEA 1001-2023) that may be awarded**  
31 **from the ten million dollar (\$10,000,000) appropriation for the**  
32 **state fiscal year ending June 30, 2024, for regional mental health**  
33 **facility grants to counties for use in constructing new facilities or**  
34 **renovating existing facilities to provide mental health services for**  
35 **incarcerated individuals, the maximum grant amount for those**  
36 **grants awarded after December 31, 2024, shall instead be five**  
37 **million dollars (\$5,000,000) per county.**

38 **(b) This SECTION expires July 1, 2026.**

39 **SECTION 63. [EFFECTIVE UPON PASSAGE] (a) Not later than**  
40 **December 31, 2024, the office of the secretary of family and social**  
41 **services shall prepare and present to the budget committee a policy**  
42 **that shall be implemented to set a required minimum percentage**  
43 **of the reimbursement for personal care services, including**  
44 **structured family caregiving and attendant care, under the home**  
45 **and community-based services waivers that must be paid to the**  
46 **individual providing the direct service.**

47 **(b) Not later than November 1, 2024, the office of the secretary**  
48 **of family and social services shall prepare and present to the**  
49 **Medicaid oversight committee established by IC 2-5-54-2 a detailed**  
50 **plan for monitoring expenses of the complete Medicaid program.**  
51 **The plan and presentation must include information concerning**

1 the following:

2 (1) **Monitoring plans specific to the managed care programs**  
3 **and the waiver programs.**

4 (2) **Information detailing how the office of the secretary of**  
5 **family and social services will improve transparency**  
6 **concerning Medicaid expenditures.**

7 (3) **A report of the agency's compliance with IC 12-15-27.**

8 (4) **An explanation of the issues that led to the deviations in**  
9 **the presentation of Medicaid projections in the December**  
10 **2023 budget committee meeting and improvements made to**  
11 **the process of projecting program expenditures going**  
12 **forward.**

13 (5) **Information concerning the transition from attendant care**  
14 **provided by a legally responsible individual, as defined by the**  
15 **office of the secretary of family and social services, to**  
16 **structured family caregiving and the impact to families.**

17 (c) **This SECTION expires July 1, 2025.**

18 SECTION 64. P.L.163-2023, SECTION 1, IS AMENDED TO  
19 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION

20 1. (a) As used in this SECTION, "task force" refers to the state and  
21 local tax review task force established by subsection (b).

22 (b) The state and local tax review task force is established.

23 (c) The task force consists of the following members:

24 (1) The chairperson of the senate tax and fiscal policy committee.

25 (2) The ranking minority member of the senate tax and fiscal  
26 policy committee.

27 (3) The chairperson of the senate appropriations committee.

28 (4) The ranking minority member of the senate appropriations  
29 committee.

30 (5) The chairperson of the house ways and means committee.

31 (6) One (1) member of the house ways and means committee who  
32 is a member of the majority party of the house, appointed by the  
33 speaker of the house of representatives.

34 (7) The ranking minority member of the house ways and means  
35 committee.

36 (8) One (1) member of the house ways and means committee who  
37 is a member of the minority party of the house, appointed by the  
38 minority leader of the house of representatives.

39 (9) The director of the office of management and budget.

40 (10) The director of the budget agency.

41 (11) The public finance director of the Indiana finance authority.

42 (12) One (1) member who is an economist employed at a state  
43 educational institution (as defined in IC 21-7-13-32), appointed  
44 jointly by the president pro tempore of the senate and the speaker  
45 of the house of representatives.

46 (d) If a vacancy occurs, the appointing authority that appointed the  
47 member whose position is vacant shall appoint an individual to fill the  
48 vacancy.

49 (e) Not later than July 1, 2023, the:

50 (1) chairperson of the legislative council shall select a member of  
51 the task force to serve as the chairperson of the task force; and

1 (2) vice chairperson of the legislative council shall select a  
 2 member of the task force to serve as the vice chairperson of the  
 3 task force.

4 The members selected under subdivisions (1) and (2) shall serve as  
 5 chairperson and vice chairperson until May 1, 2024. Beginning May 1,  
 6 2024, the member initially appointed under subdivision (2) shall  
 7 instead serve as the chairperson of the task force, and the member  
 8 initially appointed under subdivision (1) shall instead serve as the vice  
 9 chairperson of the task force.

10 (f) The following apply to the mileage, per diem, and travel  
 11 expenses for members of the task force:

12 (1) Each member of the task force who is a state employee is  
 13 entitled to reimbursement for traveling expenses as provided  
 14 under IC 4-13-1-4 and other expenses actually incurred in  
 15 connection with the member's duties as provided in the state  
 16 policies and procedures established by the Indiana department of  
 17 administration and approved by the budget agency.

18 (2) Each member of the task force who is a member of the general  
 19 assembly or who is not a state employee is entitled to receive the  
 20 same per diem, mileage, and travel allowances paid to individuals  
 21 who serve as legislative and lay members, respectively, of interim  
 22 study committees established by the legislative council.

23 (g) The task force shall review the following:

24 (1) The state's near term and long term financial outlook and  
 25 overall fiscal position.

26 (2) The state's appropriation backed debt obligations.

27 (3) The funded status of pension funds managed by the state,  
 28 including methods to reduce the unfunded actuarial accrued  
 29 liability of the pre-1996 account within the Indiana state teachers'  
 30 retirement fund.

31 (4) The individual income tax, including methods to reduce or  
 32 eliminate the individual income tax.

33 (5) The corporate income tax.

34 (6) The state gross retail and use tax, including a review of the  
 35 state gross retail tax base.

36 (7) The property tax, including methods to reduce or eliminate the  
 37 tax on homestead properties and reduce or eliminate the tax on  
 38 business personal property.

39 (8) Local option taxes, including the local income tax, food and  
 40 beverage taxes, and innkeeper's taxes.

41 **(h) In addition, during the 2024 legislative interim the task force**  
 42 **shall study the following topics:**

43 **(1) Changing the qualification requirements for a civil taxing**  
 44 **unit to be eligible for a levy increase in excess of limitations**  
 45 **under IC 6-1.1-18.5-13(a)(2).**

46 **(2) Requiring certain projects of a political subdivision to be**  
 47 **subject to:**

48 **(A) the petition and remonstrance process under**  
 49 **IC 6-1.1-20 if the political subdivision's total debt service**  
 50 **tax rate is more than forty cents (\$0.40) per one hundred**  
 51 **dollars (\$100) of assessed value, but less than eighty cents**



- 1           **(\$0.80) per one hundred dollars (\$100) of assessed value;**  
 2           **or**  
 3           **(B) the referendum process under IC 6-1.1-20 if the**  
 4           **political subdivision's total debt service tax rate is at least**  
 5           **eighty cents (\$0.80) per one hundred dollars (\$100) of**  
 6           **assessed value.**  
 7           **(3) Capping the total amount of operating referendum tax**  
 8           **that may be levied by a school corporation.**  
 9           **(4) The maximum levy growth quotient formula.**  
 10          **(5) The use of an influence factor or assessed value deduction**  
 11          **for assessment of excess residential acreage.**  
 12          **(6) The movement of parcels between allocation areas.**  
 13          **(7) The agricultural land base rate formula.**  
 14          **(8) The use of debt by school corporations.**  
 15          ~~(h)~~ **(i)** The legislative services agency shall provide staff support to  
 16          the task force.  
 17          ~~(i)~~ **(j)** The meetings of the task force must be held in public as  
 18          provided under IC 5-14-1.5. However, the task force is permitted to  
 19          meet in executive session as determined necessary by the chairperson  
 20          of the task force.  
 21          ~~(j)~~ **(k)** The task force shall meet at least four (4) times in calendar  
 22          year 2023, and at least four (4) times in calendar year 2024 at the call  
 23          of the chairperson.  
 24          ~~(k)~~ **(l)** On or before December 1, 2024, the task force shall prepare  
 25          and submit a report to the legislative council, in an electronic format  
 26          under IC 5-14-6, that sets forth the topics reviewed by the task force  
 27          and the task force's findings and recommendations.  
 28          ~~(l)~~ **(m)** This SECTION expires June 30, 2025.  
 29          **SECTION 65. An emergency is declared for this act.**  
           (Reference is to EHB 1120 as printed February 28, 2024.)

**Conference Committee Report**  
**on**  
**Engrossed House Bill 1120**

**S**igned by:

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Representative Thompson  
Chairperson

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Senator Holdman

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Representative Pryor

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Senator Qaddoura

**House Conferees**

**Senate Conferees**