

HOUSE BILL No. 1120

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1; IC 36-1-8-20.

Synopsis: County option property tax replacement fee. Permits a county council or a local income tax adopting body to establish an annual property tax replacement fee on any parcel receiving assessed value deductions or property tax credits that reduce the annual property tax liability on the parcel to less than the fee amount set by the county. Provides that the fee must be at least \$100 but not more than \$400. Specifies that the property taxes paid on the parcel are a credit against the fee. Changes the county option amount from \$25 to \$100 for requiring the payment of property taxes and the property tax replacement fee, if any, in the May installment. Eliminates the \$5 minimum property tax statement processing fee if a county adopts the property tax replacement fee.

Effective: July 1, 2019; January 1, 2020.

Karickhoff, Leonard, DeLaney

January 7, 2019, read first time and referred to Committee on Ways and Means.



First Regular Session of the 121st General Assembly (2019)

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

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

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1120

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

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

1 SECTION 1. IC 6-1.1-7-7, AS AMENDED BY P.L.3-2008,
2 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2020]: Sec. 7. (a) The owner of a mobile home on the
4 assessment date of a year is liable for the taxes imposed upon the
5 mobile home for that year. Except as provided in subsection (b), the
6 owner shall pay the taxes in two (2) equal, semi-annual installments.
7 These semi-annual installments are due on May 10 and November 10
8 of the year of assessment.

9 (b) A county council may adopt an ordinance to require an owner to
10 pay ~~his the owner's~~ property tax liability **and property tax**
11 **replacement fee, if any**, for ~~his the owner's~~ mobile home in one (1)
12 installment, if the tax liability **plus the property tax replacement fee,**
13 **if any**, for a particular year is ~~less than twenty-five dollars (\$25): one~~
14 **hundred dollars (\$100) or less**. If the county council has adopted such
15 an ordinance, then whenever a tax statement mailed under
16 IC 6-1.1-22-8.1 shows that an owner's property tax liability **and**
17 **property tax replacement fee, if any**, for a particular year for a



1 mobile home is ~~less than twenty-five dollars (\$25); are one hundred~~
 2 **dollars (\$100) or less**, the owner shall pay the entire tax liability **and**
 3 **property tax replacement fee, if any**, for the mobile home for that
 4 year on May 10 of that year.

5 SECTION 2. IC 6-1.1-22-9, AS AMENDED BY P.L.218-2013,
 6 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JANUARY 1, 2020]: Sec. 9. (a) Except as provided in subsection (b),
 8 the property taxes assessed for a year under this article are due in two
 9 (2) equal installments on May 10 and November 10 of the following
 10 year.

11 (b) Subsection (a) does not apply if any of the following apply to the
 12 property taxes assessed for the year under this article:

- 13 (1) Subsection (c).
- 14 (2) Subsection (d).
- 15 (3) IC 6-1.1-7-7.
- 16 (4) Section 9.5 of this chapter.
- 17 (5) Section 9.7 of this chapter.
- 18 (6) Section 9.9 of this chapter.

19 (c) A county council may adopt an ordinance to require a person to
 20 pay the person's property tax liability **and property tax replacement**
 21 **fee, if any**, in one (1) installment, if the tax liability **plus the property**
 22 **tax replacement fee, if any**, for a particular year is ~~less than~~
 23 ~~twenty-five dollars (\$25); one hundred dollars (\$100) or less~~. If the
 24 county council has adopted such an ordinance, then whenever a tax
 25 statement mailed under section 8.1 of this chapter shows that the
 26 person's property tax liability **and property tax replacement fee, if**
 27 **any**, for a year is ~~less than twenty-five dollars (\$25) are one hundred~~
 28 ~~dollars (\$100) or less~~ for the property covered by that statement, the
 29 tax liability **and property tax replacement fee, if any**, for that year **is**
 30 **are** due in one (1) installment on May 10 of that year.

31 (d) If the county treasurer receives a copy of an appeal petition
 32 under ~~IC 6-1.1-18.5-12(d)~~ **IC 6-1.1-18.5-12(g)** before the county
 33 treasurer mails or transmits statements under section 8.1 of this
 34 chapter, the county treasurer may:

- 35 (1) mail or transmit the statements without regard to the pendency
 36 of the appeal and, if the resolution of the appeal by the department
 37 of local government finance results in changes in levies, mail or
 38 transmit reconciling statements under subsection (e); or
- 39 (2) delay the mailing or transmission of statements under section
 40 8.1 of this chapter so that:
 - 41 (A) the due date of the first installment that would otherwise
 42 be due under subsection (a) is delayed by not more than sixty



- 1 (60) days; and
 2 (B) all statements reflect any changes in levies that result from
 3 the resolution of the appeal by the department of local
 4 government finance.
 5 (e) A reconciling statement under subsection (d)(1) must indicate:
 6 (1) the total amount due for the year;
 7 (2) the total amount of the installments paid that did not reflect
 8 the resolution of the appeal under ~~IC 6-1.1-18.5-12(d)~~
 9 **IC 6-1.1-18.5-12(g)** by the department of local government
 10 finance;
 11 (3) if the amount under subdivision (1) exceeds the amount under
 12 subdivision (2), the adjusted amount that is payable by the
 13 taxpayer:
 14 (A) as a final reconciliation of all amounts due for the year;
 15 and
 16 (B) not later than:
 17 (i) November 10; or
 18 (ii) the date or dates established under section 9.5 of this
 19 chapter; and
 20 (4) if the amount under subdivision (2) exceeds the amount under
 21 subdivision (1), that the taxpayer may claim a refund of the excess
 22 under IC 6-1.1-26.
 23 (f) If property taxes are not paid on or before the due date, the
 24 penalties prescribed in IC 6-1.1-37-10 shall be added to the delinquent
 25 taxes.
 26 (g) **This subsection applies only if a property tax replacement**
 27 **fee under IC 36-1-8-20 is not in effect in the county.**
 28 Notwithstanding any other law, a property tax liability of less than five
 29 dollars (\$5) is increased to five dollars (\$5). The difference between
 30 the actual liability and the five dollar (\$5) amount that appears on the
 31 statement is a statement processing charge. The statement processing
 32 charge is considered a part of the tax liability.
 33 (h) This subsection applies only if a statement for payment of
 34 property taxes and special assessments by electronic mail is transmitted
 35 to a person under section 8.1(h) of this chapter. If a response to the
 36 transmission of electronic mail to a person indicates that the electronic
 37 mail was not received, the county treasurer shall mail to the person a
 38 hard copy of the statement in the manner required by section 8.1(a) of
 39 this chapter for persons who do not opt to receive statements by
 40 electronic mail. The due date for the property taxes and special
 41 assessments under a statement mailed to a person under this subsection
 42 is the due date indicated in the statement transmitted to the person by



- 1 electronic mail.
- 2 (i) In a county in which an authorizing ordinance is adopted under
- 3 section 8.1(h) of this chapter, a person may direct the county treasurer
- 4 to transmit a reconciling statement under subsection (d)(1) by
- 5 electronic mail under section 8.1(h) of this chapter.
- 6 SECTION 3. IC 36-1-8-20 IS ADDED TO THE INDIANA CODE
- 7 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 8 1, 2019]: **Sec. 20. (a) This section applies to any parcel receiving an**
- 9 **assessed value deduction under IC 6-1.1 or a property tax credit**
- 10 **under any law.**
- 11 (b) Notwithstanding IC 36-1-3-8, a county fiscal body or a local
- 12 income tax council established by IC 6-3.6-3-1 for the county may
- 13 adopt an ordinance to impose a property tax replacement fee on
- 14 any parcel described in subsection (a).
- 15 (c) The fee under subsection (b) must be at least one hundred
- 16 dollars (\$100) but not more than four hundred dollars (\$400).
- 17 (d) The property taxes paid on the parcel for the year shall be
- 18 applied as a credit against the fee under subsection (b). The credit
- 19 for a year may not exceed the fee.
- 20 (e) The county treasurer shall include the fee under subsection
- 21 (b) on the property tax statement under IC 6-1.1-22 for any parcel
- 22 on which the annual property tax liability is less than the amount
- 23 of the fee, including when a zero dollar (\$0) amount of property
- 24 taxes is due, specify the amount of property taxes that is applied as
- 25 a credit against the fee, and state the net fee amount due.
- 26 (f) The revenue from the fee under subsection (b) shall be
- 27 allocated in the same manner and distributed at the same time as
- 28 property taxes are allocated and distributed. The fee revenue is
- 29 additional revenue to the recipient.
- 30 (g) The body that adopts an ordinance under this section is the
- 31 only body that may rescind the ordinance.

