

HOUSE BILL No. 1174

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-12.

Synopsis: Property tax deductions for veterans and spouses. Authorizes the fiscal body of a county to adopt an ordinance to make the property tax deduction available under current law to World War I veterans available instead to veterans of World War II, the Korean Conflict, and the Vietnam Conflict. Authorizes the fiscal body of a county to adopt an ordinance to provide a property tax deduction to the surviving spouses of veterans of World War II, the Korean Conflict, and the Vietnam Conflict that is equivalent to the current property tax deduction for surviving spouses of World War I veterans. Provides that properties remain subject to the deduction following the repeal of a deduction ordinance as long as the owner and the property remain otherwise eligible for the deduction.

Effective: July 1, 2015.

Moseley, Zent, Gutwein

January 12, 2015, read first time and referred to Committee on Ways and Means.



First Regular Session of the 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1174



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 6-1.1-12-16, AS AMENDED BY P.L.1-2009,
2 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2015]: Sec. 16. (a) Except as provided in section 40.5 of this
4 chapter, a surviving spouse may have the sum of eighteen thousand
5 seven hundred twenty dollars (\$18,720) deducted from the assessed
6 value of his or her tangible property, or real property, mobile home not
7 assessed as real property, or manufactured home not assessed as real
8 property that the surviving spouse is buying under a contract that
9 provides that the surviving spouse is to pay property taxes on the real
10 property, mobile home, or manufactured home, if the contract or a
11 memorandum of the contract is recorded in the county recorder's office,
12 and if:
13 (1) the deceased spouse served in the military or naval forces of
14 the United States before November 12, 1918;
15 (2) the deceased spouse received an honorable discharge; and



1 (3) the surviving spouse:

2 (A) owns the real property, mobile home, or manufactured
3 home; or

4 (B) is buying the real property, mobile home, or manufactured
5 home under contract;

6 on the date the statement required by section 17 of this chapter is
7 filed.

8 **(b) For an assessment date occurring after December 31, 2015,**
9 **the fiscal body of a county may adopt an ordinance to provide a**
10 **deduction to the surviving spouse of a deceased veteran if the**
11 **following requirements are met:**

12 **(1) The deceased veteran served in the military or naval forces**
13 **of the United States at any time during any of the following**
14 **periods:**

15 **(A) Beginning December 7, 1941, and ending December 31,**
16 **1946 (World War II).**

17 **(B) Beginning June 27, 1950, and ending January 31, 1955**
18 **(Korean Conflict).**

19 **(C) Beginning August 5, 1964, and ending May 7, 1975**
20 **(Vietnam Conflict).**

21 **(2) The deceased veteran received an honorable discharge.**

22 **(3) The surviving spouse of the deceased veteran:**

23 **(A) owns the real property, mobile home, or manufactured**
24 **home; or**

25 **(B) is buying the real property, mobile home, or**
26 **manufactured home under contract;**

27 **on the date the statement required by section 17 of this**
28 **chapter is filed.**

29 **An ordinance adopted under this subsection must provide that the**
30 **amount of the deduction is equal to the amount of the deduction**
31 **provided by subsection (a). All recording and other requirements**
32 **imposed upon the ownership of the surviving spouse's property for**
33 **a deduction provided under subsection (a) apply to a deduction**
34 **provided under this subsection.**

35 ~~(b)~~ **(c)** A surviving spouse who receives the deduction provided by
36 this section may not receive the deduction provided by section 13 of
37 this chapter. However, he or she may receive any other deduction
38 which he or she is entitled to by law.

39 ~~(c)~~ **(d)** An individual who has sold real property, a mobile home not
40 assessed as real property, or a manufactured home not assessed as real
41 property to another person under a contract that provides that the
42 contract buyer is to pay the property taxes on the real property, mobile



1 home, or manufactured home may not claim the deduction provided
 2 under this section against that real property, mobile home, or
 3 manufactured home.

4 **(e) A county fiscal body may repeal a deduction ordinance**
 5 **adopted under subsection (b). However, if a county fiscal body**
 6 **repeals a deduction ordinance, the property of a surviving spouse**
 7 **that was subject to a deduction under subsection (b) on the**
 8 **assessment date immediately preceding the date of the repeal of the**
 9 **deduction ordinance remains subject to the deduction for as long**
 10 **as the surviving spouse and the property otherwise qualify for the**
 11 **deduction, notwithstanding the repeal of the deduction ordinance.**

12 SECTION 2. IC 6-1.1-12-17, AS AMENDED BY P.L.183-2014,
 13 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2015]: Sec. 17. Except as provided in section 17.8 of this
 15 chapter and subject to section 45 of this chapter, a surviving spouse
 16 who desires to claim the deduction provided by section 16 of this
 17 chapter must file a statement with the auditor of the county in which
 18 the surviving spouse resides. With respect to real property, the
 19 statement must be completed and dated in the calendar year for which
 20 the person wishes to obtain the deduction and filed with the county
 21 auditor on or before January 5 of the immediately succeeding calendar
 22 year. With respect to a mobile home that is not assessed as real
 23 property or a manufactured home that is not assessed as real property,
 24 the statement must be filed during the twelve (12) months before
 25 March 31 of each year for which the individual wishes to obtain the
 26 deduction. The statement may be filed in person or by mail. If mailed,
 27 the mailing must be postmarked on or before the last day for filing. The
 28 statement shall contain:

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

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

35 In addition to the statement, the surviving spouse shall submit to the
 36 county auditor for the auditor's inspection a letter or certificate from the
 37 United States Department of Veterans Affairs establishing the service
 38 of the deceased spouse in the military or naval forces of the United
 39 States before November 12, 1918, **or, in a county in which an**
 40 **ordinance has been adopted under section 16(b) of this chapter,**
 41 **during at least one (1) of the periods specified under section**
 42 **16(b)(1) of this chapter.**



1 SECTION 3. IC 6-1.1-12-17.4, AS AMENDED BY P.L.1-2009,
 2 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2015]: Sec. 17.4. (a) As used in this section, "adopting
 4 county" means any Indiana county in which an ordinance
 5 described in subsection (c) is in effect.

6 (b) As used in this section, "eligible veteran" refers to an
 7 individual who has served as a member of the armed forces of the
 8 United States at any time during at least one (1) of the following
 9 periods:

10 (1) Beginning December 7, 1941, and ending December 31,
 11 1946 (World War II).

12 (2) Beginning June 27, 1950, and ending January 31, 1955
 13 (Korean Conflict).

14 (3) Beginning August 5, 1964, and ending May 7, 1975
 15 (Vietnam Conflict).

16 (c) For an assessment date occurring after December 31, 2015,
 17 the fiscal body of a county may adopt an ordinance to make the
 18 property tax deduction formerly available under this section to
 19 World War I veterans available instead to any eligible veteran.

20 (a) (d) Except as provided in section 40.5 of this chapter, a World
 21 War I ~~an~~ **eligible** veteran who is a resident of ~~Indiana~~ **an adopting**
 22 **county** is entitled to have the sum of eighteen thousand seven hundred
 23 twenty dollars (\$18,720) deducted from the assessed valuation of the
 24 real property (including a mobile home that is assessed as real
 25 property), mobile home that is not assessed as real property, or
 26 manufactured home that is not assessed as real property the **eligible**
 27 veteran owns or is buying under a contract that requires the **eligible**
 28 veteran to pay property taxes on the real property, if the contract or a
 29 memorandum of the contract is recorded in the county recorder's office,
 30 if:

31 (1) the real property, mobile home, or manufactured home is the
 32 **eligible** veteran's principal residence;

33 (2) the assessed valuation of the real property, mobile home, or
 34 manufactured home does not exceed two hundred six thousand
 35 five hundred dollars (\$206,500);

36 (3) the **eligible** veteran owns the real property, mobile home, or
 37 manufactured home for at least one (1) year before claiming the
 38 deduction; and

39 (4) the **eligible** veteran:

40 (A) owns the real property, mobile home, or manufactured
 41 home; or

42 (B) is buying the real property, mobile home, or manufactured



- 1 home under contract;
 2 on the date the statement required by section 17.5 of this chapter
 3 is filed.
- 4 ~~(b)~~ (e) An individual may not be denied the deduction provided by
 5 this section because the individual is absent from the individual's
 6 principal residence while in a nursing home or hospital.
- 7 ~~(c)~~ (f) For purposes of this section, if real property, a mobile home,
 8 or a manufactured home is owned by a husband and wife as tenants by
 9 the entirety, only one (1) deduction may be allowed under this section.
 10 However, the deduction provided in this section applies if either spouse
 11 satisfies the requirements prescribed in subsection ~~(a)~~: (d).
- 12 ~~(d)~~ (g) An individual who has sold real property, a mobile home not
 13 assessed as real property, or a manufactured home not assessed as real
 14 property to another person under a contract that provides that the
 15 contract buyer is to pay the property taxes on the real property, mobile
 16 home, or manufactured home may not claim the deduction provided
 17 under this section with respect to that real property, mobile home, or
 18 manufactured home.
- 19 **(h) A county fiscal body may repeal a deduction ordinance**
 20 **adopted under subsection (c). However, if a county fiscal body**
 21 **repeals a deduction ordinance, the property of an eligible veteran**
 22 **that was subject to a deduction under an ordinance adopted under**
 23 **subsection (c) on the assessment date immediately preceding the**
 24 **date of the repeal of the deduction ordinance remains subject to the**
 25 **deduction for as long as the eligible veteran and the property**
 26 **otherwise qualify for the deduction, notwithstanding the repeal of**
 27 **the deduction ordinance.**
- 28 SECTION 4. [EFFECTIVE JULY 1, 2015] (a) IC 6-1.1-12-16,
 29 IC 6-1.1-12-17, and IC 6-1.1-12-17.4, all as amended by this act,
 30 apply to assessment dates after December 31, 2015.
- 31 (b) This SECTION expires January 1, 2018.

