

HOUSE BILL No. 1195

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-3-25.

Synopsis: Personal property tax deduction. Provides an assessed value deduction to offset the effects of the 30% minimum personal property tax depreciation floor for depreciable personal property or utility distributable property for property newly acquired or installed after the 2014 assessment date.

Effective: Upon passage.

Cherry, Thompson

January 14, 2014, read first time and referred to Committee on Ways and Means.



Second Regular Session 118th General Assembly (2014)

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 *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

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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 6-1.1-3-25 IS ADDED TO THE INDIANA CODE
2 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**
3 **UPON PASSAGE]: Sec. 25. (a) As used in this section, "qualified**
4 **property" means a taxpayer's property that:**
5 **(1) is:**
6 **(A) depreciable personal property located in a single taxing**
7 **district; or**
8 **(B) definite-situs distributable property or indefinite-situs**
9 **distributable property as both are referred to in**
10 **IC 6-1.1-8-5;**
11 **(2) the taxpayer:**
12 **(A) acquires or installs after March 1, 2014;**
13 **(B) acquires:**
14 **(i) in an arms length transaction from an entity that is**
15 **not an affiliate of the taxpayer, if the property has been**
16 **previously used in Indiana before the acquisition or**



- 1 **installation; or**
 2 **(ii) in any manner, if the property has never been**
 3 **previously used in Indiana before the acquisition or**
 4 **installation; and**
 5 **(C) has never used for any purpose in Indiana before the**
 6 **acquisition or installation; and**
 7 **(3) is property included in determining the thirty percent**
 8 **(30%) minimum valuation specified by the department of**
 9 **local government finance in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9.**
 10 **(b) If the true tax value of a taxpayer's qualified property**
 11 **applying the prescribed true tax value adjustment percentages**
 12 **would be less than the thirty percent (30%) minimum valuation**
 13 **specified in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9, the taxpayer is**
 14 **entitled to a deduction based on the taxpayer's qualified property**
 15 **in that taxing district.**
 16 **(c) The amount of the deduction under subsection (b) is equal**
 17 **to:**
 18 **(1) the sum of the true tax values of all the taxpayer's**
 19 **qualified property if a thirty percent (30%) true tax value**
 20 **adjustment percentage is applied to the qualified property;**
 21 **minus**
 22 **(2) the sum of the true tax values of all the taxpayer's**
 23 **qualified property applying the prescribed true tax value**
 24 **adjustment percentage to the qualified property.**
 25 **(d) The deduction under subsection (b) shall be applied before**
 26 **any special adjustment for abnormal obsolescence as provided in**
 27 **50 IAC 4.2-4-8 or 50 IAC 5.1-6-11.**
 28 **SECTION 2. An emergency is declared for this act.**

