

# HOUSE BILL No. 1215

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## DIGEST OF INTRODUCED BILL

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

**Synopsis:** Property tax matters. Provides that personal property audits done by a contractor or assessor staff may not single out certain types of taxpayers but must be done randomly, unless the assessor acquires specific information that raises reasonable suspicion about the accuracy of a particular taxpayer's personal property return. Requires that the recovered tax revenue from a personal property tax audit program must exceed the cost administering the personal property tax audit program. Provides that each county assessor shall notify landowners in the county of any changes concerning agricultural land classification that have occurred in the county since 2010. Provides that a "heritage barn" is any barn constructed before 1950 (current law imposes additional requirements). Enlarges the time to file a property tax appeal from 45 days to 60 days. Provides that an officer or employee of a county, other than the county assessor, who is, or has been, an appraisal contractor or an employee of an appraisal contractor with whom the county has or had a contractual relationship may not serve as a member of the county property tax assessment board of appeals in the county. Provides that whenever in the course of an appeal the county assessor defends an assessment to the county property tax assessment board of appeals of which the county assessor is a member, the county assessor may not vote on the determination of the appeal. Eliminates the authority of a county assessor or township assessor to enter into contracts for personal property tax audits, allowing only county commissioners to enter into contracts for personal property tax audits. Requires the county to develop an annual assessment plan that must be submitted to  
(Continued next page)

**Effective:** January 1, 2016 (retroactive); July 1, 2016.

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## Cherry, Brown T

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January 11, 2016, read first time and referred to Committee on Ways and Means.

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Digest Continued

and approved by the county commissioners before the fiscal body of the county may appropriate money for a contract for personal property tax audits. Requires the department of local government finance to: (1) review agricultural land assessment practices in each county for uniformity and the degree to which agricultural land is reclassified from one agricultural use to another; and (2) report the results of the review to the legislative services agency and on the department's Internet web site.



Introduced

Second Regular Session of the 119th General Assembly (2016)

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 2015 Regular Session of the General Assembly.

## HOUSE BILL No. 1215

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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 6-1.1-3-14, AS AMENDED BY P.L.146-2008,  
2 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2016]: Sec. 14. **(a)** The township assessor, or the county  
4 assessor if there is no township assessor for the township, shall:  
5 (1) examine and verify; or  
6 (2) allow a contractor under IC 6-1.1-36-12 to examine and  
7 verify;  
8 the accuracy of each personal property return filed with the township  
9 or county assessor by a taxpayer.  
10 **(b) ~~If appropriate,~~** The assessor or contractor under IC 6-1.1-36-12  
11 shall compare a return with the books of the taxpayer and with personal  
12 property owned, held, possessed, controlled, or occupied by the  
13 taxpayer, **if:**  
14 **(1) the assessor or contractor under IC 6-1.1-36-12 acquires**  
15 **specific information that raises reasonable suspicion about the**



1 accuracy of a particular taxpayer's return; or

2 (2) the assessor or contractor under IC 6-1.1-36-12 has  
3 undertaken a randomized examination program of all  
4 taxpayers that have filed returns with the assessor for an  
5 assessment date to determine the accuracy of returns  
6 generally, and the taxpayer's return is selected randomly for  
7 audit from the population of taxpayers that have filed a  
8 return for the assessment date.

9 (c) A randomized examination program of all taxpayers that  
10 have filed returns with the assessor for an assessment date to  
11 determine the accuracy of returns generally must produce more  
12 additional tax revenue than the randomized examination program  
13 costs to administer. Whenever a randomized examination program  
14 is conducted under this section, if it becomes statistically unlikely  
15 that the additional tax revenue produced by the randomized  
16 examination program will exceed the costs of conducting the  
17 randomized examination program, the assessor or contractor  
18 under IC 6-1.1-36-12 shall immediately discontinue the randomized  
19 examination program.

20 SECTION 2. IC 6-1.1-4-13, AS AMENDED BY P.L.249-2015,  
21 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
22 JULY 1, 2016]: Sec. 13. (a) In assessing or reassessing land, the land  
23 shall be assessed as agricultural land only when it is devoted to  
24 agricultural use.

25 (b) For purposes of this section, and in addition to any other land  
26 considered devoted to agricultural use, any:

27 (1) land enrolled in:

28 (A) a land conservation or reserve program administered by  
29 the United States Department of Agriculture;

30 (B) a land conservation program administered by the United  
31 States Department of Agriculture's Farm Service Agency; or

32 (C) a conservation reserve program or agricultural easement  
33 program administered by the United States Department of  
34 Agriculture's National Resources Conservation Service;

35 (2) land enrolled in the department of natural resources' classified  
36 forest and wildlands program (or any similar or successor  
37 program);

38 (3) land classified in the category of other agriculture use, as  
39 provided in the department of local government finance's real  
40 property assessment guidelines; or

41 (4) land devoted to the harvesting of hardwood timber;

42 is considered to be devoted to agricultural use. Agricultural use for



1 purposes of this section includes but is not limited to the uses included  
 2 in the definition of "agricultural use" in IC 36-7-4-616(b), such as the  
 3 production of livestock or livestock products, commercial aquaculture,  
 4 equine or equine products, land designated as a conservation reserve  
 5 plan, pastureland, poultry or poultry products, horticultural or nursery  
 6 stock, fruit, vegetables, forage, grains, timber, trees, bees and apiary  
 7 products, tobacco, other agricultural crops, general farming operation  
 8 purposes, native timber lands, or land that lays fallow. Agricultural use  
 9 may not be determined by the size of a parcel or size of a part of the  
 10 parcel. This subsection does not affect the assessment of any real  
 11 property assessed under IC 6-1.1-6 (assessment of certain forest lands),  
 12 IC 6-1.1-6.2 (assessment of certain windbreaks), or IC 6-1.1-6.7  
 13 (assessment of filter strips).

14 (c) The department of local government finance shall give written  
 15 notice to each county assessor of:

- 16 (1) the availability of the United States Department of  
 17 Agriculture's soil survey data; and
- 18 (2) the appropriate soil productivity factor for each type or  
 19 classification of soil shown on the United States Department of  
 20 Agriculture's soil survey map.

21 All assessing officials and the property tax assessment board of appeals  
 22 shall use the data in determining the true tax value of agricultural land.  
 23 However, notwithstanding the availability of new soil productivity  
 24 factors and the department of local government finance's notice of the  
 25 appropriate soil productivity factor for each type or classification of  
 26 soil shown on the United States Department of Agriculture's soil survey  
 27 map for the March 1, 2012, assessment date, the soil productivity  
 28 factors used for the March 1, 2011, assessment date shall be used for  
 29 the March 1, 2012, assessment date, the March 1, 2013, assessment  
 30 date, the March 1, 2014, assessment date, and the March 1, 2015,  
 31 assessment date. New soil productivity factors shall be used for  
 32 assessment dates occurring after March 1, 2015.

33 (d) The department of local government finance shall by rule  
 34 provide for the method for determining the true tax value of each parcel  
 35 of agricultural land.

36 (e) This section does not apply to land purchased for industrial or  
 37 commercial uses.

38 **(f) In 2016, in each county, for each parcel in the county**  
 39 **classified as agricultural land for an assessment date after**  
 40 **December 31, 2009, and before July 1, 2016, the county assessor**  
 41 **shall notify the owner of the parcel when the parcel assessment**  
 42 **classification:**



1           **(1) changed to or from an agricultural land classification; or**  
 2           **(2) within the agricultural land classification, changed**  
 3           **agricultural land subclassifications;**  
 4           **for an assessment date after December 31, 2009, and before July 1,**  
 5           **2016.**

6           SECTION 3. IC 6-1.1-4-17, AS AMENDED BY P.L.112-2012,  
 7           SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8           JULY 1, 2016]: Sec. 17. (a) Subject to the approval of the department  
 9           of local government finance and the requirements of section 18.5 of  
 10          this chapter, a county ~~assessor~~ **board of commissioners** may employ  
 11          professional appraisers as technical advisors for assessments in all  
 12          townships in the county. The department of local government finance  
 13          may approve employment under this subsection only if the department  
 14          is a party to the employment contract and any addendum to the  
 15          employment contract.

16          (b) A decision by a county ~~assessor~~ **board of commissioners** to not  
 17          employ a professional appraiser as a technical advisor in a  
 18          reassessment under section 4 or 4.2 of this chapter is subject to  
 19          approval by the department of local government finance.

20          (c) As used in this chapter, "professional appraiser" means an  
 21          individual or firm that is certified under IC 6-1.1-31.7.

22          SECTION 4. IC 6-1.1-4-18.5, AS AMENDED BY P.L.146-2008,  
 23          SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 24          JULY 1, 2016]: Sec. 18.5. (a) A county ~~assessor~~ may not use the  
 25          services of a professional appraiser for assessment or reassessment  
 26          purposes without a written contract. The contract used must be either  
 27          a standard contract developed by the department of local government  
 28          finance or a contract that has been specifically approved by the  
 29          department. The department shall ensure that the contract:

30               (1) includes all of the provisions required under section 19.5(b)  
 31               of this chapter; and

32               (2) adequately provides for the creation and transmission of real  
 33               property assessment data in the form required by the legislative  
 34               services agency and the division of data analysis of the  
 35               department.

36          (b) No contract shall be made with any professional appraiser to act  
 37          as technical advisor in the assessment of property, before the giving of  
 38          notice and the receiving of bids from anyone desiring to furnish this  
 39          service. Notice of the time and place for receiving bids for the contract  
 40          shall be given by publication by one (1) insertion in two (2) newspapers  
 41          of general circulation published in the county and representing each of  
 42          the two (2) leading political parties in the county. If only one (1)



1 newspaper is there published, notice in that one (1) newspaper is  
 2 sufficient to comply with the requirements of this subsection. The  
 3 contract shall be awarded to the lowest and best bidder who meets all  
 4 requirements under law for entering a contract to serve as technical  
 5 advisor in the assessment of property. However, any and all bids may  
 6 be rejected, and new bids may be asked.

7 (c) The county council of each county shall appropriate the funds  
 8 needed to meet the obligations created by a professional appraisal  
 9 services contract which is entered into under this chapter.

10 SECTION 5. IC 6-1.1-12-26.2, AS ADDED BY P.L.117-2014,  
 11 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 JANUARY 1, 2016 (RETROACTIVE)]: Sec. 26.2. (a) The following  
 13 definitions apply throughout this section:

14 (1) "Barn" means a building (other than a dwelling) that was  
 15 designed to be used for:

16 (A) housing animals;

17 (B) storing or processing crops;

18 (C) storing and maintaining agricultural equipment; or

19 (D) serving an essential or useful purpose related to  
 20 agricultural activities conducted on the adjacent land.

21 (2) "Heritage barn" means a barn that ~~on the assessment date~~

22 ~~(A) was constructed before 1950.~~

23 ~~(B) retains sufficient integrity of design, materials, and~~  
 24 ~~construction to clearly identify the building as a barn;~~

25 ~~(C) is not being used for agricultural purposes in the operation~~  
 26 ~~of an agricultural enterprise; and~~

27 ~~(D) is not being used for a business purpose.~~

28 (3) "Eligible applicant" means:

29 (A) an owner of a heritage barn; or

30 (B) a person that is purchasing property, including a heritage  
 31 barn, under a contract that:

32 (i) gives the person a right to obtain title to the property  
 33 upon fulfilling the terms of the contract;

34 (ii) does not permit the owner to terminate the contract as  
 35 long as the person buying the property complies with the  
 36 terms of the contract;

37 (iii) specifies that during the term of the contract the person  
 38 must pay the property taxes on the property; and

39 (iv) has been recorded with the county recorder.

40 (b) An eligible applicant is entitled to a deduction against the  
 41 assessed value of the structure and foundation of a heritage barn  
 42 beginning with assessments after 2014. The deduction is equal to one



1 hundred percent (100%) of the assessed value of the structure and  
2 foundation of the heritage barn.

3 (c) An eligible applicant that desires to obtain the deduction  
4 provided by this section must file a certified deduction application with  
5 the auditor of the county in which the heritage barn is located. The  
6 application may be filed in person or by mail. The application must  
7 contain the information and be in the form prescribed by the  
8 department of local government finance. If mailed, the mailing must be  
9 postmarked on or before the last day for filing.

10 (d) Subject to subsection (e) and section 45 of this chapter, the  
11 application must be filed during the year preceding the year in which  
12 the deduction will first be applied. Upon verification of the application  
13 by the county assessor of the county in which the property is subject to  
14 assessment or by the township assessor of the township in which the  
15 property is subject to assessment (if there is a township assessor for the  
16 township), the auditor of the county shall allow the deduction.

17 (e) The auditor of a county shall, in a particular year, apply the  
18 deduction provided under this section to the heritage barn of the owner  
19 that received the deduction in the preceding year unless the auditor of  
20 the county determines that the property is no longer eligible for the  
21 deduction. A person that receives a deduction under this section in a  
22 particular year and that remains eligible for the deduction in the  
23 following year is not required to file an application for the deduction  
24 in the following year. A person that receives a deduction under this  
25 section in a particular year and that becomes ineligible for the  
26 deduction in the following year shall notify the auditor of the county in  
27 which the property is located of the ineligibility in the year in which the  
28 person becomes ineligible. A deduction under this section terminates  
29 following a change in ownership of the heritage barn. However, a  
30 deduction under this section does not terminate following the removal  
31 of less than all the joint owners of property or purchasers of property  
32 under a contract described in subsection (a).

33 (f) A county fiscal body may adopt an ordinance to require a person  
34 receiving the deduction under this section to pay an annual public  
35 safety fee for each heritage barn for which the person receives a  
36 deduction under this section. The fee may not exceed fifty dollars  
37 (\$50). The county auditor shall distribute any public safety fees  
38 collected under this section equitably among the police and fire  
39 departments in whose territories each heritage barn is located. If a  
40 county fiscal body adopts an ordinance under this subsection, the  
41 county fiscal body shall furnish a copy of the ordinance to the  
42 department in the manner prescribed by the department.



1 SECTION 6. IC 6-1.1-15-1, AS AMENDED BY THE TECHNICAL  
 2 CORRECTIONS BILL OF THE 2016 GENERAL ASSEMBLY, IS  
 3 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:  
 4 Sec. 1. (a) *Except as provided in section 1.5 of this chapter*, a taxpayer  
 5 may obtain a review by the county board of a county or township  
 6 official's action with respect to *either or both any of the following, or*  
 7 *any combination* of the following:

8 (1) The assessment of the taxpayer's tangible property.

9 (2) A deduction for which a review under this section is  
 10 authorized by any of the following:

11 (A) IC 6-1.1-12-25.5.

12 (B) IC 6-1.1-12-28.5.

13 (C) IC 6-1.1-12-35.5.

14 (D) IC 6-1.1-12.1-5.

15 (E) IC 6-1.1-12.1-5.3.

16 (F) IC 6-1.1-12.1-5.4.

17 (3) *A determination concerning a common area under*  
 18 *IC 6-1.1-10-37.5.*

19 (b) At the time that notice of an action referred to in subsection (a)  
 20 is given to the taxpayer, the taxpayer shall also be informed in writing  
 21 of:

22 (1) the opportunity for a review under this section, including a  
 23 preliminary informal meeting under subsection (h)(2) with the  
 24 county or township official referred to in this subsection; and

25 (2) the procedures the taxpayer must follow in order to obtain a  
 26 review under this section.

27 (c) In order to obtain a review of an assessment or deduction  
 28 effective for the assessment date to which the notice referred to in  
 29 subsection (b) applies, the taxpayer must file a notice in writing with  
 30 the county or township official referred to in subsection (a) not later  
 31 than ~~forty-five (45)~~ **sixty (60)** days after the date of the notice referred  
 32 to in subsection (b).

33 (d) A taxpayer may obtain a review by the county board of the  
 34 assessment of the taxpayer's tangible property effective for an  
 35 assessment date for which a notice of assessment is not given as  
 36 described in subsection (b). To obtain the review, the taxpayer must file  
 37 a notice in writing with the township assessor, or the county assessor  
 38 if the township is not served by a township assessor. The right of a  
 39 taxpayer to obtain a review under this subsection for an assessment  
 40 date for which a notice of assessment is not given does not relieve an  
 41 assessing official of the duty to provide the taxpayer with the notice of  
 42 assessment as otherwise required by this article. The notice to obtain



1 a review must be filed not later than the later of:

2 (1) May 10 of the year; or

3 (2) ~~forty-five (45)~~ **sixty (60)** days after the date of the tax  
4 statement mailed by the county treasurer, regardless of whether  
5 the assessing official changes the taxpayer's assessment.

6 (e) A change in an assessment made as a result of a notice for  
7 review filed by a taxpayer under subsection (d) after the time  
8 prescribed in subsection (d) becomes effective for the next assessment  
9 date. A change in an assessment made as a result of a notice for review  
10 filed by a taxpayer under subsection (c) or (d) remains in effect from  
11 the assessment date for which the change is made until the next  
12 assessment date for which the assessment is changed under this article.

13 (f) The written notice filed by a taxpayer under subsection (c) or (d)  
14 must include the following information:

15 (1) The name of the taxpayer.

16 (2) The address and parcel or key number of the property.

17 (3) The address and telephone number of the taxpayer.

18 (g) The filing of a notice under subsection (c) or (d):

19 (1) initiates a review under this section; and

20 (2) constitutes a request by the taxpayer for a preliminary  
21 informal meeting with the official referred to in subsection (a).

22 (h) A county or township official who receives a notice for review  
23 filed by a taxpayer under subsection (c) or (d) shall:

24 (1) immediately forward the notice to the county board; and

25 (2) attempt to hold a preliminary informal meeting with the  
26 taxpayer to resolve as many issues as possible by:

27 (A) discussing the specifics of the taxpayer's assessment or  
28 deduction;

29 (B) reviewing the taxpayer's property record card;

30 (C) explaining to the taxpayer how the assessment or  
31 deduction was determined;

32 (D) providing to the taxpayer information about the statutes,  
33 rules, and guidelines that govern the determination of the  
34 assessment or deduction;

35 (E) noting and considering objections of the taxpayer;

36 (F) considering all errors alleged by the taxpayer; and

37 (G) otherwise educating the taxpayer about:

38 (i) the taxpayer's assessment or deduction;

39 (ii) the assessment or deduction process; and

40 (iii) the assessment or deduction appeal process.

41 (i) Not later than ten (10) days after the informal preliminary  
42 meeting, the official referred to in subsection (a) shall forward to the



1 county auditor and the county board the results of the conference on a  
 2 form prescribed by the department of local government finance that  
 3 must be completed and signed by the taxpayer and the official. *The*  
 4 *official referred to in subsection (a) must attest on the form that the*  
 5 *official described to the taxpayer the taxpayer's right to a review of the*  
 6 *issues by the county board under this chapter and the taxpayer's right*  
 7 *to appeal to the Indiana board of tax review and to the Indiana tax*  
 8 *court. The form must indicate the following:*

9 (1) *Notwithstanding section 2.5 of this chapter, if the taxpayer*  
 10 *and the official agree on the resolution of all assessment or*  
 11 *deduction issues in the review, a statement of:*

12 (A) those issues; and

13 (B) the assessed value of the tangible property or the amount  
 14 of the deduction that results from the resolution of those issues  
 15 in the manner agreed to by the taxpayer and the official.

16 (2) *If the taxpayer and the official do not agree on the resolution*  
 17 *of all assessment or deduction issues in the review:*

18 (A) a statement of those issues; and

19 (B) the identification of:

20 (i) the issues on which the taxpayer and the official agree;  
 21 and

22 (ii) the issues on which the taxpayer and the official  
 23 disagree.

24 *(1) If the taxpayer and the official agree on the resolution of all*  
 25 *assessment or deduction issues in the review, a statement of:*

26 (A) those issues; and

27 (B) the assessed value of the tangible property or the amount  
 28 of the deduction that results from the resolution of those issues  
 29 in the manner agreed to by the taxpayer and the official.

30 *(2) If the taxpayer and the official do not agree on the resolution*  
 31 *of all assessment or deduction issues in the review:*

32 (A) a statement of those issues; and

33 (B) the identification of:

34 (i) the issues on which the taxpayer and the official agree;  
 35 and

36 (ii) the issues on which the taxpayer and the official  
 37 disagree.

38 (j) If the county board receives a form referred to in subsection  
 39 (i)(1) before the hearing scheduled under subsection (k):

40 (1) the county board shall cancel the hearing;

41 (2) the county official referred to in subsection (a) shall give  
 42 notice to the taxpayer, the county board, the county assessor, and



1 the county auditor of the assessment or deduction in the amount  
2 referred to in subsection (i)(1)(B); and

3 (3) if the matter in issue is the assessment of tangible property,  
4 the county board may reserve the right to change the assessment  
5 under IC 6-1.1-13.

6 (k) If:

7 (1) subsection (i)(2) applies; or

8 (2) the county board does not receive a form referred to in  
9 subsection (i) not later than one hundred twenty (120) days after  
10 the date of the notice for review filed by the taxpayer under  
11 subsection (c) or (d);

12 the county board shall hold a hearing on a review under this subsection  
13 not later than one hundred eighty (180) days after the date of that  
14 notice. The county board shall, by mail, give at least thirty (30) days  
15 notice of the date, time, and place fixed for the hearing to the taxpayer,  
16 *the taxpayer's representative (if any)*, and the county or township  
17 official with whom the taxpayer filed the notice for review. The  
18 taxpayer and the county or township official with whom the taxpayer  
19 filed the notice for review are parties to the proceeding before the  
20 county board. A taxpayer may request a continuance of the hearing by  
21 filing, at least twenty (20) days before the hearing date, a request for  
22 continuance with the board and the county or township official with  
23 evidence supporting a just cause for the continuance. The board shall,  
24 not later than ten (10) days after the date the request for a continuance  
25 is filed, either find that the taxpayer has demonstrated a just cause for  
26 a continuance and grant the taxpayer the continuance, or deny the  
27 continuance. A taxpayer may request that the board take action without  
28 the taxpayer being present and that the board make a decision based on  
29 the evidence already submitted to the board by filing, at least eight (8)  
30 days before the hearing date, a request with the board and the county  
31 or township official. A taxpayer may withdraw a petition by filing, at  
32 least eight (8) days before the hearing date, a notice of withdrawal with  
33 the board and the county or township official.

34 (l) At the hearing required under subsection (k):

35 (1) the taxpayer may present the taxpayer's reasons for  
36 disagreement with the assessment or deduction; and

37 (2) the county or township official with whom the taxpayer filed  
38 the notice for review must present:

39 (A) the basis for the assessment or deduction decision; and

40 (B) the reasons the taxpayer's contentions should be denied.

41 A penalty of fifty dollars (\$50) shall be assessed against the taxpayer  
42 if the taxpayer or representative fails to appear at the hearing and,



1 under subsection (k), the taxpayer's request for continuance is denied,  
 2 or the taxpayer's request for continuance, request for the board to take  
 3 action without the taxpayer being present, or withdrawal is not timely  
 4 filed. A taxpayer may appeal the assessment of the penalty to the  
 5 Indiana board or directly to the tax court. The penalty may not be added  
 6 as an amount owed on the property tax statement under IC 6-1.1-22 or  
 7 IC 6-1.1-22.5.

8 (m) The official referred to in subsection (a) may not require the  
 9 taxpayer to provide documentary evidence at the preliminary informal  
 10 meeting under subsection (h). The county board may not require a  
 11 taxpayer to file documentary evidence or summaries of statements of  
 12 testimonial evidence before the hearing required under subsection (k).  
 13 If the action for which a taxpayer seeks review under this section is the  
 14 assessment of tangible property, the taxpayer is not required to have an  
 15 appraisal of the property in order to do the following:

- 16 (1) Initiate the review.
- 17 (2) Prosecute the review.

18 (n) The county board shall prepare a written decision resolving all  
 19 of the issues under review. *The written decision may be in the form of*  
 20 *a stipulated determination under section 2.5 of this chapter.* The  
 21 county board shall, by mail, give notice of its determination not later  
 22 than:

- 23 (1) one hundred twenty (120) days after the hearing under  
 24 subsection (k); *or*
- 25 (2) *thirty (30) days after an entry of a stipulated determination*  
 26 *under section 2.5 of this chapter;*

27 to the taxpayer, the official referred to in subsection (a), the county  
 28 assessor, and the county auditor.

29 (o) If the maximum time elapses:

- 30 (1) under subsection (k) for the county board to hold a hearing; or
- 31 (2) under subsection (n) for the county board to give notice of its  
 32 determination;

33 the taxpayer may initiate a proceeding for review before the Indiana  
 34 board by taking the action required by section 3 of this chapter at any  
 35 time after the maximum time elapses.

36 SECTION 7. IC 6-1.1-28-1, AS AMENDED BY P.L.134-2014,  
 37 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 38 JULY 1, 2016]: Sec. 1. (a) Each county shall have a county property  
 39 tax assessment board of appeals composed of individuals who are at  
 40 least eighteen (18) years of age and knowledgeable in the valuation of  
 41 property. At the election of the board of commissioners of the county,  
 42 a county property tax assessment board of appeals may consist of three



1 (3) or five (5) members appointed in accordance with this section.

2 (b) This subsection applies to a county in which the board of  
3 commissioners elects to have a five (5) member county property tax  
4 assessment board of appeals. In addition to the county assessor, only  
5 one (1) other individual who is an officer or employee of a county or  
6 township may serve on the board of appeals in the county in which the  
7 individual is an officer or employee. Subject to subsections (g) and (h),  
8 the fiscal body of the county shall appoint two (2) individuals to the  
9 board. At least one (1) of the members appointed by the county fiscal  
10 body must be a certified level two or level three assessor-appraiser. The  
11 fiscal body may waive the requirement in this subsection that one (1)  
12 of the members appointed by the fiscal body must be a certified level  
13 two or level three assessor-appraiser. Subject to subsections (g) and (h),  
14 the board of commissioners of the county shall appoint three (3)  
15 freehold members so that not more than three (3) of the five (5)  
16 members may be of the same political party and so that at least three  
17 (3) of the five (5) members are residents of the county. At least one (1)  
18 of the members appointed by the board of county commissioners must  
19 be a certified level two or level three assessor-appraiser. The board of  
20 county commissioners may waive the requirement in this subsection  
21 that one (1) of the freehold members appointed by the board of county  
22 commissioners must be a certified level two or level three  
23 assessor-appraiser.

24 (c) This subsection applies to a county in which the board of  
25 commissioners elects to have a three (3) member county property tax  
26 assessment board of appeals. In addition to the county assessor, only  
27 one (1) other individual who is an officer or employee of a county or  
28 township may serve on the board of appeals in the county in which the  
29 individual is an officer or employee. Subject to subsections (g) and (h),  
30 the fiscal body of the county shall appoint one (1) individual to the  
31 board. The member appointed by the county fiscal body must be a  
32 certified level two or level three assessor-appraiser. The fiscal body  
33 may waive the requirement in this subsection that the member  
34 appointed by the fiscal body must be a certified level two or level three  
35 assessor-appraiser. Subject to subsections (d) and (e), the board of  
36 commissioners of the county shall appoint two (2) freehold members  
37 so that not more than two (2) of the three (3) members may be of the  
38 same political party and so that at least two (2) of the three (3)  
39 members are residents of the county. At least one (1) of the members  
40 appointed by the board of county commissioners must be a certified  
41 level two or level three assessor-appraiser. The board of county  
42 commissioners may waive the requirement in this subsection that one



1 (1) of the freehold members appointed by the board of county  
2 commissioners must be a certified level two or level three  
3 assessor-appraiser.

4 (d) A person appointed to a property tax assessment board of  
5 appeals may serve on the property tax assessment board of appeals of  
6 another county at the same time. The members of the board shall elect  
7 a president. The employees of the county assessor shall provide  
8 administrative support to the property tax assessment board of appeals.  
9 The county assessor is a nonvoting member of the property tax  
10 assessment board of appeals. The county assessor shall serve as  
11 secretary of the board. The secretary shall keep full and accurate  
12 minutes of the proceedings of the board. A majority of the board that  
13 includes at least one (1) certified level two or level three  
14 assessor-appraiser constitutes a quorum for the transaction of business.  
15 Any question properly before the board may be decided by the  
16 agreement of a majority of the whole board.

17 (e) The county assessor, county fiscal body, and board of county  
18 commissioners may agree to waive the requirement in subsection (b)  
19 or (c) that not more than three (3) of the five (5) or two (2) of the three  
20 (3) members of the county property tax assessment board of appeals  
21 may be of the same political party if it is necessary to waive the  
22 requirement due to the absence of certified level two or level three  
23 Indiana assessor-appraisers:

24 (1) who are willing to serve on the board; and

25 (2) whose political party membership status would satisfy the  
26 requirement in subsection (b) or (c).

27 (f) If the board of county commissioners is not able to identify at  
28 least two (2) prospective freehold members of the county property tax  
29 assessment board of appeals who are:

30 (1) residents of the county;

31 (2) certified level two or level three Indiana assessor-appraisers;  
32 and

33 (3) willing to serve on the county property tax assessment board  
34 of appeals;

35 it is not necessary that at least three (3) of the five (5) or two (2) of the  
36 three (3) members of the county property tax assessment board of  
37 appeals be residents of the county.

38 (g) Except as provided in subsection (f), the term of a member of the  
39 county property tax assessment board of appeals appointed under this  
40 section:

41 (1) is one (1) year; and

42 (2) begins January 1.



- 1 (h) If:  
 2 (1) the term of a member of the county property tax assessment  
 3 board of appeals appointed under this section expires;  
 4 (2) the member is not reappointed; and  
 5 (3) a successor is not appointed;  
 6 the term of the member continues until a successor is appointed.
- 7 (i) An:  
 8 (1) employee of the township assessor or county assessor; or  
 9 (2) appraiser, as defined in IC 6-1.1-31.7-1;  
 10 may not serve as a voting member of a county property tax assessment  
 11 board of appeals in a county where the employee or appraiser is  
 12 employed.
- 13 **(j) This subsection does not apply to a county assessor. A county  
 14 officer or employee who is, or has been, an appraisal contractor or  
 15 an employee of an appraisal contractor with whom the county has  
 16 or had a contractual relationship may not serve as a member of the  
 17 county property tax assessment board of appeals in the county.**
- 18 SECTION 8. IC 6-1.1-28-13 IS ADDED TO THE INDIANA CODE  
 19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 20 1, 2016]: **Sec. 13. If in the course of an appeal a county assessor  
 21 defends an assessment to the county property tax assessment board  
 22 of appeals of which the county assessor is a member, the county  
 23 assessor may not vote on the determination of the appeal.**
- 24 SECTION 9. IC 6-1.1-36-11.5 IS ADDED TO THE INDIANA  
 25 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 26 [EFFECTIVE JULY 1, 2016]: **Sec. 11.5. (a) Before October 1 of each  
 27 year, a county assessor shall prepare a assessment plan for the  
 28 ensuing year and submit the assessment plan to the county board  
 29 of commissioners for approval.**
- 30 **(b) The fiscal body of a county may not appropriate money for  
 31 a contractor under section 12 of this chapter for a year unless the  
 32 county board of commissioners has approved the annual  
 33 assessment plan for the year.**
- 34 SECTION 10. IC 6-1.1-36-12, AS AMENDED BY P.L.146-2008,  
 35 SECTION 289, IS AMENDED TO READ AS FOLLOWS  
 36 [EFFECTIVE JULY 1, 2016]: **Sec. 12. (a) A board of county  
 37 commissioners a county assessor, or a township assessor (if any) may  
 38 enter into a contract for the discovery of property that has been  
 39 undervalued or omitted from assessment. The contract must prohibit  
 40 payment to the contractor for discovery of undervaluation or omission  
 41 with respect to a parcel or personal property return before all appeals  
 42 of the assessment of the parcel or the assessment under the return have**



1 been finalized. The contract may require the contractor to:

- 2 (1) examine and verify the accuracy of personal property returns  
3 filed by taxpayers with the county assessor or a township assessor  
4 of a township in the county; and  
5 (2) compare a return with the books of the taxpayer and with  
6 personal property owned, held, possessed, controlled, or occupied  
7 by the taxpayer.

8 (b) This subsection applies if funds are not appropriated for  
9 payment of services performed under a contract described in subsection  
10 (a). The county auditor may create a special nonreverting fund in which  
11 the county treasurer shall deposit the amount of taxes, including  
12 penalties and interest, that result from additional assessments on  
13 undervalued or omitted property collected from all taxing jurisdictions  
14 in the county after deducting the amount of any property tax credits that  
15 reduce the owner's property tax liability for the undervalued or omitted  
16 property. The fund remains in existence during the term of the contract.  
17 Distributions shall be made from the fund without appropriation only  
18 for the following purposes:

- 19 (1) All contract fees and other costs related to the contract.  
20 (2) After the payments required by subdivision (1) have been  
21 made and the contract has expired, the county auditor shall  
22 distribute all money remaining in the fund to the appropriate  
23 taxing units in the county using the property tax rates of each  
24 taxing unit in effect at the time of the distribution.

25 (c) A board of county commissioners ~~a county assessor, or a~~  
26 ~~township assessor~~ may not contract for services under subsection (a) on  
27 a percentage basis.

28 SECTION 11. IC 6-1.1-36-19 IS ADDED TO THE INDIANA  
29 CODE AS A NEW SECTION TO READ AS FOLLOWS  
30 [EFFECTIVE JULY 1, 2016]: **Sec. 19. Before July 1, 2017, the**  
31 **department shall review the assessment of agricultural land in each**  
32 **county with particular attention to:**

- 33 (1) **the degree of uniformity of agricultural land assessment**  
34 **practices from county to county; and**  
35 (2) **the extent to which agricultural land is reclassified from**  
36 **one (1) agricultural use to another.**

37 (b) **Before October 1, 2017, the department shall report the**  
38 **result of the department's review conducted under subsection (a):**

- 39 (1) **to the legislative services agency in an electronic format**  
40 **under IC 5-14-6; and**  
41 (2) **on the department's Internet web site.**

42 SECTION 12. **An emergency is declared for this act.**

