

# HOUSE BILL No. 1273

---

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1; IC 36-6-6-14; IC 36-8-19; IC 36-12-2-25.

**Synopsis:** Various property tax matters. Changes the calculation of the statewide agricultural base rate value per acre for the 2016 assessment date and each assessment date thereafter to use the assessed value growth quotient from the year preceding the assessment year. Requires assessing officials to maintain geographic information system characteristics of real property parcels and to transmit that data annually to the geographic information office of the office of technology. Defines the term "mortgage" for purposes of the property tax mortgage deduction. Restates the maximum assessed value limit for determining eligibility for the disabled veteran property tax deduction to require the assessed value of the certain property to be less than or equal to \$143,160. Provides that a county auditor may accept a deduction application for a property tax abatement deduction only if the designating body has specified an abatement schedule for the deduction. Prohibits a taxing unit from transferring property tax receipts to the property tax assessment appeals fund if the property tax receipts are: (1) held in a debt service fund; or (2) treated as levy excess. Removes phrasing to emphasize that a political subdivision may not base an excess levy appeal on normal population growth. Removes obsolete provisions concerning excess levy appeals by political subdivisions. Modifies certain responsibilities of the division of data analysis of the department of local government finance. Provides that the department of local government finance may cancel any delinquencies, fees, special assessments, and penalties, in addition to property taxes, that are owed on property that is owned by the state, a county, a city, a town, a township, or a locally established port  
(Continued next page)

**Effective:** January 1, 2016 (retroactive); January 2, 2016 (retroactive); July 1, 2016; January 1, 2017.

---

---

## Leonard

---

---

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

---

---



authority. Limits the period during which a county auditor may act on information that a taxpayer is ineligible for a standard property tax deduction to three years following the date on which the property taxes for a particular year are first due. Authorizes the provider unit in a fire protection territory to negotiate for and hold debt for the equipment replacement fund of a fire protection territory. Authorizes a participating unit in a fire protection territory to acquire fire protection equipment or other property and make the property available to the provider unit. Specifies the adjustments to the maximum permissible levy for a unit that ceases participation in a fire protection territory. Specifies the minimum number of taxpayers that must object to the imposition or increase of a tax rate for an equipment replacement fund of a fire protection territory. Authorizes a library to issue library cards at no charge to college students who attend a college in the library district. Requires a library to prorate the cost of a library card that is valid for less than one year. Repeals a provision authorizing a county fiscal body to adopt an ordinance to allow local agencies to require a person applying for a property tax exemption, a property tax deduction, a zoning change or zoning variance, a building permit, or any other locally issued license or permit to submit a uniform property tax disclosure form with the person's application for the property tax exemption, property tax deduction, zoning change or zoning variance, building permit, or other locally issued license or permit.



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. 1273

---

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 6-1.1-4-13.2, AS ADDED BY P.L.249-2015,  
2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2016]: Sec. 13.2. Notwithstanding the provisions of this  
4 chapter and any real property assessment guidelines of the department  
5 of local government finance, for the property tax assessment of  
6 agricultural land for the 2015 assessment date, the statewide  
7 agricultural land base rate value per acre used to determine the value  
8 of agricultural land is two thousand fifty dollars (\$2,050). For the 2016  
9 assessment date and each assessment date thereafter, the statewide  
10 agricultural land base rate value per acre is equal to:  
11 (1) the base rate value for the immediately preceding assessment  
12 date; multiplied by  
13 (2) the assessed value growth quotient determined under  
14 IC 6-1.1-18.5-2 in the **year immediately preceding the year**  
15 including the assessment date.

2016

IN 1273—LS 6613/DI 113



1 This amount shall be substituted for any agricultural land base rate  
 2 value included in the Real Property Assessment Guidelines or any  
 3 other guidelines of the department of local government finance that  
 4 apply for those assessment dates.

5 SECTION 2. IC 6-1.1-4-25, AS AMENDED BY P.L.111-2014,  
 6 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 JULY 1, 2016]: Sec. 25. (a) Each township assessor and each county  
 8 assessor shall keep the assessor's reassessment data and records current  
 9 by securing the necessary field data and by making changes in the  
 10 assessed value of real property as changes occur in the use of the real  
 11 property. The township or county assessor's records shall at all times  
 12 show the assessed value of real property in accordance with this  
 13 chapter. The township assessor shall ensure that the county assessor  
 14 has full access to the assessment records maintained by the township  
 15 assessor.

16 (b) The township assessor (if any) in a county having a consolidated  
 17 city, the county assessor if there are no township assessors in a county  
 18 having a consolidated city, or the county assessor in every other county,  
 19 shall:

20 (1) maintain an electronic data file of:

21 (A) the parcel characteristics and parcel assessments of all  
 22 parcels; ~~and~~

23 (B) the personal property return characteristics and  
 24 assessments by return; ~~and~~

25 **(C) the geographic information system characteristics of  
 26 each parcel;**

27 for each township in the county as of each assessment date;

28 (2) maintain the electronic file in a form that formats the  
 29 information in the file with the standard data, field, and record  
 30 coding required and approved by:

31 (A) the legislative services agency; and

32 (B) the department of local government finance;

33 (3) transmit the data in the file with respect to the assessment date  
 34 of each year before October 1 of a year ending before January 1,  
 35 2016, and before September 1 of a year beginning after December  
 36 31, 2015, to:

37 (A) the legislative services agency and ~~(B)~~ the department of  
 38 local government finance, **for data described in subdivision**

39 **(1)(A) and (1)(B); and**

40 **(B) the geographic information office of the office of  
 41 technology, for data described in subdivision (1)(C);**

42 in a manner that meets the data export and transmission



1 requirements in a standard format, as prescribed by the office of  
 2 technology established by IC 4-13.1-2-1 and approved by the  
 3 legislative services agency; and

4 (4) resubmit the data in the form and manner required under this  
 5 subsection, upon request of the legislative services agency, ~~or~~ the  
 6 department of local government finance, **or the geographic**  
 7 **information office of the office of technology, as applicable**, if  
 8 data previously submitted under this subsection does not comply  
 9 with the requirements of this subsection, as determined by the  
 10 legislative services agency, ~~or~~ the department of local government  
 11 finance, **or the geographic information office of the office of**  
 12 **technology, as applicable**.

13 An electronic data file maintained for a particular assessment date may  
 14 not be overwritten with data for a subsequent assessment date until a  
 15 copy of an electronic data file that preserves the data for the particular  
 16 assessment date is archived in the manner prescribed by the office of  
 17 technology established by IC 4-13.1-2-1 and approved by the  
 18 legislative services agency.

19 SECTION 3. IC 6-1.1-11-3.8 IS AMENDED TO READ AS  
 20 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3.8. (a) This section  
 21 applies to real property that after December 31, 2003, is:

- 22 (1) exempt from property taxes:  
 23 (A) under an application filed under this chapter; or  
 24 (B) under:  
 25 (i) IC 6-1.1-10-2; or  
 26 (ii) IC 6-1.1-10-4; and  
 27 (2) leased to an entity other than:  
 28 (A) a nonprofit entity;  
 29 (B) a governmental entity; or  
 30 (C) an individual who leases a dwelling unit in:  
 31 (i) a public housing project;  
 32 (ii) a nursing facility referred to in IC 12-15-14;  
 33 (iii) an assisted living facility; or  
 34 (iv) an affordable housing development.

35 (b) After December 31, 2003, each lessor of real property shall  
 36 notify the county assessor of the county in which the real property is  
 37 located in writing of:

- 38 (1) the existence of the lease referred to in subsection (a)(2);  
 39 (2) the term of that lease; and  
 40 (3) the name and address of the lessee.

41 (c) Each county assessor shall annually notify the department of  
 42 local government finance in writing of the information received by the



1 county assessor under subsection (b).

2 (d) The department of local government finance ~~shall~~ **may** adopt  
3 rules to:

4 (1) establish when the notices under subsections (b) and (c) must  
5 be given; and

6 (2) otherwise implement this section.

7 SECTION 4. IC 6-1.1-12-1, AS AMENDED BY P.L.81-2010,  
8 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
9 JANUARY 1, 2016 (RETROACTIVE)]: Sec. 1. **(a) As used in this  
10 section, "mortgage" has the meaning set forth in IC 26-1-9.1-102.**

11 ~~(a)~~ **(b)** Each year a person who is a resident of this state may receive  
12 a deduction from the assessed value of:

13 (1) mortgaged real property, an installment loan financed mobile  
14 home that is not assessed as real property, or an installment loan  
15 financed manufactured home that is not assessed as real property,  
16 with the mortgage or installment loan instrument recorded with  
17 the county recorder's office, that the person owns;

18 (2) real property, a mobile home that is not assessed as real  
19 property, or a manufactured home that is not assessed as real  
20 property that the person is buying under a contract, with the  
21 contract or a memorandum of the contract recorded in the county  
22 recorder's office, which provides that the person is to pay the  
23 property taxes on the real property, mobile home, or manufactured  
24 home; or

25 (3) real property, a mobile home that is not assessed as real  
26 property, or a manufactured home that the person owns or is  
27 buying on a contract described in subdivision (2) on which the  
28 person has a home equity line of credit that is recorded in the  
29 county recorder's office.

30 ~~(b)~~ **(c)** Except as provided in section 40.5 of this chapter, the total  
31 amount of the deduction which the person may receive under this  
32 section for a particular year is:

33 (1) the balance of the mortgage or contract indebtedness  
34 (including a home equity line of credit) on the assessment date of  
35 that year;

36 (2) one-half (1/2) of the assessed value of the real property,  
37 mobile home, or manufactured home; or

38 (3) three thousand dollars (\$3,000);

39 whichever is least.

40 ~~(c)~~ **(d)** A person who has sold real property, a mobile home not  
41 assessed as real property, or a manufactured home not assessed as real  
42 property to another person under a contract which provides that the



1 contract buyer is to pay the property taxes on the real property, mobile  
 2 home, or manufactured home may not claim the deduction provided  
 3 under this section with respect to that real property, mobile home, or  
 4 manufactured home.

5 ~~(d)~~ (e) The person must:

- 6 (1) own the real property, mobile home, or manufactured home;
- 7 or
- 8 (2) be buying the real property, mobile home, or manufactured
- 9 home under contract;

10 on the date the statement is filed under section 2 of this chapter.

11 SECTION 5. IC 6-1.1-12-14, AS AMENDED BY P.L.293-2013(ts),  
 12 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 JANUARY 1, 2016 (RETROACTIVE)]: Sec. 14. (a) Except as  
 14 provided in subsection (c) and except as provided in section 40.5 of  
 15 this chapter, an individual may have the sum of twelve thousand four  
 16 hundred eighty dollars (\$12,480) deducted from the assessed value of  
 17 the tangible property that the individual owns (or the real property,  
 18 mobile home not assessed as real property, or manufactured home not  
 19 assessed as real property that the individual is buying under a contract  
 20 that provides that the individual is to pay property taxes on the real  
 21 property, mobile home, or manufactured home if the contract or a  
 22 memorandum of the contract is recorded in the county recorder's office)  
 23 if:

- 24 (1) the individual served in the military or naval forces of the
- 25 United States for at least ninety (90) days;
- 26 (2) the individual received an honorable discharge;
- 27 (3) the individual either:
  - 28 (A) has a total disability; or
  - 29 (B) is at least sixty-two (62) years old and has a disability of at
  - 30 least ten percent (10%);
- 31 (4) the individual's disability is evidenced by:
  - 32 (A) a pension certificate or an award of compensation issued
  - 33 by the United States Department of Veterans Affairs; or
  - 34 (B) a certificate of eligibility issued to the individual by the
  - 35 Indiana department of veterans' affairs after the Indiana
  - 36 department of veterans' affairs has determined that the
  - 37 individual's disability qualifies the individual to receive a
  - 38 deduction under this section; and
- 39 (5) the individual:
  - 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 15 of this chapter is  
 3 filed.
- 4 (b) Except as provided in subsection (c), the surviving spouse of an  
 5 individual may receive the deduction provided by this section if the  
 6 individual satisfied the requirements of subsection (a)(1) through (a)(4)  
 7 at the time of death and the surviving spouse satisfies the requirement  
 8 of subsection (a)(5) at the time the deduction statement is filed. The  
 9 surviving spouse is entitled to the deduction regardless of whether the  
 10 property for which the deduction is claimed was owned by the  
 11 deceased veteran or the surviving spouse before the deceased veteran's  
 12 death.
- 13 (c) No one is entitled to the deduction provided by this section if the  
 14 assessed value of the individual's ~~tangible property~~, **Indiana real**  
 15 **property, Indiana mobile home not assessed as real property, and**  
 16 **Indiana manufactured home not assessed as real property**, as  
 17 shown by the tax duplicate, exceeds one hundred forty-three thousand  
 18 one hundred sixty dollars (\$143,160).
- 19 (d) An individual who has sold real property, a mobile home not  
 20 assessed as real property, or a manufactured home not assessed as real  
 21 property to another person under a contract that provides that the  
 22 contract buyer is to pay the property taxes on the real property, mobile  
 23 home, or manufactured home may not claim the deduction provided  
 24 under this section against that real property, mobile home, or  
 25 manufactured home.
- 26 SECTION 6. IC 6-1.1-12-37, AS AMENDED BY P.L.148-2015,  
 27 SECTION 7, AS AMENDED BY P.L.207-2015, SECTION 1, AND  
 28 AS AMENDED BY P.L.245-2015, SECTION 6, IS CORRECTED  
 29 AND AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30 JANUARY 1, 2017]: Sec. 37. (a) The following definitions apply  
 31 throughout this section:
- 32 (1) "Dwelling" means any of the following:
- 33 (A) Residential real property improvements that an individual  
 34 uses as the individual's residence, including a house or garage.  
 35 (B) A mobile home that is not assessed as real property that an  
 36 individual uses as the individual's residence.  
 37 (C) A manufactured home that is not assessed as real property  
 38 that an individual uses as the individual's residence.
- 39 (2) "Homestead" means an individual's principal place of  
 40 residence:
- 41 (A) that is located in Indiana;  
 42 (B) that:





- 1 (i) the individual owns;  
 2 (ii) the individual is buying under a contract; recorded in the  
 3 county recorder's office, that provides that the individual is  
 4 to pay the property taxes on the residence, *and that obligates*  
 5 *the owner to convey title to the individual upon completion*  
 6 *of all of the individual's contract obligations;*  
 7 (iii) the individual is entitled to occupy as a  
 8 tenant-stockholder (as defined in 26 U.S.C. 216) of a  
 9 cooperative housing corporation (as defined in 26 U.S.C.  
 10 216); or  
 11 (iv) is a residence described in section 17.9 of this chapter  
 12 that is owned by a trust if the individual is an individual  
 13 described in section 17.9 of this chapter; and  
 14 (C) that consists of a dwelling and the real estate, not  
 15 exceeding one (1) acre, that immediately surrounds that  
 16 dwelling.

17 Except as provided in subsection (k), the term does not include  
 18 property owned by a corporation, partnership, limited liability  
 19 company, or other entity not described in this subdivision.

20 (b) Each year a homestead is eligible for a standard deduction from  
 21 the assessed value of the homestead for an assessment date. Except as  
 22 provided in subsection (p), the deduction provided by this section  
 23 applies to property taxes first due and payable for an assessment date  
 24 only if an individual has an interest in the homestead described in  
 25 subsection (a)(2)(B) on:

- 26 (1) the assessment date; or  
 27 (2) any date in the same year after an assessment date that a  
 28 statement is filed under subsection (e) or section 44 of this  
 29 chapter, if the property consists of real property.

30 *If more than one (1) individual or entity qualifies property as a*  
 31 *homestead under subsection (a)(2)(B) for an assessment date, only one*  
 32 *(1) standard deduction from the assessed value of the homestead may*  
 33 *be applied for the assessment date.* Subject to subsection (c), the  
 34 auditor of the county shall record and make the deduction for the  
 35 individual or entity qualifying for the deduction.

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

- 39 (1) sixty percent (60%) of the assessed value of the real property,  
 40 mobile home not assessed as real property, or manufactured home  
 41 not assessed as real property; or  
 42 (2) forty-five thousand dollars (\$45,000).



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

8 (e) Except as provided in sections 17.8 and 44 of this chapter and  
 9 subject to section 45 of this chapter, an individual who desires to claim  
 10 the deduction provided by this section must file a certified statement,  
 11 ~~in duplicate~~, on forms prescribed by the department of local  
 12 government finance, with the auditor of the county in which the  
 13 homestead is located. The statement must include:

- 14 (1) the parcel number or key number of the property and the name  
 15 of the city, town, or township in which the property is located;  
 16 (2) the name of any other location in which the applicant or the  
 17 applicant's spouse owns, is buying, or has a beneficial interest in  
 18 residential real property;  
 19 (3) the names of:

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

21 (i) as the names appear in the records of the United States  
 22 Social Security Administration for the purposes of the  
 23 issuance of a Social Security card and Social Security  
 24 number; or

25 (ii) that they use as their legal names when they sign their  
 26 names on legal documents;

27 if the applicant is an individual; or

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

30 (i) as the names appear in the records of the United States  
 31 Social Security Administration for the purposes of the  
 32 issuance of a Social Security card and Social Security  
 33 number; or

34 (ii) that they use as their legal names when they sign their  
 35 names on legal documents;

36 if the applicant is not an individual; and

37 (4) either:

38 (A) the last five (5) digits of the applicant's Social Security  
 39 number and the last five (5) digits of the Social Security  
 40 number of the applicant's spouse (if any); or

41 (B) if the applicant or the applicant's spouse (if any) does not  
 42 have a Social Security number, any of the following for that



- 1 individual:
- 2 (i) The last five (5) digits of the individual's driver's license
- 3 number.
- 4 (ii) The last five (5) digits of the individual's state
- 5 identification card number.
- 6 (iii) If the individual does not have a driver's license or a
- 7 state identification card, the last five (5) digits of a control
- 8 number that is on a document issued to the individual by the
- 9 *federal United States government and determined by the*
- 10 *department of local government finance to be acceptable.*
- 11 If a form or statement provided to the county auditor under this section,
- 12 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
- 13 part or all of the Social Security number of a party or other number
- 14 described in subdivision (4)(B) of a party, the telephone number and
- 15 the Social Security number or other number described in subdivision
- 16 (4)(B) included are confidential. The statement may be filed in person
- 17 or by mail. If the statement is mailed, the mailing must be postmarked
- 18 on or before the last day for filing. The statement applies for that first
- 19 year and any succeeding year for which the deduction is allowed. With
- 20 respect to real property, the statement must be completed and dated in
- 21 the calendar year for which the person desires to obtain the deduction
- 22 and filed with the county auditor on or before January 5 of the
- 23 immediately succeeding calendar year. With respect to a mobile home
- 24 that is not assessed as real property, the person must file the statement
- 25 during the twelve (12) months before March 31 of the year for which
- 26 the person desires to obtain the deduction.
- 27 (f) If an individual who is receiving the deduction provided by this
- 28 section or who otherwise qualifies property for a deduction under this
- 29 section:
- 30 (1) changes the use of the individual's property so that part or all
- 31 of the property no longer qualifies for the deduction under this
- 32 section; or
- 33 (2) is no longer eligible for a deduction under this section on
- 34 another parcel of property because:
- 35 (A) the individual would otherwise receive the benefit of more
- 36 than one (1) deduction under this chapter; or
- 37 (B) the individual maintains the individual's principal place of
- 38 residence with another individual who receives a deduction
- 39 under this section;
- 40 the individual must file a certified statement with the auditor of the
- 41 county, notifying the auditor of the change of use, not more than sixty
- 42 (60) days after the date of that change. An individual who fails to file



1 the statement required by this subsection ~~is~~ **may, under**  
 2 **IC 6-1.1-36-17, be** liable for any additional taxes that would have been  
 3 due on the property if the individual had filed the statement as required  
 4 by this subsection plus a civil penalty equal to ten percent (10%) of the  
 5 additional taxes due. The civil penalty imposed under this subsection  
 6 is in addition to any interest and penalties for a delinquent payment that  
 7 might otherwise be due. One percent (1%) of the total civil penalty  
 8 collected under this subsection shall be transferred by the county to the  
 9 department of local government finance for use by the department in  
 10 establishing and maintaining the homestead property data base under  
 11 subsection (i) and, to the extent there is money remaining, for any other  
 12 purposes of the department. This amount becomes part of the property  
 13 tax liability for purposes of this article.

14 (g) The department of local government finance ~~may shall~~ adopt  
 15 rules or guidelines concerning the application for a deduction under  
 16 this section.

17 (h) This subsection does not apply to property in the first year for  
 18 which a deduction is claimed under this section if the sole reason that  
 19 a deduction is claimed on other property is that the individual or  
 20 married couple maintained a principal residence at the other property  
 21 on ~~March~~ *the assessment date* in the same year in which an  
 22 application for a deduction is filed under this section or, if the  
 23 application is for a homestead that is assessed as personal property, on  
 24 ~~March~~ *the assessment date* in the immediately preceding year and the  
 25 individual or married couple is moving the individual's or married  
 26 couple's principal residence to the property that is the subject of the  
 27 application. Except as provided in subsection (n), the county auditor  
 28 may not grant an individual or a married couple a deduction under this  
 29 section if:

30 (1) the individual or married couple, for the same year, claims the  
 31 deduction on two (2) or more different applications for the  
 32 deduction; and

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

34 (i) The department of local government finance shall provide secure  
 35 access to county auditors to a homestead property data base that  
 36 includes access to the homestead owner's name and the numbers  
 37 required from the homestead owner under subsection (e)(4) for the sole  
 38 purpose of verifying whether an owner is wrongly claiming a deduction  
 39 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or  
 40 ~~IC 6-3.5.~~ **IC 6-3.6-5.**

41 (j) A county auditor may require an individual to provide evidence  
 42 proving that the individual's residence is the individual's principal place



1 of residence as claimed in the certified statement filed under subsection  
 2 (e). The county auditor may limit the evidence that an individual is  
 3 required to submit to a state income tax return, a valid driver's license,  
 4 or a valid voter registration card showing that the residence for which  
 5 the deduction is claimed is the individual's principal place of residence.  
 6 The department of local government finance shall work with county  
 7 auditors to develop procedures to determine whether a property owner  
 8 that is claiming a standard deduction or homestead credit is not eligible  
 9 for the standard deduction or homestead credit because the property  
 10 owner's principal place of residence is outside Indiana.

11 (k) As used in this section, "homestead" includes property that  
 12 satisfies each of the following requirements:

13 (1) The property is located in Indiana and consists of a dwelling  
 14 and the real estate, not exceeding one (1) acre, that immediately  
 15 surrounds that dwelling.

16 (2) The property is the principal place of residence of an  
 17 individual.

18 (3) The property is owned by an entity that is not described in  
 19 subsection (a)(2)(B).

20 (4) The individual residing on the property is a shareholder,  
 21 partner, or member of the entity that owns the property.

22 (5) The property was eligible for the standard deduction under  
 23 this section on March 1, 2009.

24 (l) If a county auditor terminates a deduction for property described  
 25 in subsection (k) with respect to property taxes that are:

26 (1) imposed for an assessment date in 2009; and

27 (2) first due and payable in 2010;

28 on the grounds that the property is not owned by an entity described in  
 29 subsection (a)(2)(B), the county auditor shall reinstate the deduction if  
 30 the taxpayer provides proof that the property is eligible for the  
 31 deduction in accordance with subsection (k) and that the individual  
 32 residing on the property is not claiming the deduction for any other  
 33 property.

34 (m) For assessment dates after 2009, the term "homestead" includes:

35 (1) a deck or patio;

36 (2) a gazebo; or

37 (3) another residential yard structure, as defined in rules *that may*  
 38 *be* adopted by the department of local government finance (other  
 39 than a swimming pool);

40 that is assessed as real property and attached to the dwelling.

41 (n) A county auditor shall grant an individual a deduction under this  
 42 section regardless of whether the individual and the individual's spouse



1 claim a deduction on two (2) different applications and each  
 2 application claims a deduction for different property if the property  
 3 owned by the individual's spouse is located outside Indiana and the  
 4 individual files an affidavit with the county auditor containing the  
 5 following information:

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

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

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

13 (B) That neither the individual nor the individual's spouse has  
 14 an ownership interest in the other's principal place of  
 15 residence.

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

20 A county auditor may require an individual or an individual's spouse to  
 21 provide evidence of the accuracy of the information contained in an  
 22 affidavit submitted under this subsection. The evidence required of the  
 23 individual or the individual's spouse may include state income tax  
 24 returns, excise tax payment information, property tax payment  
 25 information, driver license information, and voter registration  
 26 information.

27 (o) If:

28 (1) a property owner files a statement under subsection (e) to  
 29 claim the deduction provided by this section for a particular  
 30 property; and

31 (2) the county auditor receiving the filed statement determines  
 32 that the property owner's property is not eligible for the deduction;  
 33 the county auditor shall inform the property owner of the county  
 34 auditor's determination in writing. If a property owner's property is not  
 35 eligible for the deduction because the county auditor has determined  
 36 that the property is not the property owner's principal place of  
 37 residence, the property owner may appeal the county auditor's  
 38 determination to the county property tax assessment board of appeals  
 39 as provided in IC 6-1.1-15. The county auditor shall inform the  
 40 property owner of the owner's right to appeal to the county property tax  
 41 assessment board of appeals when the county auditor informs the  
 42 property owner of the county auditor's determination under this



- 1 subsection.
- 2 (p) An individual is entitled to the deduction under this section for
- 3 a homestead for a particular assessment date if:
- 4 (1) either:
- 5 (A) the individual's interest in the homestead as described in
- 6 subsection (a)(2)(B) is conveyed to the individual after the
- 7 assessment date, but within the calendar year in which the
- 8 assessment date occurs; or
- 9 (B) the individual contracts to purchase the homestead after
- 10 the assessment date, but within the calendar year in which the
- 11 assessment date occurs;
- 12 (2) on the assessment date:
- 13 (A) the property on which the homestead is currently located
- 14 was vacant land; or
- 15 (B) the construction of the dwelling that constitutes the
- 16 homestead was not completed; **and**
- 17 (3) either:
- 18 (A) the individual files the certified statement required by
- 19 subsection (e); ~~on or before December 31 of the calendar year~~
- 20 ~~in which the assessment date occurs to claim the deduction~~
- 21 ~~under this section;~~ or
- 22 (B) a sales disclosure form that meets the requirements of
- 23 section 44 of this chapter is submitted to the county assessor
- 24 on or before December 31 of the calendar year for the
- 25 individual's purchase of the homestead. ~~and~~
- 26 ~~(4) the individual files with the county auditor on or before~~
- 27 ~~December 31 of the calendar year in which the assessment date~~
- 28 ~~occurs a statement that:~~
- 29 ~~(A) lists any other property for which the individual would~~
- 30 ~~otherwise receive a deduction under this section for the~~
- 31 ~~assessment date; and~~
- 32 ~~(B) cancels the deduction described in clause (A) for that~~
- 33 ~~property.~~
- 34 An individual who satisfies the requirements of subdivisions (1)
- 35 through ~~(4)~~ (3) is entitled to the deduction under this section for the
- 36 homestead for the assessment date, even if on the assessment date the
- 37 property on which the homestead is currently located was vacant land
- 38 or the construction of the dwelling that constitutes the homestead was
- 39 not completed. The county auditor shall apply the deduction for the
- 40 assessment date and for the assessment date in any later year in which
- 41 the homestead remains eligible for the deduction. A homestead that
- 42 qualifies for the deduction under this section as provided in this



1 subsection is considered a homestead for purposes of section 37.5 of  
 2 this chapter and IC 6-1.1-20.6. *The county auditor shall cancel the*  
 3 *deduction under this section for any property that is located in the*  
 4 *county and is listed on the statement filed by the individual under*  
 5 *subdivision (4). If the property listed on the statement filed under*  
 6 *subdivision (4) is located in another county, the county auditor who*  
 7 *receives the statement shall forward the statement to the county*  
 8 *auditor of that other county, and the county auditor of that other*  
 9 *county shall cancel the deduction under this section for that property.*

10 (q) This subsection applies to an application for the deduction  
 11 provided by this section that is filed for an assessment date occurring  
 12 after December 31, 2013. Notwithstanding any other provision of this  
 13 section, an individual buying a mobile home that is not assessed as real  
 14 property or a manufactured home that is not assessed as real property  
 15 under a contract providing that the individual is to pay the property  
 16 taxes on the mobile home or manufactured home is not entitled to the  
 17 deduction provided by this section unless the parties to the contract  
 18 comply with IC 9-17-6-17.

19 (r) This subsection:

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

23 (2) does not apply to an individual described in subsection (q).

24 The owner of a mobile home that is not assessed as real property or a  
 25 manufactured home that is not assessed as real property must attach a  
 26 copy of the owner's title to the mobile home or manufactured home to  
 27 the application for the deduction provided by this section.

28 (s) For assessment dates after 2013, the term "homestead" includes  
 29 property that is owned by an individual who:

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

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

33 (3) was otherwise eligible, without regard to this subsection, for  
 34 the deduction under this section for the property for the  
 35 assessment date immediately preceding the transfer date specified  
 36 in the order described in subdivision (2).

37 For property to qualify under this subsection for the deduction provided  
 38 by this section, the individual described in subdivisions (1) through (3)  
 39 must submit to the county auditor a copy of the individual's transfer  
 40 orders or other information sufficient to show that the individual was  
 41 ordered to transfer to a location outside Indiana. The property continues  
 42 to qualify for the deduction provided by this section until the individual





1 ceases to be on active duty, the property is sold, or the individual's  
 2 ownership interest is otherwise terminated, whichever occurs first.  
 3 Notwithstanding subsection (a)(2), the property remains a homestead  
 4 regardless of whether the property continues to be the individual's  
 5 principal place of residence after the individual transfers to a location  
 6 outside Indiana. However, the property ceases to qualify as a  
 7 homestead under this subsection if the property is leased while the  
 8 individual is away from Indiana. Property that qualifies as a homestead  
 9 under this subsection shall also be construed as a homestead for  
 10 purposes of section 37.5 of this chapter.

11 SECTION 7. IC 6-1.1-12.1-5, AS AMENDED BY P.L.288-2013,  
 12 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 JULY 1, 2016]: Sec. 5. (a) A property owner who desires to obtain the  
 14 deduction provided by section 3 of this chapter must file a certified  
 15 deduction application, on forms prescribed by the department of local  
 16 government finance, with the auditor of the county in which the  
 17 property is located. Except as otherwise provided in subsection (b) or  
 18 (e), the deduction application must be filed before May 10 of the year  
 19 in which the addition to assessed valuation is made.

20 (b) If notice of the addition to assessed valuation or new assessment  
 21 for any year is not given to the property owner before April 10 of that  
 22 year, the deduction application required by this section may be filed not  
 23 later than thirty (30) days after the date such a notice is mailed to the  
 24 property owner at the address shown on the records of the township or  
 25 county assessor.

26 (c) The deduction application required by this section must contain  
 27 the following information:

- 28 (1) The name of the property owner.
- 29 (2) A description of the property for which a deduction is claimed  
 30 in sufficient detail to afford identification.
- 31 (3) The assessed value of the improvements before rehabilitation.
- 32 (4) The increase in the assessed value of improvements resulting  
 33 from the rehabilitation.
- 34 (5) The assessed value of the new structure in the case of  
 35 redevelopment.
- 36 (6) The amount of the deduction claimed for the first year of the  
 37 deduction.
- 38 (7) If the deduction application is for a deduction in a  
 39 residentially distressed area, the assessed value of the  
 40 improvement or new structure for which the deduction is claimed.

41 (d) A deduction application filed under subsection (a) or (b) is  
 42 applicable for the year in which the addition to assessed value or



1 assessment of a new structure is made and in the following years the  
 2 deduction is allowed without any additional deduction application  
 3 being filed.

4 (e) A property owner who desires to obtain the deduction provided  
 5 by section 3 of this chapter but who has failed to file a deduction  
 6 application within the dates prescribed in subsection (a) or (b) may file  
 7 a deduction application between ~~March~~ **January** 1 and May 10 of a  
 8 subsequent year which shall be applicable for the year filed and the  
 9 subsequent years without any additional deduction application being  
 10 filed for the amounts of the deduction which would be applicable to  
 11 such years pursuant to section 4 of this chapter if such a deduction  
 12 application had been filed in accordance with subsection (a) or (b).

13 (f) Subject to subsection (i), the county auditor shall act as follows:

14 (1) If:

15 (A) a determination about the number of years the deduction  
 16 is allowed has been made in the resolution adopted under  
 17 section 2.5 of this chapter; **and**

18 **(B) an abatement schedule has been established under**  
 19 **section 17 of this chapter;**

20 the county auditor shall make the appropriate deduction.

21 (2) If:

22 (A) a determination about the number of years the deduction  
 23 is allowed has not been made in the resolution adopted under  
 24 section 2.5 of this chapter; **or**

25 **(B) an abatement schedule has not been established under**  
 26 **section 17 of this chapter;**

27 the county auditor shall send a copy of the deduction application  
 28 to the designating body. Upon receipt of the resolution stating the  
 29 number of years the deduction will be allowed **or establishing**  
 30 **the abatement schedule, as applicable**, the county auditor shall  
 31 make the appropriate deduction.

32 (3) If the deduction application is for rehabilitation or  
 33 redevelopment in a residentially distressed area, the county  
 34 auditor shall make the appropriate deduction.

35 (g) The amount and period of the deduction provided for property  
 36 by section 3 of this chapter are not affected by a change in the  
 37 ownership of the property if the new owner of the property:

38 (1) continues to use the property in compliance with any  
 39 standards established under section 2(g) of this chapter; and

40 (2) files an application in the manner provided by subsection (e).

41 (h) The township or county assessor shall include a notice of the  
 42 deadlines for filing a deduction application under subsections (a) and



1 (b) with each notice to a property owner of an addition to assessed  
2 value or of a new assessment.

3 (i) Before the county auditor acts under subsection (f), the county  
4 auditor may request that the township assessor of the township in  
5 which the property is located, or the county assessor if there is no  
6 township assessor for the township, review the deduction application.

7 (j) A property owner may appeal a determination of the county  
8 auditor under subsection (f) to deny or alter the amount of the  
9 deduction by requesting in writing a preliminary conference with the  
10 county auditor not more than forty-five (45) days after the county  
11 auditor gives the person notice of the determination. An appeal  
12 initiated under this subsection is processed and determined in the same  
13 manner that an appeal is processed and determined under IC 6-1.1-15.

14 SECTION 8. IC 6-1.1-12.1-5.3, AS AMENDED BY P.L.146-2008,  
15 SECTION 125, IS AMENDED TO READ AS FOLLOWS  
16 [EFFECTIVE JANUARY 1, 2016 (RETROACTIVE)]: Sec. 5.3. (a) A  
17 property owner that desires to obtain the deduction provided by section  
18 4.8 of this chapter must file a deduction application, on forms  
19 prescribed by the department of local government finance, with the  
20 auditor of the county in which the eligible vacant building is located.  
21 Except as otherwise provided in this section, the deduction application  
22 must be filed before May 10 of the year in which the property owner or  
23 a tenant of the property owner initially occupies the eligible vacant  
24 building.

25 (b) If notice of the assessed valuation or new assessment for a year  
26 is not given to the property owner before April 10 of that year, the  
27 deduction application required by this section may be filed not later  
28 than thirty (30) days after the date the notice is mailed to the property  
29 owner at the address shown on the records of the township or county  
30 assessor.

31 (c) The deduction application required by this section must contain  
32 the following information:

33 (1) The name of the property owner and, if applicable, the  
34 property owner's tenant.

35 (2) A description of the property for which a deduction is claimed.

36 (3) The amount of the deduction claimed for the first year of the  
37 deduction.

38 (4) Any other information required by the department of local  
39 government finance or the designating body.

40 (d) A deduction application filed under this section applies to the  
41 year in which the property owner or a tenant of the property owner  
42 occupies the eligible vacant building and in the following year if the



1 deduction is allowed for a two (2) year period, without an additional  
2 deduction application being filed.

3 (e) A property owner that desires to obtain the deduction provided  
4 by section 4.8 of this chapter but that did not file a deduction  
5 application within the dates prescribed in subsection (a) or (b) may file  
6 a deduction application between ~~March~~ **January** 1 and May 10 of a  
7 subsequent year. A deduction application filed under this subsection  
8 applies to the year in which the deduction application is filed and the  
9 following year if the deduction is allowed for a two (2) year period,  
10 without an additional deduction application being filed. The amount of  
11 the deduction under this subsection is the amount that would have been  
12 applicable to the year under section 4.8 of this chapter if the deduction  
13 application had been filed in accordance with subsection (a) or (b).

14 (f) Subject to subsection (i), the county auditor shall do the  
15 following:

16 (1) If a determination concerning the number of years the  
17 deduction is allowed has been made in the resolution adopted  
18 under section 2.5 of this chapter, the county auditor shall make  
19 the appropriate deduction.

20 (2) If a determination concerning the number of years the  
21 deduction is allowed has not been made in the resolution adopted  
22 under section 2.5 of this chapter, the county auditor shall send a  
23 copy of the deduction application to the designating body. Upon  
24 receipt of the resolution stating the number of years the deduction  
25 will be allowed, the county auditor shall make the appropriate  
26 deduction.

27 (g) The amount and period of the deduction provided by section 4.8  
28 of this chapter are not affected by a change in the ownership of the  
29 eligible vacant building or a change in the property owner's tenant, if  
30 the new property owner or the new tenant:

31 (1) continues to occupy the eligible vacant building in compliance  
32 with any standards established under section 2(g) of this chapter;  
33 and

34 (2) files an application in the manner provided by subsection (e).

35 (h) Before the county auditor acts under subsection (f), the county  
36 auditor may request that the township assessor of the township in  
37 which the eligible vacant building is located, or the county assessor if  
38 there is no township assessor for the township, review the deduction  
39 application.

40 (i) A property owner may appeal a determination of the county  
41 auditor under subsection (f) by requesting in writing a preliminary  
42 conference with the county auditor not more than forty-five (45) days



1 after the county auditor gives the property owner notice of the  
 2 determination. An appeal under this subsection shall be processed and  
 3 determined in the same manner that an appeal is processed and  
 4 determined under IC 6-1.1-15.

5 (j) In addition to the requirements of subsection (c), a property  
 6 owner that files a deduction application under this section must provide  
 7 the county auditor and the designating body with information showing  
 8 the extent to which there has been compliance with the statement of  
 9 benefits approved under section 4.8 of this chapter. This information  
 10 must be included in the deduction application and must also be updated  
 11 each year in which the deduction is applicable:

12 (1) at the same time that the property owner or the property  
 13 owner's tenant files a personal property tax return for property  
 14 located at the eligible vacant building for which the deduction  
 15 was granted; or

16 (2) if subdivision (1) does not apply, before May 15 of each year.

17 (k) The following information is a public record if filed under this  
 18 section:

19 (1) The name and address of the property owner.

20 (2) The location and description of the eligible vacant building for  
 21 which the deduction was granted.

22 (3) Any information concerning the number of employees at the  
 23 eligible vacant building for which the deduction was granted,  
 24 including estimated totals that were provided as part of the  
 25 statement of benefits.

26 (4) Any information concerning the total of the salaries paid to the  
 27 employees described in subdivision (3), including estimated totals  
 28 that are provided as part of the statement of benefits.

29 (5) Any information concerning the assessed value of the eligible  
 30 vacant building, including estimates that are provided as part of  
 31 the statement of benefits.

32 (l) Information concerning the specific salaries paid to individual  
 33 employees by the property owner or tenant is confidential.

34 SECTION 9. IC 6-1.1-15-10.5, AS ADDED BY P.L.244-2015,  
 35 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 JULY 1, 2016]: Sec. 10.5. (a) The fiscal officer of a taxing unit may  
 37 establish a separate fund known as the property tax assessment appeals  
 38 fund to hold property tax receipts that are attributable to an increase in  
 39 the taxing unit's tax rate caused by a reduction in the taxing unit's net  
 40 assessed value under IC 6-1.1-17-0.5.

41 **(b) A taxing unit may transfer property tax receipts from a fund**  
 42 **that is not a debt service fund to the taxing unit's property tax**



1 **assessment appeals fund. A taxing unit may not transfer property**  
 2 **tax receipts from a debt service fund to the taxing unit's property**  
 3 **tax assessment appeals fund.**

4 ~~(b)~~ **(c) A taxing unit may use** money in a ~~the~~ taxing unit's property  
 5 tax assessment appeals fund ~~may be used~~ only to pay the following:

6 (1) Expenses incurred by a county assessor in defending appeals  
 7 prosecuted under this chapter with respect to property located in  
 8 the taxing unit.

9 (2) Refunds under section 11 of this chapter.

10 ~~(c)~~ **(d)** The balance in a taxing unit's property tax assessment  
 11 appeals fund may not exceed five percent (5%) of the amount budgeted  
 12 by the taxing unit for a particular year.

13 ~~(d)~~ **(e)** Money ~~deposited in~~ **transferred to** a taxing unit's property  
 14 tax assessment appeals fund is not considered miscellaneous revenue.  
 15 Both the taxing unit and the department of local government finance  
 16 shall disregard any balance in the taxing unit's property tax assessment  
 17 appeals fund in the determination of the taxing unit's property tax levy,  
 18 property tax rate, and budget (except for appropriations for the  
 19 purposes permitted by subsection ~~(b)~~ **(c)**) for a particular calendar  
 20 year.

21 **(f) Property tax receipts that qualify as levy excess under**  
 22 **IC 6-1.1-18.5-17 and IC 20-44-3 must be treated as levy excess and**  
 23 **are not eligible for transfer to a taxing unit's property tax**  
 24 **assessment appeals fund.**

25 SECTION 10. IC 6-1.1-18.5-7, AS AMENDED BY  
 26 P.L.182-2009(ss), SECTION 126, IS AMENDED TO READ AS  
 27 FOLLOWS [EFFECTIVE JANUARY 1, 2016 (RETROACTIVE)]:  
 28 Sec. 7. (a) A civil taxing unit is not subject to the levy limits imposed  
 29 by section 3 of this chapter for an ensuing calendar year if the civil  
 30 taxing unit did not adopt an ad valorem property tax levy for the  
 31 immediately preceding calendar year.

32 (b) If under subsection (a) a civil taxing unit is not subject to the  
 33 levy limits imposed under section 3 of this chapter for a calendar year,  
 34 the civil taxing unit shall refer its proposed budget, ad valorem  
 35 property tax levy, and property tax rate for that calendar year to the  
 36 department of local government finance. The department of local  
 37 government finance shall make a final determination of the civil taxing  
 38 unit's budget, ad valorem property tax levy, and property tax rate for  
 39 that calendar year. However, a civil taxing unit may not impose a  
 40 property tax levy for a year if the unit did not exist as of ~~March~~  
 41 **January** 1 of the preceding year.

42 SECTION 11. IC 6-1.1-18.5-8.1 IS REPEALED [EFFECTIVE



1 JULY 1, 2016]. Sec. 8.1: (a) This section applies to a township that is  
 2 allowed an increase in its maximum permissible ad valorem property  
 3 tax levy under section 13(c) of this chapter for property taxes first due  
 4 and payable in 2014:

5 (b) The property tax levy limit imposed under section 3 of this  
 6 chapter on the township may be exceeded in calendar years 2014;  
 7 2015; and 2016 by:

8 (1) the amount of ad valorem property taxes imposed by the  
 9 township to repay money borrowed under IC 36-6-6-14(f); or

10 (2) the amount of ad valorem property taxes imposed by the  
 11 township to repay money borrowed under IC 36-6-6-14(b) in  
 12 2012 or 2013;

13 but not both:

14 (c) For purposes of computing the ad valorem property tax levy limit  
 15 imposed on a township under section 3 of this chapter, the township's  
 16 ad valorem property tax levy for a particular calendar year does not  
 17 include that part of the levy imposed to repay money borrowed under  
 18 IC 36-6-6-14(f).

19 SECTION 12. IC 6-1.1-18.5-13, AS AMENDED BY P.L.245-2015,  
 20 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21 JULY 1, 2016]: Sec. 13. (a) With respect to an appeal filed under  
 22 section 12 of this chapter, the department may find that a civil taxing  
 23 unit should receive any one (1) or more of the following types of relief:

24 (1) Permission to the civil taxing unit to increase its levy in excess  
 25 of the limitations established under section 3 of this chapter, if in  
 26 the judgment of the department the increase is reasonably  
 27 necessary due to increased costs of the civil taxing unit resulting  
 28 from annexation, consolidation, or other extensions of  
 29 governmental services by the civil taxing unit to additional  
 30 geographic areas. ~~or persons:~~ With respect to annexation,  
 31 consolidation, or other extensions of governmental services in a  
 32 calendar year, if those increased costs are incurred by the civil  
 33 taxing unit in that calendar year and more than one (1)  
 34 immediately succeeding calendar year, the unit may appeal under  
 35 section 12 of this chapter for permission to increase its levy under  
 36 this subdivision based on those increased costs in any of the  
 37 following:

38 (A) The first calendar year in which those costs are incurred.

39 (B) One (1) or more of the immediately succeeding four (4)  
 40 calendar years.

41 (2) ~~A levy increase may not be granted under this subdivision for~~  
 42 ~~property taxes first due and payable after December 31, 2008:~~



1 Permission to the civil taxing unit to increase its levy in excess of  
 2 the limitations established under section 3 of this chapter, if the  
 3 local government tax control board finds that the civil taxing unit  
 4 needs the increase to meet the civil taxing unit's share of the costs  
 5 of operating a court established by statute enacted after December  
 6 31, 1973. Before recommending such an increase, the local  
 7 government tax control board shall consider all other revenues  
 8 available to the civil taxing unit that could be applied for that  
 9 purpose. The maximum aggregate levy increases that the local  
 10 government tax control board may recommend for a particular  
 11 court equals the civil taxing unit's estimate of the unit's share of  
 12 the costs of operating a court for the first full calendar year in  
 13 which it is in existence. For purposes of this subdivision, costs of  
 14 operating a court include:

15 (A) the cost of personal services (including fringe benefits);

16 (B) the cost of supplies; and

17 (C) any other cost directly related to the operation of the court.

18 (3) (2) Permission to the civil taxing unit to increase its levy in  
 19 excess of the limitations established under section 3 of this  
 20 chapter, if the department finds that the quotient determined  
 21 under STEP SIX of the following formula is equal to or greater  
 22 than one and two-hundredths (1.02):

23 STEP ONE: Determine the three (3) calendar years that most  
 24 immediately precede the ensuing calendar year and in which  
 25 a statewide general reassessment of real property under  
 26 IC 6-1.1-4-4 does not first become effective.

27 STEP TWO: Compute separately, for each of the calendar  
 28 years determined in STEP ONE, the quotient (rounded to the  
 29 nearest ten-thousandth (0.0001)) of the sum of the civil taxing  
 30 unit's total assessed value of all taxable property and:

31 (i) for a particular calendar year before 2007, the total  
 32 assessed value of property tax deductions in the unit under  
 33 IC 6-1.1-12-41 (repealed) or IC 6-1.1-12-42 in the particular  
 34 calendar year; or

35 (ii) for a particular calendar year after 2006, the total  
 36 assessed value of property tax deductions that applied in the  
 37 unit under IC 6-1.1-12-42 in 2006 plus for a particular  
 38 calendar year after 2009, the total assessed value of property  
 39 tax deductions that applied in the unit under  
 40 IC 6-1.1-12-37.5 in 2008;

41 divided by the sum determined under this STEP for the  
 42 calendar year immediately preceding the particular calendar





1 year.

2 STEP THREE: Divide the sum of the three (3) quotients  
 3 computed in STEP TWO by three (3).

4 STEP FOUR: Compute separately, for each of the calendar  
 5 years determined in STEP ONE, the quotient (rounded to the  
 6 nearest ten-thousandth (0.0001)) of the sum of the total  
 7 assessed value of all taxable property in all counties and:

8 (i) for a particular calendar year before 2007, the total  
 9 assessed value of property tax deductions in all counties  
 10 under IC 6-1.1-12-41 (repealed) or IC 6-1.1-12-42 in the  
 11 particular calendar year; or

12 (ii) for a particular calendar year after 2006, the total  
 13 assessed value of property tax deductions that applied in all  
 14 counties under IC 6-1.1-12-42 in 2006 plus for a particular  
 15 calendar year after 2009, the total assessed value of property  
 16 tax deductions that applied in the unit under  
 17 IC 6-1.1-12-37.5 in 2008;

18 divided by the sum determined under this STEP for the  
 19 calendar year immediately preceding the particular calendar  
 20 year.

21 STEP FIVE: Divide the sum of the three (3) quotients  
 22 computed in STEP FOUR by three (3).

23 STEP SIX: Divide the STEP THREE amount by the STEP  
 24 FIVE amount.

25 The civil taxing unit may increase its levy by a percentage not  
 26 greater than the percentage by which the STEP THREE amount  
 27 exceeds the percentage by which the civil taxing unit may  
 28 increase its levy under section 3 of this chapter based on the  
 29 assessed value growth quotient determined under section 2 of this  
 30 chapter.

31 ~~(4) A levy increase may not be granted under this subdivision for~~  
 32 ~~property taxes first due and payable after December 31, 2008.~~  
 33 ~~Permission to the civil taxing unit to increase its levy in excess of~~  
 34 ~~the limitations established under section 3 of this chapter, if the~~  
 35 ~~local government tax control board finds that the civil taxing unit~~  
 36 ~~needs the increase to pay the costs of furnishing fire protection for~~  
 37 ~~the civil taxing unit through a volunteer fire department. For~~  
 38 ~~purposes of determining a township's need for an increased levy;~~  
 39 ~~the local government tax control board shall not consider the~~  
 40 ~~amount of money borrowed under IC 36-6-6-14 during the~~  
 41 ~~immediately preceding calendar year. However, any increase in~~  
 42 ~~the amount of the civil taxing unit's levy recommended by the~~



1 local government tax control board under this subdivision for the  
2 ensuing calendar year may not exceed the lesser of:

3 (A) ten thousand dollars (\$10,000); or

4 (B) twenty percent (20%) of:

5 (i) the amount authorized for operating expenses of a  
6 volunteer fire department in the budget of the civil taxing  
7 unit for the immediately preceding calendar year; plus

8 (ii) the amount of any additional appropriations authorized  
9 during that calendar year for the civil taxing unit's use in  
10 paying operating expenses of a volunteer fire department  
11 under this chapter; minus

12 (iii) the amount of money borrowed under IC 36-6-6-14  
13 during that calendar year for the civil taxing unit's use in  
14 paying operating expenses of a volunteer fire department.

15 (5) A levy increase may not be granted under this subdivision for  
16 property taxes first due and payable after December 31, 2008.  
17 Permission to a civil taxing unit to increase its levy in excess of  
18 the limitations established under section 3 of this chapter in order  
19 to raise revenues for pension payments and contributions the civil  
20 taxing unit is required to make under IC 36-8. The maximum  
21 increase in a civil taxing unit's levy that may be recommended  
22 under this subdivision for an ensuing calendar year equals the  
23 amount, if any, by which the pension payments and contributions  
24 the civil taxing unit is required to make under IC 36-8 during the  
25 ensuing calendar year exceeds the product of one and one-tenth  
26 (1.1) multiplied by the pension payments and contributions made  
27 by the civil taxing unit under IC 36-8 during the calendar year that  
28 immediately precedes the ensuing calendar year. For purposes of  
29 this subdivision, "pension payments and contributions made by a  
30 civil taxing unit" does not include that part of the payments or  
31 contributions that are funded by distributions made to a civil  
32 taxing unit by the state.

33 (6) A levy increase may not be granted under this subdivision for  
34 property taxes first due and payable after December 31, 2008.  
35 Permission to increase its levy in excess of the limitations  
36 established under section 3 of this chapter if the local government  
37 tax control board finds that:

38 (A) the township's township assistance ad valorem property  
39 tax rate is less than one and sixty-seven hundredths cents  
40 (\$0.0167) per one hundred dollars (\$100) of assessed  
41 valuation; and

42 (B) the township needs the increase to meet the costs of



1 providing township assistance under IC 12-20 and IC 12-30-4.  
 2 The maximum increase that the board may recommend for a  
 3 township is the levy that would result from an increase in the  
 4 township's township assistance ad valorem property tax rate of  
 5 one and sixty-seven hundredths cents (\$0.0167) per one hundred  
 6 dollars (\$100) of assessed valuation minus the township's ad  
 7 valorem property tax rate per one hundred dollars (\$100) of  
 8 assessed valuation before the increase.

9 (7) A levy increase may not be granted under this subdivision for  
 10 property taxes first due and payable after December 31, 2008.  
 11 Permission to a civil taxing unit to increase its levy in excess of  
 12 the limitations established under section 3 of this chapter if:

13 (A) the increase has been approved by the legislative body of  
 14 the municipality with the largest population where the civil  
 15 taxing unit provides public transportation services; and

16 (B) the local government tax control board finds that the civil  
 17 taxing unit needs the increase to provide adequate public  
 18 transportation services.

19 The local government tax control board shall consider tax rates  
 20 and levies in civil taxing units of comparable population, and the  
 21 effect (if any) of a loss of federal or other funds to the civil taxing  
 22 unit that might have been used for public transportation purposes.  
 23 However, the increase that the board may recommend under this  
 24 subdivision for a civil taxing unit may not exceed the revenue that  
 25 would be raised by the civil taxing unit based on a property tax  
 26 rate of one cent (\$0.01) per one hundred dollars (\$100) of  
 27 assessed valuation.

28 (8) A levy increase may not be granted under this subdivision for  
 29 property taxes first due and payable after December 31, 2008.  
 30 Permission to a civil taxing unit to increase the unit's levy in  
 31 excess of the limitations established under section 3 of this  
 32 chapter if the local government tax control board finds that:

33 (A) the civil taxing unit is:

34 (i) a county having a population of more than one hundred  
 35 seventy thousand (170,000) but less than one hundred  
 36 seventy-five thousand (175,000);

37 (ii) a city having a population of more than sixty-five  
 38 thousand (65,000) but less than seventy thousand (70,000);

39 (iii) a city having a population of more than twenty-nine  
 40 thousand five hundred (29,500) but less than twenty-nine  
 41 thousand six hundred (29,600);

42 (iv) a city having a population of more than thirteen



1 thousand four hundred fifty (13,450) but less than thirteen  
2 thousand five hundred (13,500); or

3 (v) a city having a population of more than eight thousand  
4 seven hundred (8,700) but less than nine thousand (9,000);  
5 and

6 (B) the increase is necessary to provide funding to undertake  
7 removal (as defined in IC 13-11-2-187) and remedial action  
8 (as defined in IC 13-11-2-185) relating to hazardous  
9 substances (as defined in IC 13-11-2-98) in solid waste  
10 disposal facilities or industrial sites in the civil taxing unit that  
11 have become a menace to the public health and welfare.

12 The maximum increase that the local government tax control  
13 board may recommend for such a civil taxing unit is the levy that  
14 would result from a property tax rate of six and sixty-seven  
15 hundredths cents (\$.0667) for each one hundred dollars (\$100)  
16 of assessed valuation. For purposes of computing the ad valorem  
17 property tax levy limit imposed on a civil taxing unit under  
18 section 3 of this chapter, the civil taxing unit's ad valorem  
19 property tax levy for a particular year does not include that part of  
20 the levy imposed under this subdivision. In addition, a property  
21 tax increase permitted under this subdivision may be imposed for  
22 only two (2) calendar years.

23 (9) A levy increase may not be granted under this subdivision for  
24 property taxes first due and payable after December 31, 2008.  
25 Permission for a county:

26 (A) having a population of more than eighty thousand (80,000)  
27 but less than ninety thousand (90,000) to increase the county's  
28 levy in excess of the limitations established under section 3 of  
29 this chapter, if the local government tax control board finds  
30 that the county needs the increase to meet the county's share of  
31 the costs of operating a jail or juvenile detention center,  
32 including expansion of the facility, if the jail or juvenile  
33 detention center is opened after December 31, 1991;

34 (B) that operates a county jail or juvenile detention center that  
35 is subject to an order that:

- 36 (i) was issued by a federal district court; and
- 37 (ii) has not been terminated;

38 (C) that operates a county jail that fails to meet:

- 39 (i) American Correctional Association Jail Construction  
40 Standards; and
- 41 (ii) Indiana jail operation standards adopted by the  
42 department of correction; or



- 1 (D) that operates a juvenile detention center that fails to meet  
 2 standards equivalent to the standards described in clause (C)  
 3 for the operation of juvenile detention centers:  
 4 Before recommending an increase, the local government tax  
 5 control board shall consider all other revenues available to the  
 6 county that could be applied for that purpose. An appeal for  
 7 operating funds for a jail or a juvenile detention center shall be  
 8 considered individually; if a jail and juvenile detention center are  
 9 both opened in one (1) county. The maximum aggregate levy  
 10 increases that the local government tax control board may  
 11 recommend for a county equals the county's share of the costs of  
 12 operating the jail or a juvenile detention center for the first full  
 13 calendar year in which the jail or juvenile detention center is in  
 14 operation.  
 15 (10) A levy increase may not be granted under this subdivision for  
 16 property taxes first due and payable after December 31, 2008.  
 17 Permission for a township to increase its levy in excess of the  
 18 limitations established under section 3 of this chapter, if the local  
 19 government tax control board finds that the township needs the  
 20 increase so that the property tax rate to pay the costs of furnishing  
 21 fire protection for a township, or a portion of a township, enables  
 22 the township to pay a fair and reasonable amount under a contract  
 23 with the municipality that is furnishing the fire protection.  
 24 However, for the first time an appeal is granted the resulting rate  
 25 increase may not exceed fifty percent (50%) of the difference  
 26 between the rate imposed for fire protection within the  
 27 municipality that is providing the fire protection to the township  
 28 and the township's rate. A township is required to appeal a second  
 29 time for an increase under this subdivision if the township wants  
 30 to further increase its rate. However, a township's rate may be  
 31 increased to equal but may not exceed the rate that is used by the  
 32 municipality. More than one (1) township served by the same  
 33 municipality may use this appeal.  
 34 (11) Permission to a city having a population of more than  
 35 thirty-one thousand five hundred (31,500) but less than thirty-one  
 36 thousand seven hundred twenty-five (31,725) to increase its levy  
 37 in excess of the limitations established under section 3 of this  
 38 chapter if:  
 39 (A) an appeal was granted to the city under this section to  
 40 reallocate property tax replacement credits under IC 6-3.5-1.1  
 41 in 1998, 1999, and 2000; and  
 42 (B) the increase has been approved by the legislative body of



- 1           the city, and the legislative body of the city has by resolution  
 2           determined that the increase is necessary to pay normal  
 3           operating expenses:  
 4           The maximum amount of the increase is equal to the amount of  
 5           property tax replacement credits under IC 6-3.5-1.1 that the city  
 6           petitioned under this section to have reallocated in 2001 for a  
 7           purpose other than property tax relief.  
 8           ~~(12)~~ (3) A levy increase may be granted under this subdivision  
 9           only for property taxes first due and payable after December 31,  
 10          2008. Permission to a civil taxing unit to increase its levy in  
 11          excess of the limitations established under section 3 of this  
 12          chapter if the civil taxing unit cannot carry out its governmental  
 13          functions for an ensuing calendar year under the levy limitations  
 14          imposed by section 3 of this chapter due to a natural disaster, an  
 15          accident, or another unanticipated emergency.  
 16          ~~(13)~~ Permission to Jefferson County to increase its levy in excess  
 17          of the limitations established under section 3 of this chapter if the  
 18          department finds that the county experienced a property tax  
 19          revenue shortfall that resulted from an erroneous estimate of the  
 20          effect of the supplemental deduction under IC 6-1.1-12-37.5 on  
 21          the county's assessed valuation. An appeal for a levy increase  
 22          under this subdivision may not be denied because of the amount  
 23          of cash balances in county funds. The maximum increase in the  
 24          county's levy that may be approved under this subdivision is three  
 25          hundred thousand dollars (\$300,000).  
 26          (b) The department of local government finance shall increase the  
 27          maximum permissible ad valorem property tax levy under section 3 of  
 28          this chapter for the city of Goshen for 2012 and thereafter by an  
 29          amount equal to the greater of zero (0) or the result of:  
 30          (1) the city's total pension costs in 2009 for the 1925 police  
 31          pension fund (IC 36-8-6) and the 1937 firefighters' pension fund  
 32          (IC 36-8-7); minus  
 33          (2) the sum of:  
 34                  (A) the total amount of state funds received in 2009 by the city  
 35                  and used to pay benefits to members of the 1925 police  
 36                  pension fund (IC 36-8-6) or the 1937 firefighters' pension fund  
 37                  (IC 36-8-7); plus  
 38                  (B) any previous permanent increases to the city's levy that  
 39                  were authorized to account for the transfer to the state of the  
 40                  responsibility to pay benefits to members of the 1925 police  
 41                  pension fund (IC 36-8-6) and the 1937 firefighters' pension  
 42                  fund (IC 36-8-7).



1 (c) In calendar year 2013, the department of local government  
2 finance shall allow a township to increase its maximum permissible ad  
3 valorem property tax levy in excess of the limitations established under  
4 section 3 of this chapter, if the township:

5 (1) petitions the department for the levy increase on a form  
6 prescribed by the department; and

7 (2) submits proof of the amount borrowed in 2012 or 2013, but  
8 not both, under IC 36-6-6-14 to furnish fire protection for the  
9 township or a part of the township.

10 The maximum increase in a township's levy that may be allowed under  
11 this subsection is the amount borrowed by the township under  
12 IC 36-6-6-14 in the year for which proof was submitted under  
13 subdivision (2). An increase allowed under this subsection applies to  
14 property taxes first due and payable after December 31, 2013.

15 SECTION 13. IC 6-1.1-18.5-13.5 IS REPEALED [EFFECTIVE  
16 JULY 1, 2016]. Sec. 13.5: A levy increase may not be granted under  
17 this section for property taxes first due and payable after December 31,  
18 2009. With respect to an appeal filed under section 12 of this chapter,  
19 the department of local government finance may give permission to a  
20 town having a population of more than three hundred (300) but less  
21 than four hundred (400) located in a county having a population of  
22 more than sixty-eight thousand nine hundred (68,900) but less than  
23 seventy thousand (70,000) to increase its levy in excess of the  
24 limitations established under section 3 of this chapter, if the department  
25 finds that the town needs the increase to pay the costs of furnishing fire  
26 protection for the town. However, any increase in the amount of the  
27 town's levy under this section for the ensuing calendar year may not  
28 exceed the greater of:

29 (1) twenty-five thousand dollars (\$25,000); or

30 (2) twenty percent (20%) of the sum of:

31 (A) the amount authorized for the cost of furnishing fire  
32 protection in the town's budget for the immediately preceding  
33 calendar year; plus

34 (B) the amount of any additional appropriations authorized  
35 under IC 6-1.1-18-5 during that calendar year for the town's  
36 use in paying the costs of furnishing fire protection.

37 SECTION 14. IC 6-1.1-18.5-13.6 IS REPEALED [EFFECTIVE  
38 JULY 1, 2016]. Sec. 13.6: A levy increase may not be granted under  
39 this section for property taxes first due and payable after December 31,  
40 2008. For an appeal filed under section 12 of this chapter, the  
41 department of local government finance may give permission to a  
42 county to increase its levy in excess of the limitations established under



1 section 3 of this chapter if the department finds that the county needs  
2 the increase to pay for:

3 (1) a new voting system; or

4 (2) the expansion or upgrade of an existing voting system;

5 under IC 3-11-6.

6 SECTION 15. IC 6-1.1-30-14.5 IS AMENDED TO READ AS  
7 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 14.5. The department  
8 of local government finance ~~shall~~ **may** adopt rules under IC 4-22-2 to  
9 limit the basis of payment for services provided by all professionals,  
10 including but not limited to attorneys, architects, and construction  
11 managers, who work on capital projects, to a fee for service agreement  
12 and may not adopt a rule authorizing the basis of payment for the  
13 services to be a percentage of the cost of the capital project.

14 SECTION 16. IC 6-1.1-31-2 IS AMENDED TO READ AS  
15 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. **(a)** The department  
16 of local government finance may:

17 **(1) promulgate rules in the manner prescribed in IC 4-22-2;**  
18 **and**

19 **(2) prescribe forms, including** property tax forms, property tax  
20 returns, and notice forms. ~~in the manner prescribed in IC 4-22-2.~~  
21 ~~However, the department of local government finance may, at any~~  
22 ~~time, make a nonsubstantive change in a promulgated property~~  
23 ~~tax form or return if the change is advisable because of the special~~  
24 ~~nature of equipment which is available in a particular county.~~

25 **(b) The department of local government finance may, through**  
26 **the Indiana archives and records administration, amend at any**  
27 **time the forms that the department of local government finance**  
28 **prescribes under section.**

29 **(c) The department of local government finance may enforce the**  
30 **use of forms that the department of local government finance**  
31 **prescribes under this section.**

32 **(d) Forms that were prescribed by the department of local**  
33 **government finance and approved by the Indiana archives and**  
34 **records administration before July 1, 2016, are legalized and**  
35 **validated.**

36 SECTION 17. IC 6-1.1-33.5-3, AS AMENDED BY P.L.257-2013,  
37 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
38 JULY 1, 2016]: Sec. 3. The division of data analysis shall:

39 (1) conduct continuing studies in the areas in which the  
40 department of local government finance operates;

41 (2) make periodic field surveys and audits of:

42 (A) tax rolls;





- 1 (B) plat books;
- 2 (C) building permits;
- 3 (D) real estate transfers; and
- 4 (E) other data that may be useful in checking property
- 5 valuations or taxpayer returns;
- 6 (3) ~~make assist with the department of local government~~
- 7 **finance's** test checks of property valuations to serve as the basis
- 8 for special reassessments under this article;
- 9 (4) ~~conduct annually a~~ **assist with the department of local**
- 10 **government finance's** review of each coefficient of dispersion
- 11 study for each township and county;
- 12 (5) ~~conduct annually a~~ **assist with the department of local**
- 13 **government finance's** review of each sales assessment ratio
- 14 study for each township and county; and
- 15 (6) report annually to the executive director of the legislative
- 16 services agency, in an electronic format under IC 5-14-6, the
- 17 information obtained or determined under this section for use by
- 18 the executive director and the general assembly, including:
- 19 (A) all information obtained by the division of data analysis
- 20 from units of local government; and
- 21 (B) all information included in:
- 22 (i) the local government data base; and
- 23 (ii) any other data compiled by the division of data analysis.
- 24 SECTION 18. IC 6-1.1-36-7, AS AMENDED BY P.L.172-2011,
- 25 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 26 JULY 1, 2016]: Sec. 7. (a) The department of local government finance
- 27 may cancel any property taxes, **delinquencies, fees, special**
- 28 **assessments, and penalties** assessed against real property owned by
- 29 a county, a township, a city, a town, or a body corporate and politic
- 30 established under IC 8-10-5-2(a), **regardless of whether the county,**
- 31 **township, city, town, or body corporate and politic established**
- 32 **under IC 8-10-5-2(a) owned the property on the assessment date**
- 33 **for which the property taxes, delinquencies, fees, special**
- 34 **assessments, or penalties are imposed and regardless of when the**
- 35 **county, township, city, town, or body corporate and politic**
- 36 **established under IC 8-10-5-2(a) acquired the property,** if a petition
- 37 requesting that the department cancel the taxes is submitted by the
- 38 auditor, assessor, and treasurer of the county in which the real property
- 39 is located.
- 40 (b) The department of local government finance may cancel any
- 41 property taxes, **delinquencies, fees, special assessments, and**
- 42 **penalties** assessed against real property owned by this state, **regardless**



1 **of whether the state owned the property on the assessment date for**  
 2 **which the property taxes, delinquencies, fees, special assessments,**  
 3 **or penalties are imposed and regardless of when the state acquired**  
 4 **the property**, if a petition requesting that the department cancel the  
 5 taxes is submitted by:

- 6 (1) the governor; or  
 7 (2) the chief administrative officer of the state agency which  
 8 supervises the real property.

9 However, if the petition is submitted by the chief administrative officer  
 10 of a state agency, the governor must approve the petition.

11 (c) The department of local government finance may compromise  
 12 the amount of property taxes, together with any interest or penalties on  
 13 those taxes, assessed against the fixed or distributable property owned  
 14 by a bankrupt railroad, which is under the jurisdiction of:

- 15 (1) a federal court under 11 U.S.C. 1163;  
 16 (2) Chapter X of the Acts of Congress Relating to Bankruptcy (11  
 17 U.S.C. 701-799); or  
 18 (3) a comparable bankruptcy law.

19 (d) After making a compromise under subsection (c) and after  
 20 receiving payment of the compromised amount, the department of local  
 21 government finance shall distribute to each county treasurer an amount  
 22 equal to the product of:

- 23 (1) the compromised amount; multiplied by  
 24 (2) a fraction, the numerator of which is the total of the particular  
 25 county's property tax levies against the railroad for the  
 26 compromised years, and the denominator of which is the total of  
 27 all property tax levies against the railroad for the compromised  
 28 years.

29 (e) After making the distribution under subsection (d), the  
 30 department of local government finance shall direct the auditors of  
 31 each county to remove from the tax rolls the amount of all property  
 32 taxes assessed against the bankrupt railroad for the compromised years.

33 (f) The county auditor of each county receiving money under  
 34 subsection (d) shall allocate that money among the county's taxing  
 35 districts. The auditor shall allocate to each taxing district an amount  
 36 equal to the product of:

- 37 (1) the amount of money received by the county under subsection  
 38 (d); multiplied by  
 39 (2) a fraction, the numerator of which is the total of the taxing  
 40 district's property tax levies against the railroad for the  
 41 compromised years, and the denominator of which is the total of  
 42 all property tax levies against the railroad in that county for the



1           compromised years.

2           (g) The money allocated to each taxing district shall be apportioned  
3 and distributed among the taxing units of that taxing district in the  
4 same manner and at the same time that property taxes are apportioned  
5 and distributed.

6           (h) The department of local government finance may, with the  
7 approval of the attorney general, compromise the amount of property  
8 taxes, together with any interest or penalties on those taxes, assessed  
9 against property owned by a person that has a case pending under state  
10 or federal bankruptcy law. Property taxes that are compromised under  
11 this section shall be distributed and allocated at the same time and in  
12 the same manner as regularly collected property taxes. The department  
13 of local government finance may compromise property taxes under this  
14 subsection only if:

15           (1) a petition is filed with the department of local government  
16 finance that requests the compromise and is signed and approved  
17 by the assessor, auditor, and treasurer of each county and the  
18 assessor of each township (if any) that is entitled to receive any  
19 part of the compromised taxes;

20           (2) the compromise significantly advances the time of payment of  
21 the taxes; and

22           (3) the compromise is in the best interest of the state and the  
23 taxing units that are entitled to receive any part of the  
24 compromised taxes.

25           (i) A taxing unit that receives funds under this section is not  
26 required to include the funds in its budget estimate for any budget year  
27 which begins after the budget year in which it receives the funds.

28           (j) A county treasurer, with the consent of the county auditor and the  
29 county assessor, may compromise the amount of property taxes,  
30 interest, or penalties owed in a county by an entity that has a case  
31 pending under Title 11 of the United States Code (Bankruptcy Code)  
32 by accepting a single payment that must be at least seventy-five percent  
33 (75%) of the total amount owed in the county.

34           SECTION 19. IC 6-1.1-36-17, AS AMENDED BY P.L.5-2015,  
35 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
36 JULY 1, 2016]: Sec. 17. (a) As used in this section, "nonreverting  
37 fund" refers to a nonreverting fund established under subsection ~~(c)~~  
38 **(d)**.

39           **(b) Each If a county auditor that makes a determination that**  
40 **property was not eligible for a standard deduction under IC 6-1.1-12-37**  
41 **in a particular year within three (3) years after the date on which**  
42 **taxes for the particular year are first due, the county auditor may**



1 issue a notice of taxes, interest, and penalties due to the owner that  
 2 improperly received the standard deduction and include a  
 3 statement that the payment is to be made payable to the county  
 4 auditor. The notice must require full payment of the amount owed  
 5 within thirty (30) days. The additional taxes and civil penalties that  
 6 result from the removal of the deduction, if any, are imposed for  
 7 property taxes first due and payable for an assessment date  
 8 occurring before the earlier of the date of the notation made under  
 9 subsection (c)(2)(A) or the date a notice of an ineligible homestead  
 10 lien is recorded under subsection (e)(2) in the office of the county  
 11 recorder. With respect to property subject to a determination  
 12 made under this subsection that is owned by a bona fide purchaser  
 13 without knowledge of the determination, no lien attaches for any  
 14 additional taxes and civil penalties that result from the removal of  
 15 the deduction.

16 (c) If a county auditor issues a notice of taxes, interest, and  
 17 penalties due to an owner under subsection (b), the county auditor  
 18 shall:

- 19 (1) notify the county treasurer of the determination; and  
 20 (2) do one (1) or more of the following:  
 21 (A) Make a notation on the tax duplicate that the property is  
 22 ineligible for the standard deduction and indicate the date the  
 23 notation is made.  
 24 (B) Record a notice of an ineligible homestead lien under  
 25 subsection ~~(d)(2)~~: (e)(2).

26 The county auditor shall issue a notice of taxes, interest, and penalties  
 27 due to the owner that improperly received the standard deduction and  
 28 include a statement that the payment is to be made payable to the  
 29 county auditor. The notice must require full payment of the amount  
 30 owed within thirty (30) days. The additional taxes and civil penalties  
 31 that result from the removal of the deduction, if any, are imposed for  
 32 property taxes first due and payable for an assessment date occurring  
 33 before the earlier of the date of the notation made under subdivision  
 34 (2)(A) or the date a notice of an ineligible homestead lien is recorded  
 35 under subsection ~~(d)(2)~~ in the office of the county recorder. With  
 36 respect to property subject to a determination made under this  
 37 subsection that is owned by a bona fide purchaser without knowledge  
 38 of the determination, no lien attaches for any additional taxes and civil  
 39 penalties that result from the removal of the deduction.

40 ~~(e)~~ (d) Each county auditor shall establish a nonreverting fund.  
 41 Upon collection of the adjustment in tax due (and any interest and  
 42 penalties on that amount) after the termination of a deduction or credit



1 as specified in subsection (b), the county treasurer shall deposit that  
2 amount:

3 (1) in the nonreverting fund, if the county contains a consolidated  
4 city; or

5 (2) if the county does not contain a consolidated city:

6 (A) in the nonreverting fund, to the extent that the amount  
7 collected, after deducting the direct cost of any contract,  
8 including contract related expenses, under which the  
9 contractor is required to identify homestead deduction  
10 eligibility, does not cause the total amount deposited in the  
11 nonreverting fund under this subsection for the year during  
12 which the amount is collected to exceed one hundred thousand  
13 dollars (\$100,000); or

14 (B) in the county general fund, to the extent that the amount  
15 collected exceeds the amount that may be deposited in the  
16 nonreverting fund under clause (A).

17 ~~(d)~~ (e) Any part of the amount due under subsection (b) that is not  
18 collected by the due date is subject to collection under one (1) or more  
19 of the following:

20 (1) After being placed on the tax duplicate for the affected  
21 property and collected in the same manner as other property taxes.

22 (2) Through a notice of an ineligible homestead lien recorded in  
23 the county recorder's office without charge.

24 The adjustment in tax due (and any interest and penalties on that  
25 amount) after the termination of a deduction or credit as specified in  
26 subsection (b) shall be deposited as specified in subsection ~~(e)~~ (d) only  
27 in the first year in which that amount is collected. Upon the collection  
28 of the amount due under subsection (b) or the release of a lien recorded  
29 under subdivision (2), the county auditor shall submit the appropriate  
30 documentation to the county recorder, who shall amend the information  
31 recorded under subdivision (2) without charge to indicate that the lien  
32 has been released or the amount has been paid in full.

33 ~~(e)~~ (f) The amount to be deposited in the nonreverting fund or the  
34 county general fund under subsection ~~(e)~~ (d) includes adjustments in  
35 the tax due as a result of the termination of deductions or credits  
36 available only for property that satisfies the eligibility for a standard  
37 deduction under IC 6-1.1-12-37, including the following:

38 (1) Supplemental deductions under IC 6-1.1-12-37.5.

39 (2) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-1.1-26,  
40 IC 6-3.5-6-13, IC 6-3.5-6-32, IC 6-3.5-7-13.1, or IC 6-3.5-7-26,  
41 or any other law.

42 (3) Credit for excessive property taxes under IC 6-1.1-20.6-7.5 or



1 IC 6-1.1-20.6-8.5.

2 Any amount paid that exceeds the amount required to be deposited  
3 under subsection ~~(c)(1)~~ **(d)(1)** or ~~(c)(2)~~ **(d)(2)** shall be distributed as  
4 property taxes.

5 ~~(f)~~ **(g)** Money deposited under subsection ~~(c)(1)~~ **(d)(1)** or ~~(c)(2)~~  
6 **(d)(2)** shall be treated as miscellaneous revenue. Distributions shall be  
7 made from the nonreverting fund established under this section upon  
8 appropriation by the county fiscal body and shall be made only for the  
9 following purposes:

10 (1) Fees and other costs incurred by the county auditor to discover  
11 property that is eligible for a standard deduction under  
12 IC 6-1.1-12-37.

13 (2) Other expenses of the office of the county auditor.

14 The amount of deposits in a reverting fund, the balance of a  
15 nonreverting fund, and expenditures from a reverting fund may not be  
16 considered in establishing the budget of the office of the county auditor  
17 or in setting property tax levies that will be used in any part to fund the  
18 office of the county auditor.

19 SECTION 20. IC 6-1.1-36-18 IS REPEALED [EFFECTIVE JULY  
20 1, 2016]. See: 18: (a) As used in this section, "local agency" has the  
21 meaning set forth in IC 4-6-3-1.

22 (b) As used in this section, "tax liability" includes liability for  
23 special assessments and refers to liability for property taxes after the  
24 application of all allowed deductions and credits. The term does not  
25 include any property taxes that a person is not required to pay under  
26 IC 6-1.1-15-10 with respect to a pending review of an assessment or an  
27 increase in assessment under IC 6-1.1-15.

28 (c) The fiscal body of a county may adopt an ordinance to allow the  
29 county, political subdivisions within the county, and local agencies  
30 within the county to use a uniform property tax disclosure form for  
31 purposes described in subsection (d).

32 (d) If the fiscal body of a county adopts an ordinance under this  
33 section, a county, a political subdivision within the county, or a local  
34 agency within the county may require a person applying for a property  
35 tax exemption, a property tax deduction, a zoning change or zoning  
36 variance, a building permit, or any other locally issued license or  
37 permit to submit a uniform property tax disclosure form prescribed  
38 under this section with the person's application for the property tax  
39 exemption, property tax deduction, zoning change or zoning variance,  
40 building permit, or any other locally issued license or permit.

41 (e) If the fiscal body of a county adopts an ordinance under this  
42 section, the fiscal body shall prescribe the uniform property tax



1 disclosure form used within the county. The state board of accounts  
 2 and the department of local government finance shall provide  
 3 assistance to a fiscal body in prescribing the form upon the request of  
 4 the fiscal body. The form must require the disclosure of the following  
 5 information from a person applying for a property tax exemption; a  
 6 property tax deduction; a zoning change or zoning variance; a building  
 7 permit, or any other locally issued license or permit:

8 (1) A description of each parcel of real property located in the  
 9 county that is owned by the person:

10 (2) A verified statement, made under penalties of perjury, listing  
 11 the following concerning each parcel of real property disclosed  
 12 under subdivision (1):

13 (A) The parcels for which the person is current on the tax  
 14 liability, if any:

15 (B) The parcels for which the person has a delinquent tax  
 16 liability, if any:

17 (3) Any other information necessary for the county, a political  
 18 subdivision within the county, or a local agency within the county  
 19 to determine whether the person has a delinquent tax liability on  
 20 real property located in the county:

21 SECTION 21. IC 6-1.1-40-11, AS AMENDED BY P.L.245-2015,  
 22 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 23 JANUARY 2, 2016 (RETROACTIVE)]: Sec. 11. (a) A person that  
 24 desires to obtain the deduction provided by section 10 of this chapter  
 25 must file a certified deduction application, on forms prescribed by the  
 26 department of local government finance, with:

27 (1) the auditor of the county in which the new manufacturing  
 28 equipment is located; and

29 (2) the department of local government finance.

30 A person that timely files a personal property return under  
 31 IC 6-1.1-3-7(a) for the year in which the new manufacturing equipment  
 32 is installed must file the application between ~~March 10~~ **January 1** and  
 33 May 15 of that year.

34 (b) The application required by this section must contain the  
 35 following information:

36 (1) The name of the owner of the new manufacturing equipment.

37 (2) A description of the new manufacturing equipment.

38 (3) Proof of the date the new manufacturing equipment was  
 39 installed.

40 (4) The amount of the deduction claimed for the first year of the  
 41 deduction.

42 (c) A deduction application must be filed under this section in the



1 year in which the new manufacturing equipment is installed and in  
2 each of the immediately succeeding nine (9) years.

3 (d) The department of local government finance shall review and  
4 verify the correctness of each application and shall notify the county  
5 auditor of the county in which the property is located that the  
6 application is approved or denied or that the amount of the deduction  
7 is altered. Upon notification of approval of the application or of  
8 alteration of the amount of the deduction, the county auditor shall make  
9 the deduction.

10 (e) If the ownership of new manufacturing equipment changes, the  
11 deduction provided under section 10 of this chapter continues to apply  
12 to that equipment if the new owner:

13 (1) continues to use the equipment in compliance with any  
14 standards established under section 7(c) of this chapter; and

15 (2) files the applications required by this section.

16 (f) The amount of the deduction is:

17 (1) the percentage under section 10 of this chapter that would  
18 have applied if the ownership of the property had not changed;  
19 multiplied by

20 (2) the assessed value of the equipment for the year the deduction  
21 is claimed by the new owner.

22 SECTION 22. IC 6-1.1-41-6, AS AMENDED BY P.L.137-2012,  
23 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
24 JULY 1, 2016]: Sec. 6. Not later than noon thirty (30) days after the  
25 publication of the notice of adoption required by section 3 of this  
26 chapter:

27 (1) at least ten (10) taxpayers in the taxing district, if the fund is  
28 authorized under IC 8-10-5-17, IC 8-16-3-1, IC 8-16-3.1-4,  
29 IC 14-27-6-48, IC 14-33-21-2, IC 36-8-14-2, **IC 36-8-19-8.5**,  
30 IC 36-9-4-48, or IC 36-10-4-36;

31 (2) at least twenty (20) taxpayers in a county served by a hospital,  
32 if the fund is authorized under IC 16-22-4-1;

33 (3) at least thirty (30) taxpayers in a tax district, if the fund is  
34 authorized under IC 36-10-3-21 or IC 36-10-7.5-19;

35 (4) at least fifty (50) taxpayers in a municipality, township, or  
36 county, if subdivision (1), (2), (3), or (5) does not apply; or

37 (5) at least one hundred (100) taxpayers in the county, if the fund  
38 is authorized by IC 3-11-6;

39 may file a petition with the county auditor stating their objections to an  
40 action described in section 2 of this chapter. Upon the filing of the  
41 petition, the county auditor shall immediately certify the petition to the  
42 department of local government finance.





1 SECTION 23. IC 6-1.1-42-28, AS AMENDED BY P.L.112-2012,  
 2 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 JULY 1, 2016]: Sec. 28. (a) Subject to this section and section 34 of  
 4 this chapter, the amount of the deduction which the property owner is  
 5 entitled to receive under this chapter for a particular year equals the  
 6 product of:

- 7 (1) the increase in the assessed value resulting from the  
 8 remediation and redevelopment in the zone or the location of  
 9 personal property in the zone, or both; multiplied by  
 10 (2) the percentage determined under subsection (b).

11 (b) The percentage to be used in calculating the deduction under  
 12 subsection (a) is as follows:

13 (1) For deductions allowed over a three (3) year period:

14 YEAR OF DEDUCTION	PERCENTAGE
15 1st	100%
16 2nd	66%
17 3rd	33%

18 (2) For deductions allowed over a six (6) year period:

19 YEAR OF DEDUCTION	PERCENTAGE
20 1st	100%
21 2nd	85%
22 3rd	66%
23 4th	50%
24 5th	34%
25 6th	17%

26 (3) For deductions allowed over a ten (10) year period:

27 YEAR OF DEDUCTION	PERCENTAGE
28 1st	100%
29 2nd	95%
30 3rd	80%
31 4th	65%
32 5th	50%
33 6th	40%
34 7th	30%
35 8th	20%
36 9th	10%
37 10th	5%

38 (c) The amount of the deduction determined under subsection (a)  
 39 shall be adjusted in accordance with this subsection in the following  
 40 circumstances:

41 (1) If a:

- 42 (A) general reassessment of real property under IC 6-1.1-4-4;



- 1 or  
 2 (B) reassessment under a county's reassessment plan prepared  
 3 under IC 6-1.1-4-4.2;  
 4 occurs within the particular period of the deduction, the amount  
 5 determined under subsection (a)(1) shall be adjusted to reflect the  
 6 percentage increase or decrease in assessed valuation that resulted  
 7 from the reassessment.  
 8 (2) If an appeal of an assessment is approved that results in a  
 9 reduction of the assessed value of the redeveloped or rehabilitated  
 10 property, the amount of any deduction shall be adjusted to reflect  
 11 the percentage decrease that resulted from the appeal.  
 12 (3) The amount of the deduction may not exceed the limitations  
 13 imposed by the designating body under section 23 of this chapter.  
 14 (4) The amount of the deduction must be proportionally reduced  
 15 by the proportionate ownership of the property by a person that:  
 16 (A) has an ownership interest in an entity that contributed; or  
 17 (B) has contributed;  
 18 a contaminant (as defined in IC 13-11-2-42) that is the subject of  
 19 the voluntary remediation, as determined under the written  
 20 standards adopted by the department of environmental  
 21 management.  
 22 The department of local government finance ~~shall~~ **may** adopt rules  
 23 under IC 4-22-2 to implement this subsection.  
 24 SECTION 24. IC 6-1.1-44-6, AS AMENDED BY P.L.245-2015,  
 25 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 JANUARY 2, 2016 (RETROACTIVE)]: Sec. 6. (a) To obtain a  
 27 deduction under this chapter, a manufacturer must file an application  
 28 on forms prescribed by the department of local government finance  
 29 with the auditor of the county in which the investment property is  
 30 located. A person that timely files a personal property return under  
 31 IC 6-1.1-3-7(a) for the year in which the investment property is  
 32 installed must file the application between ~~March 10~~ **January 1** and  
 33 May 15 of that year. A person that obtains a filing extension under  
 34 IC 6-1.1-3-7(b) for the year in which the investment property is  
 35 installed must file the application between ~~March 10~~ **January 1** and  
 36 the extended due date for that year.  
 37 (b) The deduction application required by this section must contain  
 38 the following information:  
 39 (1) The name of the owner of the investment property.  
 40 (2) A description of the investment property.  
 41 (3) Proof of purchase of the investment property and proof of the  
 42 date the investment property was installed.



1 (4) The amount of the deduction claimed.

2 SECTION 25. IC 36-6-6-14, AS AMENDED BY P.L.218-2013,  
3 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
4 JULY 1, 2016]: Sec. 14. (a) At any special meeting, if two (2) or more  
5 members give their consent, the legislative body may determine  
6 whether there is a need for fire and emergency services or other  
7 emergency requiring the expenditure of money not included in the  
8 township's budget estimates and levy.

9 (b) Subject to section 14.5 of this chapter, if the legislative body  
10 finds that a need for fire and emergency services or other emergency  
11 exists, it may issue a special order, entered and signed on the record,  
12 authorizing the executive to borrow a specified amount of money  
13 sufficient to meet the emergency. However, the legislative body may  
14 not authorize the executive to borrow money under this subsection in  
15 more than three (3) calendar years during any five (5) year period.

16 (c) Notwithstanding IC 36-8-13-4(a), the legislative body may  
17 authorize the executive to borrow a specified sum from a township  
18 fund other than the township firefighting fund if the legislative body  
19 finds that the emergency requiring the expenditure of money is related  
20 to paying the operating expenses of a township fire department or a  
21 volunteer fire department. At its next annual session, the legislative  
22 body shall cover the debt created by making a levy to the credit of the  
23 fund for which the amount was borrowed under this subsection.

24 (d) In determining whether a fire and emergency services need  
25 exists requiring the expenditure of money not included in the  
26 township's budget estimates and levy, the legislative body and any  
27 reviewing authority considering the approval of the additional  
28 borrowing shall consider the following factors:

29 (1) The current and projected certified and noncertified public  
30 safety payroll needs of the township.

31 (2) The current and projected need for fire and emergency  
32 services within the jurisdiction served by the township.

33 (3) Any applicable national standards or recommendations for the  
34 provision of fire protection and emergency services.

35 (4) Current and projected growth in the number of residents and  
36 other citizens served by the township, emergency service runs,  
37 certified and noncertified personnel, and other appropriate  
38 measures of public safety needs in the jurisdiction served by the  
39 township.

40 (5) Salary comparisons for certified and noncertified public safety  
41 personnel in the township and other surrounding or comparable  
42 jurisdictions.



1 (6) Prior annual expenditures for fire and emergency services,  
2 including all amounts budgeted under this chapter.

3 (7) Current and projected growth in the assessed value of property  
4 requiring protection in the jurisdiction served by the township.

5 (8) Other factors directly related to the provision of public safety  
6 within the jurisdiction served by the township.

7 (e) In the event the township received additional funds under this  
8 chapter in the immediately preceding budget year for an approved  
9 expenditure, any reviewing authority shall take into consideration the  
10 use of the funds in the immediately preceding budget year and the  
11 continued need for funding the services and operations to be funded  
12 with the proceeds of the loan.

13 (f) ~~This subsection applies to a township that is allowed an increase  
14 in its maximum permissible ad valorem property tax levy under  
15 IC 6-1.1-18.5-13(c). The restrictions on borrowing set forth in this  
16 subsection are instead of the restrictions set forth in subsection (b):  
17 Repayments of the money borrowed in 2012 or 2013, as applicable,  
18 may be made over a three (3) year period beginning in 2014, and  
19 ending in 2016. Each year the township may borrow the amount  
20 necessary to repay one third (1/3) of the principal and interest of that  
21 debt. After 2016, the township may not borrow money under  
22 subsection (b) in more than three (3) calendar years during any five (5)  
23 year period.~~

24 SECTION 26. IC 36-8-19-8.5, AS AMENDED BY P.L.255-2013,  
25 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
26 JULY 1, 2016]: Sec. 8.5. (a) Participating units may agree to establish  
27 an equipment replacement fund under this section to be used to  
28 purchase fire protection equipment, including housing, that will be  
29 used to serve the entire territory. To establish the fund, the legislative  
30 bodies of each participating unit must adopt an ordinance (if the unit  
31 is a county or municipality) or a resolution (if the unit is a township),  
32 and the following requirements must be met:

33 (1) The ordinance or resolution is identical to the ordinances and  
34 resolutions adopted by the other participating units under this  
35 section.

36 (2) Before adopting the ordinance or resolution, each participating  
37 unit must comply with the notice and hearing requirements of  
38 IC 6-1.1-41-3.

39 (3) The ordinance or resolution authorizes the provider unit to  
40 establish the fund.

41 (4) The ordinance or resolution includes at least the following:

42 (A) The name of each participating unit and the provider unit.



1 (B) An agreement to impose a uniform tax rate upon all of the  
 2 taxable property within the territory for the equipment  
 3 replacement fund.

4 (C) The contents of the agreement to establish the fund.  
 5 An ordinance or a resolution adopted under this section takes effect as  
 6 provided in IC 6-1.1-41.

7 (b) If a fund is established, the participating units may agree to:  
 8 (1) impose a property tax to provide for the accumulation of  
 9 money in the fund to purchase fire protection equipment;  
 10 (2) incur debt to purchase fire protection equipment and impose  
 11 a property tax to retire the loan; or  
 12 (3) transfer an amount from the fire protection territory fund to  
 13 the fire equipment replacement fund not to exceed five percent  
 14 (5%) of the levy for the fire protection territory fund for that year;  
 15 or any combination of these options.

16 (c) The property tax rate for the levy imposed under this section may  
 17 not exceed three and thirty-three hundredths cents (\$0.0333) per one  
 18 hundred dollars (\$100) of assessed value. Before debt may be incurred,  
 19 the fiscal body of a participating unit must adopt an ordinance (if the  
 20 unit is a county or municipality) or a resolution (if the unit is a  
 21 township) that specifies the amount and purpose of the debt. The  
 22 ordinance or resolution must be identical to the other ordinances and  
 23 resolutions adopted by the participating units. ~~In addition, the~~  
 24 ~~department of local government finance must approve the incurrence~~  
 25 ~~of the debt using the same standards as applied to the incurrence of~~  
 26 ~~debt by civil taxing units.~~ **Except as provided in subsection (d), if**  
 27 **debt is to be incurred for the purposes of a fund, the provider unit**  
 28 **shall negotiate for and hold the debt on behalf of the territory.**  
 29 **However, the participating units and the provider unit of the**  
 30 **territory are jointly liable for any debt incurred by the provider**  
 31 **unit for the purposes of the fund. The most recent adjusted value**  
 32 **of taxable property for the entire territory must be used to**  
 33 **determine the debt limit under IC 36-1-15-6. A provider unit shall**  
 34 **comply with all general statutes and rules relating to the**  
 35 **incurrence of debt under this subsection.**

36 (d) A participating unit of a territory may, to the extent allowed  
 37 by law, incur debt in the participating unit's own name to acquire  
 38 fire protection equipment or other property that is to be owned by  
 39 the participating unit. A participating unit that acquires fire  
 40 protection equipment or other property under this subsection may  
 41 afterward enter into an interlocal agreement under IC 36-1-7 with  
 42 the provider unit to furnish the fire protection equipment or other



1 **property to the provider unit for the provider unit's use or benefit**  
 2 **in accomplishing the purposes of the territory. A participating unit**  
 3 **shall comply with all general statutes and rules relating to the**  
 4 **incurrence of debt under this subsection.**

5 ~~(e)~~ (e) Money in the fund may be used by the provider unit only for  
 6 those purposes set forth in the agreement among the participating units  
 7 that permits the establishment of the fund.

8 ~~(f)~~ (f) The requirements and procedures specified in IC 6-1.1-41  
 9 concerning the establishment or reestablishment of a cumulative fund,  
 10 the imposing of a property tax for a cumulative fund, and the increasing  
 11 of a property tax rate for a cumulative fund apply to:

- 12 (1) the establishment or reestablishment of a fund under this
- 13 section;
- 14 (2) the imposing of a property tax for a fund under this section;
- 15 and
- 16 (3) the increasing of a property tax rate for a fund under this
- 17 section.

18 ~~(g)~~ (g) Notwithstanding IC 6-1.1-18-12, if a fund established under  
 19 this section is reestablished in the manner provided in IC 6-1.1-41, the  
 20 property tax rate imposed for the fund in the first year after the fund is  
 21 reestablished may not exceed three and thirty-three hundredths cents  
 22 (\$0.0333) per one hundred dollars (\$100) of assessed value.

23 SECTION 27. IC 36-8-19-13, AS AMENDED BY P.L.47-2007,  
 24 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 25 JULY 1, 2016]: Sec. 13. (a) If a unit elects to withdraw from a fire  
 26 protection territory established under this chapter, the unit must after  
 27 January 1 but before April 1, adopt an ordinance (if the unit is a county  
 28 or municipality) or a resolution (if the unit is a township) providing for  
 29 the withdrawal. An ordinance or resolution adopted under this section  
 30 takes effect July 1 of the year that the ordinance or resolution is  
 31 adopted.

- 32 (b) If an ordinance or a resolution is adopted under subsection (a)
- 33 ~~(1) the unit's maximum permissible ad valorem property tax levy~~  
 34 ~~with respect to fire protection services shall be initially increased~~  
 35 ~~by the amount of the particular unit's previous year levy under this~~  
 36 ~~chapter; and~~
  - 37 ~~(2) additional increases with respect to fire protection services~~  
 38 ~~levy amounts are subject to the tax levy limitations under~~  
 39 ~~IC 6-1.1-18.5; except for the part of the unit's levy that is~~  
 40 ~~necessary to retire the unit's share of any debt incurred while the~~  
 41 ~~unit was a participating unit.~~

42 **for purposes of determining a unit's maximum permissible ad**



1 **valorem property tax levy for the year following the year in which**  
 2 **the ordinance or resolution is adopted, the unit receives a**  
 3 **percentage of the territory's maximum permissible ad valorem**  
 4 **property tax levy equal to the percentage of the assessed valuation**  
 5 **that the unit contributed to the territory in the year in which the**  
 6 **ordinance or resolution is adopted. The department of local**  
 7 **government finance shall adjust the territory's maximum**  
 8 **permissible ad valorem property tax levy to account for the unit's**  
 9 **withdrawal. After the effective date of an ordinance or resolution**  
 10 **adopted under subsection (a), the unit may no longer impose a tax**  
 11 **rate for an equipment replacement fund under section 8.5 of this**  
 12 **chapter. The unit remains liable for the unit's share of any debt**  
 13 **incurred under section 8.5 of this chapter.**

14 **(c) If a territory is dissolved, subsection (b) applies to the**  
 15 **determination of the maximum permissible ad valorem property**  
 16 **tax levy of each unit that formerly participated in the territory.**

17 SECTION 28. IC 36-12-2-25, AS AMENDED BY P.L.13-2013,  
 18 SECTION 155, IS AMENDED TO READ AS FOLLOWS  
 19 [EFFECTIVE JULY 1, 2016]: Sec. 25. (a) The residents or real  
 20 property taxpayers of the library district taxed for the support of the  
 21 library may use the facilities and services of the public library without  
 22 charge for library or related purposes. However, the library board may:

- 23 (1) fix and collect fees and rental charges; and
- 24 (2) assess fines, penalties, and damages for the:
  - 25 (A) loss of;
  - 26 (B) injury to; or
  - 27 (C) failure to return;

28 any library property or material.

29 (b) A library board may issue local library cards to:

- 30 (1) residents and real property taxpayers of the library district;
- 31 (2) Indiana residents who are not residents of the library district;
- 32 and
- 33 (3) individuals who reside out of state and who are being served  
 34 through an agreement under IC 36-12-13.

35 (c) Except as provided in subsection (e), a library board must set  
 36 and charge a fee for:

- 37 (1) a local library card issued under subsection (b)(2); and
- 38 (2) a local library card issued under subsection (b)(3).

39 (d) The minimum fee that the board may set under subsection (c) is  
 40 the greater of the following:

- 41 (1) The library district's operating fund expenditure per capita in  
 42 the most recent year for which that information is available in the



- 1 Indiana state library's annual "Statistics of Indiana Libraries".  
 2 (2) Twenty-five dollars (\$25).  
 3 (e) A library board may issue a local library card without charge or  
 4 for a reduced fee to an individual who is not a resident of the library  
 5 district and who is:  
 6 (1) a student enrolled in or a teacher in a public school  
 7 corporation or nonpublic school:  
 8 (A) that is located at least in part in the library district; and  
 9 (B) in which students in any grade from preschool through  
 10 grade 12 are educated; **or**  
 11 (2) a library employee of the district; **or**  
 12 **(3) a student enrolled in a college or university that is located**  
 13 **at least in part of the library district;**  
 14 if the board adopts a resolution that is approved by an affirmative vote  
 15 of a majority of the members appointed to the library board.  
 16 (f) A library card issued under subsection (b)(2), (b)(3), or (e)  
 17 expires one (1) year after issuance of the card.  
 18 **(g) If a library card is issued under this section with an**  
 19 **expiration date that occurs before the first anniversary of the date**  
 20 **on which the library card is issued, the maximum fee for the**  
 21 **library card may not exceed an amount equal to:**  
 22 **(1) the lowest otherwise applicable fee that would be charged**  
 23 **by the library board for a library card that has no expiration**  
 24 **date or would expire on or after the first anniversary of the**  
 25 **date on which the library card is issued; multiplied by**  
 26 **(2) the fraction of a year for which the issued library card is**  
 27 **valid.**  
 28 SECTION 29. An emergency is declared for this act.

