



January 26, 2016

HOUSE BILL No. 1273

DIGEST OF HB 1273 (Updated January 21, 2016 6:06 pm - DI 113)

Citations Affected: IC 6-1.1; IC 8-25; IC 36-6; IC 36-8; IC 36-12; noncode.

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. Provides that personal property is exempt from property taxation if it is owned by a homeowners association and is held by the homeowners association for the use, benefit, or enjoyment of members of the homeowners association. 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
(Continued next page)

Effective: January 1, 2008 (retroactive); January 1, 2013 (retroactive); 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.
January 25, 2016, amended, reported — Do Pass.

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Digest Continued

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 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 fiscal body of a township that is located next to certain counties or townships to pass a resolution to place on the ballot a local public question on whether the fiscal body of the eligible county should be required to fund and carry out a public transportation project in the township. Specifies the conditions under which a county fiscal body may impose an additional tax rate on county taxpayers who reside in a township that approves a local public question. 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. Allows certain nonprofit entities that missed the applicable deadlines to claim the property tax exemptions to which they would otherwise have been entitled to submit the necessary paperwork to claim the exemptions. 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.

HB 1273—LS 6613/DI 113



January 26, 2016

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.

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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 6-1.1-10-37.8 IS ADDED TO THE INDIANA
 20 CODE AS A NEW SECTION TO READ AS FOLLOWS
 21 [EFFECTIVE JANUARY 1, 2016 (RETROACTIVE)]: **Sec. 37.8. For**
 22 **assessment dates after December 31, 2015, tangible personal**
 23 **property is exempt from property taxation if that tangible personal**
 24 **property:**

25 (1) **is owned by a homeowners association (as defined in**
 26 **IC 32-25.5-2-4); and**

27 (2) **is held by the homeowners association for the use, benefit,**
 28 **or enjoyment of members of the homeowners association.**

29 SECTION 4. IC 6-1.1-11-3.8 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3.8. (a) This section
 31 applies to real property that after December 31, 2003, is:

32 (1) exempt from property taxes:

33 (A) under an application filed under this chapter; or

34 (B) under:

35 (i) IC 6-1.1-10-2; or

36 (ii) IC 6-1.1-10-4; and

37 (2) leased to an entity other than:

38 (A) a nonprofit entity;

39 (B) a governmental entity; or

40 (C) an individual who leases a dwelling unit in:

41 (i) a public housing project;

42 (ii) a nursing facility referred to in IC 12-15-14;



- 1 (iii) an assisted living facility; or
 2 (iv) an affordable housing development.

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

- 6 (1) the existence of the lease referred to in subsection (a)(2);
 7 (2) the term of that lease; and
 8 (3) the name and address of the lessee.

9 (c) Each county assessor shall annually notify the department of
 10 local government finance in writing of the information received by the
 11 county assessor under subsection (b).

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

- 14 (1) establish when the notices under subsections (b) and (c) must
 15 be given; and
 16 (2) otherwise implement this section.

17 SECTION 5. IC 6-1.1-12-1, AS AMENDED BY P.L.81-2010,
 18 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JANUARY 1, 2016 (RETROACTIVE)]: Sec. 1. **(a) As used in this
 20 section, "mortgage" has the meaning set forth in IC 26-1-9.1-102.**

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

- 23 (1) mortgaged real property, an installment loan financed mobile
 24 home that is not assessed as real property, or an installment loan
 25 financed manufactured home that is not assessed as real property,
 26 with the mortgage or installment loan instrument recorded with
 27 the county recorder's office, that the person owns;
 28 (2) real property, a mobile home that is not assessed as real
 29 property, or a manufactured home that is not assessed as real
 30 property that the person is buying under a contract, with the
 31 contract or a memorandum of the contract recorded in the county
 32 recorder's office, which provides that the person is to pay the
 33 property taxes on the real property, mobile home, or manufactured
 34 home; or
 35 (3) real property, a mobile home that is not assessed as real
 36 property, or a manufactured home that the person owns or is
 37 buying on a contract described in subdivision (2) on which the
 38 person has a home equity line of credit that is recorded in the
 39 county recorder's office.

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



- 1 (1) the balance of the mortgage or contract indebtedness
 2 (including a home equity line of credit) on the assessment date of
 3 that year;
 4 (2) one-half (1/2) of the assessed value of the real property,
 5 mobile home, or manufactured home; or
 6 (3) three thousand dollars (\$3,000);

7 whichever is least.

8 ~~(c)~~ (d) A person who has sold real property, a mobile home not
 9 assessed as real property, or a manufactured home not assessed as real
 10 property to another person under a contract which provides that the
 11 contract buyer is to pay the property taxes on the real property, mobile
 12 home, or manufactured home may not claim the deduction provided
 13 under this section with respect to that real property, mobile home, or
 14 manufactured home.

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

- 16 (1) own the real property, mobile home, or manufactured home;
 17 or
 18 (2) be buying the real property, mobile home, or manufactured
 19 home under contract;

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

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

- 34 (1) the individual served in the military or naval forces of the
 35 United States for at least ninety (90) days;
 36 (2) the individual received an honorable discharge;
 37 (3) the individual either:
 38 (A) has a total disability; or
 39 (B) is at least sixty-two (62) years old and has a disability of at
 40 least ten percent (10%);
 41 (4) the individual's disability is evidenced by:
 42 (A) a pension certificate or an award of compensation issued



1 by the United States Department of Veterans Affairs; or
 2 (B) a certificate of eligibility issued to the individual by the
 3 Indiana department of veterans' affairs after the Indiana
 4 department of veterans' affairs has determined that the
 5 individual's disability qualifies the individual to receive a
 6 deduction under this section; and
 7 (5) the individual:
 8 (A) owns the real property, mobile home, or manufactured
 9 home; or
 10 (B) is buying the real property, mobile home, or manufactured
 11 home under contract;
 12 on the date the statement required by section 15 of this chapter is
 13 filed.

14 (b) Except as provided in subsection (c), the surviving spouse of an
 15 individual may receive the deduction provided by this section if the
 16 individual satisfied the requirements of subsection (a)(1) through (a)(4)
 17 at the time of death and the surviving spouse satisfies the requirement
 18 of subsection (a)(5) at the time the deduction statement is filed. The
 19 surviving spouse is entitled to the deduction regardless of whether the
 20 property for which the deduction is claimed was owned by the
 21 deceased veteran or the surviving spouse before the deceased veteran's
 22 death.

23 (c) No one is entitled to the deduction provided by this section if the
 24 assessed value of the individual's ~~tangible property~~, **Indiana real**
 25 **property, Indiana mobile home not assessed as real property, and**
 26 **Indiana manufactured home not assessed as real property**, as
 27 shown by the tax duplicate, exceeds one hundred forty-three thousand
 28 one hundred sixty dollars (\$143,160).

29 (d) An individual who has sold real property, a mobile home not
 30 assessed as real property, or a manufactured home not assessed as real
 31 property to another person under a contract that provides that the
 32 contract buyer is to pay the property taxes on the real property, mobile
 33 home, or manufactured home may not claim the deduction provided
 34 under this section against that real property, mobile home, or
 35 manufactured home.

36 SECTION 7. IC 6-1.1-12-37, AS AMENDED BY P.L.148-2015,
 37 SECTION 7, AS AMENDED BY P.L.207-2015, SECTION 1, AND
 38 AS AMENDED BY P.L.245-2015, SECTION 6, IS CORRECTED
 39 AND AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JANUARY 1, 2017]: Sec. 37. (a) The following definitions apply
 41 throughout this section:

42 (1) "Dwelling" means any of the following:



- 1 (A) Residential real property improvements that an individual
 2 uses as the individual's residence, including a house or garage.
 3 (B) A mobile home that is not assessed as real property that an
 4 individual uses as the individual's residence.
 5 (C) A manufactured home that is not assessed as real property
 6 that an individual uses as the individual's residence.
 7 (2) "Homestead" means an individual's principal place of
 8 residence:
 9 (A) that is located in Indiana;
 10 (B) that:
 11 (i) the individual owns;
 12 (ii) the individual is buying under a contract; recorded in the
 13 county recorder's office, that provides that the individual is
 14 to pay the property taxes on the residence, *and that obligates*
 15 *the owner to convey title to the individual upon completion*
 16 *of all of the individual's contract obligations;*
 17 (iii) the individual is entitled to occupy as a
 18 tenant-stockholder (as defined in 26 U.S.C. 216) of a
 19 cooperative housing corporation (as defined in 26 U.S.C.
 20 216); or
 21 (iv) is a residence described in section 17.9 of this chapter
 22 that is owned by a trust if the individual is an individual
 23 described in section 17.9 of this chapter; and
 24 (C) that consists of a dwelling and the real estate, not
 25 exceeding one (1) acre, that immediately surrounds that
 26 dwelling.
 27 Except as provided in subsection (k), the term does not include
 28 property owned by a corporation, partnership, limited liability
 29 company, or other entity not described in this subdivision.
 30 (b) Each year a homestead is eligible for a standard deduction from
 31 the assessed value of the homestead for an assessment date. Except as
 32 provided in subsection (p), the deduction provided by this section
 33 applies to property taxes first due and payable for an assessment date
 34 only if an individual has an interest in the homestead described in
 35 subsection (a)(2)(B) on:
 36 (1) the assessment date; or
 37 (2) any date in the same year after an assessment date that a
 38 statement is filed under subsection (e) or section 44 of this
 39 chapter, if the property consists of real property.
 40 *If more than one (1) individual or entity qualifies property as a*
 41 *homestead under subsection (a)(2)(B) for an assessment date, only one*
 42 *(1) standard deduction from the assessed value of the homestead may*



1 *be applied for the assessment date.* Subject to subsection (c), the
 2 auditor of the county shall record and make the deduction for the
 3 individual or entity qualifying for the deduction.

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

7 (1) sixty percent (60%) of the assessed value of the real property,
 8 mobile home not assessed as real property, or manufactured home
 9 not assessed as real property; or

10 (2) forty-five thousand dollars (\$45,000).

11 (d) A person who has sold real property, a mobile home not assessed
 12 as real property, or a manufactured home not assessed as real property
 13 to another person under a contract that provides that the contract buyer
 14 is to pay the property taxes on the real property, mobile home, or
 15 manufactured home may not claim the deduction provided under this
 16 section with respect to that real property, mobile home, or
 17 manufactured home.

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

24 (1) the parcel number or key number of the property and the name
 25 of the city, town, or township in which the property is located;

26 (2) the name of any other location in which the applicant or the
 27 applicant's spouse owns, is buying, or has a beneficial interest in
 28 residential real property;

29 (3) the names of:

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

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

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

37 if the applicant is an individual; or

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

40 (i) as the names appear in the records of the United States
 41 Social Security Administration for the purposes of the
 42 issuance of a Social Security card and Social Security



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



1 (2) is no longer eligible for a deduction under this section on
 2 another parcel of property because:
 3 (A) the individual would otherwise receive the benefit of more
 4 than one (1) deduction under this chapter; or
 5 (B) the individual maintains the individual's principal place of
 6 residence with another individual who receives a deduction
 7 under this section;
 8 the individual must file a certified statement with the auditor of the
 9 county, notifying the auditor of the change of use, not more than sixty
 10 (60) days after the date of that change. An individual who fails to file
 11 the statement required by this subsection ~~is~~ **may, under**
 12 **IC 6-1.1-36-17, be** liable for any additional taxes that would have been
 13 due on the property if the individual had filed the statement as required
 14 by this subsection plus a civil penalty equal to ten percent (10%) of the
 15 additional taxes due. The civil penalty imposed under this subsection
 16 is in addition to any interest and penalties for a delinquent payment that
 17 might otherwise be due. One percent (1%) of the total civil penalty
 18 collected under this subsection shall be transferred by the county to the
 19 department of local government finance for use by the department in
 20 establishing and maintaining the homestead property data base under
 21 subsection (i) and, to the extent there is money remaining, for any other
 22 purposes of the department. This amount becomes part of the property
 23 tax liability for purposes of this article.
 24 (g) The department of local government finance *may shall* adopt
 25 rules or guidelines concerning the application for a deduction under
 26 this section.
 27 (h) This subsection does not apply to property in the first year for
 28 which a deduction is claimed under this section if the sole reason that
 29 a deduction is claimed on other property is that the individual or
 30 married couple maintained a principal residence at the other property
 31 on ~~March~~ *the assessment date* in the same year in which an
 32 application for a deduction is filed under this section or, if the
 33 application is for a homestead that is assessed as personal property, on
 34 ~~March~~ *the assessment date* in the immediately preceding year and the
 35 individual or married couple is moving the individual's or married
 36 couple's principal residence to the property that is the subject of the
 37 application. Except as provided in subsection (n), the county auditor
 38 may not grant an individual or a married couple a deduction under this
 39 section if:
 40 (1) the individual or married couple, for the same year, claims the
 41 deduction on two (2) or more different applications for the
 42 deduction; and



- 1 (2) the applications claim the deduction for different property.
- 2 (i) The department of local government finance shall provide secure
3 access to county auditors to a homestead property data base that
4 includes access to the homestead owner's name and the numbers
5 required from the homestead owner under subsection (e)(4) for the sole
6 purpose of verifying whether an owner is wrongly claiming a deduction
7 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or
8 ~~IC 6-3.5.~~ **IC 6-3.6-5.**
- 9 (j) A county auditor may require an individual to provide evidence
10 proving that the individual's residence is the individual's principal place
11 of residence as claimed in the certified statement filed under subsection
12 (e). The county auditor may limit the evidence that an individual is
13 required to submit to a state income tax return, a valid driver's license,
14 or a valid voter registration card showing that the residence for which
15 the deduction is claimed is the individual's principal place of residence.
16 The department of local government finance shall work with county
17 auditors to develop procedures to determine whether a property owner
18 that is claiming a standard deduction or homestead credit is not eligible
19 for the standard deduction or homestead credit because the property
20 owner's principal place of residence is outside Indiana.
- 21 (k) As used in this section, "homestead" includes property that
22 satisfies each of the following requirements:
- 23 (1) The property is located in Indiana and consists of a dwelling
24 and the real estate, not exceeding one (1) acre, that immediately
25 surrounds that dwelling.
- 26 (2) The property is the principal place of residence of an
27 individual.
- 28 (3) The property is owned by an entity that is not described in
29 subsection (a)(2)(B).
- 30 (4) The individual residing on the property is a shareholder,
31 partner, or member of the entity that owns the property.
- 32 (5) The property was eligible for the standard deduction under
33 this section on March 1, 2009.
- 34 (l) If a county auditor terminates a deduction for property described
35 in subsection (k) with respect to property taxes that are:
- 36 (1) imposed for an assessment date in 2009; and
37 (2) first due and payable in 2010;
- 38 on the grounds that the property is not owned by an entity described in
39 subsection (a)(2)(B), the county auditor shall reinstate the deduction if
40 the taxpayer provides proof that the property is eligible for the
41 deduction in accordance with subsection (k) and that the individual
42 residing on the property is not claiming the deduction for any other



- 1 property.
- 2 (m) For assessment dates after 2009, the term "homestead" includes:
- 3 (1) a deck or patio;
- 4 (2) a gazebo; or
- 5 (3) another residential yard structure, as defined in rules *that may*
- 6 ~~be~~ adopted by the department of local government finance (other
- 7 than a swimming pool);
- 8 that is assessed as real property and attached to the dwelling.
- 9 (n) A county auditor shall grant an individual a deduction under this
- 10 section regardless of whether the individual and the individual's spouse
- 11 claim a deduction on two (2) different applications and each
- 12 application claims a deduction for different property if the property
- 13 owned by the individual's spouse is located outside Indiana and the
- 14 individual files an affidavit with the county auditor containing the
- 15 following information:
- 16 (1) The names of the county and state in which the individual's
- 17 spouse claims a deduction substantially similar to the deduction
- 18 allowed by this section.
- 19 (2) A statement made under penalty of perjury that the following
- 20 are true:
- 21 (A) That the individual and the individual's spouse maintain
- 22 separate principal places of residence.
- 23 (B) That neither the individual nor the individual's spouse has
- 24 an ownership interest in the other's principal place of
- 25 residence.
- 26 (C) That neither the individual nor the individual's spouse has,
- 27 for that same year, claimed a standard or substantially similar
- 28 deduction for any property other than the property maintained
- 29 as a principal place of residence by the respective individuals.
- 30 A county auditor may require an individual or an individual's spouse to
- 31 provide evidence of the accuracy of the information contained in an
- 32 affidavit submitted under this subsection. The evidence required of the
- 33 individual or the individual's spouse may include state income tax
- 34 returns, excise tax payment information, property tax payment
- 35 information, driver license information, and voter registration
- 36 information.
- 37 (o) If:
- 38 (1) a property owner files a statement under subsection (e) to
- 39 claim the deduction provided by this section for a particular
- 40 property; and
- 41 (2) the county auditor receiving the filed statement determines
- 42 that the property owner's property is not eligible for the deduction;



1 the county auditor shall inform the property owner of the county
 2 auditor's determination in writing. If a property owner's property is not
 3 eligible for the deduction because the county auditor has determined
 4 that the property is not the property owner's principal place of
 5 residence, the property owner may appeal the county auditor's
 6 determination to the county property tax assessment board of appeals
 7 as provided in IC 6-1.1-15. The county auditor shall inform the
 8 property owner of the owner's right to appeal to the county property tax
 9 assessment board of appeals when the county auditor informs the
 10 property owner of the county auditor's determination under this
 11 subsection.

12 (p) An individual is entitled to the deduction under this section for
 13 a homestead for a particular assessment date if:

14 (1) either:

15 (A) the individual's interest in the homestead as described in
 16 subsection (a)(2)(B) is conveyed to the individual after the
 17 assessment date, but within the calendar year in which the
 18 assessment date occurs; or

19 (B) the individual contracts to purchase the homestead after
 20 the assessment date, but within the calendar year in which the
 21 assessment date occurs;

22 (2) on the assessment date:

23 (A) the property on which the homestead is currently located
 24 was vacant land; or

25 (B) the construction of the dwelling that constitutes the
 26 homestead was not completed; **and**

27 (3) either:

28 (A) the individual files the certified statement required by
 29 subsection (e); ~~on or before December 31 of the calendar year~~
 30 ~~in which the assessment date occurs to claim the deduction~~
 31 ~~under this section;~~ or

32 (B) a sales disclosure form that meets the requirements of
 33 section 44 of this chapter is submitted to the county assessor
 34 on or before December 31 of the calendar year for the
 35 individual's purchase of the homestead. ~~and~~

36 ~~(4) the individual files with the county auditor on or before~~
 37 ~~December 31 of the calendar year in which the assessment date~~
 38 ~~occurs a statement that:~~

39 ~~(A) lists any other property for which the individual would~~
 40 ~~otherwise receive a deduction under this section for the~~
 41 ~~assessment date; and~~

42 ~~(B) cancels the deduction described in clause (A) for that~~



1 *property.*
 2 An individual who satisfies the requirements of subdivisions (1)
 3 through ~~(4)~~ (3) is entitled to the deduction under this section for the
 4 homestead for the assessment date, even if on the assessment date the
 5 property on which the homestead is currently located was vacant land
 6 or the construction of the dwelling that constitutes the homestead was
 7 not completed. The county auditor shall apply the deduction for the
 8 assessment date and for the assessment date in any later year in which
 9 the homestead remains eligible for the deduction. A homestead that
 10 qualifies for the deduction under this section as provided in this
 11 subsection is considered a homestead for purposes of section 37.5 of
 12 this chapter and IC 6-1.1-20.6. *The county auditor shall cancel the*
 13 *deduction under this section for any property that is located in the*
 14 *county and is listed on the statement filed by the individual under*
 15 *subdivision (4). If the property listed on the statement filed under*
 16 *subdivision (4) is located in another county, the county auditor who*
 17 *receives the statement shall forward the statement to the county*
 18 *auditor of that other county, and the county auditor of that other*
 19 *county shall cancel the deduction under this section for that property.*

20 (q) This subsection applies to an application for the deduction
 21 provided by this section that is filed for an assessment date occurring
 22 after December 31, 2013. Notwithstanding any other provision of this
 23 section, an individual buying a mobile home that is not assessed as real
 24 property or a manufactured home that is not assessed as real property
 25 under a contract providing that the individual is to pay the property
 26 taxes on the mobile home or manufactured home is not entitled to the
 27 deduction provided by this section unless the parties to the contract
 28 comply with IC 9-17-6-17.

29 (r) This subsection:
 30 (1) applies to an application for the deduction provided by this
 31 section that is filed for an assessment date occurring after
 32 December 31, 2013; and
 33 (2) does not apply to an individual described in subsection (q).
 34 The owner of a mobile home that is not assessed as real property or a
 35 manufactured home that is not assessed as real property must attach a
 36 copy of the owner's title to the mobile home or manufactured home to
 37 the application for the deduction provided by this section.

38 (s) For assessment dates after 2013, the term "homestead" includes
 39 property that is owned by an individual who:
 40 (1) is serving on active duty in any branch of the armed forces of
 41 the United States;
 42 (2) was ordered to transfer to a location outside Indiana; and



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

5 For property to qualify under this subsection for the deduction provided
 6 by this section, the individual described in subdivisions (1) through (3)
 7 must submit to the county auditor a copy of the individual's transfer
 8 orders or other information sufficient to show that the individual was
 9 ordered to transfer to a location outside Indiana. The property continues
 10 to qualify for the deduction provided by this section until the individual
 11 ceases to be on active duty, the property is sold, or the individual's
 12 ownership interest is otherwise terminated, whichever occurs first.
 13 Notwithstanding subsection (a)(2), the property remains a homestead
 14 regardless of whether the property continues to be the individual's
 15 principal place of residence after the individual transfers to a location
 16 outside Indiana. However, the property ceases to qualify as a
 17 homestead under this subsection if the property is leased while the
 18 individual is away from Indiana. Property that qualifies as a homestead
 19 under this subsection shall also be construed as a homestead for
 20 purposes of section 37.5 of this chapter.

21 SECTION 8. IC 6-1.1-12.1-5, AS AMENDED BY P.L.288-2013,
 22 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2016]: Sec. 5. (a) A property owner who desires to obtain the
 24 deduction provided by section 3 of this chapter must file a certified
 25 deduction application, on forms prescribed by the department of local
 26 government finance, with the auditor of the county in which the
 27 property is located. Except as otherwise provided in subsection (b) or
 28 (e), the deduction application must be filed before May 10 of the year
 29 in which the addition to assessed valuation is made.

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

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

- 38 (1) The name of the property owner.
 39 (2) A description of the property for which a deduction is claimed
 40 in sufficient detail to afford identification.
 41 (3) The assessed value of the improvements before rehabilitation.
 42 (4) The increase in the assessed value of improvements resulting



- 1 from the rehabilitation.
- 2 (5) The assessed value of the new structure in the case of
- 3 redevelopment.
- 4 (6) The amount of the deduction claimed for the first year of the
- 5 deduction.
- 6 (7) If the deduction application is for a deduction in a
- 7 residentially distressed area, the assessed value of the
- 8 improvement or new structure for which the deduction is claimed.
- 9 (d) A deduction application filed under subsection (a) or (b) is
- 10 applicable for the year in which the addition to assessed value or
- 11 assessment of a new structure is made and in the following years the
- 12 deduction is allowed without any additional deduction application
- 13 being filed.
- 14 (e) A property owner who desires to obtain the deduction provided
- 15 by section 3 of this chapter but who has failed to file a deduction
- 16 application within the dates prescribed in subsection (a) or (b) may file
- 17 a deduction application between ~~March~~ **January** 1 and May 10 of a
- 18 subsequent year which shall be applicable for the year filed and the
- 19 subsequent years without any additional deduction application being
- 20 filed for the amounts of the deduction which would be applicable to
- 21 such years pursuant to section 4 of this chapter if such a deduction
- 22 application had been filed in accordance with subsection (a) or (b).
- 23 (f) Subject to subsection (i), the county auditor shall act as follows:
- 24 (1) If:
- 25 (A) a determination about the number of years the deduction
- 26 is allowed has been made in the resolution adopted under
- 27 section 2.5 of this chapter; **and**
- 28 (B) **an abatement schedule has been established under**
- 29 **section 17 of this chapter;**
- 30 the county auditor shall make the appropriate deduction.
- 31 (2) If:
- 32 (A) a determination about the number of years the deduction
- 33 is allowed has not been made in the resolution adopted under
- 34 section 2.5 of this chapter; **or**
- 35 (B) **an abatement schedule has not been established under**
- 36 **section 17 of this chapter;**
- 37 the county auditor shall send a copy of the deduction application
- 38 to the designating body. Upon receipt of the resolution stating the
- 39 number of years the deduction will be allowed **or establishing**
- 40 **the abatement schedule, as applicable,** the county auditor shall
- 41 make the appropriate deduction.
- 42 (3) If the deduction application is for rehabilitation or



- 1 redevelopment in a residentially distressed area, the county
2 auditor shall make the appropriate deduction.
- 3 (g) The amount and period of the deduction provided for property
4 by section 3 of this chapter are not affected by a change in the
5 ownership of the property if the new owner of the property:
6 (1) continues to use the property in compliance with any
7 standards established under section 2(g) of this chapter; and
8 (2) files an application in the manner provided by subsection (e).
- 9 (h) The township or county assessor shall include a notice of the
10 deadlines for filing a deduction application under subsections (a) and
11 (b) with each notice to a property owner of an addition to assessed
12 value or of a new assessment.
- 13 (i) Before the county auditor acts under subsection (f), the county
14 auditor may request that the township assessor of the township in
15 which the property is located, or the county assessor if there is no
16 township assessor for the township, review the deduction application.
- 17 (j) A property owner may appeal a determination of the county
18 auditor under subsection (f) to deny or alter the amount of the
19 deduction by requesting in writing a preliminary conference with the
20 county auditor not more than forty-five (45) days after the county
21 auditor gives the person notice of the determination. An appeal
22 initiated under this subsection is processed and determined in the same
23 manner that an appeal is processed and determined under IC 6-1.1-15.
- 24 SECTION 9. IC 6-1.1-12.1-5.3, AS AMENDED BY P.L.146-2008,
25 SECTION 125, IS AMENDED TO READ AS FOLLOWS
26 [EFFECTIVE JANUARY 1, 2016 (RETROACTIVE)]: Sec. 5.3. (a) A
27 property owner that desires to obtain the deduction provided by section
28 4.8 of this chapter must file a deduction application, on forms
29 prescribed by the department of local government finance, with the
30 auditor of the county in which the eligible vacant building is located.
31 Except as otherwise provided in this section, the deduction application
32 must be filed before May 10 of the year in which the property owner or
33 a tenant of the property owner initially occupies the eligible vacant
34 building.
- 35 (b) If notice of the assessed valuation or new assessment for a year
36 is not given to the property owner before April 10 of that year, the
37 deduction application required by this section may be filed not later
38 than thirty (30) days after the date the notice is mailed to the property
39 owner at the address shown on the records of the township or county
40 assessor.
- 41 (c) The deduction application required by this section must contain
42 the following information:



- 1 (1) The name of the property owner and, if applicable, the
 2 property owner's tenant.
- 3 (2) A description of the property for which a deduction is claimed.
- 4 (3) The amount of the deduction claimed for the first year of the
 5 deduction.
- 6 (4) Any other information required by the department of local
 7 government finance or the designating body.
- 8 (d) A deduction application filed under this section applies to the
 9 year in which the property owner or a tenant of the property owner
 10 occupies the eligible vacant building and in the following year if the
 11 deduction is allowed for a two (2) year period, without an additional
 12 deduction application being filed.
- 13 (e) A property owner that desires to obtain the deduction provided
 14 by section 4.8 of this chapter but that did not file a deduction
 15 application within the dates prescribed in subsection (a) or (b) may file
 16 a deduction application between ~~March~~ **January** 1 and May 10 of a
 17 subsequent year. A deduction application filed under this subsection
 18 applies to the year in which the deduction application is filed and the
 19 following year if the deduction is allowed for a two (2) year period,
 20 without an additional deduction application being filed. The amount of
 21 the deduction under this subsection is the amount that would have been
 22 applicable to the year under section 4.8 of this chapter if the deduction
 23 application had been filed in accordance with subsection (a) or (b).
- 24 (f) Subject to subsection (i), the county auditor shall do the
 25 following:
- 26 (1) If a determination concerning the number of years the
 27 deduction is allowed has been made in the resolution adopted
 28 under section 2.5 of this chapter, the county auditor shall make
 29 the appropriate deduction.
- 30 (2) If a determination concerning the number of years the
 31 deduction is allowed has not been made in the resolution adopted
 32 under section 2.5 of this chapter, the county auditor shall send a
 33 copy of the deduction application to the designating body. Upon
 34 receipt of the resolution stating the number of years the deduction
 35 will be allowed, the county auditor shall make the appropriate
 36 deduction.
- 37 (g) The amount and period of the deduction provided by section 4.8
 38 of this chapter are not affected by a change in the ownership of the
 39 eligible vacant building or a change in the property owner's tenant, if
 40 the new property owner or the new tenant:
- 41 (1) continues to occupy the eligible vacant building in compliance
 42 with any standards established under section 2(g) of this chapter;



- 1 and
- 2 (2) files an application in the manner provided by subsection (e).
- 3 (h) 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 eligible vacant building is located, or the county assessor if
- 6 there is no township assessor for the township, review the deduction
- 7 application.
- 8 (i) A property owner may appeal a determination of the county
- 9 auditor under subsection (f) by requesting in writing a preliminary
- 10 conference with the county auditor not more than forty-five (45) days
- 11 after the county auditor gives the property owner notice of the
- 12 determination. An appeal under this subsection shall be processed and
- 13 determined in the same manner that an appeal is processed and
- 14 determined under IC 6-1.1-15.
- 15 (j) In addition to the requirements of subsection (c), a property
- 16 owner that files a deduction application under this section must provide
- 17 the county auditor and the designating body with information showing
- 18 the extent to which there has been compliance with the statement of
- 19 benefits approved under section 4.8 of this chapter. This information
- 20 must be included in the deduction application and must also be updated
- 21 each year in which the deduction is applicable:
- 22 (1) at the same time that the property owner or the property
- 23 owner's tenant files a personal property tax return for property
- 24 located at the eligible vacant building for which the deduction
- 25 was granted; or
- 26 (2) if subdivision (1) does not apply, before May 15 of each year.
- 27 (k) The following information is a public record if filed under this
- 28 section:
- 29 (1) The name and address of the property owner.
- 30 (2) The location and description of the eligible vacant building for
- 31 which the deduction was granted.
- 32 (3) Any information concerning the number of employees at the
- 33 eligible vacant building for which the deduction was granted,
- 34 including estimated totals that were provided as part of the
- 35 statement of benefits.
- 36 (4) Any information concerning the total of the salaries paid to the
- 37 employees described in subdivision (3), including estimated totals
- 38 that are provided as part of the statement of benefits.
- 39 (5) Any information concerning the assessed value of the eligible
- 40 vacant building, including estimates that are provided as part of
- 41 the statement of benefits.
- 42 (l) Information concerning the specific salaries paid to individual



1 employees by the property owner or tenant is confidential.

2 SECTION 10. IC 6-1.1-15-10.5, AS ADDED BY P.L.244-2015,
3 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2016]: Sec. 10.5. (a) The fiscal officer of a taxing unit may
5 establish a separate fund known as the property tax assessment appeals
6 fund to hold property tax receipts that are attributable to an increase in
7 the taxing unit's tax rate caused by a reduction in the taxing unit's net
8 assessed value under IC 6-1.1-17-0.5.

9 **(b) A taxing unit may transfer property tax receipts from a fund
10 that is not a debt service fund to the taxing unit's property tax
11 assessment appeals fund. A taxing unit may not transfer property
12 tax receipts from a debt service fund to the taxing unit's property
13 tax assessment appeals fund.**

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

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

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

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

23 ~~(d)~~ **(e)** Money ~~deposited in~~ **transferred to** a taxing unit's property
24 tax assessment appeals fund is not considered miscellaneous revenue.
25 Both the taxing unit and the department of local government finance
26 shall disregard any balance in the taxing unit's property tax assessment
27 appeals fund in the determination of the taxing unit's property tax levy,
28 property tax rate, and budget (except for appropriations for the
29 purposes permitted by subsection ~~(b)~~ **(c)**) for a particular calendar
30 year.

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

35 SECTION 11. IC 6-1.1-18.5-7, AS AMENDED BY
36 P.L.182-2009(ss), SECTION 126, IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 7. (a) A civil taxing
38 unit is not subject to the levy limits imposed by section 3 of this chapter
39 for an ensuing calendar year if the civil taxing unit did not adopt an ad
40 valorem property tax levy for the immediately preceding calendar year.

41 (b) If under subsection (a) a civil taxing unit is not subject to the
42 levy limits imposed under section 3 of this chapter for a calendar year,



1 the civil taxing unit shall refer its proposed budget, ad valorem
 2 property tax levy, and property tax rate for that calendar year to the
 3 department of local government finance. The department of local
 4 government finance shall make a final determination of the civil taxing
 5 unit's budget, ad valorem property tax levy, and property tax rate for
 6 that calendar year. However, a civil taxing unit may not impose a
 7 property tax levy for a year if the unit did not exist as of ~~March~~
 8 **January** 1 of the preceding year.

9 SECTION 12. IC 6-1.1-18.5-8.1 IS REPEALED [EFFECTIVE
 10 JULY 1, 2016]. Sec. 8.1: (a) This section applies to a township that is
 11 allowed an increase in its maximum permissible ad valorem property
 12 tax levy under section 13(c) of this chapter for property taxes first due
 13 and payable in 2014:

14 (b) The property tax levy limit imposed under section 3 of this
 15 chapter on the township may be exceeded in calendar years 2014;
 16 2015; and 2016 by:

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

19 (2) the amount of ad valorem property taxes imposed by the
 20 township to repay money borrowed under IC 36-6-6-14(b) in
 21 2012 or 2013;

22 but not both:

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

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

33 (1) Permission to the civil taxing unit to increase its levy in excess
 34 of the limitations established under section 3 of this chapter, if in
 35 the judgment of the department the increase is reasonably
 36 necessary due to increased costs of the civil taxing unit resulting
 37 from annexation, consolidation, or other extensions of
 38 governmental services by the civil taxing unit to additional
 39 geographic areas. ~~or persons:~~ With respect to annexation,
 40 consolidation, or other extensions of governmental services in a
 41 calendar year, if those increased costs are incurred by the civil
 42 taxing unit in that calendar year and more than one (1)



1 immediately succeeding calendar year, the unit may appeal under
 2 section 12 of this chapter for permission to increase its levy under
 3 this subdivision based on those increased costs in any of the
 4 following:

- 5 (A) The first calendar year in which those costs are incurred.
- 6 (B) One (1) or more of the immediately succeeding four (4)
 7 calendar years.

8 ~~(2) A levy increase may not be granted under this subdivision for~~
 9 ~~property taxes first due and payable after December 31, 2008.~~
 10 ~~Permission to the civil taxing unit to increase its levy in excess of~~
 11 ~~the limitations established under section 3 of this chapter, if the~~
 12 ~~local government tax control board finds that the civil taxing unit~~
 13 ~~needs the increase to meet the civil taxing unit's share of the costs~~
 14 ~~of operating a court established by statute enacted after December~~
 15 ~~31, 1973. Before recommending such an increase, the local~~
 16 ~~government tax control board shall consider all other revenues~~
 17 ~~available to the civil taxing unit that could be applied for that~~
 18 ~~purpose. The maximum aggregate levy increases that the local~~
 19 ~~government tax control board may recommend for a particular~~
 20 ~~court equals the civil taxing unit's estimate of the unit's share of~~
 21 ~~the costs of operating a court for the first full calendar year in~~
 22 ~~which it is in existence. For purposes of this subdivision, costs of~~
 23 ~~operating a court include:~~

- 24 ~~(A) the cost of personal services (including fringe benefits);~~
- 25 ~~(B) the cost of supplies; and~~
- 26 ~~(C) any other cost directly related to the operation of the court.~~
- 27 ~~(3) (2) Permission to the civil taxing unit to increase its levy in~~
 28 ~~excess of the limitations established under section 3 of this~~
 29 ~~chapter, if the department finds that the quotient determined~~
 30 ~~under STEP SIX of the following formula is equal to or greater~~
 31 ~~than one and two-hundredths (1.02):~~

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

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

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



1 calendar year; or
 2 (ii) for a particular calendar year after 2006, the total
 3 assessed value of property tax deductions that applied in the
 4 unit under IC 6-1.1-12-42 in 2006 plus for a particular
 5 calendar year after 2009, the total assessed value of property
 6 tax deductions that applied in the unit under
 7 IC 6-1.1-12-37.5 in 2008;
 8 divided by the sum determined under this STEP for the
 9 calendar year immediately preceding the particular calendar
 10 year.
 11 STEP THREE: Divide the sum of the three (3) quotients
 12 computed in STEP TWO by three (3).
 13 STEP FOUR: Compute separately, for each of the calendar
 14 years determined in STEP ONE, the quotient (rounded to the
 15 nearest ten-thousandth (0.0001)) of the sum of the total
 16 assessed value of all taxable property in all counties and:
 17 (i) for a particular calendar year before 2007, the total
 18 assessed value of property tax deductions in all counties
 19 under IC 6-1.1-12-41 (repealed) or IC 6-1.1-12-42 in the
 20 particular calendar year; or
 21 (ii) for a particular calendar year after 2006, the total
 22 assessed value of property tax deductions that applied in all
 23 counties under IC 6-1.1-12-42 in 2006 plus for a particular
 24 calendar year after 2009, the total assessed value of property
 25 tax deductions that applied in the unit under
 26 IC 6-1.1-12-37.5 in 2008;
 27 divided by the sum determined under this STEP for the
 28 calendar year immediately preceding the particular calendar
 29 year.
 30 STEP FIVE: Divide the sum of the three (3) quotients
 31 computed in STEP FOUR by three (3).
 32 STEP SIX: Divide the STEP THREE amount by the STEP
 33 FIVE amount.
 34 The civil taxing unit may increase its levy by a percentage not
 35 greater than the percentage by which the STEP THREE amount
 36 exceeds the percentage by which the civil taxing unit may
 37 increase its levy under section 3 of this chapter based on the
 38 assessed value growth quotient determined under section 2 of this
 39 chapter.
 40 ~~(4) A levy increase may not be granted under this subdivision for~~
 41 ~~property taxes first due and payable after December 31, 2008.~~
 42 ~~Permission to the civil taxing unit to increase its levy in excess of~~



1 the limitations established under section 3 of this chapter; if the
 2 local government tax control board finds that the civil taxing unit
 3 needs the increase to pay the costs of furnishing fire protection for
 4 the civil taxing unit through a volunteer fire department. For
 5 purposes of determining a township's need for an increased levy;
 6 the local government tax control board shall not consider the
 7 amount of money borrowed under IC 36-6-6-14 during the
 8 immediately preceding calendar year. However, any increase in
 9 the amount of the civil taxing unit's levy recommended by the
 10 local government tax control board under this subdivision for the
 11 ensuing calendar year may not exceed the lesser of:

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

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

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

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

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

24 (5) A levy increase may not be granted under this subdivision for
 25 property taxes first due and payable after December 31, 2008.
 26 Permission to a civil taxing unit to increase its levy in excess of
 27 the limitations established under section 3 of this chapter in order
 28 to raise revenues for pension payments and contributions the civil
 29 taxing unit is required to make under IC 36-8. The maximum
 30 increase in a civil taxing unit's levy that may be recommended
 31 under this subdivision for an ensuing calendar year equals the
 32 amount, if any, by which the pension payments and contributions
 33 the civil taxing unit is required to make under IC 36-8 during the
 34 ensuing calendar year exceeds the product of one and one-tenth
 35 (1.1) multiplied by the pension payments and contributions made
 36 by the civil taxing unit under IC 36-8 during the calendar year that
 37 immediately precedes the ensuing calendar year. For purposes of
 38 this subdivision, "pension payments and contributions made by a
 39 civil taxing unit" does not include that part of the payments or
 40 contributions that are funded by distributions made to a civil
 41 taxing unit by the state.

42 (6) A levy increase may not be granted under this subdivision for



1 property taxes first due and payable after December 31, 2008.
 2 Permission to increase its levy in excess of the limitations
 3 established under section 3 of this chapter if the local government
 4 tax control board finds that:

5 (A) the township's township assistance ad valorem property
 6 tax rate is less than one and sixty-seven hundredths cents
 7 (\$0.0167) per one hundred dollars (\$100) of assessed
 8 valuation; and

9 (B) the township needs the increase to meet the costs of
 10 providing township assistance under IC 12-20 and IC 12-30-4.
 11 The maximum increase that the board may recommend for a
 12 township is the levy that would result from an increase in the
 13 township's township assistance ad valorem property tax rate of
 14 one and sixty-seven hundredths cents (\$0.0167) per one hundred
 15 dollars (\$100) of assessed valuation minus the township's ad
 16 valorem property tax rate per one hundred dollars (\$100) of
 17 assessed valuation before the increase.

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

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

25 (B) the local government tax control board finds that the civil
 26 taxing unit needs the increase to provide adequate public
 27 transportation services.

28 The local government tax control board shall consider tax rates
 29 and levies in civil taxing units of comparable population; and the
 30 effect (if any) of a loss of federal or other funds to the civil taxing
 31 unit that might have been used for public transportation purposes.
 32 However, the increase that the board may recommend under this
 33 subdivision for a civil taxing unit may not exceed the revenue that
 34 would be raised by the civil taxing unit based on a property tax
 35 rate of one cent (\$0.01) per one hundred dollars (\$100) of
 36 assessed valuation.

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

42 (A) the civil taxing unit is:



1 (i) a county having a population of more than one hundred
2 seventy thousand (170,000) but less than one hundred
3 seventy-five thousand (175,000);

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

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

9 (iv) a city having a population of more than thirteen
10 thousand four hundred fifty (13,450) but less than thirteen
11 thousand five hundred (13,500); or

12 (v) a city having a population of more than eight thousand
13 seven hundred (8,700) but less than nine thousand (9,000);

14 and

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

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

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

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



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

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

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

- 6 (i) American Correctional Association Jail Construction
7 Standards; and
8 (ii) Indiana jail operation standards adopted by the
9 department of correction; or

10 (D) that operates a juvenile detention center that fails to meet
11 standards equivalent to the standards described in clause (C)
12 for the operation of juvenile detention centers:

13 Before recommending an increase, the local government tax
14 control board shall consider all other revenues available to the
15 county that could be applied for that purpose. An appeal for
16 operating funds for a jail or a juvenile detention center shall be
17 considered individually, if a jail and juvenile detention center are
18 both opened in one (1) county. The maximum aggregate levy
19 increases that the local government tax control board may
20 recommend for a county equals the county's share of the costs of
21 operating the jail or a juvenile detention center for the first full
22 calendar year in which the jail or juvenile detention center is in
23 operation.

24 (10) A levy increase may not be granted under this subdivision for
25 property taxes first due and payable after December 31, 2008.
26 Permission for a township to increase its levy in excess of the
27 limitations established under section 3 of this chapter, if the local
28 government tax control board finds that the township needs the
29 increase so that the property tax rate to pay the costs of furnishing
30 fire protection for a township, or a portion of a township, enables
31 the township to pay a fair and reasonable amount under a contract
32 with the municipality that is furnishing the fire protection.
33 However, for the first time an appeal is granted the resulting rate
34 increase may not exceed fifty percent (50%) of the difference
35 between the rate imposed for fire protection within the
36 municipality that is providing the fire protection to the township
37 and the township's rate. A township is required to appeal a second
38 time for an increase under this subdivision if the township wants
39 to further increase its rate. However, a township's rate may be
40 increased to equal but may not exceed the rate that is used by the
41 municipality. More than one (1) township served by the same
42 municipality may use this appeal.



1 (11) Permission to a city having a population of more than
 2 thirty-one thousand five hundred (31,500) but less than thirty-one
 3 thousand seven hundred twenty-five (31,725) to increase its levy
 4 in excess of the limitations established under section 3 of this
 5 chapter if:

6 (A) an appeal was granted to the city under this section to
 7 reallocate property tax replacement credits under IC 6-3.5-1.1
 8 in 1998, 1999, and 2000; and

9 (B) the increase has been approved by the legislative body of
 10 the city, and the legislative body of the city has by resolution
 11 determined that the increase is necessary to pay normal
 12 operating expenses:

13 The maximum amount of the increase is equal to the amount of
 14 property tax replacement credits under IC 6-3.5-1.1 that the city
 15 petitioned under this section to have reallocated in 2001 for a
 16 purpose other than property tax relief.

17 (12) (3) A levy increase may be granted under this subdivision
 18 only for property taxes first due and payable after December 31,
 19 2008. Permission to a civil taxing unit to increase its levy in
 20 excess of the limitations established under section 3 of this
 21 chapter if the civil taxing unit cannot carry out its governmental
 22 functions for an ensuing calendar year under the levy limitations
 23 imposed by section 3 of this chapter due to a natural disaster, an
 24 accident, or another unanticipated emergency.

25 (13) Permission to Jefferson County to increase its levy in excess
 26 of the limitations established under section 3 of this chapter if the
 27 department finds that the county experienced a property tax
 28 revenue shortfall that resulted from an erroneous estimate of the
 29 effect of the supplemental deduction under IC 6-1.1-12-37.5 on
 30 the county's assessed valuation. An appeal for a levy increase
 31 under this subdivision may not be denied because of the amount
 32 of cash balances in county funds. The maximum increase in the
 33 county's levy that may be approved under this subdivision is three
 34 hundred thousand dollars (\$300,000).

35 (b) The department of local government finance shall increase the
 36 maximum permissible ad valorem property tax levy under section 3 of
 37 this chapter for the city of Goshen for 2012 and thereafter by an
 38 amount equal to the greater of zero (0) or the result of:

39 (1) the city's total pension costs in 2009 for the 1925 police
 40 pension fund (IC 36-8-6) and the 1937 firefighters' pension fund
 41 (IC 36-8-7); minus

42 (2) the sum of:



1 (A) the total amount of state funds received in 2009 by the city
 2 and used to pay benefits to members of the 1925 police
 3 pension fund (IC 36-8-6) or the 1937 firefighters' pension fund
 4 (IC 36-8-7); plus

5 (B) any previous permanent increases to the city's levy that
 6 were authorized to account for the transfer to the state of the
 7 responsibility to pay benefits to members of the 1925 police
 8 pension fund (IC 36-8-6) and the 1937 firefighters' pension
 9 fund (IC 36-8-7).

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

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

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

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

24 SECTION 14. IC 6-1.1-18.5-13.5 IS REPEALED [EFFECTIVE
 25 JULY 1, 2016]. Sec. 13.5: A levy increase may not be granted under
 26 this section for property taxes first due and payable after December 31,
 27 2009. With respect to an appeal filed under section 12 of this chapter,
 28 the department of local government finance may give permission to a
 29 town having a population of more than three hundred (300) but less
 30 than four hundred (400) located in a county having a population of
 31 more than sixty-eight thousand nine hundred (68,900) but less than
 32 seventy thousand (70,000) to increase its levy in excess of the
 33 limitations established under section 3 of this chapter, if the department
 34 finds that the town needs the increase to pay the costs of furnishing fire
 35 protection for the town. However, any increase in the amount of the
 36 town's levy under this section for the ensuing calendar year may not
 37 exceed the greater of:

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

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

40 (A) the amount authorized for the cost of furnishing fire
 41 protection in the town's budget for the immediately preceding
 42 calendar year; plus



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

4 SECTION 15. IC 6-1.1-18.5-13.6 IS REPEALED [EFFECTIVE
 5 JULY 1, 2016]. Sec. ~~13.6~~: A levy increase may not be granted under
 6 this section for property taxes first due and payable after December 31,
 7 2008. For an appeal filed under section 12 of this chapter, the
 8 department of local government finance may give permission to a
 9 county to increase its levy in excess of the limitations established under
 10 section 3 of this chapter if the department finds that the county needs
 11 the increase to pay for:

12 (1) a new voting system; or

13 (2) the expansion or upgrade of an existing voting system;
 14 under IC ~~3-11-6~~.

15 SECTION 16. IC 6-1.1-30-14.5 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 14.5. The department
 17 of local government finance shall **may** adopt rules under IC 4-22-2 to
 18 limit the basis of payment for services provided by all professionals,
 19 including but not limited to attorneys, architects, and construction
 20 managers, who work on capital projects, to a fee for service agreement
 21 and may not adopt a rule authorizing the basis of payment for the
 22 services to be a percentage of the cost of the capital project.

23 SECTION 17. IC 6-1.1-31-2 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) The department
 25 of local government finance may:

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

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

34 (b) **The department of local government finance may, through**
 35 **the Indiana archives and records administration, amend at any**
 36 **time the forms that the department of local government finance**
 37 **prescribes under this section.**

38 (c) **The department of local government finance may enforce the**
 39 **use of forms that the department of local government finance**
 40 **prescribes under this section.**

41 (d) **Forms that were prescribed by the department of local**
 42 **government finance and approved by the Indiana archives and**



1 **records administration before July 1, 2016, are legalized and**
 2 **validated.**

3 SECTION 18. IC 6-1.1-33.5-3, AS AMENDED BY P.L.257-2013,
 4 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JULY 1, 2016]: Sec. 3. The division of data analysis shall:

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

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

9 (A) tax rolls;

10 (B) plat books;

11 (C) building permits;

12 (D) real estate transfers; and

13 (E) other data that may be useful in checking property
 14 valuations or taxpayer returns;

15 (3) ~~make~~ **assist with the department of local government**
 16 **finance's** test checks of property valuations to serve as the basis
 17 for special reassessments under this article;

18 (4) ~~conduct annually a~~ **assist with the department of local**
 19 **government finance's** review of each coefficient of dispersion
 20 study for each township and county;

21 (5) ~~conduct annually a~~ **assist with the department of local**
 22 **government finance's** review of each sales assessment ratio
 23 study for each township and county; and

24 (6) report annually to the executive director of the legislative
 25 services agency, in an electronic format under IC 5-14-6, the
 26 information obtained or determined under this section for use by
 27 the executive director and the general assembly, including:

28 (A) all information obtained by the division of data analysis
 29 from units of local government; and

30 (B) all information included in:

31 (i) the local government data base; and

32 (ii) any other data compiled by the division of data analysis.

33 SECTION 19. IC 6-1.1-36-7, AS AMENDED BY P.L.172-2011,
 34 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2016]: Sec. 7. (a) The department of local government finance

36 may cancel any property taxes, **delinquencies, fees, special**
 37 **assessments, and penalties** assessed against real property owned by
 38 a county, a township, a city, a town, or a body corporate and politic
 39 established under IC 8-10-5-2(a), **regardless of whether the county,**
 40 **township, city, town, or body corporate and politic established**
 41 **under IC 8-10-5-2(a) owned the property on the assessment date**
 42 **for which the property taxes, delinquencies, fees, special**



1 **assessments, or penalties are imposed and regardless of when the**
 2 **county, township, city, town, or body corporate and politic**
 3 **established under IC 8-10-5-2(a) acquired the property,** if a petition
 4 requesting that the department cancel the taxes is submitted by the
 5 auditor, assessor, and treasurer of the county in which the real property
 6 is located.

7 (b) The department of local government finance may cancel any
 8 property taxes, **delinquencies, fees, special assessments, and**
 9 **penalties** assessed against real property owned by this state, **regardless**
 10 **of whether the state owned the property on the assessment date for**
 11 **which the property taxes, delinquencies, fees, special assessments,**
 12 **or penalties are imposed and regardless of when the state acquired**
 13 **the property,** if a petition requesting that the department cancel the
 14 taxes is submitted by:

- 15 (1) the governor; or
 16 (2) the chief administrative officer of the state agency which
 17 supervises the real property.

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

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

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

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

- 32 (1) the compromised amount; multiplied by
 33 (2) a fraction, the numerator of which is the total of the particular
 34 county's property tax levies against the railroad for the
 35 compromised years, and the denominator of which is the total of
 36 all property tax levies against the railroad for the compromised
 37 years.

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

42 (f) The county auditor of each county receiving money under



1 subsection (d) shall allocate that money among the county's taxing
2 districts. The auditor shall allocate to each taxing district an amount
3 equal to the product of:

4 (1) the amount of money received by the county under subsection
5 (d); multiplied by

6 (2) a fraction, the numerator of which is the total of the taxing
7 district's property tax levies against the railroad for the
8 compromised years, and the denominator of which is the total of
9 all property tax levies against the railroad in that county for the
10 compromised years.

11 (g) The money allocated to each taxing district shall be apportioned
12 and distributed among the taxing units of that taxing district in the
13 same manner and at the same time that property taxes are apportioned
14 and distributed.

15 (h) The department of local government finance may, with the
16 approval of the attorney general, compromise the amount of property
17 taxes, together with any interest or penalties on those taxes, assessed
18 against property owned by a person that has a case pending under state
19 or federal bankruptcy law. Property taxes that are compromised under
20 this section shall be distributed and allocated at the same time and in
21 the same manner as regularly collected property taxes. The department
22 of local government finance may compromise property taxes under this
23 subsection only if:

24 (1) a petition is filed with the department of local government
25 finance that requests the compromise and is signed and approved
26 by the assessor, auditor, and treasurer of each county and the
27 assessor of each township (if any) that is entitled to receive any
28 part of the compromised taxes;

29 (2) the compromise significantly advances the time of payment of
30 the taxes; and

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

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

37 (j) A county treasurer, with the consent of the county auditor and the
38 county assessor, may compromise the amount of property taxes,
39 interest, or penalties owed in a county by an entity that has a case
40 pending under Title 11 of the United States Code (Bankruptcy Code)
41 by accepting a single payment that must be at least seventy-five percent
42 (75%) of the total amount owed in the county.



1 SECTION 20. IC 6-1.1-36-17, AS AMENDED BY P.L.5-2015,
 2 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2016]: Sec. 17. (a) As used in this section, "nonreverting
 4 fund" refers to a nonreverting fund established under subsection ~~(e)~~.
 5 **(d)**.

6 ~~Each~~ **If a county auditor that** makes a determination that
 7 property was not eligible for a standard deduction under IC 6-1.1-12-37
 8 in a particular year **within three (3) years after the date on which**
 9 **taxes for the particular year are first due, the county auditor may**
 10 **issue a notice of taxes, interest, and penalties due to the owner that**
 11 **improperly received the standard deduction and include a**
 12 **statement that the payment is to be made payable to the county**
 13 **auditor. The notice must require full payment of the amount owed**
 14 **within thirty (30) days. The additional taxes and civil penalties that**
 15 **result from the removal of the deduction, if any, are imposed for**
 16 **property taxes first due and payable for an assessment date**
 17 **occurring before the earlier of the date of the notation made under**
 18 **subsection (c)(2)(A) or the date a notice of an ineligible homestead**
 19 **lien is recorded under subsection (e)(2) in the office of the county**
 20 **recorder. With respect to property subject to a determination**
 21 **made under this subsection that is owned by a bona fide purchaser**
 22 **without knowledge of the determination, no lien attaches for any**
 23 **additional taxes and civil penalties that result from the removal of**
 24 **the deduction.**

25 **(c) If a county auditor issues a notice of taxes, interest, and**
 26 **penalties due to an owner under subsection (b), the county auditor**
 27 **shall:**

- 28 (1) notify the county treasurer of the determination; and
 29 (2) do one (1) or more of the following:
 30 (A) Make a notation on the tax duplicate that the property is
 31 ineligible for the standard deduction and indicate the date the
 32 notation is made.
 33 (B) Record a notice of an ineligible homestead lien under
 34 subsection ~~(d)(2)~~: **(e)(2)**.

35 ~~The county auditor shall issue a notice of taxes, interest, and penalties~~
 36 ~~due to the owner that improperly received the standard deduction and~~
 37 ~~include a statement that the payment is to be made payable to the~~
 38 ~~county auditor. The notice must require full payment of the amount~~
 39 ~~owed within thirty (30) days. The additional taxes and civil penalties~~
 40 ~~that result from the removal of the deduction, if any, are imposed for~~
 41 ~~property taxes first due and payable for an assessment date occurring~~
 42 ~~before the earlier of the date of the notation made under subdivision~~



1 ~~(2)(A)~~ or the date a notice of an ineligible homestead lien is recorded
 2 under subsection ~~(d)~~(2) in the office of the county recorder. With
 3 respect to property subject to a determination made under this
 4 subsection that is owned by a bona fide purchaser without knowledge
 5 of the determination, no lien attaches for any additional taxes and civil
 6 penalties that result from the removal of the deduction.

7 ~~(e)~~ **(d)** Each county auditor shall establish a nonreverting fund.
 8 Upon collection of the adjustment in tax due (and any interest and
 9 penalties on that amount) after the termination of a deduction or credit
 10 as specified in subsection (b), the county treasurer shall deposit that
 11 amount:

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

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

15 (A) in the nonreverting fund, to the extent that the amount
 16 collected, after deducting the direct cost of any contract,
 17 including contract related expenses, under which the
 18 contractor is required to identify homestead deduction
 19 eligibility, does not cause the total amount deposited in the
 20 nonreverting fund under this subsection for the year during
 21 which the amount is collected to exceed one hundred thousand
 22 dollars (\$100,000); or

23 (B) in the county general fund, to the extent that the amount
 24 collected exceeds the amount that may be deposited in the
 25 nonreverting fund under clause (A).

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

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

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

33 The adjustment in tax due (and any interest and penalties on that
 34 amount) after the termination of a deduction or credit as specified in
 35 subsection (b) shall be deposited as specified in subsection ~~(e)~~ **(d)** only
 36 in the first year in which that amount is collected. Upon the collection
 37 of the amount due under subsection (b) or the release of a lien recorded
 38 under subdivision (2), the county auditor shall submit the appropriate
 39 documentation to the county recorder, who shall amend the information
 40 recorded under subdivision (2) without charge to indicate that the lien
 41 has been released or the amount has been paid in full.

42 ~~(e)~~ **(f)** The amount to be deposited in the nonreverting fund or the



1 county general fund under subsection ~~(e)~~ **(d)** includes adjustments in
 2 the tax due as a result of the termination of deductions or credits
 3 available only for property that satisfies the eligibility for a standard
 4 deduction under IC 6-1.1-12-37, including the following:

- 5 (1) Supplemental deductions under IC 6-1.1-12-37.5.
- 6 (2) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-1.1-26,
 7 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,
 8 or any other law.
- 9 (3) Credit for excessive property taxes under IC 6-1.1-20.6-7.5 or
 10 IC 6-1.1-20.6-8.5.

11 Any amount paid that exceeds the amount required to be deposited
 12 under subsection ~~(e)(1)~~ **(d)(1)** or ~~(e)(2)~~ **(d)(2)** shall be distributed as
 13 property taxes.

14 ~~(f)~~ **(g)** Money deposited under subsection ~~(e)(1)~~ **(d)(1)** or ~~(e)(2)~~
 15 **(d)(2)** shall be treated as miscellaneous revenue. Distributions shall be
 16 made from the nonreverting fund established under this section upon
 17 appropriation by the county fiscal body and shall be made only for the
 18 following purposes:

- 19 (1) Fees and other costs incurred by the county auditor to discover
 20 property that is eligible for a standard deduction under
 21 IC 6-1.1-12-37.
- 22 (2) Other expenses of the office of the county auditor.

23 The amount of deposits in a reverting fund, the balance of a
 24 nonreverting fund, and expenditures from a reverting fund may not be
 25 considered in establishing the budget of the office of the county auditor
 26 or in setting property tax levies that will be used in any part to fund the
 27 office of the county auditor.

28 SECTION 21. IC 6-1.1-36-18 IS REPEALED [EFFECTIVE JULY
 29 1, 2016]. See: 48: (a) As used in this section, "local agency" has the
 30 meaning set forth in IC 4-6-3-1.

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

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

41 (d) If the fiscal body of a county adopts an ordinance under this
 42 section, a county, a political subdivision within the county, or a local



1 agency within the county may require a person applying for a property
 2 tax exemption, a property tax deduction, a zoning change or zoning
 3 variance, a building permit, or any other locally issued license or
 4 permit to submit a uniform property tax disclosure form prescribed
 5 under this section with the person's application for the property tax
 6 exemption, property tax deduction, zoning change or zoning variance,
 7 building permit, or any other locally issued license or permit.

8 (e) If the fiscal body of a county adopts an ordinance under this
 9 section, the fiscal body shall prescribe the uniform property tax
 10 disclosure form used within the county. The state board of accounts
 11 and the department of local government finance shall provide
 12 assistance to a fiscal body in prescribing the form upon the request of
 13 the fiscal body. The form must require the disclosure of the following
 14 information from a person applying for a property tax exemption, a
 15 property tax deduction, a zoning change or zoning variance, a building
 16 permit, or any other locally issued license or permit:

17 (1) A description of each parcel of real property located in the
 18 county that is owned by the person.

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

22 (A) The parcels for which the person is current on the tax
 23 liability, if any.

24 (B) The parcels for which the person has a delinquent tax
 25 liability, if any.

26 (3) Any other information necessary for the county, a political
 27 subdivision within the county, or a local agency within the county
 28 to determine whether the person has a delinquent tax liability on
 29 real property located in the county.

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

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

38 (2) the department of local government finance.

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



1 (b) The application required by this section must contain the
2 following information:

- 3 (1) The name of the owner of the new manufacturing equipment.
4 (2) A description of the new manufacturing equipment.
5 (3) Proof of the date the new manufacturing equipment was
6 installed.
7 (4) The amount of the deduction claimed for the first year of the
8 deduction.

9 (c) A deduction application must be filed under this section in the
10 year in which the new manufacturing equipment is installed and in
11 each of the immediately succeeding nine (9) years.

12 (d) The department of local government finance shall review and
13 verify the correctness of each application and shall notify the county
14 auditor of the county in which the property is located that the
15 application is approved or denied or that the amount of the deduction
16 is altered. Upon notification of approval of the application or of
17 alteration of the amount of the deduction, the county auditor shall make
18 the deduction.

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

- 22 (1) continues to use the equipment in compliance with any
23 standards established under section 7(c) of this chapter; and
24 (2) files the applications required by this section.

25 (f) The amount of the deduction is:

- 26 (1) the percentage under section 10 of this chapter that would
27 have applied if the ownership of the property had not changed;
28 multiplied by
29 (2) the assessed value of the equipment for the year the deduction
30 is claimed by the new owner.

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

- 36 (1) at least ten (10) taxpayers in the taxing district, if the fund is
37 authorized under IC 8-10-5-17, IC 8-16-3-1, IC 8-16-3.1-4,
38 IC 14-27-6-48, IC 14-33-21-2, IC 36-8-14-2, **IC 36-8-19-8.5**,
39 IC 36-9-4-48, or IC 36-10-4-36;
40 (2) at least twenty (20) taxpayers in a county served by a hospital,
41 if the fund is authorized under IC 16-22-4-1;
42 (3) at least thirty (30) taxpayers in a tax district, if the fund is



1 authorized under IC 36-10-3-21 or IC 36-10-7.5-19;
 2 (4) at least fifty (50) taxpayers in a municipality, township, or
 3 county, if subdivision (1), (2), (3), or (5) does not apply; or
 4 (5) at least one hundred (100) taxpayers in the county, if the fund
 5 is authorized by IC 3-11-6;
 6 may file a petition with the county auditor stating their objections to an
 7 action described in section 2 of this chapter. Upon the filing of the
 8 petition, the county auditor shall immediately certify the petition to the
 9 department of local government finance.

10 SECTION 24. IC 6-1.1-42-28, AS AMENDED BY P.L.112-2012,
 11 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2016]: Sec. 28. (a) Subject to this section and section 34 of
 13 this chapter, the amount of the deduction which the property owner is
 14 entitled to receive under this chapter for a particular year equals the
 15 product of:

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

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

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

23 YEAR OF DEDUCTION	PERCENTAGE
24 1st	100%
25 2nd	66%
26 3rd	33%

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

28 YEAR OF DEDUCTION	PERCENTAGE
29 1st	100%
30 2nd	85%
31 3rd	66%
32 4th	50%
33 5th	34%
34 6th	17%

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

36 YEAR OF DEDUCTION	PERCENTAGE
37 1st	100%
38 2nd	95%
39 3rd	80%
40 4th	65%
41 5th	50%
42 6th	40%



1	7th	30%
2	8th	20%
3	9th	10%
4	10th	5%

5 (c) The amount of the deduction determined under subsection (a)
6 shall be adjusted in accordance with this subsection in the following
7 circumstances:

- 8 (1) If a:
9 (A) general reassessment of real property under IC 6-1.1-4-4;
10 or
11 (B) reassessment under a county's reassessment plan prepared
12 under IC 6-1.1-4-4.2;

13 occurs within the particular period of the deduction, the amount
14 determined under subsection (a)(1) shall be adjusted to reflect the
15 percentage increase or decrease in assessed valuation that resulted
16 from the reassessment.

17 (2) If an appeal of an assessment is approved that results in a
18 reduction of the assessed value of the redeveloped or rehabilitated
19 property, the amount of any deduction shall be adjusted to reflect
20 the percentage decrease that resulted from the appeal.

21 (3) The amount of the deduction may not exceed the limitations
22 imposed by the designating body under section 23 of this chapter.

23 (4) The amount of the deduction must be proportionally reduced
24 by the proportionate ownership of the property by a person that:

- 25 (A) has an ownership interest in an entity that contributed; or
26 (B) has contributed;

27 a contaminant (as defined in IC 13-11-2-42) that is the subject of
28 the voluntary remediation, as determined under the written
29 standards adopted by the department of environmental
30 management.

31 The department of local government finance ~~shall~~ **may** adopt rules
32 under IC 4-22-2 to implement this subsection.

33 SECTION 25. IC 6-1.1-44-6, AS AMENDED BY P.L.245-2015,
34 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JANUARY 2, 2016 (RETROACTIVE)]: Sec. 6. (a) To obtain a
36 deduction under this chapter, a manufacturer must file an application
37 on forms prescribed by the department of local government finance
38 with the auditor of the county in which the investment property is
39 located. A person that timely files a personal property return under
40 IC 6-1.1-3-7(a) for the year in which the investment property is
41 installed must file the application between ~~March 10~~ **January 1** and
42 May 15 of that year. A person that obtains a filing extension under



1 IC 6-1.1-3-7(b) for the year in which the investment property is
 2 installed must file the application between ~~March 10~~ **January 1** and
 3 the extended due date for that year.

4 (b) The deduction application required by this section must contain
 5 the following information:

- 6 (1) The name of the owner of the investment property.
 7 (2) A description of the investment property.
 8 (3) Proof of purchase of the investment property and proof of the
 9 date the investment property was installed.
 10 (4) The amount of the deduction claimed.

11 SECTION 26. IC 8-25-6-2, AS ADDED BY P.L.153-2014,
 12 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2016]: Sec. 2. (a) If:

- 14 (1) the fiscal body of the county in which ~~the~~ **a** township is
 15 located does not adopt an ordinance under IC 8-25-2-1; and
 16 (2) the township is adjacent to: ~~either:~~

17 (A) an eligible county in which:

18 (i) a public transportation project has been approved under
 19 IC 8-25-2; or

20 (ii) **an ordinance described in IC 8-25-2 has been**
 21 **adopted; or**

22 (B) **a another** township in which:

23 (i) a public transportation project has been approved under
 24 this chapter; **or**

25 (ii) **a resolution described in this section has already been**
 26 **passed;**

27 the fiscal body of the township may pass a resolution to place on the
 28 ballot a local public question on whether the fiscal body of the eligible
 29 county should be required to fund and carry out a public transportation
 30 project in the township.

31 (b) The fiscal body of the township shall include in the resolution
 32 passed under subsection (a):

33 (1) a description of the public transportation services that will be
 34 provided in the township through the proposed public
 35 transportation project; and

36 (2) an estimate of each tax necessary to annually fund the public
 37 transportation project in the township.

38 SECTION 27. IC 8-25-6-10, AS ADDED BY P.L.153-2014,
 39 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2016]: Sec. 10. (a) If the voters of a township ~~located in an~~
 41 **eligible county described in section 2(a)(2)(A)(i) or 2(a)(2)(B)(i) of**
 42 **this chapter** approve a local public question under this chapter, the



1 fiscal body of the eligible county **in which the township is located**
 2 shall adopt an ordinance under IC 6-3.5-1.1-24(s), IC 6-3.5-6-30(t), or
 3 IC 6-3.5-7-26(m), whichever is applicable to the eligible county, to
 4 impose an additional county adjusted gross income tax rate, county
 5 option income tax rate, or county economic development income tax
 6 rate upon the county taxpayers residing in the township for the public
 7 transportation project in the township.

8 **(b) This subsection applies if the voters of a township described**
 9 **in section 2(a)(2)(A)(ii) or 2(a)(2)(B)(ii) of this chapter approve a**
 10 **local public question under this chapter and the voters in:**

- 11 (1) the eligible county described in section 2(a)(2)(A) of this
 12 chapter approve a local public question under IC 8-25-2; or
 13 (2) the township described in section 2(a)(2)(B) of this chapter
 14 approve a local public question under this chapter.

15 **The fiscal body of the eligible county in which the township is**
 16 **located shall adopt an ordinance under IC 6-3.5-1.1-24(s) (before**
 17 **its repeal on January 1, 2017), IC 6-3.5-6-30(t) (before its repeal on**
 18 **January 1, 2017), IC 6-3.5-7-26(m) (before its repeal on January 1,**
 19 **2017), or IC 6-3.6-4 (after December 31, 2016), whichever is**
 20 **applicable to the eligible county, to impose an additional county**
 21 **adjusted gross income tax rate, county option income tax rate,**
 22 **county economic development income tax rate, or local income tax**
 23 **rate upon the county taxpayers residing in the township for the**
 24 **public transportation project in the township.**

25 SECTION 28. IC 36-6-6-14, AS AMENDED BY P.L.218-2013,
 26 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2016]: Sec. 14. (a) At any special meeting, if two (2) or more
 28 members give their consent, the legislative body may determine
 29 whether there is a need for fire and emergency services or other
 30 emergency requiring the expenditure of money not included in the
 31 township's budget estimates and levy.

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

39 (c) Notwithstanding IC 36-8-13-4(a), the legislative body may
 40 authorize the executive to borrow a specified sum from a township
 41 fund other than the township firefighting fund if the legislative body
 42 finds that the emergency requiring the expenditure of money is related



1 to paying the operating expenses of a township fire department or a
 2 volunteer fire department. At its next annual session, the legislative
 3 body shall cover the debt created by making a levy to the credit of the
 4 fund for which the amount was borrowed under this subsection.

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

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

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

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

16 (4) Current and projected growth in the number of residents and
 17 other citizens served by the township, emergency service runs,
 18 certified and noncertified personnel, and other appropriate
 19 measures of public safety needs in the jurisdiction served by the
 20 township.

21 (5) Salary comparisons for certified and noncertified public safety
 22 personnel in the township and other surrounding or comparable
 23 jurisdictions.

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

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

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

30 (e) In the event the township received additional funds under this
 31 chapter in the immediately preceding budget year for an approved
 32 expenditure, any reviewing authority shall take into consideration the
 33 use of the funds in the immediately preceding budget year and the
 34 continued need for funding the services and operations to be funded
 35 with the proceeds of the loan.

36 (f) This subsection applies to a township that is allowed an increase
 37 in its maximum permissible ad valorem property tax levy under
 38 IC 6-1.1-18.5-13(c). The restrictions on borrowing set forth in this
 39 subsection are instead of the restrictions set forth in subsection (b):
 40 Repayments of the money borrowed in 2012 or 2013, as applicable,
 41 may be made over a three (3) year period beginning in 2014, and
 42 ending in 2016. Each year the township may borrow the amount



1 necessary to repay one third (1/3) of the principal and interest of that
 2 debt. After 2016, the township may not borrow money under
 3 subsection (b) in more than three (3) calendar years during any five (5)
 4 year period.

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

14 (1) The ordinance or resolution is identical to the ordinances and
 15 resolutions adopted by the other participating units under this
 16 section.

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

20 (3) The ordinance or resolution authorizes the provider unit to
 21 establish the fund.

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

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

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

27 (C) The contents of the agreement to establish the fund.

28 An ordinance or a resolution adopted under this section takes effect as
 29 provided in IC 6-1.1-41.

30 (b) If a fund is established, the participating units may agree to:

31 (1) impose a property tax to provide for the accumulation of
 32 money in the fund to purchase fire protection equipment;

33 (2) incur debt to purchase fire protection equipment and impose
 34 a property tax to retire the loan; or

35 (3) transfer an amount from the fire protection territory fund to
 36 the fire equipment replacement fund not to exceed five percent
 37 (5%) of the levy for the fire protection territory fund for that year;

38 or any combination of these options.

39 (c) The property tax rate for the levy imposed under this section may
 40 not exceed three and thirty-three hundredths cents (\$0.0333) per one
 41 hundred dollars (\$100) of assessed value. Before debt may be incurred,
 42 the fiscal body of a participating unit must adopt an ordinance (if the



1 unit is a county or municipality) or a resolution (if the unit is a
 2 township) that specifies the amount and purpose of the debt. The
 3 ordinance or resolution must be identical to the other ordinances and
 4 resolutions adopted by the participating units. ~~In addition, the~~
 5 department of local government finance must approve the incurrence
 6 of the debt using the same standards as applied to the incurrence of
 7 debt by civil taxing units. **Except as provided in subsection (d), if**
 8 **debt is to be incurred for the purposes of a fund, the provider unit**
 9 **shall negotiate for and hold the debt on behalf of the territory.**
 10 **However, the participating units and the provider unit of the**
 11 **territory are jointly liable for any debt incurred by the provider**
 12 **unit for the purposes of the fund. The most recent adjusted value**
 13 **of taxable property for the entire territory must be used to**
 14 **determine the debt limit under IC 36-1-15-6. A provider unit shall**
 15 **comply with all general statutes and rules relating to the**
 16 **incurrence of debt under this subsection.**

17 **(d) A participating unit of a territory may, to the extent allowed**
 18 **by law, incur debt in the participating unit's own name to acquire**
 19 **fire protection equipment or other property that is to be owned by**
 20 **the participating unit. A participating unit that acquires fire**
 21 **protection equipment or other property under this subsection may**
 22 **afterward enter into an interlocal agreement under IC 36-1-7 with**
 23 **the provider unit to furnish the fire protection equipment or other**
 24 **property to the provider unit for the provider unit's use or benefit**
 25 **in accomplishing the purposes of the territory. A participating unit**
 26 **shall comply with all general statutes and rules relating to the**
 27 **incurrence of debt under this subsection.**

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

31 ~~(f)~~ **(f)** The requirements and procedures specified in IC 6-1.1-41
 32 concerning the establishment or reestablishment of a cumulative fund,
 33 the imposing of a property tax for a cumulative fund, and the increasing
 34 of a property tax rate for a cumulative fund apply to:

- 35 (1) the establishment or reestablishment of a fund under this
 36 section;
- 37 (2) the imposing of a property tax for a fund under this section;
 38 and
- 39 (3) the increasing of a property tax rate for a fund under this
 40 section.

41 ~~(g)~~ **(g)** Notwithstanding IC 6-1.1-18-12, if a fund established under
 42 this section is reestablished in the manner provided in IC 6-1.1-41, the



1 property tax rate imposed for the fund in the first year after the fund is
 2 reestablished may not exceed three and thirty-three hundredths cents
 3 (\$0.0333) per one hundred dollars (\$100) of assessed value.

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

- 13 (b) If an ordinance or a resolution is adopted under subsection (a)
 14 ~~(1) the unit's maximum permissible ad valorem property tax levy~~
 15 ~~with respect to fire protection services shall be initially increased~~
 16 ~~by the amount of the particular unit's previous year levy under this~~
 17 ~~chapter; and~~
 18 ~~(2) additional increases with respect to fire protection services~~
 19 ~~levy amounts are subject to the tax levy limitations under~~
 20 ~~IC 6-1.1-18.5; except for the part of the unit's levy that is~~
 21 ~~necessary to retire the unit's share of any debt incurred while the~~
 22 ~~unit was a participating unit.~~

23 **for purposes of determining a unit's maximum permissible ad**
 24 **valorem property tax levy for the year following the year in which**
 25 **the ordinance or resolution is adopted, the unit receives a**
 26 **percentage of the territory's maximum permissible ad valorem**
 27 **property tax levy equal to the percentage of the assessed valuation**
 28 **that the unit contributed to the territory in the year in which the**
 29 **ordinance or resolution is adopted. The department of local**
 30 **government finance shall adjust the territory's maximum**
 31 **permissible ad valorem property tax levy to account for the unit's**
 32 **withdrawal. After the effective date of an ordinance or resolution**
 33 **adopted under subsection (a), the unit may no longer impose a tax**
 34 **rate for an equipment replacement fund under section 8.5 of this**
 35 **chapter. The unit remains liable for the unit's share of any debt**
 36 **incurred under section 8.5 of this chapter.**

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

40 SECTION 31. IC 36-12-2-25, AS AMENDED BY P.L.13-2013,
 41 SECTION 155, IS AMENDED TO READ AS FOLLOWS
 42 [EFFECTIVE JULY 1, 2016]: Sec. 25. (a) The residents or real



1 property taxpayers of the library district taxed for the support of the
 2 library may use the facilities and services of the public library without
 3 charge for library or related purposes. However, the library board may:

- 4 (1) fix and collect fees and rental charges; and
 5 (2) assess fines, penalties, and damages for the:
 6 (A) loss of;
 7 (B) injury to; or
 8 (C) failure to return;

9 any library property or material.

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

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

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

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

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

- 22 (1) The library district's operating fund expenditure per capita in
 23 the most recent year for which that information is available in the
 24 Indiana state library's annual "Statistics of Indiana Libraries".
 25 (2) Twenty-five dollars (\$25).

26 (e) A library board may issue a local library card without charge or
 27 for a reduced fee to an individual who is not a resident of the library
 28 district and who is:

- 29 (1) a student enrolled in or a teacher in a public school
 30 corporation or nonpublic school:
 31 (A) that is located at least in part in the library district; and
 32 (B) in which students in any grade from preschool through
 33 grade 12 are educated; ~~or~~
 34 (2) a library employee of the district; ~~or~~
 35 **(3) a student enrolled in a college or university that is located**
 36 **at least in part of the library district;**

37 if the board adopts a resolution that is approved by an affirmative vote
 38 of a majority of the members appointed to the library board.

39 (f) A library card issued under subsection (b)(2), (b)(3), or (e)
 40 ~~expires one (1) year after issuance of the card. may be valid for a~~
 41 **maximum of one (1) year after issuance. A card issued under**
 42 **subsection (b)(2) or (b)(3) that is valid for less than one (1) year**



1 must be sold at a fee prorated to the equivalent of the annual fee
2 prescribed under subsection (d).

3 SECTION 32. [EFFECTIVE JANUARY 1, 2008
4 (RETROACTIVE)]: (a) This SECTION applies notwithstanding
5 IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or
6 provision.

7 (b) This SECTION applies to an assessment date occurring in
8 2008 through 2011.

9 (c) As used in this SECTION, "eligible property" means real
10 property for which a charitable exemption from property taxes
11 was granted for the 2012 through 2015 assessment dates that
12 consists of:

13 (1) a building owned, occupied, and used for the charitable
14 fund raising activities described in subsection (d) during 2008
15 through 2015; and

16 (2) a parking lot that serves the building described in
17 subdivision (1) during 2008 through 2015.

18 (d) As used in this SECTION, "qualified taxpayer" refers to an
19 Indiana domestic nonprofit corporation that from 2008 through
20 2015:

21 (1) owned the eligible property;

22 (2) held a charity gaming license issued by the Indiana gaming
23 commission under IC 4-32.2; and

24 (3) used the eligible property to conduct charitable fund
25 raising activities to support its boarding high school.

26 (e) A qualified taxpayer may before September 1, 2016, file
27 property tax exemption applications and supporting documents
28 claiming a property tax exemption under IC 6-1.1-10-16 and this
29 SECTION for the eligible property for the 2008 through 2011
30 assessment dates.

31 (f) A property tax exemption application filed under subsection
32 (e) by a qualified taxpayer is considered to have been timely filed.

33 (g) If a qualified taxpayer files the property tax exemption
34 applications under subsection (e) and the county assessor finds that
35 the eligible property would have qualified for an exemption under
36 IC 6-1.1-10-16 for an assessment date described in subsection (e)
37 if the property tax exemption application had been filed under
38 IC 6-1.1-11 in a timely manner for that assessment date, the
39 following apply:

40 (1) The property tax exemption for the eligible property shall
41 be allowed and granted for that assessment date by the county
42 assessor and county auditor.



1 (2) The qualified taxpayer is not required to pay any property
2 taxes, penalties, or interest with respect to the eligible
3 property for that assessment date.

4 (h) The exemption allowed by this SECTION shall be applied
5 without the need for any further ruling or action by the county
6 assessor, the county auditor, or the county property tax assessment
7 board of appeals of the county in which the eligible property is
8 located or by the Indiana board of tax review.

9 (i) To the extent the qualified taxpayer has paid any property
10 taxes, penalties, or interest with respect to the eligible property for
11 an assessment date described in subsection (e), the eligible taxpayer
12 is entitled to a refund of the amounts paid. Notwithstanding the
13 filing deadlines for a claim in IC 6-1.1-26, any claim for a refund
14 filed by an eligible taxpayer under this subsection before
15 September 1, 2016, is considered timely filed. The county auditor
16 shall pay the refund due under this SECTION in one (1)
17 installment.

18 (j) This SECTION expires July 1, 2018.

19 SECTION 33. [EFFECTIVE JANUARY 1, 2013
20 (RETROACTIVE)]: (a) This SECTION applies notwithstanding
21 IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or
22 provision.

23 (b) This SECTION applies to an assessment date occurring in
24 2013 through 2016.

25 (c) As used in this SECTION, "eligible property" means real
26 property that:

27 (1) was purchased through a foreclosure sale in June 2014;
28 and

29 (2) had been used as a church before the sale.

30 (d) As used in this SECTION, "qualified taxpayer" refers to a
31 tax exempt foundation that has owned eligible property since
32 October 2015, and the owner:

33 (1) has sought to reuse the eligible property for an exempt
34 purpose as a community building since purchasing the real
35 property but has not been able to use and occupy the property
36 for that purpose because of repair and renovation needs and
37 rezoning issues;

38 (2) did not receive any of the notices required by IC 6-1.1-4 or
39 IC 6-1.1-11-4 regarding the property's assessment or
40 exemption due to errors in processing the deed to the eligible
41 property; and

42 (3) filed a property tax exemption application in October



- 1 **2015.**
- 2 **(e) A qualified taxpayer may before September 1, 2016, file**
- 3 **property tax exemption applications and supporting documents**
- 4 **claiming a property tax exemption under IC 6-1.1-10-16 and this**
- 5 **SECTION for the eligible property for the 2013, 2014, 2015, and**
- 6 **2016 assessment dates.**
- 7 **(f) A property tax exemption application filed under subsection**
- 8 **(e) by a qualified taxpayer is considered to have been timely filed.**
- 9 **(g) If a qualified taxpayer files the property tax exemption**
- 10 **applications under subsection (e) the following apply:**
- 11 **(1) The property tax exemption for the eligible property shall**
- 12 **be allowed and granted for the 2013, 2014, 2015, and 2016**
- 13 **assessment dates by the county assessor and county auditor of**
- 14 **the county in which the eligible property is located**
- 15 **notwithstanding that the owner was unable to use and occupy**
- 16 **the property for an exempt purpose as a community building**
- 17 **due to repair and renovation needs and rezoning issues.**
- 18 **(2) The qualified taxpayer is not required to pay any property**
- 19 **taxes, penalties, or interest with respect to the eligible**
- 20 **property for the 2013, 2014, 2015, and 2016 assessment dates.**
- 21 **(h) The exemption allowed by this SECTION shall be applied**
- 22 **without the need for any further ruling or action by the county**
- 23 **assessor, the county auditor, or the county property tax assessment**
- 24 **board of appeals of the county in which the eligible property is**
- 25 **located or by the Indiana board of tax review.**
- 26 **(i) To the extent the qualified taxpayer has paid any property**
- 27 **taxes, penalties, or interest with respect to the eligible property for**
- 28 **the 2013, 2014, 2015, and 2016 assessment dates, the eligible**
- 29 **taxpayer is entitled to a refund of the amounts paid.**
- 30 **Notwithstanding the filing deadlines for a claim in IC 6-1.1-26, any**
- 31 **claim for a refund filed by an eligible taxpayer under this**
- 32 **subsection before September 1, 2016, is considered timely filed.**
- 33 **The county auditor shall pay the refund due under this SECTION**
- 34 **in one (1) installment.**
- 35 **(j) This SECTION expires July 1, 2018.**
- 36 **SECTION 34. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1273, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 3. IC 6-1.1-10-37.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016 (RETROACTIVE)]: **Sec. 37.8. For assessment dates after December 31, 2015, tangible personal property is exempt from property taxation if that tangible personal property:**

(1) is owned by a homeowners association (as defined in IC 32-25.5-2-4); and

(2) is held by the homeowners association for the use, benefit, or enjoyment of members of the homeowners association."

Page 9, line 9, after "government" insert ".".

Page 9, line 9, strike "and determined by the".

Page 9, strike line 10.

Page 11, line 37, strike "that may".

Page 11, line 38, strike "be".

Page 20, line 27, delete "[EFFECTIVE JANUARY 1, 2016 (RETROACTIVE)]:" and insert "[EFFECTIVE JULY 1, 2016]:".

Page 30, line 28, after "under" insert "**this**".

Page 41, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 26. IC 8-25-6-2, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) If:

(1) the fiscal body of the county in which ~~the~~ a township is located does not adopt an ordinance under IC 8-25-2-1; and

(2) the township is adjacent to: ~~either:~~

(A) an eligible county in which:

(i) a public transportation project has been approved under IC 8-25-2; or

(ii) an ordinance described in IC 8-25-2 has been adopted; or

(B) ~~a~~ **another** township in which:

(i) a public transportation project has been approved under this chapter; or

(ii) a resolution described in this section has already been passed;



the fiscal body of the township may pass a resolution to place on the ballot a local public question on whether the fiscal body of the eligible county should be required to fund and carry out a public transportation project in the township.

(b) The fiscal body of the township shall include in the resolution passed under subsection (a):

- (1) a description of the public transportation services that will be provided in the township through the proposed public transportation project; and
- (2) an estimate of each tax necessary to annually fund the public transportation project in the township.

SECTION 27. IC 8-25-6-10, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 10. **(a)** If the voters of a township located in an eligible county described in section 2(a)(2)(A)(i) or 2(a)(2)(B)(i) of this chapter approve a local public question under this chapter, the fiscal body of the eligible county in which the township is located shall adopt an ordinance under IC 6-3.5-1.1-24(s), IC 6-3.5-6-30(t), or IC 6-3.5-7-26(m), whichever is applicable to the eligible county, to impose an additional county adjusted gross income tax rate, county option income tax rate, or county economic development income tax rate upon the county taxpayers residing in the township for the public transportation project in the township.

(b) This subsection applies if the voters of a township described in section 2(a)(2)(A)(ii) or 2(a)(2)(B)(ii) of this chapter approve a local public question under this chapter and the voters in:

- (1) the eligible county described in section 2(a)(2)(A) of this chapter approve a local public question under IC 8-25-2; or**
- (2) the township described in section 2(a)(2)(B) of this chapter approve a local public question under this chapter.**

The fiscal body of the eligible county in which the township is located shall adopt an ordinance under IC 6-3.5-1.1-24(s) (before its repeal on January 1, 2017), IC 6-3.5-6-30(t) (before its repeal on January 1, 2017), IC 6-3.5-7-26(m) (before its repeal on January 1, 2017), or IC 6-3.6-4 (after December 31, 2016), whichever is applicable to the eligible county, to impose an additional county adjusted gross income tax rate, county option income tax rate, county economic development income tax rate, or local income tax rate upon the county taxpayers residing in the township for the public transportation project in the township."

Page 46, strike line 17 and insert "may be valid for a maximum of one (1) year after issuance. A card issued under subsection (b)(2)



or (b)(3) that is valid for less than one (1) year must be sold at a fee prorated to the equivalent of the annual fee prescribed under subsection (d)."

Page 46, delete lines 18 through 27, begin a new paragraph and insert:

"SECTION 32. [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: (a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.

(b) This SECTION applies to an assessment date occurring in 2008 through 2011.

(c) As used in this SECTION, "eligible property" means real property for which a charitable exemption from property taxes was granted for the 2012 through 2015 assessment dates that consists of:

- (1) a building owned, occupied, and used for the charitable fund raising activities described in subsection (d) during 2008 through 2015; and
- (2) a parking lot that serves the building described in subdivision (1) during 2008 through 2015.

(d) As used in this SECTION, "qualified taxpayer" refers to an Indiana domestic nonprofit corporation that from 2008 through 2015:

- (1) owned the eligible property;
- (2) held a charity gaming license issued by the Indiana gaming commission under IC 4-32.2; and
- (3) used the eligible property to conduct charitable fund raising activities to support its boarding high school.

(e) A qualified taxpayer may before September 1, 2016, file property tax exemption applications and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 and this SECTION for the eligible property for the 2008 through 2011 assessment dates.

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been timely filed.

(g) If a qualified taxpayer files the property tax exemption applications under subsection (e) and the county assessor finds that the eligible property would have qualified for an exemption under IC 6-1.1-10-16 for an assessment date described in subsection (e) if the property tax exemption application had been filed under IC 6-1.1-11 in a timely manner for that assessment date, the following apply:



(1) The property tax exemption for the eligible property shall be allowed and granted for that assessment date by the county assessor and county auditor.

(2) The qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property for that assessment date.

(h) The exemption allowed by this SECTION shall be applied without the need for any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review.

(i) To the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for an assessment date described in subsection (e), the eligible taxpayer is entitled to a refund of the amounts paid. Notwithstanding the filing deadlines for a claim in IC 6-1.1-26, any claim for a refund filed by an eligible taxpayer under this subsection before September 1, 2016, is considered timely filed. The county auditor shall pay the refund due under this SECTION in one (1) installment.

(j) This SECTION expires July 1, 2018.

SECTION 33. [EFFECTIVE JANUARY 1, 2013 (RETROACTIVE)]: (a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.

(b) This SECTION applies to an assessment date occurring in 2013 through 2016.

(c) As used in this SECTION, "eligible property" means real property that:

(1) was purchased through a foreclosure sale in June 2014; and

(2) had been used as a church before the sale.

(d) As used in this SECTION, "qualified taxpayer" refers to a tax exempt foundation that has owned eligible property since October 2015, and the owner:

(1) has sought to reuse the eligible property for an exempt purpose as a community building since purchasing the real property but has not been able to use and occupy the property for that purpose because of repair and renovation needs and rezoning issues;

(2) did not receive any of the notices required by IC 6-1.1-4 or IC 6-1.1-11-4 regarding the property's assessment or



exemption due to errors in processing the deed to the eligible property; and

(3) filed a property tax exemption application in October 2015.

(e) A qualified taxpayer may before September 1, 2016, file property tax exemption applications and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 and this SECTION for the eligible property for the 2013, 2014, 2015, and 2016 assessment dates.

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been timely filed.

(g) If a qualified taxpayer files the property tax exemption applications under subsection (e) the following apply:

(1) The property tax exemption for the eligible property shall be allowed and granted for the 2013, 2014, 2015, and 2016 assessment dates by the county assessor and county auditor of the county in which the eligible property is located notwithstanding that the owner was unable to use and occupy the property for an exempt purpose as a community building due to repair and renovation needs and rezoning issues.

(2) The qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the 2013, 2014, 2015, and 2016 assessment dates.

(h) The exemption allowed by this SECTION shall be applied without the need for any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review.

(i) To the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for the 2013, 2014, 2015, and 2016 assessment dates, the eligible taxpayer is entitled to a refund of the amounts paid. Notwithstanding the filing deadlines for a claim in IC 6-1.1-26, any claim for a refund filed by an eligible taxpayer under this



subsection before September 1, 2016, is considered timely filed. The county auditor shall pay the refund due under this SECTION in one (1) installment.

(j) This SECTION expires July 1, 2018."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1273 as introduced.)

BROWN T

Committee Vote: yeas 21, nays 0.

