

First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

HOUSE ENROLLED ACT No. 1305

AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 6-1.1-4-12.6, AS AMENDED BY P.L.146-2008, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 12.6. (a) For purposes of this section, the term "secondary recovery method" includes but is not limited to the stimulation of oil production by means of the injection of water, steam, hydrocarbons, or chemicals, or by means of in situ combustion.

(b) The total assessed value of all interests in the oil located on or beneath the surface of a particular tract of land equals the product of:

- (1) the average daily production of the oil; multiplied by
- (2) three hundred sixty-five (365); and multiplied by
- (3) the posted price of oil on the assessment date.

However, if the oil is being extracted by use of a secondary recovery method, the total assessed value of all interests in the oil equals one-half (1/2) the assessed value computed under the formula prescribed in this subsection. The appropriate township assessor (if any), or the county assessor if there is no township assessor for the township, shall, in the manner prescribed by the department of local government finance, apportion the total assessed value of all interests in the oil among the owners of those interests.

(c) The appropriate township assessor, or the county assessor if there is no township assessor for the township, shall, in the manner prescribed by the department of local government finance, determine

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and apportion the total assessed value of all interests in the gas located beneath the surface of a particular tract of land.

(d) The department of local government finance shall prescribe a schedule for township and county assessors to use in assessing the **oil or gas interests described in section 12.4(a) of this chapter and the appurtenances described in section 12.4(c) of this chapter. The owner or owner's agent of the oil or gas interests or appurtenances described in section 12.4 of this chapter must file the schedule by May 15 each year with the appropriate township assessor (if any), or the county assessor if there is no township assessor for the township.**

(e) **If a person fails to file the schedule required by subsection (d) on or before the due date, the county auditor shall add a penalty of twenty-five dollars (\$25) to the person's next property tax installment. The county auditor shall also add an additional penalty to the taxes payable by the person if the person fails to file the schedule within thirty (30) days after the due date. The amount of the additional penalty is ten percent (10%) of the taxes finally determined to be due with respect to the property which should have been reported on the schedule.**



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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