

HOUSE BILL No. 1354

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1; IC 8-22-3.5; IC 15-16-8-7; IC 36-2; IC 36-7.

Synopsis: Duties of county auditors. Makes the filing deadlines for property tax deductions applicable to mobile homes and manufactured homes that are not assessed as real property the same as the filing deadlines for property tax deductions applicable to real property. Provides that weed control charges incurred by counties, cities, towns, and townships for removal of noxious weeds and detrimental vegetation on private property are to be collected in the manner that municipal sewer charges are collected and imposes an additional \$20 collection fee. Increases the maximum amount of the county option fee that a county auditor may charge for endorsing a real estate conveyance document from \$5 to \$10 and provides that 50% of the fee revenue must be used to maintain plat books and 50% of the fee revenue must be used to develop and maintain electronic plat books. Provides that a redevelopment commission or other entity that creates a tax increment financing area shall file the resolution and supporting documents that create the tax increment financing area with the county auditor in which the tax increment financing area is located within 30 days after the redevelopment commission takes final action on the resolution. Provides that if a redevelopment commission or other entity that creates a tax increment financing area fails to file the resolution and supporting documents with the county auditor before the first anniversary of the effective date of the tax increment financing area, the county auditor shall use the assessment date immediately preceding the date on which the documents were filed to compute the base assessed value of the tax increment financing area. Urges a legislative study of the advisability of eliminating the mortgage property tax deduction and the advisability of increasing the homestead standard deduction.

Effective: July 1, 2018.

Engleman

January 16, 2018, read first time and referred to Committee on Ways and Means.



Second Regular Session of the 120th General Assembly (2018)

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 2017 Regular Session of the General Assembly.

HOUSE BILL No. 1354

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

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

1 SECTION 1. IC 6-1.1-12-2, AS AMENDED BY P.L.81-2010,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2018]: Sec. 2. (a) Except as provided in section 17.8 of this
4 chapter and subject to section 45 of this chapter, for a person to qualify
5 for the deduction provided by section 1 of this chapter a statement must
6 be filed under subsection (b) or (c). Regardless of the manner in which
7 a statement is filed, the mortgage, contract, or memorandum (including
8 a home equity line of credit) must be recorded with the county
9 recorder's office to qualify for a deduction under section 1 of this
10 chapter.

11 (b) Subject to subsection (c), to apply for the deduction under
12 section 1 of this chapter with respect to real property, the person
13 recording the mortgage, home equity line of credit, contract, or
14 memorandum of the contract with the county recorder may file a
15 written statement with the county recorder containing the information
16 described in subsection (e)(1), (e)(2), (e)(3), (e)(4), (e)(6), (e)(7), and
17 (e)(8). The statement must be prepared on the form prescribed by the



1 department of local government finance and be signed by the property
 2 owner or contract purchaser under the penalties of perjury. The form
 3 must have a place for the county recorder to insert the record number
 4 and page where the mortgage, home equity line of credit, contract, or
 5 memorandum of the contract is recorded. Upon receipt of the form and
 6 the recording of the mortgage, home equity line of credit, contract, or
 7 memorandum of the contract, the county recorder shall insert on the
 8 form the record number and page where the mortgage, home equity line
 9 of credit, contract, or memorandum of the contract is recorded and
 10 forward the completed form to the county auditor. The county recorder
 11 may not impose a charge for the county recorder's duties under this
 12 subsection. The statement must be completed and dated in the calendar
 13 year for which the person wishes to obtain the deduction and filed with
 14 the county recorder on or before January 5 of the immediately
 15 succeeding calendar year.

16 (c) With respect to:

17 (1) real property as an alternative to a filing under subsection (b);

18 or

19 (2) a mobile home that is not assessed as real property or a
 20 manufactured home that is not assessed as real property;

21 to apply for a deduction under section 1 of this chapter, a person who
 22 desires to claim the deduction may file a statement in duplicate, on
 23 forms prescribed by the department of local government finance, with
 24 the auditor of the county in which the real property, mobile home not
 25 assessed as real property, or manufactured home not assessed as real
 26 property is located. ~~With respect to real property~~ The statement must
 27 be completed and dated in the calendar year for which the person
 28 wishes to obtain the deduction and filed with the county auditor on or
 29 before January 5 of the immediately succeeding calendar year. ~~With~~
 30 ~~respect to a mobile home that is not assessed as real property or a~~
 31 ~~manufactured home that is not assessed as real property, the statement~~
 32 ~~must be filed during the twelve (12) months before March 31 of each~~
 33 ~~year for which the individual wishes to obtain the deduction.~~ The
 34 statement may be filed in person or by mail. If mailed, the mailing must
 35 be postmarked on or before the last day for filing. In addition to the
 36 statement required by this subsection, a contract buyer who desires to
 37 claim the deduction must submit a copy of the recorded contract or
 38 recorded memorandum of the contract, which must contain a legal
 39 description sufficient to meet the requirements of IC 6-1.1-5, with the
 40 first statement that the buyer files under this section with respect to a
 41 particular parcel of real property.

42 (d) Upon receipt of:



- 1 (1) the statement under subsection (b); or
 2 (2) the statement under subsection (c) and the recorded contract
 3 or recorded memorandum of the contract;
 4 the county auditor shall assign a separate description and identification
 5 number to the parcel of real property being sold under the contract.
- 6 (e) The statement referred to in subsections (b) and (c) must be
 7 verified under penalties for perjury. The statement must contain the
 8 following information:
- 9 (1) The balance of the person's mortgage, home equity line of
 10 credit, or contract indebtedness that is recorded in the county
 11 recorder's office on the assessment date of the year for which the
 12 deduction is claimed.
 13 (2) The assessed value of the real property, mobile home, or
 14 manufactured home.
 15 (3) The full name and complete residence address of the person
 16 and of the mortgagee or contract seller.
 17 (4) The name and residence of any assignee or bona fide owner or
 18 holder of the mortgage, home equity line of credit, or contract, if
 19 known, and if not known, the person shall state that fact.
 20 (5) The record number and page where the mortgage, contract, or
 21 memorandum of the contract is recorded.
 22 (6) A brief description of the real property, mobile home, or
 23 manufactured home which is encumbered by the mortgage or
 24 home equity line of credit or sold under the contract.
 25 (7) If the person is not the sole legal or equitable owner of the real
 26 property, mobile home, or manufactured home, the exact share of
 27 the person's interest in it.
 28 (8) The name of any other county in which the person has applied
 29 for a deduction under this section and the amount of deduction
 30 claimed in that application.
- 31 (f) The authority for signing a deduction application filed under this
 32 section may not be delegated by the real property, mobile home, or
 33 manufactured home owner or contract buyer to any person except upon
 34 an executed power of attorney. The power of attorney may be contained
 35 in the recorded mortgage, contract, or memorandum of the contract, or
 36 in a separate instrument.
- 37 (g) A closing agent (as defined in section 43(a)(2) of this chapter)
 38 is not liable for any damages claimed by the property owner or contract
 39 purchaser because of:
 40 (1) the closing agent's failure to provide the written statement
 41 described in subsection (b);
 42 (2) the closing agent's failure to file the written statement



- 1 described in subsection (b);
 2 (3) any omission or inaccuracy in the written statement described
 3 in subsection (b) that is filed with the county recorder by the
 4 closing agent; or
 5 (4) any determination made with respect to a property owner's or
 6 contract purchaser's eligibility for the deduction under section 1
 7 of this chapter.
- 8 (h) The county recorder may not refuse to record a mortgage,
 9 contract, or memorandum because the written statement described in
 10 subsection (b):
 11 (1) is not included with the mortgage, home equity line of credit,
 12 contract, or memorandum of the contract;
 13 (2) does not contain the signatures required by subsection (b);
 14 (3) does not contain the information described in subsection (e);
 15 or
 16 (4) is otherwise incomplete or inaccurate.
- 17 (i) The form prescribed by the department of local government
 18 finance under subsection (b) and the instructions for the form must
 19 both include a statement:
 20 (1) that explains that a person is not entitled to a deduction under
 21 section 1 of this chapter unless the person has a balance on the
 22 person's mortgage or contract indebtedness that is recorded in the
 23 county recorder's office (including any home equity line of credit
 24 that is recorded in the county recorder's office) that is the basis for
 25 the deduction; and
 26 (2) that specifies the penalties for perjury.
- 27 (j) The department of local government finance shall develop a
 28 notice:
 29 (1) that must be displayed in a place accessible to the public in
 30 the office of each county auditor;
 31 (2) that includes the information described in subsection (i); and
 32 (3) that explains that the form prescribed by the department of
 33 local government finance to claim the deduction under section 1
 34 of this chapter must be signed by the property owner or contract
 35 purchaser under the penalties of perjury.
- 36 SECTION 2. IC 6-1.1-12-10.1, AS AMENDED BY P.L.183-2014,
 37 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2018]: Sec. 10.1. (a) Except as provided in section 17.8 of this
 39 chapter and subject to section 45 of this chapter, an individual who
 40 desires to claim the deduction provided by section 9 of this chapter
 41 must file a sworn statement, on forms prescribed by the department of
 42 local government finance, with the auditor of the county in which the



1 real property, mobile home, or manufactured home is located. ~~With~~
 2 ~~respect to real property~~; The statement must be completed and dated in
 3 the calendar year for which the individual wishes to obtain the
 4 deduction and filed with the county auditor on or before January 5 of
 5 the immediately succeeding calendar year. ~~With respect to a mobile~~
 6 ~~home that is not assessed as real property or a manufactured home that~~
 7 ~~is not assessed as real property, the statement must be filed during the~~
 8 ~~twelve (12) months before March 31 of each year for which the~~
 9 ~~individual wishes to obtain the deduction.~~ The statement may be filed
 10 in person or by mail. If mailed, the mailing must be postmarked on or
 11 before the last day for filing.

12 (b) The statement referred to in subsection (a) shall be in affidavit
 13 form or require verification under penalties of perjury. The statement
 14 must be filed in duplicate if the applicant owns, or is buying under a
 15 contract, real property, a mobile home, or a manufactured home subject
 16 to assessment in more than one (1) county or in more than one (1)
 17 taxing district in the same county. The statement shall contain:

- 18 (1) the source and exact amount of gross income received by the
 19 individual and the individual's spouse during the preceding
 20 calendar year;
- 21 (2) the description and assessed value of the real property, mobile
 22 home, or manufactured home;
- 23 (3) the individual's full name and complete residence address;
- 24 (4) the record number and page where the contract or
 25 memorandum of the contract is recorded if the individual is
 26 buying the real property, mobile home, or manufactured home on
 27 contract; and
- 28 (5) any additional information which the department of local
 29 government finance may require.

30 (c) In order to substantiate the deduction statement, the applicant
 31 shall submit for inspection by the county auditor a copy of the
 32 applicant's and a copy of the applicant's spouse's income tax returns for
 33 the preceding calendar year. If either was not required to file an income
 34 tax return, the applicant shall subscribe to that fact in the deduction
 35 statement.

36 SECTION 3. IC 6-1.1-12-12, AS AMENDED BY P.L.183-2014,
 37 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2018]: Sec. 12. (a) Except as provided in section 17.8 of this
 39 chapter and subject to section 45 of this chapter, a person who desires
 40 to claim the deduction provided in section 11 of this chapter must file
 41 an application, on forms prescribed by the department of local
 42 government finance, with the auditor of the county in which the real



1 property, mobile home not assessed as real property, or manufactured
 2 home not assessed as real property is located. ~~With respect to real~~
 3 ~~property~~, The application must be completed and dated in the calendar
 4 year for which the person wishes to obtain the deduction and filed with
 5 the county auditor on or before January 5 of the immediately
 6 succeeding calendar year. ~~With respect to a mobile home that is not~~
 7 ~~assessed as real property or a manufactured home that is not assessed~~
 8 ~~as real property~~, the application must be filed during the twelve (12)
 9 ~~months before March 31 of each year for which the individual wishes~~
 10 ~~to obtain the deduction~~. The application may be filed in person or by
 11 mail. If mailed, the mailing must be postmarked on or before the last
 12 day for filing.

13 (b) Proof of blindness may be supported by:

- 14 (1) the records of the division of family resources or the division
 15 of disability and rehabilitative services; or
 16 (2) the written statement of a physician who is licensed by this
 17 state and skilled in the diseases of the eye or of a licensed
 18 optometrist.

19 (c) The application required by this section must contain the record
 20 number and page where the contract or memorandum of the contract
 21 is recorded if the individual is buying the real property, mobile home,
 22 or manufactured home on a contract that provides that the individual
 23 is to pay property taxes on the real property, mobile home, or
 24 manufactured home.

25 SECTION 4. IC 6-1.1-12-15, AS AMENDED BY P.L.183-2014,
 26 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2018]: Sec. 15. (a) Except as provided in section 17.8 of this
 28 chapter and subject to section 45 of this chapter, an individual who
 29 desires to claim the deduction provided by section 13 or 14 of this
 30 chapter must file a statement with the auditor of the county in which
 31 the individual resides. ~~With respect to real property~~, The statement
 32 must be completed and dated in the calendar year for which the
 33 individual wishes to obtain the deduction and filed with the county
 34 auditor on or before January 5 of the immediately succeeding calendar
 35 year. ~~With respect to a mobile home that is not assessed as real~~
 36 ~~property or a manufactured home that is not assessed as real property~~,
 37 ~~the statement must be filed during the twelve (12) months before~~
 38 ~~March 31 of each year for which the individual wishes to obtain the~~
 39 ~~deduction~~. The statement may be filed in person or by mail. If mailed,
 40 the mailing must be postmarked on or before the last day for filing. The
 41 statement shall contain a sworn declaration that the individual is
 42 entitled to the deduction.



1 (b) In addition to the statement, the individual shall submit to the
2 county auditor for the auditor's inspection:

3 (1) a pension certificate, an award of compensation, or a disability
4 compensation check issued by the United States Department of
5 Veterans Affairs if the individual claims the deduction provided
6 by section 13 of this chapter;

7 (2) a pension certificate or an award of compensation issued by
8 the United States Department of Veterans Affairs if the individual
9 claims the deduction provided by section 14 of this chapter; or

10 (3) the appropriate certificate of eligibility issued to the individual
11 by the Indiana department of veterans' affairs if the individual
12 claims the deduction provided by section 13 or 14 of this chapter.

13 (c) If the individual claiming the deduction is under guardianship,
14 the guardian shall file the statement required by this section. If a
15 deceased veteran's surviving spouse is claiming the deduction, the
16 surviving spouse shall provide the documentation necessary to
17 establish that at the time of death the deceased veteran satisfied the
18 requirements of section 13(a)(1) through 13(a)(4) of this chapter or
19 section 14(a)(1) through 14(a)(4) of this chapter, whichever applies.

20 (d) If the individual claiming a deduction under section 13 or 14 of
21 this chapter is buying real property, a mobile home not assessed as real
22 property, or a manufactured home not assessed as real property under
23 a contract that provides that the individual is to pay property taxes for
24 the real estate, mobile home, or manufactured home, the statement
25 required by this section must contain the record number and page
26 where the contract or memorandum of the contract is recorded.

27 SECTION 5. IC 6-1.1-12-17, AS AMENDED BY P.L.183-2014,
28 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JULY 1, 2018]: Sec. 17. Except as provided in section 17.8 of this
30 chapter and subject to section 45 of this chapter, a surviving spouse
31 who desires to claim the deduction provided by section 16 of this
32 chapter must file a statement with the auditor of the county in which
33 the surviving spouse resides. ~~With respect to real property,~~ The
34 statement must be completed and dated in the calendar year for which
35 the person wishes to obtain the deduction and filed with the county
36 auditor on or before January 5 of the immediately succeeding calendar
37 year. ~~With respect to a mobile home that is not assessed as real~~
38 ~~property or a manufactured home that is not assessed as real property,~~
39 ~~the statement must be filed during the twelve (12) months before~~
40 ~~March 31 of each year for which the individual wishes to obtain the~~
41 ~~deduction.~~ The statement may be filed in person or by mail. If mailed,
42 the mailing must be postmarked on or before the last day for filing. The



1 statement shall contain:

- 2 (1) a sworn statement that the surviving spouse is entitled to the
 3 deduction; and
 4 (2) the record number and page where the contract or
 5 memorandum of the contract is recorded, if the individual is
 6 buying the real property on a contract that provides that the
 7 individual is to pay property taxes on the real property.

8 In addition to the statement, the surviving spouse shall submit to the
 9 county auditor for the auditor's inspection a letter or certificate from the
 10 United States Department of Veterans Affairs establishing the service
 11 of the deceased spouse in the military or naval forces of the United
 12 States before November 12, 1918.

13 SECTION 6. IC 6-1.1-12-17.5 IS REPEALED [EFFECTIVE JULY
 14 1, 2018]. Sec. 17.5: (a) Except as provided in section 17.8 of this
 15 chapter and subject to section 45 of this chapter, a veteran who desires
 16 to claim the deduction provided in section 17.4 of this chapter (before
 17 its expiration) must file a sworn statement, on forms prescribed by the
 18 department of local government finance, with the auditor of the county
 19 in which the real property, mobile home, or manufactured home is
 20 assessed. With respect to real property, the veteran must complete and
 21 date the statement in the calendar year for which the veteran wishes to
 22 obtain the deduction and file the statement with the county auditor on
 23 or before January 5 of the immediately succeeding calendar year. With
 24 respect to a mobile home that is not assessed as real property or a
 25 manufactured home that is not assessed as real property, the statement
 26 must be filed during the twelve (12) months before March 31 of each
 27 year for which the individual wishes to obtain the deduction. The
 28 statement may be filed in person or by mail. If mailed, the mailing must
 29 be postmarked on or before the last day for filing.

30 (b) The statement required under this section shall be in affidavit
 31 form or require verification under penalties of perjury. The statement
 32 shall be filed in duplicate if the veteran has, or is buying under a
 33 contract, real property in more than one (1) county or in more than one
 34 (1) taxing district in the same county. The statement shall contain:

- 35 (1) a description and the assessed value of the real property,
 36 mobile home, or manufactured home;
 37 (2) the veteran's full name and complete residence address;
 38 (3) the record number and page where the contract or
 39 memorandum of the contract is recorded, if the individual is
 40 buying the real property, mobile home, or manufactured home on
 41 a contract that provides that the individual is to pay property taxes
 42 on the real property, mobile home, or manufactured home; and



1 ~~(4) any additional information that the department of local~~
2 ~~government finance may require.~~

3 SECTION 7. IC 6-1.1-12-27.1, AS AMENDED BY P.L.183-2014,
4 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2018]: Sec. 27.1. Except as provided in sections 36 and 44 of
6 this chapter and subject to section 45 of this chapter, a person who
7 desires to claim the deduction provided by section 26 or 26.1 of this
8 chapter must file a certified statement in duplicate, on forms prescribed
9 by the department of local government finance, with the auditor of the
10 county in which the real property, mobile home, manufactured home,
11 or solar power device is subject to assessment. ~~With respect to real~~
12 ~~property or a solar power device that is assessed as distributable~~
13 ~~property under IC 6-1.1-8 or as personal property;~~ The person must
14 complete and date the certified statement in the calendar year for which
15 the person wishes to obtain the deduction and file the certified
16 statement with the county auditor on or before January 5 of the
17 immediately succeeding calendar year. ~~Except as provided in sections~~
18 ~~36 and 44 of this chapter and subject to section 45 of this chapter, with~~
19 ~~respect to a mobile home which is not assessed as real property; the~~
20 ~~person must file the statement during the twelve (12) months before~~
21 ~~March 31 of each year for which the person desires to obtain the~~
22 ~~deduction.~~ The person must:

- 23 (1) own the real property, mobile home, or manufactured home or
24 own the solar power device;
25 (2) be buying the real property, mobile home, manufactured
26 home, or solar power device under contract; or
27 (3) be leasing the real property from the real property owner and
28 be subject to assessment and property taxation with respect to the
29 solar power device;

30 on the date the statement is filed under this section. The statement may
31 be filed in person or by mail. If mailed, the mailing must be postmarked
32 on or before the last day for filing. On verification of the statement by
33 the assessor of the township in which the real property, mobile home,
34 manufactured home, or solar power device is subject to assessment, or
35 the county assessor if there is no township assessor for the township,
36 the county auditor shall allow the deduction.

37 SECTION 8. IC 6-1.1-12-30, AS AMENDED BY P.L.183-2014,
38 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JULY 1, 2018]: Sec. 30. Except as provided in sections 36 and 44 of
40 this chapter and subject to section 45 of this chapter, a person who
41 desires to claim the deduction provided by section 29 of this chapter
42 must file a certified statement in duplicate, on forms prescribed by the



1 department of local government finance, with the auditor of the county
 2 in which the real property or mobile home is subject to assessment.
 3 ~~With respect to real property~~; The person must complete and date the
 4 statement in the calendar year for which the person desires to obtain the
 5 deduction and file the statement with the county auditor on or before
 6 January 5 of the immediately succeeding calendar year. ~~With respect~~
 7 ~~to a mobile home which is not assessed as real property~~, the person
 8 must file the statement during the twelve (12) months before March 31
 9 of each year for which the person desires to obtain the deduction. The
 10 person must:

- 11 (1) own the real property, mobile home, or manufactured home;
 12 or
 13 (2) be buying the real property, mobile home, or manufactured
 14 home under contract;

15 on the date the statement is filed under this section. On verification of
 16 the statement by the assessor of the township in which the real property
 17 or mobile home is subject to assessment, or the county assessor if there
 18 is no township assessor for the township, the county auditor shall allow
 19 the deduction.

20 SECTION 9. IC 6-1.1-12-35.5, AS AMENDED BY P.L.183-2014,
 21 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2018]: Sec. 35.5. (a) Except as provided in section 36 or 44
 23 of this chapter and subject to section 45 of this chapter, a person who
 24 desires to claim the deduction provided by section 31, 33, 34, or 34.5
 25 of this chapter must file a certified statement in duplicate, on forms
 26 prescribed by the department of local government finance and proof of
 27 certification under subsection (b) or (f) with the auditor of the county
 28 in which the property for which the deduction is claimed is subject to
 29 assessment. Except as provided in subsection (e), ~~with respect to~~
 30 ~~property that is not assessed under IC 6-1.1-7~~, the person must
 31 complete and date the certified statement in the calendar year for which
 32 the person wishes to obtain the deduction and file the certified
 33 statement with the county auditor on or before January 5 of the
 34 immediately succeeding calendar year. ~~With respect to a property~~
 35 ~~which is assessed under IC 6-1.1-7~~, the person must file the statement
 36 during the twelve (12) months before March 31 of each year for which
 37 the person desires to obtain the deduction. The statement may be filed
 38 in person or by mail. If mailed, the mailing must be postmarked on or
 39 before the last day for filing. On verification of the statement by the
 40 assessor of the township in which the property for which the deduction
 41 is claimed is subject to assessment, or the county assessor if there is no
 42 township assessor for the township, the county auditor shall allow the



- 1 deduction.
- 2 (b) This subsection does not apply to an application for a deduction
3 under section 34.5 of this chapter. The department of environmental
4 management, upon application by a property owner, shall determine
5 whether a system or device qualifies for a deduction provided by
6 section 31, 33, or 34 of this chapter. If the department determines that
7 a system or device qualifies for a deduction, it shall certify the system
8 or device and provide proof of the certification to the property owner.
9 The department shall prescribe the form and manner of the certification
10 process required by this subsection.
- 11 (c) This subsection does not apply to an application for a deduction
12 under section 34.5 of this chapter. If the department of environmental
13 management receives an application for certification, the department
14 shall determine whether the system or device qualifies for a deduction.
15 If the department fails to make a determination under this subsection
16 before December 31 of the year in which the application is received,
17 the system or device is considered certified.
- 18 (d) A denial of a deduction claimed under section 31, 33, 34, or 34.5
19 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal
20 is limited to a review of a determination made by the township assessor
21 county property tax assessment board of appeals, or department of local
22 government finance.
- 23 (e) A person who timely files a personal property return under
24 IC 6-1.1-3-7(a) for an assessment year and who desires to claim the
25 deduction provided in section 31 of this chapter for property that is not
26 assessed under IC 6-1.1-7 must file the statement described in
27 subsection (a) during the year in which the personal property return is
28 filed.
- 29 (f) This subsection applies only to an application for a deduction
30 under section 34.5 of this chapter. The center for coal technology
31 research established by IC 21-47-4-1, upon receiving an application
32 from the owner of a building, shall determine whether the building
33 qualifies for a deduction under section 34.5 of this chapter. If the center
34 determines that a building qualifies for a deduction, the center shall
35 certify the building and provide proof of the certification to the owner
36 of the building. The center shall prescribe the form and procedure for
37 certification of buildings under this subsection. If the center receives
38 an application for certification of a building under section 34.5 of this
39 chapter:
- 40 (1) the center shall determine whether the building qualifies for
41 a deduction; and
42 (2) if the center fails to make a determination before December 31



1 of the year in which the application is received, the building is
2 considered certified.

3 SECTION 10. IC 6-1.1-12-37, AS AMENDED BY P.L.255-2017,
4 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2018]: Sec. 37. (a) The following definitions apply throughout
6 this section:

- 7 (1) "Dwelling" means any of the following:
8 (A) Residential real property improvements that an individual
9 uses as the individual's residence, including a house or garage.
10 (B) A mobile home that is not assessed as real property that an
11 individual uses as the individual's residence.
12 (C) A manufactured home that is not assessed as real property
13 that an individual uses as the individual's residence.
14 (2) "Homestead" means an individual's principal place of
15 residence:
16 (A) that is located in Indiana;
17 (B) that:
18 (i) the individual owns;
19 (ii) the individual is buying under a contract recorded in the
20 county recorder's office, or evidenced by a memorandum of
21 contract recorded in the county recorder's office under
22 IC 36-2-11-20, that provides that the individual is to pay the
23 property taxes on the residence, and that obligates the owner
24 to convey title to the individual upon completion of all of the
25 individual's contract obligations;
26 (iii) the individual is entitled to occupy as a
27 tenant-stockholder (as defined in 26 U.S.C. 216) of a
28 cooperative housing corporation (as defined in 26 U.S.C.
29 216); or
30 (iv) is a residence described in section 17.9 of this chapter
31 that is owned by a trust if the individual is an individual
32 described in section 17.9 of this chapter; and
33 (C) that consists of a dwelling and the real estate, not
34 exceeding one (1) acre, that immediately surrounds that
35 dwelling.

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

39 (b) Each year a homestead is eligible for a standard deduction from
40 the assessed value of the homestead for an assessment date. Except as
41 provided in subsection (p), the deduction provided by this section
42 applies to property taxes first due and payable for an assessment date



1 only if an individual has an interest in the homestead described in
2 subsection (a)(2)(B) on:

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

7 If more than one (1) individual or entity qualifies property as a
8 homestead under subsection (a)(2)(B) for an assessment date, only one
9 (1) standard deduction from the assessed value of the homestead may
10 be applied for the assessment date. Subject to subsection (c), the
11 auditor of the county shall record and make the deduction for the
12 individual or entity qualifying for the deduction.

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

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

20 (d) A person who has sold real property, a mobile home not assessed
21 as real property, or a manufactured home not assessed as real property
22 to another person under a contract that provides that the contract buyer
23 is to pay the property taxes on the real property, mobile home, or
24 manufactured home may not claim the deduction provided under this
25 section with respect to that real property, mobile home, or
26 manufactured home.

27 (e) Except as provided in sections 17.8 and 44 of this chapter and
28 subject to section 45 of this chapter, an individual who desires to claim
29 the deduction provided by this section must file a certified statement on
30 forms prescribed by the department of local government finance, with
31 the auditor of the county in which the homestead is located. The
32 statement must include:

- 33 (1) the parcel number or key number of the property and the name
34 of the city, town, or township in which the property is located;
35 (2) the name of any other location in which the applicant or the
36 applicant's spouse owns, is buying, or has a beneficial interest in
37 residential real property;
38 (3) the names of:
39 (A) the applicant and the applicant'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 an individual; or
 5 (B) each individual who qualifies property as a homestead
 6 under subsection (a)(2)(B) and the individual's spouse (if any):
 7 (i) as the names appear in the records of the United States
 8 Social Security Administration for the purposes of the
 9 issuance of a Social Security card and Social Security
 10 number; or
 11 (ii) that they use as their legal names when they sign their
 12 names on legal documents;
 13 if the applicant is not an individual; and
 14 (4) either:
 15 (A) the last five (5) digits of the applicant's Social Security
 16 number and the last five (5) digits of the Social Security
 17 number of the applicant's spouse (if any); or
 18 (B) if the applicant or the applicant's spouse (if any) does not
 19 have a Social Security number, any of the following for that
 20 individual:
 21 (i) The last five (5) digits of the individual's driver's license
 22 number.
 23 (ii) The last five (5) digits of the individual's state
 24 identification card number.
 25 (iii) The last five (5) digits of a preparer tax identification
 26 number that is obtained by the individual through the
 27 Internal Revenue Service of the United States.
 28 (iv) If the individual does not have a driver's license, a state
 29 identification card, or an Internal Revenue Service preparer
 30 tax identification number, the last five (5) digits of a control
 31 number that is on a document issued to the individual by the
 32 United States government.
 33 If a form or statement provided to the county auditor under this section,
 34 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
 35 part or all of the Social Security number of a party or other number
 36 described in subdivision (4)(B) of a party, the telephone number and
 37 the Social Security number or other number described in subdivision
 38 (4)(B) included are confidential. The statement may be filed in person
 39 or by mail. If the statement is mailed, the mailing must be postmarked
 40 on or before the last day for filing. The statement applies for that first
 41 year and any succeeding year for which the deduction is allowed. ~~With~~
 42 ~~respect to real property~~; The statement must be completed and dated in



1 the calendar year for which the person desires to obtain the deduction
 2 and filed with the county auditor on or before January 5 of the
 3 immediately succeeding calendar year. ~~With respect to a mobile home~~
 4 ~~that is not assessed as real property, the person must file the statement~~
 5 ~~during the twelve (12) months before March 31 of the year for which~~
 6 ~~the person desires to obtain the deduction.~~

7 (f) Except as provided in subsection (n), if a person who is
 8 receiving, or seeks to receive, the deduction provided by this section in
 9 the person's name:

10 (1) changes the use of the individual's property so that part or all
 11 of the property no longer qualifies for the deduction under this
 12 section; or

13 (2) is not eligible for a deduction under this section because the
 14 person is already receiving:

15 (A) a deduction under this section in the person's name as an
 16 individual or a spouse; or

17 (B) a deduction under the law of another state that is
 18 equivalent to the deduction provided by this section;

19 the person must file a certified statement with the auditor of the county,
 20 notifying the auditor of the person's ineligibility, not more than sixty
 21 (60) days after the date of the change in eligibility. A person who fails
 22 to file the statement required by this subsection may, under
 23 IC 6-1.1-36-17, be liable for any additional taxes that would have been
 24 due on the property if the person had filed the statement as required by
 25 this subsection plus a civil penalty equal to ten percent (10%) of the
 26 additional taxes due. The civil penalty imposed under this subsection
 27 is in addition to any interest and penalties for a delinquent payment that
 28 might otherwise be due. One percent (1%) of the total civil penalty
 29 collected under this subsection shall be transferred by the county to the
 30 department of local government finance for use by the department in
 31 establishing and maintaining the homestead property data base under
 32 subsection (i) and, to the extent there is money remaining, for any other
 33 purposes of the department. This amount becomes part of the property
 34 tax liability for purposes of this article.

35 (g) The department of local government finance may adopt rules or
 36 guidelines concerning the application for a deduction under this
 37 section.

38 (h) This subsection does not apply to property in the first year for
 39 which a deduction is claimed under this section if the sole reason that
 40 a deduction is claimed on other property is that the individual or
 41 married couple maintained a principal residence at the other property
 42 on the assessment date in the same year in which an application for a



1 deduction is filed under this section or, if the application is for a
 2 homestead that is assessed as personal property, on the assessment date
 3 in the immediately preceding year and the individual or married couple
 4 is moving the individual's or married couple's principal residence to the
 5 property that is the subject of the application. Except as provided in
 6 subsection (n), the county auditor may not grant an individual or a
 7 married couple a deduction under this section if:

8 (1) the individual or married couple, for the same year, claims the
 9 deduction on two (2) or more different applications for the
 10 deduction; and

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

12 (i) The department of local government finance shall provide secure
 13 access to county auditors to a homestead property data base that
 14 includes access to the homestead owner's name and the numbers
 15 required from the homestead owner under subsection (e)(4) for the sole
 16 purpose of verifying whether an owner is wrongly claiming a deduction
 17 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or
 18 IC 6-3.6-5 (after December 31, 2016).

19 (j) A county auditor may require an individual to provide evidence
 20 proving that the individual's residence is the individual's principal place
 21 of residence as claimed in the certified statement filed under subsection
 22 (e). The county auditor may limit the evidence that an individual is
 23 required to submit to a state income tax return, a valid driver's license,
 24 or a valid voter registration card showing that the residence for which
 25 the deduction is claimed is the individual's principal place of residence.
 26 The department of local government finance shall work with county
 27 auditors to develop procedures to determine whether a property owner
 28 that is claiming a standard deduction or homestead credit is not eligible
 29 for the standard deduction or homestead credit because the property
 30 owner's principal place of residence is outside Indiana.

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

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

36 (2) The property is the principal place of residence of an
 37 individual.

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

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

42 (5) The property was eligible for the standard deduction under



- 1 this section on March 1, 2009.
- 2 (l) If a county auditor terminates a deduction for property described
- 3 in subsection (k) with respect to property taxes that are:
- 4 (1) imposed for an assessment date in 2009; and
- 5 (2) first due and payable in 2010;
- 6 on the grounds that the property is not owned by an entity described in
- 7 subsection (a)(2)(B), the county auditor shall reinstate the deduction if
- 8 the taxpayer provides proof that the property is eligible for the
- 9 deduction in accordance with subsection (k) and that the individual
- 10 residing on the property is not claiming the deduction for any other
- 11 property.
- 12 (m) For assessment dates after 2009, the term "homestead" includes:
- 13 (1) a deck or patio;
- 14 (2) a gazebo; or
- 15 (3) another residential yard structure, as defined in rules adopted
- 16 by the department of local government finance (other than a
- 17 swimming pool);
- 18 that is assessed as real property and attached to the dwelling.
- 19 (n) A county auditor shall grant an individual a deduction under this
- 20 section regardless of whether the individual and the individual's spouse
- 21 claim a deduction on two (2) different applications and each
- 22 application claims a deduction for different property if the property
- 23 owned by the individual's spouse is located outside Indiana and the
- 24 individual files an affidavit with the county auditor containing the
- 25 following information:
- 26 (1) The names of the county and state in which the individual's
- 27 spouse claims a deduction substantially similar to the deduction
- 28 allowed by this section.
- 29 (2) A statement made under penalty of perjury that the following
- 30 are true:
- 31 (A) That the individual and the individual's spouse maintain
- 32 separate principal places of residence.
- 33 (B) That neither the individual nor the individual's spouse has
- 34 an ownership interest in the other's principal place of
- 35 residence.
- 36 (C) That neither the individual nor the individual's spouse has,
- 37 for that same year, claimed a standard or substantially similar
- 38 deduction for any property other than the property maintained
- 39 as a principal place of residence by the respective individuals.
- 40 A county auditor may require an individual or an individual's spouse to
- 41 provide evidence of the accuracy of the information contained in an
- 42 affidavit submitted under this subsection. The evidence required of the



1 individual or the individual's spouse may include state income tax
 2 returns, excise tax payment information, property tax payment
 3 information, driver license information, and voter registration
 4 information.

5 (o) If:

6 (1) a property owner files a statement under subsection (e) to
 7 claim the deduction provided by this section for a particular
 8 property; and

9 (2) the county auditor receiving the filed statement determines
 10 that the property owner's property is not eligible for the deduction;
 11 the county auditor shall inform the property owner of the county
 12 auditor's determination in writing. If a property owner's property is not
 13 eligible for the deduction because the county auditor has determined
 14 that the property is not the property owner's principal place of
 15 residence, the property owner may appeal the county auditor's
 16 determination to the county property tax assessment board of appeals
 17 as provided in IC 6-1.1-15. The county auditor shall inform the
 18 property owner of the owner's right to appeal to the county property tax
 19 assessment board of appeals when the county auditor informs the
 20 property owner of the county auditor's determination under this
 21 subsection.

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

24 (1) either:

25 (A) the individual's interest in the homestead as described in
 26 subsection (a)(2)(B) is conveyed to the individual after the
 27 assessment date, but within the calendar year in which the
 28 assessment date occurs; or

29 (B) the individual contracts to purchase the homestead after
 30 the assessment date, but within the calendar year in which the
 31 assessment date occurs;

32 (2) on the assessment date:

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

35 (B) the construction of the dwelling that constitutes the
 36 homestead was not completed; and

37 (3) either:

38 (A) the individual files the certified statement required by
 39 subsection (e); or

40 (B) a sales disclosure form that meets the requirements of
 41 section 44 of this chapter is submitted to the county assessor
 42 on or before December 31 of the calendar year for the



1 individual's purchase of the homestead.
 2 An individual who satisfies the requirements of subdivisions (1)
 3 through (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.

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

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

31 (s) For assessment dates after 2013, the term "homestead" includes
 32 property that is owned by an individual who:
 33 (1) is serving on active duty in any branch of the armed forces of
 34 the United States;
 35 (2) was ordered to transfer to a location outside Indiana; and
 36 (3) was otherwise eligible, without regard to this subsection, for
 37 the deduction under this section for the property for the
 38 assessment date immediately preceding the transfer date specified
 39 in the order described in subdivision (2).

40 For property to qualify under this subsection for the deduction provided
 41 by this section, the individual described in subdivisions (1) through (3)
 42 must submit to the county auditor a copy of the individual's transfer



1 orders or other information sufficient to show that the individual was
 2 ordered to transfer to a location outside Indiana. The property continues
 3 to qualify for the deduction provided by this section until the individual
 4 ceases to be on active duty, the property is sold, or the individual's
 5 ownership interest is otherwise terminated, whichever occurs first.
 6 Notwithstanding subsection (a)(2), the property remains a homestead
 7 regardless of whether the property continues to be the individual's
 8 principal place of residence after the individual transfers to a location
 9 outside Indiana. The property continues to qualify as a homestead
 10 under this subsection if the property is leased while the individual is
 11 away from Indiana and is serving on active duty, if the individual has
 12 lived at the property at any time during the past ten (10) years.
 13 Otherwise, the property ceases to qualify as a homestead under this
 14 subsection if the property is leased while the individual is away from
 15 Indiana. Property that qualifies as a homestead under this subsection
 16 shall also be construed as a homestead for purposes of section 37.5 of
 17 this chapter.

18 SECTION 11. IC 6-1.1-12-45, AS AMENDED BY P.L.255-2017,
 19 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2018]: Sec. 45. (a) Subject to subsections (b) and (c), a
 21 deduction under this chapter applies for an assessment date and for the
 22 property taxes due and payable based on the assessment for that
 23 assessment date, regardless of whether with respect to the real property
 24 or mobile home or manufactured home not assessed as real property:

25 (1) the title is conveyed one (1) or more times; or

26 (2) one (1) or more contracts to purchase are entered into;

27 after that assessment date and on or before the next succeeding
 28 assessment date.

29 (b) Subsection (a) applies regardless of whether:

30 (1) one (1) or more grantees of title under subsection (a)(1); or

31 (2) one (1) or more contract purchasers under subsection (a)(2);

32 file a statement under this chapter to claim the deduction.

33 (c) A deduction applies under subsection (a) for only one (1) year.
 34 The requirements of this chapter for filing a statement to apply for a
 35 deduction under this chapter apply to subsequent years. A person who
 36 fails to apply for a deduction or credit under this article by the
 37 deadlines prescribed by this article may not apply for the deduction or
 38 credit retroactively.

39 (d) If:

40 (1) a statement is filed under this chapter on or before January 5
 41 of a calendar year to claim a deduction under this chapter; ~~with~~
 42 ~~respect to real property;~~ and



1 (2) the eligibility criteria for the deduction are met;
 2 the deduction applies for the assessment date in the preceding calendar
 3 year and for the property taxes due and payable based on the
 4 assessment for that assessment date.

5 (e) If:

6 (1) a statement is filed under this chapter in a twelve (12) month
 7 filing period designated under this chapter to claim a deduction
 8 under this chapter with respect to a mobile home or a
 9 manufactured home not assessed as real property; and

10 (2) the eligibility criteria for the deduction are met;
 11 the deduction applies for the assessment date in that twelve (12) month
 12 period and for the property taxes due and payable based on the
 13 assessment for that assessment date.

14 (f) (e) If a person who is receiving a deduction under section 1 of
 15 this chapter subsequently refinances the property, desires to continue
 16 claiming the deduction, and remains eligible for the deduction, the
 17 person must reapply for the deduction for the following assessment
 18 date.

19 (g) (f) A person who is required to record a contract with a county
 20 recorder in order to qualify for a deduction under this article must
 21 record the contract, or a memorandum of the contract, before, or
 22 concurrently with, the filing of the corresponding deduction
 23 application.

24 (h) (g) Before a county auditor terminates a deduction under this
 25 article, the county auditor shall give to the person claiming the
 26 deduction written notice that states the county auditor's intention to
 27 terminate the deduction and the county auditor's reason for terminating
 28 the deduction. The county auditor may send the notice to the taxpayer
 29 claiming the deduction by first class mail or by electronic mail. A
 30 notice issued under this subsection is not appealable under IC 6-1.1-15.
 31 However, after a deduction is terminated by a county auditor, the
 32 taxpayer may appeal the county auditor's action under IC 6-1.1-15.

33 SECTION 12. IC 6-1.1-39-3, AS AMENDED BY P.L.4-2005,
 34 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2018]: Sec. 3. (a) The fiscal body shall publish notice of the
 36 adoption and substance of the ordinance in accordance with IC 5-3-1
 37 after:

38 (1) the adoption of the ordinance under section 2 of this chapter;
 39 and

40 (2) the fiscal body receives preliminary certification from the
 41 Indiana economic development corporation under section 2.5 of
 42 this chapter that the proposed industrial development project



1 qualifies as a qualified industrial development project and that
 2 there is a reasonable likelihood that a loan from the industrial
 3 development fund will be approved under IC 5-28-9-12.

4 The notice must state the general boundaries of the area designated as
 5 an economic development district and must state that written
 6 remonstrances may be filed with the fiscal body until the time
 7 designated for the hearing. The notice must also name the place, date,
 8 and time when the fiscal body will receive and hear remonstrances and
 9 objections from persons interested in or affected by the proceedings
 10 pertaining to the proposed economic development district designation
 11 and will determine the public utility and benefit of the proposed
 12 economic development district designation. All persons affected in any
 13 manner by the hearing, including all taxpayers of the economic
 14 development district, shall be considered notified of the pendency of
 15 the hearing and of subsequent acts, hearings, adjournments, and orders
 16 of the fiscal body affecting the economic development district if the
 17 fiscal body gives the notice required by this section.

18 (b) A copy of the notice of the hearing shall be filed with the office
 19 of the unit's plan commission, board of zoning appeals, works board,
 20 park board, building commissioner, and any other departments, bodies,
 21 or officers of the unit having to do with unit planning, variances from
 22 zoning ordinances, land use, or the issuance of building permits.

23 (c) At the hearing, which may be recessed and reconvened from
 24 time to time, the fiscal body shall hear all persons interested in the
 25 proceedings and shall consider all written remonstrances and
 26 objections that have been filed. After considering the evidence
 27 presented, the fiscal body shall take final action determining the public
 28 utility and benefit of the proposed economic development district
 29 designation and confirming, modifying and confirming, or rescinding
 30 the ordinance. The final action taken by the fiscal body shall be
 31 recorded and is final and conclusive, except that an appeal may be
 32 taken in the manner prescribed by section 4 of this chapter.

33 **(d) If the fiscal body confirms, or modifies and confirms, the**
 34 **ordinance, the fiscal body shall file a copy of the ordinance with the**
 35 **auditor of the county in which the unit is located, together with any**
 36 **supporting documents that are relevant to the computation of**
 37 **assessed values in the allocation area, within thirty (30) days after**
 38 **the date on which the fiscal body takes final action on the**
 39 **ordinance.**

40 SECTION 13. IC 6-1.1-39-5, AS AMENDED BY THE
 41 TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL
 42 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2018]: Sec. 5. (a) A declaratory ordinance adopted under
 2 section 2 of this chapter and confirmed under section 3 of this chapter
 3 must include a provision with respect to the allocation and distribution
 4 of property taxes for the purposes and in the manner provided in this
 5 section. The allocation provision must apply to the entire economic
 6 development district. The allocation provisions must require that any
 7 property taxes subsequently levied by or for the benefit of any public
 8 body entitled to a distribution of property taxes on taxable property in
 9 the economic development district be allocated and distributed as
 10 follows:

11 (1) Except as otherwise provided in this section, the proceeds of
 12 the taxes attributable to the lesser of:

13 (A) the assessed value of the property for the assessment date
 14 with respect to which the allocation and distribution is made;
 15 or

16 (B) the base assessed value;

17 shall be allocated to and, when collected, paid into the funds of
 18 the respective taxing units. However, if the effective date of the
 19 allocation provision of a declaratory ordinance is after March 1,
 20 1985, and before January 1, 1986, and if an improvement to
 21 property was partially completed on March 1, 1985, the unit may
 22 provide in the declaratory ordinance that the taxes attributable to
 23 the assessed value of the property as finally determined for March
 24 1, 1984, shall be allocated to and, when collected, paid into the
 25 funds of the respective taxing units.

26 (2) Except as otherwise provided in this section, part or all of the
 27 property tax proceeds in excess of those described in subdivision
 28 (1), as specified in the declaratory ordinance, shall be allocated to
 29 the unit for the economic development district and, when
 30 collected, paid into a special fund established by the unit for that
 31 economic development district that may be used only to pay the
 32 principal of and interest on obligations owed by the unit under
 33 IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of
 34 industrial development programs in, or serving, that economic
 35 development district. The amount not paid into the special fund
 36 shall be paid to the respective units in the manner prescribed by
 37 subdivision (1).

38 (3) When the money in the fund is sufficient to pay all
 39 outstanding principal of and interest (to the earliest date on which
 40 the obligations can be redeemed) on obligations owed by the unit
 41 under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing
 42 of industrial development programs in, or serving, that economic



- 1 development district, money in the special fund in excess of that
 2 amount shall be paid to the respective taxing units in the manner
 3 prescribed by subdivision (1).
- 4 (b) Property tax proceeds allocable to the economic development
 5 district under subsection (a)(2) must, subject to subsection (a)(3), be
 6 irrevocably pledged by the unit for payment as set forth in subsection
 7 (a)(2).
- 8 (c) For the purpose of allocating taxes levied by or for any taxing
 9 unit or units, the assessed value of taxable property in a territory in the
 10 economic development district that is annexed by any taxing unit after
 11 the effective date of the allocation provision of the declaratory
 12 ordinance is the lesser of:
- 13 (1) the assessed value of the property for the assessment date with
 14 respect to which the allocation and distribution is made; or
 15 (2) the base assessed value.
- 16 (d) Notwithstanding any other law, each assessor shall, upon
 17 petition of the fiscal body, reassess the taxable property situated upon
 18 or in, or added to, the economic development district effective on the
 19 next assessment date after the petition.
- 20 (e) Notwithstanding any other law, the assessed value of all taxable
 21 property in the economic development district, for purposes of tax
 22 limitation, property tax replacement, and formulation of the budget, tax
 23 rate, and tax levy for each political subdivision in which the property
 24 is located, is the lesser of:
- 25 (1) the assessed value of the property as valued without regard to
 26 this section; or
 27 (2) the base assessed value.
- 28 (f) The state board of accounts and department of local government
 29 finance shall make the rules and prescribe the forms and procedures
 30 that they consider expedient for the implementation of this chapter.
 31 After each
- 32 ~~(1) general reassessment under IC 6-1.1-4-4; or~~
 33 (2) reassessment of a group of parcels under a reassessment plan
 34 prepared under IC 6-1.1-4-4.2
- 35 the department of local government finance shall adjust the base
 36 assessed value one (1) time to neutralize any effect of the reassessment
 37 on the property tax proceeds allocated to the district under this section.
 38 After each annual adjustment under IC 6-1.1-4-4.5, the department of
 39 local government finance shall adjust the base assessed value to
 40 neutralize any effect of the annual adjustment on the property tax
 41 proceeds allocated to the district under this section. However, the
 42 adjustments under this subsection may not include the effect of



1 property tax abatements under IC 6-1.1-12.1.

2 (g) As used in this section, "property taxes" means:

3 (1) taxes imposed under this article on real property; and

4 (2) any part of the taxes imposed under this article on depreciable
5 personal property that the unit has by ordinance allocated to the
6 economic development district. However, the ordinance may not
7 limit the allocation to taxes on depreciable personal property with
8 any particular useful life or lives.

9 If a unit had, by ordinance adopted before May 8, 1987, allocated to an
10 economic development district property taxes imposed under IC 6-1.1
11 on depreciable personal property that has a useful life in excess of eight
12 (8) years, the ordinance continues in effect until an ordinance is
13 adopted by the unit under subdivision (2).

14 (h) As used in this section, "base assessed value" means, **subject to**
15 **subsection (i):**

16 (1) the net assessed value of all the property as finally determined
17 for the assessment date immediately preceding the effective date
18 of the allocation provision of the declaratory resolution, as
19 adjusted under subsection (f); plus

20 (2) to the extent that it is not included in subdivision (1), the net
21 assessed value of property that is assessed as residential property
22 under the rules of the department of local government finance, as
23 finally determined for any assessment date after the effective date
24 of the allocation provision.

25 Subdivision (2) applies only to economic development districts
26 established after June 30, 1997, and to additional areas established
27 after June 30, 1997.

28 **(i) If a fiscal body confirms, or modifies and confirms, an**
29 **ordinance under section 3 of this chapter and the fiscal body fails**
30 **to make the filing required under section 3(d) of this chapter**
31 **before the first anniversary of the effective date of the allocation**
32 **provision in the ordinance, the auditor of the county in which the**
33 **unit is located shall compute the base assessed value for the**
34 **allocation area using the assessment date immediately preceding**
35 **the date on which the documents are filed with the county auditor.**

36 SECTION 14. IC 8-22-3.5-6 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 6. (a) After adoption of
38 the resolution under section 5 of this chapter, the commission shall:

39 (1) publish notice of the adoption and substance of the resolution
40 in accordance with IC 5-3-1; and

41 (2) file the following information with each taxing unit that has
42 authority to levy property taxes in the geographic area where the



1 airport development zone is located:

2 (A) A copy of the notice required by subdivision (1).

3 (B) A statement disclosing the impact of the airport
4 development zone, including the following:

5 (i) The estimated economic benefits and costs incurred by
6 the airport development zone, as measured by increased
7 employment and anticipated growth of real property
8 assessed values.

9 (ii) The anticipated impact on tax revenues of each taxing
10 unit.

11 The notice must state the general boundaries of the area designated as
12 an airport development zone and must state that written remonstrances
13 may be filed with the commission until the time designated for the
14 hearing. The notice must also name the place, date, and time when the
15 commission will receive and hear remonstrances and objections from
16 persons interested in or affected by the proceedings pertaining to the
17 proposed airport development zone designation and will determine the
18 public utility and benefit of the proposed airport development zone
19 designation. The commission shall file the information required by
20 subdivision (2) with the officers of the taxing unit who are authorized
21 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten
22 (10) days before the date of the public hearing. All persons affected in
23 any manner by the hearing, including all taxpayers within the taxing
24 district of the airport authority, shall be considered notified of the
25 pendency of the hearing and of subsequent acts, hearings,
26 adjournments, and orders of the commission affecting the airport
27 development zone if the commission gives the notice required by this
28 section.

29 (b) At the hearing, which may be recessed and reconvened from
30 time to time, the commission shall hear all persons interested in the
31 proceedings and shall consider all written remonstrances and
32 objections that have been filed. After considering the evidence
33 presented, the commission shall take final action determining the
34 public utility and benefit of the proposed airport development zone
35 designation and confirming, modifying and confirming, or rescinding
36 the resolution. The final action taken by the commission shall be
37 recorded and is final and conclusive, except that an appeal may be
38 taken in the manner prescribed by section 7 of this chapter.

39 **(c) If the commission confirms, or modifies and confirms, the**
40 **resolution, the commission shall file a copy of the resolution with**
41 **the auditor of the county in which the airport development zone is**
42 **located, together with any supporting documents that are relevant**



1 **to the computation of assessed values in the airport development**
 2 **zone, within thirty (30) days after the date on which the**
 3 **commission takes final action on the resolution.**

4 SECTION 15. IC 8-22-3.5-9, AS AMENDED BY P.L.203-2011,
 5 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2018]: Sec. 9. (a) As used in this section, "base assessed
 7 value" means, **subject to subsection (k):**

8 (1) the net assessed value of all the tangible property as finally
 9 determined for the assessment date immediately preceding the
 10 effective date of the allocation provision of the commission's
 11 resolution adopted under section 5 or 9.5 of this chapter,
 12 notwithstanding the date of the final action taken under section 6
 13 of this chapter; plus

14 (2) to the extent it is not included in subdivision (1), the net
 15 assessed value of property that is assessed as residential property
 16 under the rules of the department of local government finance, as
 17 finally determined for any assessment date after the effective date
 18 of the allocation provision.

19 However, subdivision (2) applies only to an airport development zone
 20 established after June 30, 1997, and the portion of an airport
 21 development zone established before June 30, 1997, that is added to an
 22 existing airport development zone.

23 (b) A resolution adopted under section 5 of this chapter and
 24 confirmed under section 6 of this chapter must include a provision with
 25 respect to the allocation and distribution of property taxes for the
 26 purposes and in the manner provided in this section.

27 (c) The allocation provision must:

28 (1) apply to the entire airport development zone; and

29 (2) require that any property tax on taxable tangible property
 30 subsequently levied by or for the benefit of any public body
 31 entitled to a distribution of property taxes in the airport
 32 development zone be allocated and distributed as provided in
 33 subsections (d) and (e).

34 (d) Except as otherwise provided in this section:

35 (1) the proceeds of the taxes attributable to the lesser of:

36 (A) the assessed value of the tangible property for the
 37 assessment date with respect to which the allocation and
 38 distribution is made; or

39 (B) the base assessed value;

40 shall be allocated and, when collected, paid into the funds of the
 41 respective taxing units; and

42 (2) the excess of the proceeds of the property taxes imposed for



1 the assessment date with respect to which the allocation and
 2 distribution are made that are attributable to taxes imposed after
 3 being approved by the voters in a referendum or local public
 4 question conducted after April 30, 2010, not otherwise included
 5 in subdivision (1) shall be allocated to and, when collected, paid
 6 into the funds of the taxing unit for which the referendum or local
 7 public question was conducted.

8 (e) All of the property tax proceeds in excess of those described in
 9 subsection (d) shall be allocated to the eligible entity for the airport
 10 development zone and, when collected, paid into special funds as
 11 follows:

12 (1) The commission may determine that a portion of tax proceeds
 13 shall be allocated to a training grant fund to be expended by the
 14 commission without appropriation solely for the purpose of
 15 reimbursing training expenses incurred by public or private
 16 entities in the training of employees for the qualified airport
 17 development project.

18 (2) The commission may determine that a portion of tax proceeds
 19 shall be allocated to a debt service fund and dedicated to the
 20 payment of principal and interest on revenue bonds or a loan
 21 contract of the board of aviation commissioners or airport
 22 authority for a qualified airport development project, to the
 23 payment of leases for a qualified airport development project, or
 24 to the payment of principal and interest on bonds issued by an
 25 eligible entity to pay for qualified airport development projects in
 26 the airport development zone or serving the airport development
 27 zone.

28 (3) The commission may determine that a part of the tax proceeds
 29 shall be allocated to a project fund and used to pay expenses
 30 incurred by the commission for a qualified airport development
 31 project that is in the airport development zone or is serving the
 32 airport development zone.

33 (4) Except as provided in subsection (f), all remaining tax
 34 proceeds after allocations are made under subdivisions (1), (2),
 35 and (3) shall be allocated to a project fund and dedicated to the
 36 reimbursement of expenditures made by the commission for a
 37 qualified airport development project that is in the airport
 38 development zone or is serving the airport development zone.

39 (f) Before July 15 of each year, the commission shall do the
 40 following:

41 (1) Determine the amount, if any, by which tax proceeds allocated
 42 to the project fund in subsection (e)(3) in the following year will



- 1 exceed the amount necessary to satisfy amounts required under
 2 subsection (e).
- 3 (2) Provide a written notice to the county auditor and the officers
 4 who are authorized to fix budgets, tax rates, and tax levies under
 5 IC 6-1.1-17-5 for each of the other taxing units that is wholly or
 6 partly located within the allocation area. The notice must:
- 7 (A) state the amount, if any, of excess tax proceeds that the
 8 commission has determined may be allocated to the respective
 9 taxing units in the manner prescribed in subsection (d)(1); or
 10 (B) state that the commission has determined that there are no
 11 excess tax proceeds that may be allocated to the respective
 12 taxing units in the manner prescribed in subsection (d)(1).
- 13 The county auditor shall allocate to the respective taxing units the
 14 amount, if any, of excess tax proceeds determined by the
 15 commission.
- 16 (g) When money in the debt service fund and in the project fund is
 17 sufficient to pay all outstanding principal and interest (to the earliest
 18 date on which the obligations can be redeemed) on revenue bonds
 19 issued by the board of aviation commissioners or airport authority for
 20 the financing of qualified airport development projects, all lease rentals
 21 payable on leases of qualified airport development projects, and all
 22 costs and expenditures associated with all qualified airport
 23 development projects, money in the debt service fund and in the project
 24 fund in excess of those amounts shall be paid to the respective taxing
 25 units in the manner prescribed by subsection (d)(1).
- 26 (h) Property tax proceeds allocable to the debt service fund under
 27 subsection (e)(2) must, subject to subsection (g), be irrevocably
 28 pledged by the eligible entity for the purpose set forth in subsection
 29 (e)(2).
- 30 (i) Notwithstanding any other law, each assessor shall, upon petition
 31 of the commission, reassess the taxable tangible property situated upon
 32 or in, or added to, the airport development zone effective on the next
 33 assessment date after the petition.
- 34 (j) Notwithstanding any other law, the assessed value of all taxable
 35 tangible property in the airport development zone, for purposes of tax
 36 limitation, property tax replacement, and formulation of the budget, tax
 37 rate, and tax levy for each political subdivision in which the property
 38 is located is the lesser of:
- 39 (1) the assessed value of the tangible property as valued without
 40 regard to this section; or
 41 (2) the base assessed value.
- 42 **(k) If the commission confirms, or modifies and confirms, a**



1 resolution under section 6 of this chapter and the commission fails
 2 to make the filing required under section 6(c) of this chapter before
 3 the first anniversary of the effective date of the allocation
 4 provision, the auditor of the county in which the airport
 5 development zone is located shall compute the base assessed value
 6 for the allocation area using the assessment date immediately
 7 preceding the date on which the documents are filed with the
 8 county auditor.

9 SECTION 16. IC 15-16-8-7, AS ADDED BY P.L.2-2008,
 10 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2018]: Sec. 7. (a) If the owner or person in possession of the
 12 property does not pay the amount set forth in the certified statement
 13 under section 6(a) of this chapter within ten (10) days after receiving
 14 the notice under section 6(b) of this chapter, the township trustee shall
 15 file a copy of the certified statement in the office of the county auditor
 16 of the county where the real estate is located.

17 (b) ~~The auditor shall place the amount claimed in the certified~~
 18 ~~statement on the tax duplicate of the real estate. Except as provided in~~
 19 ~~section 8 of this chapter, the amount claimed shall be collected as taxes~~
 20 ~~are collected. At the time a certified statement is filed with a county~~
 21 ~~auditor under subsection (a), a collection fee of twenty dollars (\$20)~~
 22 ~~is imposed on the owner or person in possession of the property.~~

23 (c) The sum of the amount set forth in a certified statement filed
 24 under subsection (a) and the collection fee specified in subsection
 25 (b) is a lien, in the same manner established under IC 36-9-23 for
 26 municipal sewage works, on a lot, parcel of land, or building
 27 specified in the certified statement. Liens under this section:

- 28 (1) attach;
- 29 (2) are recorded;
- 30 (3) except as provided in subsection (d), are subject to the
- 31 same penalties, interest, and reasonable attorney's fees on
- 32 recovery; and
- 33 (4) shall be collected and enforced;

34 in substantially the same manner as provided in IC 36-9-23-31
 35 through IC 36-9-23-34. A lien under this section that is the only lien
 36 on a property may not be foreclosed.

37 (d) The penalty specified in IC 36-9-23-31 does not apply to an
 38 amount set forth in a certified statement filed under subsection (a).
 39 The collection fee of subsection (b) applies in lieu of the penalty
 40 specified in IC 36-9-23-31.

41 ~~(e)~~ (e) After an amount described in subsection ~~(b)~~ (c) is collected,
 42 the funds shall be deposited as follows:



1 **(1) The amount claimed in the certified statement shall be**
 2 **deposited** in the trustee's township funds for use at the discretion
 3 of the trustee.

4 **(2) The amount of the collection fee shall be deposited in the**
 5 **county general fund for use at the discretion of the county**
 6 **fiscal body.**

7 SECTION 17. IC 36-2-9-18 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 18. (a) Before the
 9 auditor makes the endorsement required by IC 36-2-11-14, the auditor
 10 may require that a tax identification number identifying the affected
 11 real property be placed on an instrument that conveys, creates,
 12 encumbers, assigns, or otherwise disposes of an interest in or a lien on
 13 real property. The tax identification number may be established by the
 14 auditor with the approval of the state board of accounts. If the tax
 15 identification number is affixed to the instrument or if a tax
 16 identification number is not required, the auditor shall make the proper
 17 endorsement on demand.

18 (b) On request, a county auditor shall provide assistance in
 19 obtaining the proper tax identification number for instruments subject
 20 to this section.

21 (c) The tax administration number established by this section is for
 22 use in administering statutes concerning taxation of real property and
 23 is not competent evidence of the location or size of the real property
 24 affected by the instrument.

25 **(d) If an owner of real property subdivides the real property**
 26 **and conveys all or part of the owner's interest in a subdivided part**
 27 **of the real property, the auditor may not make the endorsement**
 28 **required by IC 36-2-11-14 unless the auditor confirms by evidence**
 29 **acceptable to the auditor that all property taxes and special**
 30 **assessments attributable to the conveyed property that are, or are**
 31 **expected to become, first due and payable for the year in which the**
 32 **property is conveyed have been paid in full.**

33 ~~(e)~~ (e) The legislative body of a county may adopt an ordinance
 34 authorizing the auditor to collect a fee in an amount that does not
 35 exceed ~~five ten~~ dollars ~~(\$5)~~ **(\$10)** for each:

36 (1) deed; or

37 (2) legal description of each parcel contained in the deed;

38 for which the auditor makes a real property endorsement. This fee is in
 39 addition to any other fee provided by law. The auditor shall place **the**
 40 revenue received under this subsection in a dedicated fund **and**
 41 **allocate fifty percent (50%) of the revenue** for use in maintaining
 42 plat books **and fifty percent (50%) of the revenue for use in**



1 **developing and maintaining electronic plat books.**

2 SECTION 18. IC 36-7-10.1-4, AS AMENDED BY P.L.203-2013,
 3 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2018]: Sec. 4. (a) Except as provided in subsection (b), if the
 5 owner of real property fails to pay a bill issued under section 3 of this
 6 chapter within the time specified in the ordinance, the department
 7 specified in the ordinance shall certify to the county auditor the amount
 8 of the bill, plus any additional administrative costs incurred in the
 9 certification. ~~The auditor shall place the total amount certified on the~~
 10 ~~tax duplicate for the property affected; and the total amount, including~~
 11 ~~any accrued interest, shall be collected as delinquent taxes are collected~~
 12 ~~and shall be disbursed to the general fund of the municipality or~~
 13 ~~county.~~

14 (b) If the owner of real property fails to pay a bill issued under
 15 section 3 of this chapter within the time specified in the ordinance, the
 16 municipality or county may bring an action in an appropriate court to
 17 collect the amount of the bill, plus any additional costs incurred in the
 18 collection, including court costs and reasonable attorney's fees. If the
 19 municipality or county obtains a judgment under this subsection, the
 20 municipality or county may obtain a lien in the amount of the judgment
 21 on any real or personal property of the owner.

22 (c) **At the time a certification is filed with a county auditor**
 23 **under subsection (a), a collection fee of twenty dollars (\$20) is**
 24 **imposed on the owner of the property.**

25 (d) **The sum of the amount set forth in a certification under**
 26 **subsection (a), any additional administrative costs incurred in the**
 27 **certification, and the collection fee specified in subsection (c) is a**
 28 **lien, in the same manner established under IC 36-9-23 for**
 29 **municipal sewage works, on a lot, parcel of land, or building**
 30 **specified in the certified statement. Liens under this section:**

31 (1) **attach;**

32 (2) **are recorded;**

33 (3) **except as provided in subsection (e), are subject to the**
 34 **same penalties, interest, and reasonable attorney's fees on**
 35 **recovery; and**

36 (4) **shall be collected and enforced;**

37 **in substantially the same manner as provided in IC 36-9-23-31**
 38 **through IC 36-9-23-34. A lien under this section that is the only lien**
 39 **on a property may not be foreclosed.**

40 (e) **The penalty specified in IC 36-9-23-31 does not apply to an**
 41 **amount set forth in a certification filed under subsection (a). The**
 42 **collection fee specified in subsection (c) applies in lieu of the**



1 **penalty specified in IC 36-9-23-31.**

2 **(f) After an amount described in subsection (c) is collected, the**
3 **funds shall be deposited as follows:**

4 **(1) The amount claimed in the certification, plus any**
5 **administrative costs incurred in the certification, shall be**
6 **deposited in the general fund of the municipality or county.**

7 **(2) The amount of the collection fee shall be deposited in the**
8 **county general fund.**

9 SECTION 19. IC 36-7-14-17, AS AMENDED BY P.L.146-2008,
10 SECTION 728, IS AMENDED TO READ AS FOLLOWS
11 [EFFECTIVE JULY 1, 2018]: Sec. 17. (a) After receipt of the written
12 order of approval of the plan commission and approval of the
13 municipal legislative body or county executive, the redevelopment
14 commission shall publish notice of the adoption and substance of the
15 resolution in accordance with IC 5-3-1. The notice must:

16 (1) state that maps and plats have been prepared and can be
17 inspected at the office of the department; and

18 (2) name a date when the commission will:

19 (A) receive and hear remonstrances and objections from
20 persons interested in or affected by the proceedings pertaining
21 to the proposed project or other actions to be taken under the
22 resolution; and

23 (B) determine the public utility and benefit of the proposed
24 project or other actions.

25 All persons affected in any manner by the hearing, including all
26 taxpayers of the special taxing district, shall be considered notified of
27 the pendency of the hearing and of subsequent acts, hearings,
28 adjournments, and orders of the commission by the notice given under
29 this section.

30 (b) A copy of the notice of the hearing on the resolution shall be
31 filed in the office of the unit's plan commission, board of zoning
32 appeals, works board, park board, and building commissioner, and any
33 other departments, bodies, or officers of the unit having to do with unit
34 planning, variances from zoning ordinances, land use, or the issuance
35 of building permits. These agencies and officers shall take notice of the
36 pendency of the hearing and, until the commission confirms, modifies
37 and confirms, or rescinds the resolution, or the confirmation of the
38 resolution is set aside on appeal, may not:

39 (1) authorize any construction on property or sewers in the area
40 described in the resolution, including substantial modifications,
41 rebuilding, conversion, enlargement, additions, and major
42 structural improvements; or



1 (2) take any action regarding the zoning or rezoning of property,
 2 or the opening, closing, or improvement of streets, alleys, or
 3 boulevards in the area described in the resolution.

4 This subsection does not prohibit the granting of permits for ordinary
 5 maintenance or minor remodeling, or for changes necessary for the
 6 continued occupancy of buildings in the area.

7 (c) If the resolution to be considered at the hearing includes a
 8 provision establishing or amending an allocation provision under
 9 section 39 of this chapter, the redevelopment commission shall file the
 10 following information with each taxing unit that is wholly or partly
 11 located within the allocation area:

12 (1) A copy of the notice required by subsection (a).

13 (2) A statement disclosing the impact of the allocation area,
 14 including the following:

15 (A) The estimated economic benefits and costs incurred by the
 16 allocation area, as measured by increased employment and
 17 anticipated growth of real property assessed values.

18 (B) The anticipated impact on tax revenues of each taxing unit.

19 The redevelopment commission shall file the information required by
 20 this subsection with the officers of the taxing unit who are authorized
 21 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten
 22 (10) days before the date of the hearing.

23 (d) At the hearing, which may be adjourned from time to time, the
 24 redevelopment commission shall hear all persons interested in the
 25 proceedings and shall consider all written remonstrances and
 26 objections that have been filed. After considering the evidence
 27 presented, the commission shall take final action determining the
 28 public utility and benefit of the proposed project or other actions to be
 29 taken under the resolution, and confirming, modifying and confirming,
 30 or rescinding the resolution. The final action taken by the commission
 31 shall be recorded and is final and conclusive, except that an appeal may
 32 be taken in the manner prescribed by section 18 of this chapter.

33 **(e) If the redevelopment commission adopts the resolution and**
 34 **the resolution includes a provision establishing or amending an**
 35 **allocation provision under section 39 of this chapter, the**
 36 **redevelopment commission shall file a copy of the resolution with**
 37 **the auditor of the county in which the unit is located, together with**
 38 **any supporting documents that are relevant to the computation of**
 39 **assessed values in the allocation area, within thirty (30) days after**
 40 **the date on which the redevelopment commission takes final action**
 41 **on the resolution.**

42 SECTION 20. IC 36-7-14-39, AS AMENDED BY THE



1 TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL
 2 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2018]: Sec. 39. (a) As used in this section:

4 "Allocation area" means that part of a redevelopment project area
 5 to which an allocation provision of a declaratory resolution adopted
 6 under section 15 of this chapter refers for purposes of distribution and
 7 allocation of property taxes.

8 "Base assessed value" means, **subject to subsection (j)**, the
 9 following:

10 (1) If an allocation provision is adopted after June 30, 1995, in a
 11 declaratory resolution or an amendment to a declaratory
 12 resolution establishing an economic development area:

13 (A) the net assessed value of all the property as finally
 14 determined for the assessment date immediately preceding the
 15 effective date of the allocation provision of the declaratory
 16 resolution, as adjusted under subsection (h); plus

17 (B) to the extent that it is not included in clause (A), the net
 18 assessed value of property that is assessed as residential
 19 property under the rules of the department of local government
 20 finance, as finally determined for any assessment date after the
 21 effective date of the allocation provision.

22 (2) If an allocation provision is adopted after June 30, 1997, in a
 23 declaratory resolution or an amendment to a declaratory
 24 resolution establishing a redevelopment project area:

25 (A) the net assessed value of all the property as finally
 26 determined for the assessment date immediately preceding the
 27 effective date of the allocation provision of the declaratory
 28 resolution, as adjusted under subsection (h); plus

29 (B) to the extent that it is not included in clause (A), the net
 30 assessed value of property that is assessed as residential
 31 property under the rules of the department of local government
 32 finance, as finally determined for any assessment date after the
 33 effective date of the allocation provision.

34 (3) If:

35 (A) an allocation provision adopted before June 30, 1995, in
 36 a declaratory resolution or an amendment to a declaratory
 37 resolution establishing a redevelopment project area expires
 38 after June 30, 1997; and

39 (B) after June 30, 1997, a new allocation provision is included
 40 in an amendment to the declaratory resolution;

41 the net assessed value of all the property as finally determined for
 42 the assessment date immediately preceding the effective date of



1 the allocation provision adopted after June 30, 1997, as adjusted
2 under subsection (h).

3 (4) Except as provided in subdivision (5), for all other allocation
4 areas, the net assessed value of all the property as finally
5 determined for the assessment date immediately preceding the
6 effective date of the allocation provision of the declaratory
7 resolution, as adjusted under subsection (h).

8 (5) If an allocation area established in an economic development
9 area before July 1, 1995, is expanded after June 30, 1995, the
10 definition in subdivision (1) applies to the expanded part of the
11 area added after June 30, 1995.

12 (6) If an allocation area established in a redevelopment project
13 area before July 1, 1997, is expanded after June 30, 1997, the
14 definition in subdivision (2) applies to the expanded part of the
15 area added after June 30, 1997.

16 Except as provided in section 39.3 of this chapter, "property taxes"
17 means taxes imposed under IC 6-1.1 on real property. However, upon
18 approval by a resolution of the redevelopment commission adopted
19 before June 1, 1987, "property taxes" also includes taxes imposed
20 under IC 6-1.1 on depreciable personal property. If a redevelopment
21 commission adopted before June 1, 1987, a resolution to include within
22 the definition of property taxes, taxes imposed under IC 6-1.1 on
23 depreciable personal property that has a useful life in excess of eight
24 (8) years, the commission may by resolution determine the percentage
25 of taxes imposed under IC 6-1.1 on all depreciable personal property
26 that will be included within the definition of property taxes. However,
27 the percentage included must not exceed twenty-five percent (25%) of
28 the taxes imposed under IC 6-1.1 on all depreciable personal property.

29 (b) A declaratory resolution adopted under section 15 of this chapter
30 on or before the allocation deadline determined under subsection (i)
31 may include a provision with respect to the allocation and distribution
32 of property taxes for the purposes and in the manner provided in this
33 section. A declaratory resolution previously adopted may include an
34 allocation provision by the amendment of that declaratory resolution on
35 or before the allocation deadline determined under subsection (i) in
36 accordance with the procedures required for its original adoption. A
37 declaratory resolution or amendment that establishes an allocation
38 provision must include a specific finding of fact, supported by
39 evidence, that the adoption of the allocation provision will result in
40 new property taxes in the area that would not have been generated but
41 for the adoption of the allocation provision. For an allocation area
42 established before July 1, 1995, the expiration date of any allocation



1 provisions for the allocation area is June 30, 2025, or the last date of
2 any obligations that are outstanding on July 1, 2015, whichever is later.
3 A declaratory resolution or an amendment that establishes an allocation
4 provision after June 30, 1995, must specify an expiration date for the
5 allocation provision. For an allocation area established before July 1,
6 2008, the expiration date may not be more than thirty (30) years after
7 the date on which the allocation provision is established. For an
8 allocation area established after June 30, 2008, the expiration date may
9 not be more than twenty-five (25) years after the date on which the first
10 obligation was incurred to pay principal and interest on bonds or lease
11 rentals on leases payable from tax increment revenues. However, with
12 respect to bonds or other obligations that were issued before July 1,
13 2008, if any of the bonds or other obligations that were scheduled when
14 issued to mature before the specified expiration date and that are
15 payable only from allocated tax proceeds with respect to the allocation
16 area remain outstanding as of the expiration date, the allocation
17 provision does not expire until all of the bonds or other obligations are
18 no longer outstanding. The allocation provision may apply to all or part
19 of the redevelopment project area. The allocation provision must
20 require that any property taxes subsequently levied by or for the benefit
21 of any public body entitled to a distribution of property taxes on taxable
22 property in the allocation area be allocated and distributed as follows:

23 (1) Except as otherwise provided in this section, the proceeds of
24 the taxes attributable to the lesser of:

25 (A) the assessed value of the property for the assessment date
26 with respect to which the allocation and distribution is made;

27 or

28 (B) the base assessed value;

29 shall be allocated to and, when collected, paid into the funds of
30 the respective taxing units.

31 (2) The excess of the proceeds of the property taxes imposed for
32 the assessment date with respect to which the allocation and
33 distribution is made that are attributable to taxes imposed after
34 being approved by the voters in a referendum or local public
35 question conducted after April 30, 2010, not otherwise included
36 in subdivision (1) shall be allocated to and, when collected, paid
37 into the funds of the taxing unit for which the referendum or local
38 public question was conducted.

39 (3) Except as otherwise provided in this section, property tax
40 proceeds in excess of those described in subdivisions (1) and (2)
41 shall be allocated to the redevelopment district and, when
42 collected, paid into an allocation fund for that allocation area that



1 may be used by the redevelopment district only to do one (1) or
2 more of the following:

3 (A) Pay the principal of and interest on any obligations
4 payable solely from allocated tax proceeds which are incurred
5 by the redevelopment district for the purpose of financing or
6 refinancing the redevelopment of that allocation area.

7 (B) Establish, augment, or restore the debt service reserve for
8 bonds payable solely or in part from allocated tax proceeds in
9 that allocation area.

10 (C) Pay the principal of and interest on bonds payable from
11 allocated tax proceeds in that allocation area and from the
12 special tax levied under section 27 of this chapter.

13 (D) Pay the principal of and interest on bonds issued by the
14 unit to pay for local public improvements that are physically
15 located in or physically connected to that allocation area.

16 (E) Pay premiums on the redemption before maturity of bonds
17 payable solely or in part from allocated tax proceeds in that
18 allocation area.

19 (F) Make payments on leases payable from allocated tax
20 proceeds in that allocation area under section 25.2 of this
21 chapter.

22 (G) Reimburse the unit for expenditures made by it for local
23 public improvements (which include buildings, parking
24 facilities, and other items described in section 25.1(a) of this
25 chapter) that are physically located in or physically connected
26 to that allocation area.

27 (H) Reimburse the unit for rentals paid by it for a building or
28 parking facility that is physically located in or physically
29 connected to that allocation area under any lease entered into
30 under IC 36-1-10.

31 (I) For property taxes first due and payable before January 1,
32 2009, pay all or a part of a property tax replacement credit to
33 taxpayers in an allocation area as determined by the
34 redevelopment commission. This credit equals the amount
35 determined under the following STEPS for each taxpayer in a
36 taxing district (as defined in IC 6-1.1-1-20) that contains all or
37 part of the allocation area:

38 STEP ONE: Determine that part of the sum of the amounts
39 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
40 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
41 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to
42 the taxing district.



- 1 STEP TWO: Divide:
- 2 (i) that part of each county's eligible property tax
- 3 replacement amount (as defined in IC 6-1.1-21-2 (before its
- 4 repeal)) for that year as determined under IC 6-1.1-21-4
- 5 (before its repeal) that is attributable to the taxing district;
- 6 by
- 7 (ii) the STEP ONE sum.
- 8 STEP THREE: Multiply:
- 9 (i) the STEP TWO quotient; times
- 10 (ii) the total amount of the taxpayer's taxes (as defined in
- 11 IC 6-1.1-21-2 (before its repeal)) levied in the taxing district
- 12 that have been allocated during that year to an allocation
- 13 fund under this section.
- 14 If not all the taxpayers in an allocation area receive the credit
- 15 in full, each taxpayer in the allocation area is entitled to
- 16 receive the same proportion of the credit. A taxpayer may not
- 17 receive a credit under this section and a credit under section
- 18 39.5 of this chapter (before its repeal) in the same year.
- 19 (J) Pay expenses incurred by the redevelopment commission
- 20 for local public improvements that are in the allocation area or
- 21 serving the allocation area. Public improvements include
- 22 buildings, parking facilities, and other items described in
- 23 section 25.1(a) of this chapter.
- 24 (K) Reimburse public and private entities for expenses
- 25 incurred in training employees of industrial facilities that are
- 26 located:
- 27 (i) in the allocation area; and
- 28 (ii) on a parcel of real property that has been classified as
- 29 industrial property under the rules of the department of local
- 30 government finance.
- 31 However, the total amount of money spent for this purpose in
- 32 any year may not exceed the total amount of money in the
- 33 allocation fund that is attributable to property taxes paid by the
- 34 industrial facilities described in this clause. The
- 35 reimbursements under this clause must be made within three
- 36 (3) years after the date on which the investments that are the
- 37 basis for the increment financing are made.
- 38 (L) Pay the costs of carrying out an eligible efficiency project
- 39 (as defined in IC 36-9-41-1.5) within the unit that established
- 40 the redevelopment commission. However, property tax
- 41 proceeds may be used under this clause to pay the costs of
- 42 carrying out an eligible efficiency project only if those



1 property tax proceeds exceed the amount necessary to do the
2 following:

3 (i) Make, when due, any payments required under clauses
4 (A) through (K), including any payments of principal and
5 interest on bonds and other obligations payable under this
6 subdivision, any payments of premiums under this
7 subdivision on the redemption before maturity of bonds, and
8 any payments on leases payable under this subdivision.

9 (ii) Make any reimbursements required under this
10 subdivision.

11 (iii) Pay any expenses required under this subdivision.

12 (iv) Establish, augment, or restore any debt service reserve
13 under this subdivision.

14 (M) Expend money and provide financial assistance as
15 authorized in section 12.2(a)(27) of this chapter.

16 The allocation fund may not be used for operating expenses of the
17 commission.

18 (4) Except as provided in subsection (g), before June 15 of each
19 year, the commission shall do the following:

20 (A) Determine the amount, if any, by which the assessed value
21 of the taxable property in the allocation area for the most
22 recent assessment date minus the base assessed value, when
23 multiplied by the estimated tax rate of the allocation area, will
24 exceed the amount of assessed value needed to produce the
25 property taxes necessary to make, when due, principal and
26 interest payments on bonds described in subdivision (3), plus
27 the amount necessary for other purposes described in
28 subdivision (3).

29 (B) Provide a written notice to the county auditor, the fiscal
30 body of the county or municipality that established the
31 department of redevelopment, the officers who are authorized
32 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for
33 each of the other taxing units that is wholly or partly located
34 within the allocation area, and (in an electronic format) the
35 department of local government finance. The notice must:

36 (i) state the amount, if any, of excess assessed value that the
37 commission has determined may be allocated to the
38 respective taxing units in the manner prescribed in
39 subdivision (1); or

40 (ii) state that the commission has determined that there is no
41 excess assessed value that may be allocated to the respective
42 taxing units in the manner prescribed in subdivision (1).



1 The county auditor shall allocate to the respective taxing units
 2 the amount, if any, of excess assessed value determined by the
 3 commission. The commission may not authorize an allocation
 4 of assessed value to the respective taxing units under this
 5 subdivision if to do so would endanger the interests of the
 6 holders of bonds described in subdivision (3) or lessors under
 7 section 25.3 of this chapter.

8 (C) If:

9 (i) the amount of excess assessed value determined by the
 10 commission is expected to generate more than two hundred
 11 percent (200%) of the amount of allocated tax proceeds
 12 necessary to make, when due, principal and interest
 13 payments on bonds described in subdivision (3); plus

14 (ii) the amount necessary for other purposes described in
 15 subdivision (3);

16 the commission shall submit to the legislative body of the unit
 17 its determination of the excess assessed value that the
 18 commission proposes to allocate to the respective taxing units
 19 in the manner prescribed in subdivision (1). The legislative
 20 body of the unit may approve the commission's determination
 21 or modify the amount of the excess assessed value that will be
 22 allocated to the respective taxing units in the manner
 23 prescribed in subdivision (1).

24 (c) For the purpose of allocating taxes levied by or for any taxing
 25 unit or units, the assessed value of taxable property in a territory in the
 26 allocation area that is annexed by any taxing unit after the effective
 27 date of the allocation provision of the declaratory resolution is the
 28 lesser of:

29 (1) the assessed value of the property for the assessment date with
 30 respect to which the allocation and distribution is made; or

31 (2) the base assessed value.

32 (d) Property tax proceeds allocable to the redevelopment district
 33 under subsection (b)(3) may, subject to subsection (b)(4), be
 34 irrevocably pledged by the redevelopment district for payment as set
 35 forth in subsection (b)(3).

36 (e) Notwithstanding any other law, each assessor shall, upon
 37 petition of the redevelopment commission, reassess the taxable
 38 property situated upon or in, or added to, the allocation area, effective
 39 on the next assessment date after the petition.

40 (f) Notwithstanding any other law, the assessed value of all taxable
 41 property in the allocation area, for purposes of tax limitation, property
 42 tax replacement, and formulation of the budget, tax rate, and tax levy



1 for each political subdivision in which the property is located is the
2 lesser of:

3 (1) the assessed value of the property as valued without regard to
4 this section; or

5 (2) the base assessed value.

6 (g) If any part of the allocation area is located in an enterprise zone
7 created under IC 5-28-15, the unit that designated the allocation area
8 shall create funds as specified in this subsection. A unit that has
9 obligations, bonds, or leases payable from allocated tax proceeds under
10 subsection (b)(3) shall establish an allocation fund for the purposes
11 specified in subsection (b)(3) and a special zone fund. Such a unit
12 shall, until the end of the enterprise zone phase out period, deposit each
13 year in the special zone fund any amount in the allocation fund derived
14 from property tax proceeds in excess of those described in subsection
15 (b)(1) and (b)(2) from property located in the enterprise zone that
16 exceeds the amount sufficient for the purposes specified in subsection
17 (b)(3) for the year. The amount sufficient for purposes specified in
18 subsection (b)(3) for the year shall be determined based on the pro rata
19 portion of such current property tax proceeds from the part of the
20 enterprise zone that is within the allocation area as compared to all
21 such current property tax proceeds derived from the allocation area. A
22 unit that has no obligations, bonds, or leases payable from allocated tax
23 proceeds under subsection (b)(3) shall establish a special zone fund
24 and deposit all the property tax proceeds in excess of those described
25 in subsection (b)(1) and (b)(2) in the fund derived from property tax
26 proceeds in excess of those described in subsection (b)(1) and (b)(2)
27 from property located in the enterprise zone. The unit that creates the
28 special zone fund shall use the fund (based on the recommendations of
29 the urban enterprise association) for programs in job training, job
30 enrichment, and basic skill development that are designed to benefit
31 residents and employers in the enterprise zone or other purposes
32 specified in subsection (b)(3), except that where reference is made in
33 subsection (b)(3) to allocation area it shall refer for purposes of
34 payments from the special zone fund only to that part of the allocation
35 area that is also located in the enterprise zone. Those programs shall
36 reserve at least one-half (1/2) of their enrollment in any session for
37 residents of the enterprise zone.

38 (h) The state board of accounts and department of local government
39 finance shall make the rules and prescribe the forms and procedures
40 that they consider expedient for the implementation of this chapter.
41 After each ~~general reassessment of real property in an area under~~
42 ~~IC 6-1.1-4-4~~ and after each reassessment in an area under a



1 reassessment plan prepared under IC 6-1.1-4-4.2, the department of
 2 local government finance shall adjust the base assessed value one (1)
 3 time to neutralize any effect of the reassessment of the real property in
 4 the area on the property tax proceeds allocated to the redevelopment
 5 district under this section. After each annual adjustment under
 6 IC 6-1.1-4-4.5, the department of local government finance shall adjust
 7 the base assessed value one (1) time to neutralize any effect of the
 8 annual adjustment on the property tax proceeds allocated to the
 9 redevelopment district under this section. However, the adjustments
 10 under this subsection:

11 (1) may not include the effect of phasing in assessed value due to
 12 property tax abatements under IC 6-1.1-12.1;

13 (2) may not produce less property tax proceeds allocable to the
 14 redevelopment district under subsection (b)(3) than would
 15 otherwise have been received if the ~~general reassessment, the~~
 16 reassessment under the reassessment plan or the annual
 17 adjustment had not occurred; and

18 (3) may decrease base assessed value only to the extent that
 19 assessed values in the allocation area have been decreased due to
 20 annual adjustments or the reassessment under the reassessment
 21 plan.

22 Assessed value increases attributable to the application of an abatement
 23 schedule under IC 6-1.1-12.1 may not be included in the base assessed
 24 value of an allocation area. The department of local government
 25 finance may prescribe procedures for county and township officials to
 26 follow to assist the department in making the adjustments.

27 (i) The allocation deadline referred to in subsection (b) is
 28 determined in the following manner:

29 (1) The initial allocation deadline is December 31, 2011.

30 (2) Subject to subdivision (3), the initial allocation deadline and
 31 subsequent allocation deadlines are automatically extended in
 32 increments of five (5) years, so that allocation deadlines
 33 subsequent to the initial allocation deadline fall on December 31,
 34 2016, and December 31 of each fifth year thereafter.

35 (3) At least one (1) year before the date of an allocation deadline
 36 determined under subdivision (2), the general assembly may enact
 37 a law that:

38 (A) terminates the automatic extension of allocation deadlines
 39 under subdivision (2); and

40 (B) specifically designates a particular date as the final
 41 allocation deadline.

42 **(j) If a redevelopment commission adopts a declaratory**



1 resolution or an amendment to a declaratory resolution that
 2 contains an allocation provision and the redevelopment
 3 commission fails to make the filing required under section 17(e) of
 4 this chapter before the first anniversary of the effective date of the
 5 allocation provision, the auditor of the county in which the unit is
 6 located shall compute the base assessed value for the allocation
 7 area using the assessment date immediately preceding the date on
 8 which the documents are filed with the county auditor.

9 SECTION 21. IC 36-7-14-39.2, AS AMENDED BY P.L.119-2012,
 10 SECTION 207, IS AMENDED TO READ AS FOLLOWS
 11 [EFFECTIVE JULY 1, 2018]: Sec. 39.2. (a) This section applies to a
 12 county having a population of more than two hundred fifty thousand
 13 (250,000) but less than two hundred seventy thousand (270,000).

14 (b) As used in this section, "designated taxpayer" means any
 15 taxpayer designated by the commission in a declaratory resolution
 16 adopted or amended under section 15 or 17.5 of this chapter and with
 17 respect to which the commission finds that taxes to be derived from the
 18 taxpayer's depreciable personal property in the allocation area, in
 19 excess of the taxes attributable to the base assessed value of that
 20 personal property, are reasonably expected to exceed in one (1) or more
 21 future years the taxes to be derived from the taxpayer's real property in
 22 the allocation area in excess of the taxes attributable to the base
 23 assessed value of that real property.

24 (c) The allocation provision of a declaratory resolution may modify
 25 the definition of "property taxes" under section 39(a) of this chapter to
 26 include taxes imposed under IC 6-1.1 on the depreciable personal
 27 property of designated taxpayers, in accordance with the procedures
 28 and limitations set forth in this section and section 39 of this chapter.
 29 If such a modification is included in the resolution for purposes of
 30 section 39 of this chapter, the term "base assessed value" with respect
 31 to the depreciable personal property of designated taxpayers means,
 32 **subject to section 39(j) of this chapter**, the net assessed value of all
 33 the depreciable personal property as finally determined for the
 34 assessment date immediately preceding:

35 (1) the effective date of the modification, for modifications
 36 adopted before July 1, 1995; and

37 (2) the adoption date of the modification for modifications
 38 adopted after June 30, 1995;

39 as adjusted under section 39(h) of this chapter.

40 SECTION 22. IC 36-7-14-39.3, AS AMENDED BY P.L.6-2012,
 41 SECTION 244, IS AMENDED TO READ AS FOLLOWS
 42 [EFFECTIVE JULY 1, 2018]: Sec. 39.3. (a) As used in this section,



- 1 "depreciable personal property" refers to:
- 2 (1) all of the designated taxpayer's depreciable personal property
- 3 that is located in the allocation area; and
- 4 (2) all other depreciable property located and taxable on the
- 5 designated taxpayer's site of operations within the allocation area.
- 6 (b) As used in this section, "designated taxpayer" means any
- 7 taxpayer designated by the commission in a declaratory resolution
- 8 adopted or amended under section 15 or 17.5 of this chapter, and with
- 9 respect to which the commission finds that taxes to be derived from the
- 10 depreciable personal property in the allocation area, in excess of the
- 11 taxes attributable to the base assessed value of that personal property,
- 12 are needed to pay debt service or to provide security for bonds issued
- 13 under section 25.1 of this chapter or to make payments or to provide
- 14 security on leases payable under section 25.2 of this chapter in order to
- 15 provide local public improvements for a particular allocation area.
- 16 However, a commission may not designate a taxpayer after June 30,
- 17 1992, unless the commission also finds that:
- 18 (1) the taxpayer's property in the allocation area will consist
- 19 primarily of industrial, manufacturing, warehousing, research and
- 20 development, processing, distribution, or transportation related
- 21 projects or regulated amusement devices (as defined in
- 22 IC 22-12-1-19.1) and related improvements; and
- 23 (2) the taxpayer's property in the allocation area will not consist
- 24 primarily of retail, commercial, or residential projects, other than
- 25 an amusement park or tourism industry project.
- 26 (c) The allocation provision of a declaratory resolution may modify
- 27 the definition of "property taxes" under section 39(a) of this chapter to
- 28 include taxes imposed under IC 6-1.1 on the depreciable personal
- 29 property located and taxable on the site of operations of the designated
- 30 taxpayers in accordance with the procedures and limitations set forth
- 31 in this section and section 39 of this chapter. If such a modification is
- 32 included in the resolution, for purposes of section 39 of this chapter the
- 33 term "base assessed value" with respect to the depreciable personal
- 34 property means, **subject to section 39(j) of this chapter**, the net
- 35 assessed value of all the depreciable personal property as finally
- 36 determined for the assessment date immediately preceding:
- 37 (1) the effective date of the modification, for modifications
- 38 adopted before July 1, 1995; and
- 39 (2) the adoption date of the modification for modifications
- 40 adopted after June 30, 1995;
- 41 as adjusted under section 39(h) of this chapter.
- 42 (d) A declaratory resolution of a city redevelopment commission



1 that is adopted before March 20, 1990, is legalized and validated as if
2 it had been adopted under this section.

3 (e) An action taken by a redevelopment commission before
4 February 24, 1992, to designate a taxpayer, modify the definition of
5 property taxes, or establish a base assessed value as described in this
6 section, as in effect on February 24, 1992, is legalized and validated as
7 if this section, as in effect on February 24, 1992, had been in effect on
8 the date of the action.

9 (f) The amendment made to this section by P.L.41-1992, does not
10 affect actions taken pursuant to P.L.35-1990.

11 (g) A declaratory resolution or an amendment to a declaratory
12 resolution that was adopted by:

- 13 (1) a county redevelopment commission for a county; or
- 14 (2) a city redevelopment commission for a city;

15 before February 26, 1992, is legalized and validated as if the
16 declaratory resolution or amendment had been adopted under this
17 section as amended by P.L.147-1992.

18 SECTION 23. IC 36-7-14-48, AS AMENDED BY P.L.184-2016,
19 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 JULY 1, 2018]: Sec. 48. (a) Notwithstanding section 39(a) of this
21 chapter, with respect to the allocation and distribution of property taxes
22 for the accomplishment of a program adopted under section 45 of this
23 chapter, "base assessed value" means, **subject to section 39(j) of this**
24 **chapter**, the net assessed value of all of the property, other than
25 personal property, as finally determined for the assessment date
26 immediately preceding the effective date of the allocation provision, as
27 adjusted under section 39(h) of this chapter.

28 (b) The allocation fund established under section 39(b) of this
29 chapter for the allocation area for a program adopted under section 45
30 of this chapter may be used only for purposes related to the
31 accomplishment of the program, including the following:

- 32 (1) The construction, rehabilitation, or repair of residential units
33 within the allocation area.
- 34 (2) The construction, reconstruction, or repair of any
35 infrastructure (including streets, sidewalks, and sewers) within or
36 serving the allocation area.
- 37 (3) The acquisition of real property and interests in real property
38 within the allocation area.
- 39 (4) The demolition of real property within the allocation area.
- 40 (5) The provision of financial assistance to enable individuals and
41 families to purchase or lease residential units within the allocation
42 area. However, financial assistance may be provided only to those



1 individuals and families whose income is at or below the county's
2 median income for individuals and families, respectively.

3 (6) The provision of financial assistance to neighborhood
4 development corporations to permit them to provide financial
5 assistance for the purposes described in subdivision (5).

6 (7) For property taxes first due and payable before January 1,
7 2009, providing each taxpayer in the allocation area a credit for
8 property tax replacement as determined under subsections (c) and
9 (d). However, the commission may provide this credit only if the
10 municipal legislative body (in the case of a redevelopment
11 commission established by a municipality) or the county
12 executive (in the case of a redevelopment commission established
13 by a county) establishes the credit by ordinance adopted in the
14 year before the year in which the credit is provided.

15 (c) The maximum credit that may be provided under subsection
16 (b)(7) to a taxpayer in a taxing district that contains all or part of an
17 allocation area established for a program adopted under section 45 of
18 this chapter shall be determined as follows:

19 STEP ONE: Determine that part of the sum of the amounts
20 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)
21 through IC 6-1.1-21-2(g)(5) (before their repeal) that is
22 attributable to the taxing district.

23 STEP TWO: Divide:

- 24 (A) that part of each county's eligible property tax replacement
25 amount (as defined in IC 6-1.1-21-2) (before its repeal) for
26 that year as determined under IC 6-1.1-21-4(a)(1) (before its
27 repeal) that is attributable to the taxing district; by
28 (B) the amount determined under STEP ONE.

29 STEP THREE: Multiply:

- 30 (A) the STEP TWO quotient; by
31 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) (before
32 its repeal) levied in the taxing district allocated to the
33 allocation fund, including the amount that would have been
34 allocated but for the credit.

35 (d) The commission may determine to grant to taxpayers in an
36 allocation area from its allocation fund a credit under this section, as
37 calculated under subsection (c). Except as provided in subsection (g),
38 one-half (1/2) of the credit shall be applied to each installment of taxes
39 (as defined in IC 6-1.1-21-2) (before its repeal) that under
40 IC 6-1.1-22-9 are due and payable in a year. The commission must
41 provide for the credit annually by a resolution and must find in the
42 resolution the following:



- 1 (1) That the money to be collected and deposited in the allocation
- 2 fund, based upon historical collection rates, after granting the
- 3 credit will equal the amounts payable for contractual obligations
- 4 from the fund, plus ten percent (10%) of those amounts.
- 5 (2) If bonds payable from the fund are outstanding, that there is
- 6 a debt service reserve for the bonds that at least equals the amount
- 7 of the credit to be granted.
- 8 (3) If bonds of a lessor under section 25.2 of this chapter or under
- 9 IC 36-1-10 are outstanding and if lease rentals are payable from
- 10 the fund, that there is a debt service reserve for those bonds that
- 11 at least equals the amount of the credit to be granted.

12 If the tax increment is insufficient to grant the credit in full, the
 13 commission may grant the credit in part, prorated among all taxpayers.

14 (e) Notwithstanding section 39(b) of this chapter, the allocation
 15 fund established under section 39(b) of this chapter for the allocation
 16 area for a program adopted under section 45 of this chapter may only
 17 be used to do one (1) or more of the following:

- 18 (1) Accomplish one (1) or more of the actions set forth in section
- 19 39(b)(3)(A) through 39(b)(3)(H) and 39(b)(3)(J) of this chapter
- 20 for property that is residential in nature.
- 21 (2) Reimburse the county or municipality for expenditures made
- 22 by the county or municipality in order to accomplish the housing
- 23 program in that allocation area.

24 The allocation fund may not be used for operating expenses of the
 25 commission.

26 (f) Notwithstanding section 39(b) of this chapter, the commission
 27 shall, relative to the allocation fund established under section 39(b) of
 28 this chapter for an allocation area for a program adopted under section
 29 45 of this chapter, do the following before June 15 of each year:

- 30 (1) Determine the amount, if any, by which the assessed value of
- 31 the taxable property in the allocation area for the most recent
- 32 assessment date minus the base assessed value, when multiplied
- 33 by the estimated tax rate of the allocation area, will exceed the
- 34 amount of assessed value needed to produce the property taxes
- 35 necessary to:
- 36 (A) make the distribution required under section 39(b)(2) of
- 37 this chapter;
- 38 (B) make, when due, principal and interest payments on bonds
- 39 described in section 39(b)(3) of this chapter;
- 40 (C) pay the amount necessary for other purposes described in
- 41 section 39(b)(3) of this chapter; and
- 42 (D) reimburse the county or municipality for anticipated



- 1 expenditures described in subsection (e)(2).
 2 (2) Provide a written notice to the county auditor, the fiscal body
 3 of the county or municipality that established the department of
 4 redevelopment, the officers who are authorized to fix budgets, tax
 5 rates, and tax levies under IC 6-1.1-17-5 for each of the other
 6 taxing units that is wholly or partly located within the allocation
 7 area, and (in an electronic format) the department of local
 8 government finance. The notice must:
 9 (A) state the amount, if any, of excess property taxes that the
 10 commission has determined may be paid to the respective
 11 taxing units in the manner prescribed in section 39(b)(1) of
 12 this chapter; or
 13 (B) state that the commission has determined that there is no
 14 excess assessed value that may be allocated to the respective
 15 taxing units in the manner prescribed in subdivision (1).
 16 The county auditor shall allocate to the respective taxing units the
 17 amount, if any, of excess assessed value determined by the
 18 commission.
 19 (3) If:
 20 (A) the amount of excess assessed value determined by the
 21 commission is expected to generate more than two hundred
 22 percent (200%) of the amount of allocated tax proceeds
 23 necessary to make, when due, principal and interest payments
 24 on bonds described in subdivision (1); plus
 25 (B) the amount necessary for other purposes described in
 26 subdivision (1);
 27 the commission shall submit to the legislative body of the unit its
 28 determination of the excess assessed value that the commission
 29 proposes to allocate to the respective taxing units in the manner
 30 prescribed in subdivision (2). The legislative body of the unit may
 31 approve the commission's determination or modify the amount of
 32 the excess assessed value that will be allocated to the respective
 33 taxing units in the manner prescribed in subdivision (2).
 34 (g) This subsection applies to an allocation area only to the extent
 35 that the net assessed value of property that is assessed as residential
 36 property under the rules of the department of local government finance
 37 is not included in the base assessed value. If property tax installments
 38 with respect to a homestead (as defined in IC 6-1.1-12-37) are due in
 39 installments established by the department of local government finance
 40 under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an
 41 allocation area is entitled to an additional credit under subsection (d)
 42 for the taxes (as defined in IC 6-1.1-21-2) (before its repeal) due in



1 installments. The credit shall be applied in the same proportion to each
2 installment of taxes (as defined in IC 6-1.1-21-2) (before its repeal).

3 SECTION 24. IC 36-7-14-52, AS AMENDED BY P.L.184-2016,
4 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2018]: Sec. 52. (a) Notwithstanding section 39(a) of this
6 chapter, with respect to the allocation and distribution of property taxes
7 for the accomplishment of the purposes of an age-restricted housing
8 program adopted under section 49 of this chapter, "base assessed
9 value" means, **subject to section 39(j) of this chapter**, the net assessed
10 value of all of the property, other than personal property, as finally
11 determined for the assessment date immediately preceding the effective
12 date of the allocation provision, as adjusted under section 39(h) of this
13 chapter.

14 (b) The allocation fund established under section 39(b) of this
15 chapter for the allocation area for an age-restricted housing program
16 adopted under section 49 of this chapter may be used only for purposes
17 related to the accomplishment of the purposes of the program,
18 including, but not limited to, the following:

19 (1) The construction of any infrastructure (including streets,
20 sidewalks, and sewers) or local public improvements in, serving,
21 or benefiting the allocation area.

22 (2) The acquisition of real property and interests in real property
23 within the allocation area.

24 (3) The preparation of real property in anticipation of
25 development of the real property within the allocation area.

26 (4) To do any of the following:

27 (A) Pay the principal of and interest on bonds or any other
28 obligations payable from allocated tax proceeds in the
29 allocation area that are incurred by the redevelopment district
30 for the purpose of financing or refinancing the age-restricted
31 housing program established under section 49 of this chapter
32 for the allocation area.

33 (B) Establish, augment, or restore the debt service reserve for
34 bonds payable solely or in part from allocated tax proceeds in
35 the allocation area.

36 (C) Pay the principal of and interest on bonds payable from
37 allocated tax proceeds in the allocation area and from the
38 special tax levied under section 27 of this chapter.

39 (D) Pay the principal of and interest on bonds issued by the
40 unit to pay for local public improvements that are physically
41 located in or physically connected to the allocation area.

42 (E) Pay premiums on the redemption before maturity of bonds



- 1 payable solely or in part from allocated tax proceeds in the
 2 allocation area.
- 3 (F) Make payments on leases payable from allocated tax
 4 proceeds in the allocation area under section 25.2 of this
 5 chapter.
- 6 (G) Reimburse the unit for expenditures made by the unit for
 7 local public improvements (which include buildings, parking
 8 facilities, and other items described in section 25.1(a) of this
 9 chapter) that are physically located in or physically connected
 10 to the allocation area.
- 11 (c) Notwithstanding section 39(b) of this chapter, the commission
 12 shall, relative to the allocation fund established under section 39(b) of
 13 this chapter for an allocation area for an age-restricted housing program
 14 adopted under section 49 of this chapter, do the following before June
 15 15 of each year:
- 16 (1) Determine the amount, if any, by which the assessed value of
 17 the taxable property in the allocation area for the most recent
 18 assessment date minus the base assessed value, when multiplied
 19 by the estimated tax rate of the allocation area, will exceed the
 20 amount of assessed value needed to produce the property taxes
 21 necessary to:
- 22 (A) make the distribution required under section 39(b)(2) of
 23 this chapter;
- 24 (B) make, when due, principal and interest payments on bonds
 25 described in section 39(b)(3) of this chapter;
- 26 (C) pay the amount necessary for other purposes described in
 27 section 39(b)(3) of this chapter; and
- 28 (D) reimburse the county or municipality for anticipated
 29 expenditures described in subsection (b)(2).
- 30 (2) Provide a written notice to the county auditor, the fiscal body
 31 of the county or municipality that established the department of
 32 redevelopment, the officers who are authorized to fix budgets, tax
 33 rates, and tax levies under IC 6-1.1-17-5 for each of the other
 34 taxing units that is wholly or partly located within the allocation
 35 area, and (in an electronic format) the department of local
 36 government finance. The notice must:
- 37 (A) state the amount, if any, of excess property taxes that the
 38 commission has determined may be paid to the respective
 39 taxing units in the manner prescribed in section 39(b)(1) of
 40 this chapter; or
- 41 (B) state that the commission has determined that there is no
 42 excess assessed value that may be allocated to the respective



1 taxing units in the manner prescribed in subdivision (1).
 2 The county auditor shall allocate to the respective taxing units the
 3 amount, if any, of excess assessed value determined by the
 4 commission.

5 SECTION 25. IC 36-7-15.1-10, AS AMENDED BY P.L.146-2008,
 6 SECTION 747, IS AMENDED TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2018]: Sec. 10. (a) After approval by the
 8 commission and the legislative body of the consolidated city under
 9 section 9 of this chapter, the commission shall publish notice of the
 10 adoption and substance of the resolution in accordance with IC 5-3-1.

11 The notice must:

- 12 (1) state that maps, plats, or maps and plats have been prepared
 13 and can be inspected at the office of the department; and
 14 (2) name a date when the commission will:
 15 (A) receive and hear remonstrances and other testimony from
 16 persons interested in or affected by the proceeding pertaining
 17 to the proposed project or other actions to be taken under the
 18 resolution; and
 19 (B) determine the public utility and benefit of the proposed
 20 project or other actions.

21 All persons affected in any manner by the hearing, including all
 22 taxpayers of the redevelopment district, shall be considered notified of
 23 the pendency of the hearing and of subsequent acts, hearings,
 24 adjournments, and orders of the commission by the notice given under
 25 this section.

26 (b) A copy of the notice of the hearing on the resolution shall be
 27 filed in the office of the commission, board of zoning appeals, works
 28 board, park board, and any other departments, bodies, or officers of the
 29 consolidated city having to do with planning, variances from zoning
 30 ordinances, land use, or the issuance of building permits. These
 31 agencies and officers shall take notice of the pendency of the hearing,
 32 and until the commission confirms, modifies and confirms, or rescinds
 33 the resolution, or the confirmation of the resolution is set aside on
 34 appeal, they may not, without approval of the commission:

- 35 (1) authorize any construction on property or sewers in the area
 36 described in the resolution, including substantial modifications,
 37 rebuilding, conversion, enlargement, additions, and major
 38 structural improvements; or
 39 (2) take any action regarding the zoning or rezoning of property,
 40 or the opening, closing, or improvement of public ways in the area
 41 described in the resolution.

42 This subsection does not prohibit the granting of permits for ordinary



1 maintenance or minor remodeling, or for changes necessary for the
2 continued occupancy of buildings in the area.

3 (c) If the resolution to be considered at the hearing includes a
4 provision establishing or amending an allocation provision under
5 section 26 of this chapter, the commission shall file the following
6 information with each taxing unit that is wholly or partly located within
7 the allocation area:

8 (1) A copy of the notice required by subsection (a).

9 (2) A statement disclosing the impact of the allocation area,
10 including the following:

11 (A) The estimated economic benefits and costs incurred by the
12 allocation area, as measured by increased employment and
13 anticipated growth of real property assessed values.

14 (B) The anticipated impact on tax revenues of each taxing unit.

15 The commission shall file the information required by this subsection
16 with the officers of the taxing unit who are authorized to fix budgets,
17 tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days
18 before the date of the hearing.

19 (d) At the hearing, which may be adjourned from time to time, the
20 commission shall hear all persons interested in the proceedings and
21 shall consider all written remonstrances and objections that have been
22 filed. After considering the evidence presented, the commission shall
23 take final action determining the public utility and benefit of the
24 proposed project or other actions to be taken under the resolution, and
25 confirming, modifying and confirming, or rescinding the resolution.
26 The final action taken by the commission shall be recorded and is final
27 and conclusive, except that an appeal may be taken under section 11 of
28 this chapter.

29 **(e) If the commission adopts the resolution and the resolution**
30 **includes a provision establishing or amending an allocation**
31 **provision under section 26 of this chapter, the commission shall file**
32 **a copy of the resolution with the auditor of the county in which the**
33 **unit is located, together with any supporting documents that are**
34 **relevant to the computation of assessed values in the allocation**
35 **area, within thirty (30) days after the date on which the**
36 **commission takes final action on the resolution.**

37 SECTION 26. IC 36-7-15.1-26, AS AMENDED BY THE
38 TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL
39 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JULY 1, 2018]: Sec. 26. (a) As used in this section:

41 "Allocation area" means that part of a redevelopment project area
42 to which an allocation provision of a resolution adopted under section



1 8 of this chapter refers for purposes of distribution and allocation of
 2 property taxes.

3 "Base assessed value" means, **subject to subsection (j)**, the
 4 following:

5 (1) If an allocation provision is adopted after June 30, 1995, in a
 6 declaratory resolution or an amendment to a declaratory
 7 resolution establishing an economic development area:

8 (A) the net assessed value of all the property as finally
 9 determined for the assessment date immediately preceding the
 10 effective date of the allocation provision of the declaratory
 11 resolution, as adjusted under subsection (h); plus

12 (B) to the extent that it is not included in clause (A), the net
 13 assessed value of property that is assessed as residential
 14 property under the rules of the department of local government
 15 finance, as finally determined for any assessment date after the
 16 effective date of the allocation provision.

17 (2) If an allocation provision is adopted after June 30, 1997, in a
 18 declaratory resolution or an amendment to a declaratory
 19 resolution establishing a redevelopment project area:

20 (A) the net assessed value of all the property as finally
 21 determined for the assessment date immediately preceding the
 22 effective date of the allocation provision of the declaratory
 23 resolution, as adjusted under subsection (h); plus

24 (B) to the extent that it is not included in clause (A), the net
 25 assessed value of property that is assessed as residential
 26 property under the rules of the department of local government
 27 finance, as finally determined for any assessment date after the
 28 effective date of the allocation provision.

29 (3) If:

30 (A) an allocation provision adopted before June 30, 1995, in
 31 a declaratory resolution or an amendment to a declaratory
 32 resolution establishing a redevelopment project area expires
 33 after June 30, 1997; and

34 (B) after June 30, 1997, a new allocation provision is included
 35 in an amendment to the declaratory resolution;

36 the net assessed value of all the property as finally determined for
 37 the assessment date immediately preceding the effective date of
 38 the allocation provision adopted after June 30, 1997, as adjusted
 39 under subsection (h).

40 (4) Except as provided in subdivision (5), for all other allocation
 41 areas, the net assessed value of all the property as finally
 42 determined for the assessment date immediately preceding the



1 effective date of the allocation provision of the declaratory
2 resolution, as adjusted under subsection (h).

3 (5) If an allocation area established in an economic development
4 area before July 1, 1995, is expanded after June 30, 1995, the
5 definition in subdivision (1) applies to the expanded part of the
6 area added after June 30, 1995.

7 (6) If an allocation area established in a redevelopment project
8 area before July 1, 1997, is expanded after June 30, 1997, the
9 definition in subdivision (2) applies to the expanded part of the
10 area added after June 30, 1997.

11 Except as provided in section 26.2 of this chapter, "property taxes"
12 means taxes imposed under IC 6-1.1 on real property. However, upon
13 approval by a resolution of the redevelopment commission adopted
14 before June 1, 1987, "property taxes" also includes taxes imposed
15 under IC 6-1.1 on depreciable personal property. If a redevelopment
16 commission adopted before June 1, 1987, a resolution to include within
17 the definition of property taxes, taxes imposed under IC 6-1.1 on
18 depreciable personal property that has a useful life in excess of eight
19 (8) years, the commission may by resolution determine the percentage
20 of taxes imposed under IC 6-1.1 on all depreciable personal property
21 that will be included within the definition of property taxes. However,
22 the percentage included must not exceed twenty-five percent (25%) of
23 the taxes imposed under IC 6-1.1 on all depreciable personal property.

24 (b) A resolution adopted under section 8 of this chapter on or before
25 the allocation deadline determined under subsection (i) may include a
26 provision with respect to the allocation and distribution of property
27 taxes for the purposes and in the manner provided in this section. A
28 resolution previously adopted may include an allocation provision by
29 the amendment of that resolution on or before the allocation deadline
30 determined under subsection (i) in accordance with the procedures
31 required for its original adoption. A declaratory resolution or
32 amendment that establishes an allocation provision must include a
33 specific finding of fact, supported by evidence, that the adoption of the
34 allocation provision will result in new property taxes in the area that
35 would not have been generated but for the adoption of the allocation
36 provision. For an allocation area established before July 1, 1995, the
37 expiration date of any allocation provisions for the allocation area is
38 June 30, 2025, or the last date of any obligations that are outstanding
39 on July 1, 2015, whichever is later. However, for an allocation area
40 identified as the Consolidated Allocation Area in the report submitted
41 in 2013 to the fiscal body under section 36.3 of this chapter, the
42 expiration date of any allocation provisions for the allocation area is



1 January 1, 2051. A declaratory resolution or an amendment that
2 establishes an allocation provision after June 30, 1995, must specify an
3 expiration date for the allocation provision. For an allocation area
4 established before July 1, 2008, the expiration date may not be more
5 than thirty (30) years after the date on which the allocation provision
6 is established. For an allocation area established after June 30, 2008,
7 the expiration date may not be more than twenty-five (25) years after
8 the date on which the first obligation was incurred to pay principal and
9 interest on bonds or lease rentals on leases payable from tax increment
10 revenues. However, with respect to bonds or other obligations that were
11 issued before July 1, 2008, if any of the bonds or other obligations that
12 were scheduled when issued to mature before the specified expiration
13 date and that are payable only from allocated tax proceeds with respect
14 to the allocation area remain outstanding as of the expiration date, the
15 allocation provision does not expire until all of the bonds or other
16 obligations are no longer outstanding. The allocation provision may
17 apply to all or part of the redevelopment project area. The allocation
18 provision must require that any property taxes subsequently levied by
19 or for the benefit of any public body entitled to a distribution of
20 property taxes on taxable property in the allocation area be allocated
21 and distributed as follows:

22 (1) Except as otherwise provided in this section, the proceeds of
23 the taxes attributable to the lesser of:

24 (A) the assessed value of the property for the assessment date
25 with respect to which the allocation and distribution is made;

26 or

27 (B) the base assessed value;

28 shall be allocated to and, when collected, paid into the funds of
29 the respective taxing units.

30 (2) The excess of the proceeds of the property taxes imposed for
31 the assessment date with respect to which the allocation and
32 distribution is made that are attributable to taxes imposed after
33 being approved by the voters in a referendum or local public
34 question conducted after April 30, 2010, not otherwise included
35 in subdivision (1) shall be allocated to and, when collected, paid
36 into the funds of the taxing unit for which the referendum or local
37 public question was conducted.

38 (3) Except as otherwise provided in this section, property tax
39 proceeds in excess of those described in subdivisions (1) and (2)
40 shall be allocated to the redevelopment district and, when
41 collected, paid into a special fund for that allocation area that may
42 be used by the redevelopment district only to do one (1) or more



- 1 of the following:
- 2 (A) Pay the principal of and interest on any obligations
- 3 payable solely from allocated tax proceeds that are incurred by
- 4 the redevelopment district for the purpose of financing or
- 5 refinancing the redevelopment of that allocation area.
- 6 (B) Establish, augment, or restore the debt service reserve for
- 7 bonds payable solely or in part from allocated tax proceeds in
- 8 that allocation area.
- 9 (C) Pay the principal of and interest on bonds payable from
- 10 allocated tax proceeds in that allocation area and from the
- 11 special tax levied under section 19 of this chapter.
- 12 (D) Pay the principal of and interest on bonds issued by the
- 13 consolidated city to pay for local public improvements that are
- 14 physically located in or physically connected to that allocation
- 15 area.
- 16 (E) Pay premiums on the redemption before maturity of bonds
- 17 payable solely or in part from allocated tax proceeds in that
- 18 allocation area.
- 19 (F) Make payments on leases payable from allocated tax
- 20 proceeds in that allocation area under section 17.1 of this
- 21 chapter.
- 22 (G) Reimburse the consolidated city for expenditures for local
- 23 public improvements (which include buildings, parking
- 24 facilities, and other items set forth in section 17 of this
- 25 chapter) that are physically located in or physically connected
- 26 to that allocation area.
- 27 (H) Reimburse the unit for rentals paid by it for a building or
- 28 parking facility that is physically located in or physically
- 29 connected to that allocation area under any lease entered into
- 30 under IC 36-1-10.
- 31 (I) Reimburse public and private entities for expenses incurred
- 32 in training employees of industrial facilities that are located:
- 33 (i) in the allocation area; and
- 34 (ii) on a parcel of real property that has been classified as
- 35 industrial property under the rules of the department of local
- 36 government finance.
- 37 However, the total amount of money spent for this purpose in
- 38 any year may not exceed the total amount of money in the
- 39 allocation fund that is attributable to property taxes paid by the
- 40 industrial facilities described in this clause. The
- 41 reimbursements under this clause must be made within three
- 42 (3) years after the date on which the investments that are the



1 basis for the increment financing are made.

2 (J) Pay the costs of carrying out an eligible efficiency project
3 (as defined in IC 36-9-41-1.5) within the unit that established
4 the redevelopment commission. However, property tax
5 proceeds may be used under this clause to pay the costs of
6 carrying out an eligible efficiency project only if those
7 property tax proceeds exceed the amount necessary to do the
8 following:

9 (i) Make, when due, any payments required under clauses
10 (A) through (I), including any payments of principal and
11 interest on bonds and other obligations payable under this
12 subdivision, any payments of premiums under this
13 subdivision on the redemption before maturity of bonds, and
14 any payments on leases payable under this subdivision.

15 (ii) Make any reimbursements required under this
16 subdivision.

17 (iii) Pay any expenses required under this subdivision.

18 (iv) Establish, augment, or restore any debt service reserve
19 under this subdivision.

20 (K) Expend money and provide financial assistance as
21 authorized in section 7(a)(21) of this chapter.

22 The special fund may not be used for operating expenses of the
23 commission.

24 (4) Before June 15 of each year, the commission shall do the
25 following:

26 (A) Determine the amount, if any, by which the assessed value
27 of the taxable property in the allocation area for the most
28 recent assessment date minus the base assessed value, when
29 multiplied by the estimated tax rate of the allocation area will
30 exceed the amount of assessed value needed to provide the
31 property taxes necessary to make, when due, principal and
32 interest payments on bonds described in subdivision (3) plus
33 the amount necessary for other purposes described in
34 subdivision (3) and subsection (g).

35 (B) Provide a written notice to the county auditor, the
36 legislative body of the consolidated city, the officers who are
37 authorized to fix budgets, tax rates, and tax levies under
38 IC 6-1.1-17-5 for each of the other taxing units that is wholly
39 or partly located within the allocation area, and (in an
40 electronic format) the department of local government finance.

41 The notice must:

42 (i) state the amount, if any, of excess assessed value that the



1 commission has determined may be allocated to the
 2 respective taxing units in the manner prescribed in
 3 subdivision (1); or

4 (ii) state that the commission has determined that there is no
 5 excess assessed value that may be allocated to the respective
 6 taxing units in the manner prescribed in subdivision (1).

7 The county auditor shall allocate to the respective taxing units
 8 the amount, if any, of excess assessed value determined by the
 9 commission. The commission may not authorize an allocation
 10 to the respective taxing units under this subdivision if to do so
 11 would endanger the interests of the holders of bonds described
 12 in subdivision (3).

13 (C) If:

14 (i) the amount of excess assessed value determined by the
 15 commission is expected to generate more than two hundred
 16 percent (200%) of the amount of allocated tax proceeds
 17 necessary to make, when due, principal and interest
 18 payments on bonds described in subdivision (3); plus

19 (ii) the amount necessary for other purposes described in
 20 subdivision (3) and subsection (g);

21 the commission shall submit to the legislative body of the unit
 22 the commission's determination of the excess assessed value
 23 that the commission proposes to allocate to the respective
 24 taxing units in the manner prescribed in subdivision (1). The
 25 legislative body of the unit may approve the commission's
 26 determination or modify the amount of the excess assessed
 27 value that will be allocated to the respective taxing units in the
 28 manner prescribed in subdivision (1).

29 (c) For the purpose of allocating taxes levied by or for any taxing
 30 unit or units, the assessed value of taxable property in a territory in the
 31 allocation area that is annexed by any taxing unit after the effective
 32 date of the allocation provision of the resolution is the lesser of:

33 (1) the assessed value of the property for the assessment date with
 34 respect to which the allocation and distribution is made; or

35 (2) the base assessed value.

36 (d) Property tax proceeds allocable to the redevelopment district
 37 under subsection (b)(3) may, subject to subsection (b)(4), be
 38 irrevocably pledged by the redevelopment district for payment as set
 39 forth in subsection (b)(3).

40 (e) Notwithstanding any other law, each assessor shall, upon
 41 petition of the commission, reassess the taxable property situated upon
 42 or in, or added to, the allocation area, effective on the next assessment



1 date after the petition.

2 (f) Notwithstanding any other law, the assessed value of all taxable
3 property in the allocation area, for purposes of tax limitation, property
4 tax replacement, and formulation of the budget, tax rate, and tax levy
5 for each political subdivision in which the property is located is the
6 lesser of:

- 7 (1) the assessed value of the property as valued without regard to
8 this section; or
9 (2) the base assessed value.

10 (g) If any part of the allocation area is located in an enterprise zone
11 created under IC 5-28-15, the unit that designated the allocation area
12 shall create funds as specified in this subsection. A unit that has
13 obligations, bonds, or leases payable from allocated tax proceeds under
14 subsection (b)(3) shall establish an allocation fund for the purposes
15 specified in subsection (b)(3) and a special zone fund. Such a unit
16 shall, until the end of the enterprise zone phase out period, deposit each
17 year in the special zone fund the amount in the allocation fund derived
18 from property tax proceeds in excess of those described in subsection
19 (b)(1) and (b)(2) from property located in the enterprise zone that
20 exceeds the amount sufficient for the purposes specified in subsection
21 (b)(3) for the year. A unit that has no obligations, bonds, or leases
22 payable from allocated tax proceeds under subsection (b)(3) shall
23 establish a special zone fund and deposit all the property tax proceeds
24 in excess of those described in subsection (b)(1) and (b)(2) in the fund
25 derived from property tax proceeds in excess of those described in
26 subsection (b)(1) and (b)(2) from property located in the enterprise
27 zone. The unit that creates the special zone fund shall use the fund,
28 based on the recommendations of the urban enterprise association, for
29 one (1) or more of the following purposes:

- 30 (1) To pay for programs in job training, job enrichment, and basic
31 skill development designed to benefit residents and employers in
32 the enterprise zone. The programs must reserve at least one-half
33 (1/2) of the enrollment in any session for residents of the
34 enterprise zone.
35 (2) To make loans and grants for the purpose of stimulating
36 business activity in the enterprise zone or providing employment
37 for enterprise zone residents in the enterprise zone. These loans
38 and grants may be made to the following:
39 (A) Businesses operating in the enterprise zone.
40 (B) Businesses that will move their operations to the enterprise
41 zone if such a loan or grant is made.
42 (3) To provide funds to carry out other purposes specified in



1 subsection (b)(3). However, where reference is made in
 2 subsection (b)(3) to the allocation area, the reference refers for
 3 purposes of payments from the special zone fund only to that part
 4 of the allocation area that is also located in the enterprise zone.

5 (h) The state board of accounts and department of local government
 6 finance shall make the rules and prescribe the forms and procedures
 7 that they consider expedient for the implementation of this chapter.
 8 After ~~each general reassessment of real property in an area under~~
 9 ~~IC 6-1.1-4-4~~ and after each reassessment under a reassessment plan
 10 prepared under IC 6-1.1-4-4.2, the department of local government
 11 finance shall adjust the base assessed value one (1) time to neutralize
 12 any effect of the reassessment of the real property in the area on the
 13 property tax proceeds allocated to the redevelopment district under this
 14 section. After each annual adjustment under IC 6-1.1-4-4.5, the
 15 department of local government finance shall adjust the base assessed
 16 value to neutralize any effect of the annual adjustment on the property
 17 tax proceeds allocated to the redevelopment district under this section.
 18 However, the adjustments under this subsection may not include the
 19 effect of property tax abatements under IC 6-1.1-12.1, and these
 20 adjustments may not produce less property tax proceeds allocable to
 21 the redevelopment district under subsection (b)(3) than would
 22 otherwise have been received if the ~~general reassessment~~, reassessment
 23 under the reassessment plan or annual adjustment had not occurred.
 24 The department of local government finance may prescribe procedures
 25 for county and township officials to follow to assist the department in
 26 making the adjustments.

27 (i) The allocation deadline referred to in subsection (b) is
 28 determined in the following manner:

29 (1) The initial allocation deadline is December 31, 2011.

30 (2) Subject to subdivision (3), the initial allocation deadline and
 31 subsequent allocation deadlines are automatically extended in
 32 increments of five (5) years, so that allocation deadlines
 33 subsequent to the initial allocation deadline fall on December 31,
 34 2016, and December 31 of each fifth year thereafter.

35 (3) At least one (1) year before the date of an allocation deadline
 36 determined under subdivision (2), the general assembly may enact
 37 a law that:

38 (A) terminates the automatic extension of allocation deadlines
 39 under subdivision (2); and

40 (B) specifically designates a particular date as the final
 41 allocation deadline.

42 (j) **If the commission adopts a declaratory resolution or an**



1 **amendment to a declaratory resolution that contains an allocation**
 2 **provision and the commission fails to make the filing required**
 3 **under section 10(e) of this chapter before the first anniversary of**
 4 **the effective date of the allocation provision, the auditor of the**
 5 **county in which the unit is located shall compute the base assessed**
 6 **value for the allocation area using the assessment date immediately**
 7 **preceding the date on which the documents are filed with the**
 8 **county auditor.**

9 SECTION 27. IC 36-7-15.1-26.2, AS AMENDED BY
 10 P.L.172-2011, SECTION 153, IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 26.2. (a) As used in this
 12 section, "depreciable personal property" refers to all of the designated
 13 taxpayer's depreciable personal property that is located in the allocation
 14 area.

15 (b) As used in this section, "designated taxpayer" means a taxpayer
 16 designated by the commission in a declaratory resolution adopted or
 17 amended under section 8 or 10.5 of this chapter, and with respect to
 18 which the commission finds that:

19 (1) taxes to be derived from the taxpayer's depreciable personal
 20 property in the allocation area, in excess of the taxes attributable
 21 to the base assessed value of that personal property, are needed to
 22 pay debt service for bonds issued under section 17 of this chapter
 23 or to make payments on leases payable under section 17.1 of this
 24 chapter in order to provide local public improvements for a
 25 particular allocation area;

26 (2) the taxpayer's property in the allocation area will consist
 27 primarily of industrial, manufacturing, warehousing, research and
 28 development, processing, distribution, transportation, or
 29 convention center hotel related projects or regulated amusement
 30 devices (as defined in IC 22-12-1-19.1) and related
 31 improvements; and

32 (3) the taxpayer's property in the allocation area will not consist
 33 primarily of retail, commercial, or residential projects, other than
 34 an amusement park or tourism industry project.

35 For purposes of subdivision (3), a convention center hotel project is not
 36 considered a retail, commercial, or residential project.

37 (c) The allocation provision of a declaratory resolution may modify
 38 the definition of "property taxes" under section 26(a) of this chapter to
 39 include taxes imposed under IC 6-1.1 on the depreciable personal
 40 property of designated taxpayers in accordance with the procedures and
 41 limitations set forth in this section and section 26 of this chapter. If
 42 such a modification is included in the resolution, for purposes of



1 section 26 of this chapter the term "base assessed value" with respect
 2 to the depreciable personal property of designated taxpayers means,
 3 **subject to section 26(j) of this chapter**, the net assessed value of the
 4 depreciable personal property as finally determined for the assessment
 5 date immediately preceding:

6 (1) the effective date of the modification, for modifications
 7 adopted before July 1, 1995; and

8 (2) the adoption date of the modification for modifications
 9 adopted after June 30, 1995;

10 as adjusted under section 26(h) of this chapter.

11 SECTION 28. IC 36-7-15.1-35, AS AMENDED BY P.L.184-2016,
 12 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2018]: Sec. 35. (a) Notwithstanding section 26(a) of this
 14 chapter, with respect to the allocation and distribution of property taxes
 15 for the accomplishment of a program adopted under section 32 of this
 16 chapter, "base assessed value" means, **subject to section 26(j) of this**
 17 **chapter**, the net assessed value of all of the land as finally determined
 18 for the assessment date immediately preceding the effective date of the
 19 allocation provision, as adjusted under section 26(h) of this chapter.
 20 However, "base assessed value" does not include the value of real
 21 property improvements to the land.

22 (b) The special fund established under section 26(b) of this chapter
 23 for the allocation area for a program adopted under section 32 of this
 24 chapter may be used only for purposes related to the accomplishment
 25 of the program, including the following:

26 (1) The construction, rehabilitation, or repair of residential units
 27 within the allocation area.

28 (2) The construction, reconstruction, or repair of infrastructure
 29 (such as streets, sidewalks, and sewers) within or serving the
 30 allocation area.

31 (3) The acquisition of real property and interests in real property
 32 within the allocation area.

33 (4) The demolition of real property within the allocation area.

34 (5) To provide financial assistance to enable individuals and
 35 families to purchase or lease residential units within the allocation
 36 area. However, financial assistance may be provided only to those
 37 individuals and families whose income is at or below the county's
 38 median income for individuals and families, respectively.

39 (6) To provide financial assistance to neighborhood development
 40 corporations to permit them to provide financial assistance for the
 41 purposes described in subdivision (5).

42 (7) For property taxes first due and payable before 2009, to



1 provide each taxpayer in the allocation area a credit for property
 2 tax replacement as determined under subsections (c) and (d).
 3 However, this credit may be provided by the commission only if
 4 the city-county legislative body establishes the credit by
 5 ordinance adopted in the year before the year in which the credit
 6 is provided.

7 (c) The maximum credit that may be provided under subsection
 8 (b)(7) to a taxpayer in a taxing district that contains all or part of an
 9 allocation area established for a program adopted under section 32 of
 10 this chapter shall be determined as follows:

11 STEP ONE: Determine that part of the sum of the amounts
 12 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)
 13 through IC 6-1.1-21-2(g)(5) (before their repeal) that is
 14 attributable to the taxing district.

15 STEP TWO: Divide:

16 (A) that part of each county's eligible property tax replacement
 17 amount (as defined in IC 6-1.1-21-2 (before its repeal)) for
 18 that year as determined under IC 6-1.1-21-4(a)(1) (before its
 19 repeal) that is attributable to the taxing district; by

20 (B) the amount determined under STEP ONE.

21 STEP THREE: Multiply:

22 (A) the STEP TWO quotient; by

23 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its
 24 repeal)) levied in the taxing district allocated to the allocation
 25 fund, including the amount that would have been allocated but
 26 for the credit.

27 (d) Except as provided in subsection (g), the commission may
 28 determine to grant to taxpayers in an allocation area from its allocation
 29 fund a credit under this section, as calculated under subsection (c), by
 30 applying one-half (1/2) of the credit to each installment of taxes (as
 31 defined in IC 6-1.1-21-2 (before its repeal)) that under IC 6-1.1-22-9
 32 are due and payable in a year. Except as provided in subsection (g),
 33 one-half (1/2) of the credit shall be applied to each installment of taxes
 34 (as defined in IC 6-1.1-21-2 (before its repeal)). The commission must
 35 provide for the credit annually by a resolution and must find in the
 36 resolution the following:

37 (1) That the money to be collected and deposited in the allocation
 38 fund, based upon historical collection rates, after granting the
 39 credit will equal the amounts payable for contractual obligations
 40 from the fund, plus ten percent (10%) of those amounts.

41 (2) If bonds payable from the fund are outstanding, that there is
 42 a debt service reserve for the bonds that at least equals the amount



1 of the credit to be granted.

2 (3) If bonds of a lessor under section 17.1 of this chapter or under

3 IC 36-1-10 are outstanding and if lease rentals are payable from

4 the fund, that there is a debt service reserve for those bonds that

5 at least equals the amount of the credit to be granted.

6 If the tax increment is insufficient to grant the credit in full, the

7 commission may grant the credit in part, prorated among all taxpayers.

8 (e) Notwithstanding section 26(b) of this chapter, the special fund

9 established under section 26(b) of this chapter for the allocation area

10 for a program adopted under section 32 of this chapter may only be

11 used to do one (1) or more of the following:

12 (1) Accomplish one (1) or more of the actions set forth in section

13 26(b)(3)(A) through 26(b)(3)(H) of this chapter.

14 (2) Reimburse the consolidated city for expenditures made by the

15 city in order to accomplish the housing program in that allocation

16 area.

17 The special fund may not be used for operating expenses of the

18 commission.

19 (f) Notwithstanding section 26(b) of this chapter, the commission

20 shall, relative to the special fund established under section 26(b) of this

21 chapter for an allocation area for a program adopted under section 32

22 of this chapter, do the following before June 15 of each year:

23 (1) Determine the amount, if any, by which the assessed value of

24 the taxable property in the allocation area, when multiplied by the

25 estimated tax rate of the allocation area, will exceed the amount

26 of assessed value needed to produce the property taxes necessary

27 to:

28 (A) make the distribution required under section 26(b)(2) of

29 this chapter;

30 (B) make, when due, principal and interest payments on bonds

31 described in section 26(b)(3) of this chapter;

32 (C) pay the amount necessary for other purposes described in

33 section 26(b)(3) of this chapter; and

34 (D) reimburse the consolidated city for anticipated

35 expenditures described in subsection (e)(2).

36 (2) Provide a written notice to the county auditor, the legislative

37 body of the consolidated city, the officers who are authorized to

38 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each

39 of the other taxing units that is wholly or partly located within the

40 allocation area, and (in an electronic format) the department of

41 local government finance. The notice must:

42 (A) state the amount, if any, of excess assessed value that the



1 commission has determined may be allocated to the respective
 2 taxing units in the manner prescribed in section 26(b)(1) of
 3 this chapter; or
 4 (B) state that the commission has determined that there is no
 5 excess assessed value that may be allocated to the respective
 6 taxing units in the manner prescribed in section 26(b)(1) of
 7 this chapter.
 8 The county auditor shall allocate to the respective taxing units the
 9 amount, if any, of excess assessed value determined by the
 10 commission.

11 (g) This subsection applies to an allocation area only to the extent
 12 that the net assessed value of property that is assessed as residential
 13 property under the rules of the department of local government finance
 14 is not included in the base assessed value. If property tax installments
 15 with respect to a homestead (as defined in IC 6-1.1-20.9-1 (before its
 16 repeal)) are due in installments established by the department of local
 17 government finance under IC 6-1.1-22-9.5, each taxpayer subject to
 18 those installments in an allocation area is entitled to an additional
 19 credit under subsection (d) for the taxes (as defined in IC 6-1.1-21-2
 20 (before its repeal)) due in installments. The credit shall be applied in
 21 the same proportion to each installment of taxes (as defined in
 22 IC 6-1.1-21-2 (before its repeal)).

23 SECTION 29. IC 36-7-15.1-53, AS AMENDED BY THE
 24 TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL
 25 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2018]: Sec. 53. (a) As used in this section:

27 "Allocation area" means that part of a redevelopment project area
 28 to which an allocation provision of a resolution adopted under section
 29 40 of this chapter refers for purposes of distribution and allocation of
 30 property taxes.

31 "Base assessed value" means, **subject to subsection (j):**

32 (1) the net assessed value of all the property as finally determined
 33 for the assessment date immediately preceding the effective date
 34 of the allocation provision of the declaratory resolution, as
 35 adjusted under subsection (h); plus
 36 (2) to the extent that it is not included in subdivision (1), the net
 37 assessed value of property that is assessed as residential property
 38 under the rules of the department of local government finance, as
 39 finally determined for any assessment date after the effective date
 40 of the allocation provision.

41 Except as provided in section 55 of this chapter, "property taxes"
 42 means taxes imposed under IC 6-1.1 on real property.



1 (b) A resolution adopted under section 40 of this chapter on or
 2 before the allocation deadline determined under subsection (i) may
 3 include a provision with respect to the allocation and distribution of
 4 property taxes for the purposes and in the manner provided in this
 5 section. A resolution previously adopted may include an allocation
 6 provision by the amendment of that resolution on or before the
 7 allocation deadline determined under subsection (i) in accordance with
 8 the procedures required for its original adoption. A declaratory
 9 resolution or an amendment that establishes an allocation provision
 10 must be approved by resolution of the legislative body of the excluded
 11 city and must specify an expiration date for the allocation provision.
 12 For an allocation area established before July 1, 2008, the expiration
 13 date may not be more than thirty (30) years after the date on which the
 14 allocation provision is established. For an allocation area established
 15 after June 30, 2008, the expiration date may not be more than
 16 twenty-five (25) years after the date on which the first obligation was
 17 incurred to pay principal and interest on bonds or lease rentals on
 18 leases payable from tax increment revenues. However, with respect to
 19 bonds or other obligations that were issued before July 1, 2008, if any
 20 of the bonds or other obligations that were scheduled when issued to
 21 mature before the specified expiration date and that are payable only
 22 from allocated tax proceeds with respect to the allocation area remain
 23 outstanding as of the expiration date, the allocation provision does not
 24 expire until all of the bonds or other obligations are no longer
 25 outstanding. The allocation provision may apply to all or part of the
 26 redevelopment project area. The allocation provision must require that
 27 any property taxes subsequently levied by or for the benefit of any
 28 public body entitled to a distribution of property taxes on taxable
 29 property in the allocation area be allocated and distributed as follows:

30 (1) Except as otherwise provided in this section, the proceeds of
 31 the taxes attributable to the lesser of:

32 (A) the assessed value of the property for the assessment date
 33 with respect to which the allocation and distribution is made;
 34 or

35 (B) the base assessed value;

36 shall be allocated to and, when collected, paid into the funds of
 37 the respective taxing units.

38 (2) The excess of the proceeds of the property taxes imposed for
 39 the assessment date with respect to which the allocation and
 40 distribution is made that are attributable to taxes imposed after
 41 being approved by the voters in a referendum or local public
 42 question conducted after April 30, 2010, not otherwise included



1 in subdivision (1) shall be allocated to and, when collected, paid
 2 into the funds of the taxing unit for which the referendum or local
 3 public question was conducted.

4 (3) Except as otherwise provided in this section, property tax
 5 proceeds in excess of those described in subdivisions (1) and (2)
 6 shall be allocated to the redevelopment district and, when
 7 collected, paid into a special fund for that allocation area that may
 8 be used by the redevelopment district only to do one (1) or more
 9 of the following:

10 (A) Pay the principal of and interest on any obligations
 11 payable solely from allocated tax proceeds that are incurred by
 12 the redevelopment district for the purpose of financing or
 13 refinancing the redevelopment of that allocation area.

14 (B) Establish, augment, or restore the debt service reserve for
 15 bonds payable solely or in part from allocated tax proceeds in
 16 that allocation area.

17 (C) Pay the principal of and interest on bonds payable from
 18 allocated tax proceeds in that allocation area and from the
 19 special tax levied under section 50 of this chapter.

20 (D) Pay the principal of and interest on bonds issued by the
 21 excluded city to pay for local public improvements that are
 22 physically located in or physically connected to that allocation
 23 area.

24 (E) Pay premiums on the redemption before maturity of bonds
 25 payable solely or in part from allocated tax proceeds in that
 26 allocation area.

27 (F) Make payments on leases payable from allocated tax
 28 proceeds in that allocation area under section 46 of this
 29 chapter.

30 (G) Reimburse the excluded city for expenditures for local
 31 public improvements (which include buildings, park facilities,
 32 and other items set forth in section 45 of this chapter) that are
 33 physically located in or physically connected to that allocation
 34 area.

35 (H) Reimburse the unit for rentals paid by it for a building or
 36 parking facility that is physically located in or physically
 37 connected to that allocation area under any lease entered into
 38 under IC 36-1-10.

39 (I) Reimburse public and private entities for expenses incurred
 40 in training employees of industrial facilities that are located:

41 (i) in the allocation area; and

42 (ii) on a parcel of real property that has been classified as



1 industrial property under the rules of the department of local
 2 government finance.
 3 However, the total amount of money spent for this purpose in
 4 any year may not exceed the total amount of money in the
 5 allocation fund that is attributable to property taxes paid by the
 6 industrial facilities described in this clause. The
 7 reimbursements under this clause must be made within three
 8 (3) years after the date on which the investments that are the
 9 basis for the increment financing are made.
 10 The special fund may not be used for operating expenses of the
 11 commission.
 12 (4) Before June 15 of each year, the commission shall do the
 13 following:
 14 (A) Determine the amount, if any, by which the assessed value
 15 of the taxable property in the allocation area for the most
 16 recent assessment date minus the base assessed value, when
 17 multiplied by the estimated tax rate of the allocation area, will
 18 exceed the amount of assessed value needed to provide the
 19 property taxes necessary to make, when due, principal and
 20 interest payments on bonds described in subdivision (3) plus
 21 the amount necessary for other purposes described in
 22 subdivision (3) and subsection (g).
 23 (B) Provide a written notice to the county auditor, the fiscal
 24 body of the county or municipality that established the
 25 department of redevelopment, the officers who are authorized
 26 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for
 27 each of the other taxing units that is wholly or partly located
 28 within the allocation area, and (in an electronic format) the
 29 department of local government finance. The notice must:
 30 (i) state the amount, if any, of excess assessed value that the
 31 commission has determined may be allocated to the
 32 respective taxing units in the manner prescribed in
 33 subdivision (1); or
 34 (ii) state that the commission has determined that there is no
 35 excess assessed value that may be allocated to the respective
 36 taxing units in the manner prescribed in subdivision (1).
 37 The county auditor shall allocate to the respective taxing units
 38 the amount, if any, of excess assessed value determined by the
 39 commission. The commission may not authorize an allocation
 40 to the respective taxing units under this subdivision if to do so
 41 would endanger the interests of the holders of bonds described
 42 in subdivision (3).



1 (c) For the purpose of allocating taxes levied by or for any taxing
2 unit or units, the assessed value of taxable property in a territory in the
3 allocation area that is annexed by any taxing unit after the effective
4 date of the allocation provision of the resolution is the lesser of:

- 5 (1) the assessed value of the property for the assessment date with
6 respect to which the allocation and distribution is made; or
7 (2) the base assessed value.

8 (d) Property tax proceeds allocable to the redevelopment district
9 under subsection (b)(3) may, subject to subsection (b)(4), be
10 irrevocably pledged by the redevelopment district for payment as set
11 forth in subsection (b)(3).

12 (e) Notwithstanding any other law, each assessor shall, upon
13 petition of the commission, reassess the taxable property situated upon
14 or in, or added to, the allocation area, effective on the next assessment
15 date after the petition.

16 (f) Notwithstanding any other law, the assessed value of all taxable
17 property in the allocation area, for purposes of tax limitation, property
18 tax replacement, and formulation of the budget, tax rate, and tax levy
19 for each political subdivision in which the property is located, is the
20 lesser of:

- 21 (1) the assessed value of the property as valued without regard to
22 this section; or
23 (2) the base assessed value.

24 (g) If any part of the allocation area is located in an enterprise zone
25 created under IC 5-28-15, the unit that designated the allocation area
26 shall create funds as specified in this subsection. A unit that has
27 obligations, bonds, or leases payable from allocated tax proceeds under
28 subsection (b)(3) shall establish an allocation fund for the purposes
29 specified in subsection (b)(3) and a special zone fund. Such a unit
30 shall, until the end of the enterprise zone phase out period, deposit each
31 year in the special zone fund the amount in the allocation fund derived
32 from property tax proceeds in excess of those described in subsection
33 (b)(1) and (b)(2) from property located in the enterprise zone that
34 exceeds the amount sufficient for the purposes specified in subsection
35 (b)(3) for the year. A unit that has no obligations, bonds, or leases
36 payable from allocated tax proceeds under subsection (b)(3) shall
37 establish a special zone fund and deposit all the property tax proceeds
38 in excess of those described in subsection (b)(1) and (b)(2) in the fund
39 derived from property tax proceeds in excess of those described in
40 subsection (b)(1) and (b)(2) from property located in the enterprise
41 zone. The unit that creates the special zone fund shall use the fund,
42 based on the recommendations of the urban enterprise association, for



- 1 one (1) or more of the following purposes:
- 2 (1) To pay for programs in job training, job enrichment, and basic
- 3 skill development designed to benefit residents and employers in
- 4 the enterprise zone. The programs must reserve at least one-half
- 5 (1/2) of the enrollment in any session for residents of the
- 6 enterprise zone.
- 7 (2) To make loans and grants for the purpose of stimulating
- 8 business activity in the enterprise zone or providing employment
- 9 for enterprise zone residents in an enterprise zone. These loans
- 10 and grants may be made to the following:
- 11 (A) Businesses operating in the enterprise zone.
- 12 (B) Businesses that will move their operations to the enterprise
- 13 zone if such a loan or grant is made.
- 14 (3) To provide funds to carry out other purposes specified in
- 15 subsection (b)(3). However, where reference is made in
- 16 subsection (b)(3) to the allocation area, the reference refers, for
- 17 purposes of payments from the special zone fund, only to that part
- 18 of the allocation area that is also located in the enterprise zone.
- 19 (h) The state board of accounts and department of local government
- 20 finance shall make the rules and prescribe the forms and procedures
- 21 that they consider expedient for the implementation of this chapter.
- 22 After each ~~general~~ reassessment of real property in an area ~~under~~
- 23 ~~IC 6-1.1-4-4~~ or reassessment under a county's reassessment plan
- 24 prepared under IC 6-1.1-4-4.2, the department of local government
- 25 finance shall adjust the base assessed value one (1) time to neutralize
- 26 any effect of the reassessment of the real property in the area on the
- 27 property tax proceeds allocated to the redevelopment district under this
- 28 section. After each annual adjustment under IC 6-1.1-4-4.5, the
- 29 department of local government finance shall adjust the base assessed
- 30 value to neutralize any effect of the annual adjustment on the property
- 31 tax proceeds allocated to the redevelopment district under this section.
- 32 However, the adjustments under this subsection may not include the
- 33 effect of property tax abatements under IC 6-1.1-12.1, and these
- 34 adjustments may not produce less property tax proceeds allocable to
- 35 the redevelopment district under subsection (b)(3) than would
- 36 otherwise have been received if the ~~general reassessment~~, reassessment
- 37 under the county's reassessment plan or annual adjustment had not
- 38 occurred. The department of local government finance may prescribe
- 39 procedures for county and township officials to follow to assist the
- 40 department in making the adjustments.
- 41 (i) The allocation deadline referred to in subsection (b) is
- 42 determined in the following manner:



1 (1) The initial allocation deadline is December 31, 2011.

2 (2) Subject to subdivision (3), the initial allocation deadline and
3 subsequent allocation deadlines are automatically extended in
4 increments of five (5) years, so that allocation deadlines
5 subsequent to the initial allocation deadline fall on December 31,
6 2016, and December 31 of each fifth year thereafter.

7 (3) At least one (1) year before the date of an allocation deadline
8 determined under subdivision (2), the general assembly may enact
9 a law that:

10 (A) terminates the automatic extension of allocation deadlines
11 under subdivision (2); and

12 (B) specifically designates a particular date as the final
13 allocation deadline.

14 **(j) If the commission adopts a declaratory resolution or an**
15 **amendment to a declaratory resolution that contains an allocation**
16 **provision and the commission fails to make the filing required**
17 **under section 10(e) of this chapter before the first anniversary of**
18 **the effective date of the allocation provision, the auditor of the**
19 **county in which the unit is located shall compute the base assessed**
20 **value for the allocation area using the assessment date immediately**
21 **preceding the date on which the documents are filed with the**
22 **county auditor.**

23 SECTION 30. IC 36-7-15.1-55, AS AMENDED BY P.L.172-2011,
24 SECTION 155, IS AMENDED TO READ AS FOLLOWS
25 [EFFECTIVE JULY 1, 2018]: Sec. 55. (a) As used in this section,
26 "depreciable personal property" refers to all of the designated
27 taxpayer's depreciable personal property that is located in the allocation
28 area.

29 (b) As used in this section, "designated taxpayer" means a taxpayer
30 designated by the commission in a declaratory resolution adopted or
31 amended under section 40(a) or 40(b) of this chapter, and with respect
32 to which the commission finds that:

33 (1) taxes to be derived from the taxpayer's depreciable personal
34 property in the allocation area, in excess of the taxes attributable
35 to the base assessed value of that personal property, are needed to
36 pay debt service for bonds issued under section 45 of this chapter
37 to make payments on leases payable under section 46 of this
38 chapter in order to provide local public improvements for a
39 particular allocation area;

40 (2) the taxpayer's property in the allocation area will consist
41 primarily of industrial, manufacturing, warehousing, research and
42 development, processing, distribution, or transportation related



1 projects or regulated amusement devices (as defined in
 2 IC 22-12-1-19.1) and related improvements; and
 3 (3) the taxpayer's property in the allocation area will not consist
 4 primarily of retail, commercial, or residential projects, other than
 5 an amusement park or tourism industry project.

6 (c) The allocation provision of a declaratory resolution may modify
 7 the definition of "property taxes" under section 53(a) of this chapter to
 8 include taxes imposed under IC 6-1.1 on the depreciable personal
 9 property of designated taxpayers in accordance with the procedures and
 10 limitations set forth in this section and section 53 of this chapter. If
 11 such a modification is included in the resolution, for purposes of
 12 section 53 of this chapter, the term "base assessed value" with respect
 13 to the depreciable personal property of designated taxpayers means,
 14 **subject to section 53(j) of this chapter**, the net assessed value of the
 15 depreciable personal property as finally determined for the assessment
 16 date immediately preceding the adoption date of the modification as
 17 adjusted under section 53(h) of this chapter.

18 SECTION 31. IC 36-7-15.1-62, AS AMENDED BY P.L.184-2016,
 19 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2018]: Sec. 62. (a) Notwithstanding section 26(a) of this
 21 chapter, with respect to the allocation and distribution of property taxes
 22 for the accomplishment of the purposes of an age-restricted housing
 23 program adopted under section 59 of this chapter, "base assessed
 24 value" means, **subject to section 26(j) of this chapter**, the net assessed
 25 value of all of the property, other than personal property, as finally
 26 determined for the assessment date immediately preceding the effective
 27 date of the allocation provision, as adjusted under section 26(h) of this
 28 chapter.

29 (b) The allocation fund established under section 26(b) of this
 30 chapter for the allocation area for an age-restricted housing program
 31 adopted under section 59 of this chapter may be used only for purposes
 32 related to the accomplishment of the purposes of the program,
 33 including, but not limited to, the following:

- 34 (1) The construction of any infrastructure (including streets,
 35 sidewalks, and sewers) or local public improvements in, serving,
 36 or benefiting the allocation area.
 37 (2) The acquisition of real property and interests in real property
 38 within the allocation area.
 39 (3) The preparation of real property in anticipation of
 40 development of the real property within the allocation area.
 41 (4) To do any of the following:
 42 (A) Pay the principal of and interest on bonds or any other



- 1 obligations payable from allocated tax proceeds in the
 2 allocation area that are incurred by the redevelopment district
 3 for the purpose of financing or refinancing the age-restricted
 4 housing program established under section 59 of this chapter
 5 for the allocation area.
- 6 (B) Establish, augment, or restore the debt service reserve for
 7 bonds payable solely or in part from allocated tax proceeds in
 8 the allocation area.
- 9 (C) Pay the principal of and interest on bonds payable from
 10 allocated tax proceeds in the allocation area and from the
 11 special tax levied under section 19 of this chapter.
- 12 (D) Pay the principal of and interest on bonds issued by the
 13 unit to pay for local public improvements that are physically
 14 located in or physically connected to the allocation area.
- 15 (E) Pay premiums on the redemption before maturity of bonds
 16 payable solely or in part from allocated tax proceeds in the
 17 allocation area.
- 18 (F) Make payments on leases payable from allocated tax
 19 proceeds in the allocation area under section 17.1 of this
 20 chapter.
- 21 (G) Reimburse the unit for expenditures made by the unit for
 22 local public improvements (which include buildings, parking
 23 facilities, and other items described in section 17(a) of this
 24 chapter) that are physically located in or physically connected
 25 to the allocation area.
- 26 (c) Notwithstanding section 26(b) of this chapter, the commission
 27 shall, relative to the allocation fund established under section 26(b) of
 28 this chapter for an allocation area for an age-restricted housing program
 29 adopted under section 59 of this chapter, do the following before June
 30 15 of each year:
- 31 (1) Determine the amount, if any, by which the assessed value of
 32 the taxable property in the allocation area for the most recent
 33 assessment date minus the base assessed value, when multiplied
 34 by the estimated tax rate of the allocation area, will exceed the
 35 amount of assessed value needed to produce the property taxes
 36 necessary to:
- 37 (A) make the distribution required under section 26(b)(2) of
 38 this chapter;
- 39 (B) make, when due, principal and interest payments on bonds
 40 described in section 26(b)(3) of this chapter;
- 41 (C) pay the amount necessary for other purposes described in
 42 section 26(b)(3) of this chapter; and



- 1 (D) reimburse the county or municipality for anticipated
 2 expenditures described in subsection (b)(2).
 3 (2) Provide a written notice to the county auditor, the fiscal body
 4 of the county or municipality that established the department of
 5 redevelopment, the officers who are authorized to fix budgets, tax
 6 rates, and tax levies under IC 6-1.1-17-5 for each of the other
 7 taxing units that is wholly or partly located within the allocation
 8 area, and (in an electronic format) the department of local
 9 government finance. The notice must:
 10 (A) state the amount, if any, of excess property taxes that the
 11 commission has determined may be paid to the respective
 12 taxing units in the manner prescribed in section 26(b)(1) of
 13 this chapter; or
 14 (B) state that the commission has determined that there is no
 15 excess assessed value that may be allocated to the respective
 16 taxing units in the manner prescribed in subdivision (1).
 17 The county auditor shall allocate to the respective taxing units the
 18 amount, if any, of excess assessed value determined by the
 19 commission.
 20 SECTION 32. IC 36-7-30-12 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 12. (a) After receipt of
 22 all orders and approvals required under section 11 of this chapter, the
 23 reuse authority shall publish notice of the adoption and the substance
 24 of the resolution in accordance with IC 5-3-1. The notice must name a
 25 date when the reuse authority will receive and hear remonstrances and
 26 objections from persons interested in or affected by the proceedings
 27 concerning the proposed project and will determine the public utility
 28 and benefit of the proposed project. All persons affected in any manner
 29 by the hearing, including all taxpayers of the special taxing district,
 30 shall be considered notified of the pendency of the hearing and of
 31 subsequent acts, hearings, adjournments, and orders of the reuse
 32 authority by the notice given under this section.
 33 (b) At the hearing, which may be adjourned from time to time, the
 34 reuse authority shall hear all persons interested in the proceedings and
 35 shall consider all written remonstrances and objections that have been
 36 filed. After considering the evidence presented, the reuse authority
 37 shall take final action determining the public utility and benefit of the
 38 proposed project, and confirming, modifying and confirming, or
 39 rescinding the resolution. The final action taken by the reuse authority
 40 is final and conclusive, except that an appeal may be taken in the
 41 manner prescribed by section 14 of this chapter.
 42 (c) **If the reuse authority confirms, or modifies and confirms, the**



1 **resolution and the resolution includes a provision establishing or**
 2 **amending an allocation provision under section 25 of this chapter,**
 3 **the reuse authority shall file a copy of the resolution with the**
 4 **auditor of the county in which the proposed project is located,**
 5 **together with any supporting documents that are relevant to the**
 6 **computation of assessed values in the allocation area, within thirty**
 7 **(30) days after the date on which the reuse authority takes final**
 8 **action on the resolution.**

9 SECTION 33. IC 36-7-30-13 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 13. (a) The reuse
 11 authority must conduct a public hearing before amending a resolution
 12 or plan for a military base reuse area. The reuse authority shall give
 13 notice of the hearing in accordance with IC 5-3-1. The notice must do
 14 the following:

- 15 (1) Set forth the substance of the proposed amendment.
- 16 (2) State the time and place where written remonstrances against
- 17 the proposed amendment may be filed.
- 18 (3) Set forth the time and place of the hearing.
- 19 (4) State that the reuse authority will hear any person who has
- 20 filed a written remonstrance during the filing period set forth in
- 21 subdivision (2).

22 (b) For the purposes of this section, the consolidation of areas is not
 23 considered the enlargement of the boundaries of an area.

24 (c) If the reuse authority proposes to amend a resolution or plan, the
 25 military base reuse authority is not required to have evidence or make
 26 findings that were required for the establishment of the original
 27 military base reuse area. However, the reuse authority must make the
 28 following findings before approving the amendment:

- 29 (1) The amendment is reasonable and appropriate when
- 30 considered in relation to the original resolution or plan and the
- 31 purposes of this chapter.
- 32 (2) The resolution or plan, with the proposed amendment,
- 33 conforms to the comprehensive plan for the unit.

34 (d) Notwithstanding subsections (a) and (c), if the resolution or plan
 35 is proposed to be amended in a way that enlarges the original
 36 boundaries of the area by more than twenty percent (20%), the reuse
 37 authority must use the procedure provided for the original
 38 establishment of areas and must comply with sections 10 through 12 of
 39 this chapter.

40 (e) At the hearing on the amendments, the reuse authority shall
 41 consider written remonstrances that are filed. The action of the reuse
 42 authority on the amendment is final and conclusive, except that an



1 appeal of the reuse authority's action may be taken under section 14 of
2 this chapter.

3 **(f) If the reuse authority confirms, or modifies and confirms, the**
4 **resolution and the resolution includes a provision establishing or**
5 **amending an allocation provision under section 25 of this chapter,**
6 **the reuse authority shall file a copy of the resolution with the**
7 **auditor of the county in which the proposed project is located,**
8 **together with any supporting documents that are relevant to the**
9 **computation of assessed values in the allocation area, within thirty**
10 **(30) days after the date on which the reuse authority takes final**
11 **action on the resolution.**

12 SECTION 34. IC 36-7-30-25, AS AMENDED BY THE
13 TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL
14 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2018]: Sec. 25. (a) The following definitions apply throughout
16 this section:

17 (1) "Allocation area" means that part of a military base reuse area
18 to which an allocation provision of a declaratory resolution
19 adopted under section 10 of this chapter refers for purposes of
20 distribution and allocation of property taxes.

21 (2) "Base assessed value" means, **subject to subsection (i):**

22 (A) the net assessed value of all the property as finally
23 determined for the assessment date immediately preceding the
24 adoption date of the allocation provision of the declaratory
25 resolution, as adjusted under subsection (h); plus

26 (B) to the extent that it is not included in clause (A) or (C), the
27 net assessed value of any and all parcels or classes of parcels
28 identified as part of the base assessed value in the declaratory
29 resolution or an amendment thereto, as finally determined for
30 any subsequent assessment date; plus

31 (C) to the extent that it is not included in clause (A) or (B), the
32 net assessed value of property that is assessed as residential
33 property under the rules of the department of local government
34 finance, as finally determined for any assessment date after the
35 effective date of the allocation provision.

36 Clause (C) applies only to allocation areas established in a
37 military reuse area after June 30, 1997, and to the part of an
38 allocation area that was established before June 30, 1997, and that
39 is added to an existing allocation area after June 30, 1997.

40 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
41 property.

42 (b) A declaratory resolution adopted under section 10 of this chapter



1 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
2 resolutions adopted under IC 36-7-14-15 may include a provision with
3 respect to the allocation and distribution of property taxes for the
4 purposes and in the manner provided in this section. A declaratory
5 resolution previously adopted may include an allocation provision by
6 the amendment of that declaratory resolution in accordance with the
7 procedures set forth in section 13 of this chapter. The allocation
8 provision may apply to all or part of the military base reuse area. The
9 allocation provision must require that any property taxes subsequently
10 levied by or for the benefit of any public body entitled to a distribution
11 of property taxes on taxable property in the allocation area be allocated
12 and distributed as follows:

13 (1) Except as otherwise provided in this section, the proceeds of
14 the taxes attributable to the lesser of:

15 (A) the assessed value of the property for the assessment date
16 with respect to which the allocation and distribution is made;

17 or

18 (B) the base assessed value;

19 shall be allocated to and, when collected, paid into the funds of
20 the respective taxing units.

21 (2) The excess of the proceeds of the property taxes imposed for
22 the assessment date with respect to which the allocation and
23 distribution are made that are attributable to taxes imposed after
24 being approved by the voters in a referendum or local public
25 question conducted after April 30, 2010, not otherwise included
26 in subdivision (1) shall be allocated to and, when collected, paid
27 into the funds of the taxing unit for which the referendum or local
28 public question was conducted.

29 (3) Except as otherwise provided in this section, property tax
30 proceeds in excess of those described in subdivisions (1) and (2)
31 shall be allocated to the military base reuse district and, when
32 collected, paid into an allocation fund for that allocation area that
33 may be used by the military base reuse district and only to do one

34 (1) or more of the following:

35 (A) Pay the principal of and interest and redemption premium
36 on any obligations incurred by the military base reuse district
37 or any other entity for the purpose of financing or refinancing
38 military base reuse activities in or directly serving or
39 benefiting that allocation area.

40 (B) Establish, augment, or restore the debt service reserve for
41 bonds payable solely or in part from allocated tax proceeds in
42 that allocation area or from other revenues of the reuse



- 1 authority, including lease rental revenues.
 2 (C) Make payments on leases payable solely or in part from
 3 allocated tax proceeds in that allocation area.
 4 (D) Reimburse any other governmental body for expenditures
 5 made for local public improvements (or structures) in or
 6 directly serving or benefiting that allocation area.
 7 (E) Pay expenses incurred by the reuse authority, any other
 8 department of the unit, or a department of another
 9 governmental entity for local public improvements or
 10 structures that are in the allocation area or directly serving or
 11 benefiting the allocation area, including expenses for the
 12 operation and maintenance of these local public improvements
 13 or structures if the reuse authority determines those operation
 14 and maintenance expenses are necessary or desirable to carry
 15 out the purposes of this chapter.
 16 (F) Reimburse public and private entities for expenses
 17 incurred in training employees of industrial facilities that are
 18 located:
 19 (i) in the allocation area; and
 20 (ii) on a parcel of real property that has been classified as
 21 industrial property under the rules of the department of local
 22 government finance.
 23 However, the total amount of money spent for this purpose in
 24 any year may not exceed the total amount of money in the
 25 allocation fund that is attributable to property taxes paid by the
 26 industrial facilities described in this clause. The
 27 reimbursements under this clause must be made not more than
 28 three (3) years after the date on which the investments that are
 29 the basis for the increment financing are made.
 30 (G) Expend money and provide financial assistance as
 31 authorized in section 9(a)(25) of this chapter.
 32 Except as provided in clause (E), the allocation fund may not be
 33 used for operating expenses of the reuse authority.
 34 (4) Except as provided in subsection (g), before July 15 of each
 35 year the reuse authority shall do the following:
 36 (A) Determine the amount, if any, by which property taxes
 37 payable to the allocation fund in the following year will exceed
 38 the amount of property taxes necessary to make, when due,
 39 principal and interest payments on bonds described in
 40 subdivision (3) plus the amount necessary for other purposes
 41 described in subdivision (3).
 42 (B) Provide a written notice to the county auditor, the fiscal



1 body of the unit that established the reuse authority, and the
 2 officers who are authorized to fix budgets, tax rates, and tax
 3 levies under IC 6-1.1-17-5 for each of the other taxing units
 4 that is wholly or partly located within the allocation area. The
 5 notice must:

- 6 (i) state the amount, if any, of excess property taxes that the
 7 reuse authority has determined may be paid to the respective
 8 taxing units in the manner prescribed in subdivision (1); or
 9 (ii) state that the reuse authority has determined that there
 10 are no excess property tax proceeds that may be allocated to
 11 the respective taxing units in the manner prescribed in
 12 subdivision (1).

13 The county auditor shall allocate to the respective taxing units
 14 the amount, if any, of excess property tax proceeds determined
 15 by the reuse authority. The reuse authority may not authorize
 16 a payment to the respective taxing units under this subdivision
 17 if to do so would endanger the interest of the holders of bonds
 18 described in subdivision (3) or lessors under section 19 of this
 19 chapter.

20 (c) For the purpose of allocating taxes levied by or for any taxing
 21 unit or units, the assessed value of taxable property in a territory in the
 22 allocation area that is annexed by a taxing unit after the effective date
 23 of the allocation provision of the declaratory resolution is the lesser of:

- 24 (1) the assessed value of the property for the assessment date with
 25 respect to which the allocation and distribution is made; or
 26 (2) the base assessed value.

27 (d) Property tax proceeds allocable to the military base reuse district
 28 under subsection (b)(3) may, subject to subsection (b)(4), be
 29 irrevocably pledged by the military base reuse district for payment as
 30 set forth in subsection (b)(3).

31 (e) Notwithstanding any other law, each assessor shall, upon
 32 petition of the reuse authority, reassess the taxable property situated
 33 upon or in or added to the allocation area, effective on the next
 34 assessment date after the petition.

35 (f) Notwithstanding any other law, the assessed value of all taxable
 36 property in the allocation area, for purposes of tax limitation, property
 37 tax replacement, and the making of the budget, tax rate, and tax levy
 38 for each political subdivision in which the property is located is the
 39 lesser of:

- 40 (1) the assessed value of the property as valued without regard to
 41 this section; or
 42 (2) the base assessed value.



1 (g) If any part of the allocation area is located in an enterprise zone
 2 created under IC 5-28-15, the unit that designated the allocation area
 3 shall create funds as specified in this subsection. A unit that has
 4 obligations, bonds, or leases payable from allocated tax proceeds under
 5 subsection (b)(3) shall establish an allocation fund for the purposes
 6 specified in subsection (b)(3) and a special zone fund. Such a unit
 7 shall, until the end of the enterprise zone phase out period, deposit each
 8 year in the special zone fund any amount in the allocation fund derived
 9 from property tax proceeds in excess of those described in subsection
 10 (b)(1) and (b)(2) from property located in the enterprise zone that
 11 exceeds the amount sufficient for the purposes specified in subsection
 12 (b)(3) for the year. The amount sufficient for purposes specified in
 13 subsection (b)(3) for the year shall be determined based on the pro rata
 14 part of such current property tax proceeds from the part of the
 15 enterprise zone that is within the allocation area as compared to all
 16 such current property tax proceeds derived from the allocation area. A
 17 unit that does not have obligations, bonds, or leases payable from
 18 allocated tax proceeds under subsection (b)(3) shall establish a special
 19 zone fund and deposit all the property tax proceeds in excess of those
 20 described in subsection (b)(1) and (b)(2) that are derived from property
 21 in the enterprise zone in the fund. The unit that creates the special zone
 22 fund shall use the fund (based on the recommendations of the urban
 23 enterprise association) for programs in job training, job enrichment,
 24 and basic skill development that are designed to benefit residents and
 25 employers in the enterprise zone or other purposes specified in
 26 subsection (b)(3), except that where reference is made in subsection
 27 (b)(3) to allocation area it shall refer for purposes of payments from the
 28 special zone fund only to that part of the allocation area that is also
 29 located in the enterprise zone. The programs shall reserve at least
 30 one-half (1/2) of their enrollment in any session for residents of the
 31 enterprise zone.

32 (h) After each ~~general~~ reassessment of real property in an area ~~under~~
 33 ~~IC 6-1.1-4-4~~ or reassessment under the county's reassessment plan
 34 under IC 6-1.1-4-4.2, the department of local government finance shall
 35 adjust the base assessed value one (1) time to neutralize any effect of
 36 the reassessment of the real property in the area on the property tax
 37 proceeds allocated to the military base reuse district under this section.
 38 After each annual adjustment under IC 6-1.1-4-4.5, the department of
 39 local government finance shall adjust the base assessed value to
 40 neutralize any effect of the annual adjustment on the property tax
 41 proceeds allocated to the military base reuse district under this section.
 42 However, the adjustments under this subsection may not include the



1 effect of property tax abatements under IC 6-1.1-12.1, and these
 2 adjustments may not produce less property tax proceeds allocable to
 3 the military base reuse district under subsection (b)(3) than would
 4 otherwise have been received if the ~~general reassessment~~, reassessment
 5 under the county's reassessment plan or annual adjustment had not
 6 occurred. The department of local government finance may prescribe
 7 procedures for county and township officials to follow to assist the
 8 department in making the adjustments.

9 **(i) If the reuse authority adopts a declaratory resolution or an**
 10 **amendment to a declaratory resolution that contains an allocation**
 11 **provision and the reuse authority fails to make the filing required**
 12 **under section 12(c) or 13(f) of this chapter before the first**
 13 **anniversary of the effective date of the allocation provision, the**
 14 **auditor of the county in which the military base reuse district is**
 15 **located shall compute the base assessed value for the allocation**
 16 **area using the assessment date immediately preceding the date on**
 17 **which the documents are filed with the county auditor.**

18 SECTION 35. IC 36-7-30-26 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 26. (a) As used in this
 20 section, "depreciable personal property" refers to:

- 21 (1) all or any part of the designated taxpayer's depreciable
 22 personal property that is located in the allocation area; and
 23 (2) all or any part of the other depreciable property located and
 24 taxable on the designated taxpayer's site of operations within the
 25 allocation area;

26 and that is designated as depreciable personal property for purposes of
 27 this section by the reuse authority in a declaratory resolution adopted
 28 or amended under section 10 or 13 of this chapter.

29 (b) As used in this section, "designated taxpayer" means a taxpayer
 30 designated by the reuse authority in a declaratory resolution adopted or
 31 amended under section 10 or 13 of this chapter, and with respect to
 32 which the reuse authority finds that taxes to be derived from the
 33 depreciable personal property in the allocation area, in excess of the
 34 taxes attributable to the base assessed value of the personal property,
 35 are needed to pay debt service or provide security for bonds issued or
 36 to be issued under section 18 of this chapter or make payments or
 37 provide security on leases payable or to be payable under section 19 of
 38 this chapter in order to provide local public improvements or structures
 39 for a particular allocation area.

40 (c) The allocation provision of a declaratory resolution may modify
 41 the definition of "property taxes" under section 25(a) of this chapter to
 42 include taxes imposed under IC 6-1.1 on the depreciable personal



1 property located and taxable on the site of operations of the designated
2 taxpayers in accordance with the procedures and limitations set forth
3 in this section and section 25 of this chapter. If such a modification is
4 included in the resolution, for purposes of section 25 of this chapter,
5 the term "base assessed value" with respect to the depreciable personal
6 property means, **subject to section 25(i) of this chapter**, the net
7 assessed value of all the depreciable personal property as finally
8 determined for the assessment date immediately preceding the adoption
9 date of the modification, as adjusted under section 25(b) of this
10 chapter.

11 SECTION 36. IC 36-7-30.5-17, AS ADDED BY P.L.203-2005,
12 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2018]: Sec. 17. (a) After adoption of a resolution under
14 section 16 of this chapter, the development authority shall submit the
15 resolution and supporting data to the plan commission of an affected
16 unit or other body charged with the duty of developing a general plan
17 for the unit, if there is such a body. The plan commission may
18 determine whether the resolution and the development plan conform to
19 the plan of development for the unit and approve or disapprove the
20 resolution and plan proposed. The development authority may amend
21 or modify the resolution and proposed plan to conform to the
22 requirements of a plan commission. A plan commission shall issue a
23 written order approving or disapproving the resolution and military
24 base development plan, and may with the consent of the development
25 authority rescind or modify the order.

26 (b) The determination that a geographic area is a military base
27 development area must be approved by an affected unit's legislative
28 body.

29 (c) After receipt of all orders and approvals required under
30 subsections (a) and (b), the development authority shall publish notice
31 of the adoption and the substance of the resolution in accordance with
32 IC 5-3-1. The notice must name a date when the development authority
33 will receive and hear remonstrances and objections from persons
34 interested in or affected by the proceedings concerning the proposed
35 project and will determine the public utility and benefit of the proposed
36 project. All persons affected in any manner by the hearing shall be
37 considered notified of the pendency of the hearing and of subsequent
38 acts, hearings, adjournments, and orders of the development authority
39 by the notice given under this section.

40 (d) At the hearing under subsection (c), which may be adjourned
41 from time to time, the development authority shall:

42 (1) hear all persons interested in the proceedings; and



1 (2) consider all written remonstrances and objections that have
2 been filed.

3 After considering the evidence presented, the development authority
4 shall take final action determining the public utility and benefit of the
5 proposed project, and confirming, modifying and confirming, or
6 rescinding the resolution. The final action taken by the development
7 authority is final and conclusive, except that an appeal may be taken in
8 the manner prescribed by section 19 of this chapter.

9 **(e) If the development authority confirms, or modifies and**
10 **confirms, the resolution and the resolution includes a provision**
11 **establishing or amending an allocation provision under section 30**
12 **of this chapter, the development authority shall file a copy of the**
13 **resolution with the auditor of the county in which the proposed**
14 **project is located, together with any supporting documents that are**
15 **relevant to the computation of assessed values in the allocation**
16 **area, within thirty (30) days after the date on which the**
17 **development authority takes final action on the resolution.**

18 SECTION 37. IC 36-7-30.5-18, AS ADDED BY P.L.203-2005,
19 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 JULY 1, 2018]: Sec. 18. (a) The development authority must conduct
21 a public hearing before amending a resolution or plan for a military
22 base development area. The development authority shall give notice of
23 the hearing in accordance with IC 5-3-1. The notice must do the
24 following:

- 25 (1) Set forth the substance of the proposed amendment.
26 (2) State the time and place where written remonstrances against
27 the proposed amendment may be filed.
28 (3) Set forth the date, time, and place of the hearing.
29 (4) State that the development authority will hear any person who
30 has filed a written remonstrance during the filing period set forth
31 in subdivision (2).

32 (b) For the purposes of this section, the consolidation of areas is not
33 considered the enlargement of the boundaries of an area.

34 (c) If the development authority proposes to amend a resolution or
35 plan, the development authority is not required to have evidence or
36 make findings that were required for the establishment of the original
37 military base development area. However, the development authority
38 must make the following findings before approving the amendment:

- 39 (1) The amendment is reasonable and appropriate when
40 considered in relation to the original resolution or plan and the
41 purposes of this chapter.
42 (2) The resolution or plan, with the proposed amendment,



1 conforms to the comprehensive plan for an affected unit.

2 (d) Notwithstanding subsections (a) and (c), if the resolution or plan
3 is proposed to be amended in a way that enlarges the original
4 boundaries of the area by more than twenty percent (20%), the
5 development authority must use the procedure provided for the original
6 establishment of areas and must comply with sections 16 through 17 of
7 this chapter.

8 (e) At the hearing on the amendments, the development authority
9 shall consider written remonstrances that are filed. The action of the
10 development authority on the amendment is final and conclusive,
11 except that an appeal of the development authority's action may be
12 taken under section 19 of this chapter.

13 **(f) If the development authority confirms, or modifies and**
14 **confirms, the resolution and the resolution includes a provision**
15 **establishing or amending an allocation provision under section 30**
16 **of this chapter, the development authority shall file a copy of the**
17 **resolution with the auditor of the county in which the proposed**
18 **project is located, together with any supporting documents that are**
19 **relevant to the computation of assessed values in the allocation**
20 **area, within thirty (30) days after the date on which the**
21 **development authority takes final action on the resolution.**

22 SECTION 38. IC 36-7-30.5-30, AS AMENDED BY THE
23 TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL
24 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
25 JULY 1, 2018]: Sec. 30. (a) The following definitions apply throughout
26 this section:

27 (1) "Allocation area" means that part of a military base
28 development area to which an allocation provision of a
29 declaratory resolution adopted under section 16 of this chapter
30 refers for purposes of distribution and allocation of property taxes.

31 (2) "Base assessed value" means:

32 (A) the net assessed value of all the property as finally
33 determined for the assessment date immediately preceding the
34 adoption date of the allocation provision of the declaratory
35 resolution, as adjusted under subsection (h); plus

36 (B) to the extent that it is not included in clause (A) or (C), the
37 net assessed value of any and all parcels or classes of parcels
38 identified as part of the base assessed value in the declaratory
39 resolution or an amendment to the declaratory resolution, as
40 finally determined for any subsequent assessment date; plus

41 (C) to the extent that it is not included in clause (A) or (B), the
42 net assessed value of property that is assessed as residential



- 1 property under the rules of the department of local government
 2 finance, as finally determined for any assessment date after the
 3 effective date of the allocation provision.
- 4 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real
 5 property.
- 6 (b) A declaratory resolution adopted under section 16 of this chapter
 7 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory
 8 resolutions adopted under IC 36-7-14-15 may include a provision with
 9 respect to the allocation and distribution of property taxes for the
 10 purposes and in the manner provided in this section. A declaratory
 11 resolution previously adopted may include an allocation provision by
 12 the amendment of that declaratory resolution in accordance with the
 13 procedures set forth in section 18 of this chapter. The allocation
 14 provision may apply to all or part of the military base development
 15 area. The allocation provision must require that any property taxes
 16 subsequently levied by or for the benefit of any public body entitled to
 17 a distribution of property taxes on taxable property in the allocation
 18 area be allocated and distributed as follows:
- 19 (1) Except as otherwise provided in this section, the proceeds of
 20 the taxes attributable to the lesser of:
- 21 (A) the assessed value of the property for the assessment date
 22 with respect to which the allocation and distribution is made;
 23 or
 24 (B) the base assessed value;
- 25 shall be allocated to and, when collected, paid into the funds of
 26 the respective taxing units.
- 27 (2) The excess of the proceeds of the property taxes imposed for
 28 the assessment date with respect to which the allocation and
 29 distribution is made that are attributable to taxes imposed after
 30 being approved by the voters in a referendum or local public
 31 question conducted after April 30, 2010, not otherwise included
 32 in subdivision (1) shall be allocated to and, when collected, paid
 33 into the funds of the taxing unit for which the referendum or local
 34 public question was conducted.
- 35 (3) Except as otherwise provided in this section, property tax
 36 proceeds in excess of those described in subdivisions (1) and (2)
 37 shall be allocated to the development authority and, when
 38 collected, paid into an allocation fund for that allocation area that
 39 may be used by the development authority and only to do one (1)
 40 or more of the following:
- 41 (A) Pay the principal of and interest and redemption premium
 42 on any obligations incurred by the development authority or



1 any other entity for the purpose of financing or refinancing
 2 military base development or reuse activities in or directly
 3 serving or benefiting that allocation area.
 4 (B) Establish, augment, or restore the debt service reserve for
 5 bonds payable solely or in part from allocated tax proceeds in
 6 that allocation area or from other revenues of the development
 7 authority, including lease rental revenues.
 8 (C) Make payments on leases payable solely or in part from
 9 allocated tax proceeds in that allocation area.
 10 (D) Reimburse any other governmental body for expenditures
 11 made for local public improvements (or structures) in or
 12 directly serving or benefiting that allocation area.
 13 (E) For property taxes first due and payable before 2009, pay
 14 all or a part of a property tax replacement credit to taxpayers
 15 in an allocation area as determined by the development
 16 authority. This credit equals the amount determined under the
 17 following STEPS for each taxpayer in a taxing district (as
 18 defined in IC 6-1.1-1-20) that contains all or part of the
 19 allocation area:
 20 STEP ONE: Determine that part of the sum of the amounts
 21 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),
 22 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and
 23 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to
 24 the taxing district.
 25 STEP TWO: Divide:
 26 (i) that part of each county's eligible property tax
 27 replacement amount (as defined in IC 6-1.1-21-2 (before its
 28 repeal)) for that year as determined under IC 6-1.1-21-4
 29 (before its repeal) that is attributable to the taxing district;
 30 by
 31 (ii) the STEP ONE sum.
 32 STEP THREE: Multiply:
 33 (i) the STEP TWO quotient; by
 34 (ii) the total amount of the taxpayer's taxes (as defined in
 35 IC 6-1.1-21-2 (before its repeal)) levied in the taxing district
 36 that have been allocated during that year to an allocation
 37 fund under this section.
 38 If not all the taxpayers in an allocation area receive the credit
 39 in full, each taxpayer in the allocation area is entitled to
 40 receive the same proportion of the credit. A taxpayer may not
 41 receive a credit under this section and a credit under section
 42 32 of this chapter (before its repeal) in the same year.



1 (F) Pay expenses incurred by the development authority for
 2 local public improvements or structures that were in the
 3 allocation area or directly serving or benefiting the allocation
 4 area.

5 (G) Reimburse public and private entities for expenses
 6 incurred in training employees of industrial facilities that are
 7 located:

8 (i) in the allocation area; and

9 (ii) on a parcel of real property that has been classified as
 10 industrial property under the rules of the department of local
 11 government finance.

12 However, the total amount of money spent for this purpose in
 13 any year may not exceed the total amount of money in the
 14 allocation fund that is attributable to property taxes paid by the
 15 industrial facilities described in this clause. The
 16 reimbursements under this clause must be made not more than
 17 three (3) years after the date on which the investments that are
 18 the basis for the increment financing are made.

19 (H) Expend money and provide financial assistance as
 20 authorized in section 15(26) of this chapter.

21 The allocation fund may not be used for operating expenses of the
 22 development authority.

23 (4) Except as provided in subsection (g), before July 15 of each
 24 year the development authority shall do the following:

25 (A) Determine the amount, if any, by which property taxes
 26 payable to the allocation fund in the following year will exceed
 27 the amount of property taxes necessary to make, when due,
 28 principal and interest payments on bonds described in
 29 subdivision (3) plus the amount necessary for other purposes
 30 described in subdivisions (2) and (3).

31 (B) Provide a written notice to the appropriate county auditors
 32 and the fiscal bodies and other officers who are authorized to
 33 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for
 34 each of the other taxing units that is wholly or partly located
 35 within the allocation area. The notice must:

36 (i) state the amount, if any, of the excess property taxes that
 37 the development authority has determined may be paid to
 38 the respective taxing units in the manner prescribed in
 39 subdivision (1); or

40 (ii) state that the development authority has determined that
 41 there is no excess assessed value that may be allocated to the
 42 respective taxing units in the manner prescribed in



- 1 subdivision (1).
 2 The county auditors shall allocate to the respective taxing units
 3 the amount, if any, of excess assessed value determined by the
 4 development authority. The development authority may not
 5 authorize a payment to the respective taxing units under this
 6 subdivision if to do so would endanger the interest of the
 7 holders of bonds described in subdivision (3) or lessors under
 8 section 24 of this chapter. Property taxes received by a taxing
 9 unit under this subdivision before 2009 are eligible for the
 10 property tax replacement credit provided under IC 6-1.1-21
 11 (before its repeal).
- 12 (c) For the purpose of allocating taxes levied by or for any taxing
 13 unit or units, the assessed value of taxable property in a territory in the
 14 allocation area that is annexed by a taxing unit after the effective date
 15 of the allocation provision of the declaratory resolution is the lesser of:
 16 (1) the assessed value of the property for the assessment date with
 17 respect to which the allocation and distribution is made; or
 18 (2) the base assessed value.
- 19 (d) Property tax proceeds allocable to the military base development
 20 district under subsection (b)(3) may, subject to subsection (b)(4), be
 21 irrevocably pledged by the military base development district for
 22 payment as set forth in subsection (b)(3).
- 23 (e) Notwithstanding any other law, each assessor shall, upon
 24 petition of the development authority, reassess the taxable property
 25 situated upon or in or added to the allocation area, effective on the next
 26 assessment date after the petition.
- 27 (f) Notwithstanding any other law, the assessed value of all taxable
 28 property in the allocation area, for purposes of tax limitation, property
 29 tax replacement, and the making of the budget, tax rate, and tax levy
 30 for each political subdivision in which the property is located is the
 31 lesser of:
 32 (1) the assessed value of the property as valued without regard to
 33 this section; or
 34 (2) the base assessed value.
- 35 (g) If any part of the allocation area is located in an enterprise zone
 36 created under IC 5-28-15, the development authority shall create funds
 37 as specified in this subsection. A development authority that has
 38 obligations, bonds, or leases payable from allocated tax proceeds under
 39 subsection (b)(3) shall establish an allocation fund for the purposes
 40 specified in subsection (b)(3) and a special zone fund. The
 41 development authority shall, until the end of the enterprise zone phase
 42 out period, deposit each year in the special zone fund any amount in the



1 allocation fund derived from property tax proceeds in excess of those
 2 described in subsection (b)(1) and (b)(2) from property located in the
 3 enterprise zone that exceeds the amount sufficient for the purposes
 4 specified in subsection (b)(3) for the year. The amount sufficient for
 5 purposes specified in subsection (b)(3) for the year shall be determined
 6 based on the pro rata part of such current property tax proceeds from
 7 the part of the enterprise zone that is within the allocation area as
 8 compared to all such current property tax proceeds derived from the
 9 allocation area. A development authority that does not have
 10 obligations, bonds, or leases payable from allocated tax proceeds under
 11 subsection (b)(3) shall establish a special zone fund and deposit all the
 12 property tax proceeds in excess of those described in subsection (b)(1)
 13 and (b)(2) that are derived from property in the enterprise zone in the
 14 fund. The development authority that creates the special zone fund
 15 shall use the fund (based on the recommendations of the urban
 16 enterprise association) for programs in job training, job enrichment,
 17 and basic skill development that are designed to benefit residents and
 18 employers in the enterprise zone or for other purposes specified in
 19 subsection (b)(3), except that where reference is made in subsection
 20 (b)(3) to an allocation area it shall refer for purposes of payments from
 21 the special zone fund only to that part of the allocation area that is also
 22 located in the enterprise zone. The programs shall reserve at least
 23 one-half (1/2) of their enrollment in any session for residents of the
 24 enterprise zone.

25 (h) After each ~~general~~ reassessment of real property in an area ~~under~~
 26 ~~IC 6-1.1-4-4~~ or reassessment under a reassessment plan prepared under
 27 IC 6-1.1-4-4.2, the department of local government finance shall adjust
 28 the base assessed value one (1) time to neutralize any effect of the
 29 reassessment of the real property in the area on the property tax
 30 proceeds allocated to the military base development district under this
 31 section. After each annual adjustment under IC 6-1.1-4-4.5, the
 32 department of local government finance shall adjust the base assessed
 33 value to neutralize any effect of the annual adjustment on the property
 34 tax proceeds allocated to the military base development district under
 35 this section. However, the adjustments under this subsection may not
 36 include the effect of property tax abatements under IC 6-1.1-12.1, and
 37 these adjustments may not produce less property tax proceeds allocable
 38 to the military base development district under subsection (b)(3) than
 39 would otherwise have been received if the ~~general reassessment~~,
 40 reassessment under the county's reassessment plan or annual
 41 adjustment had not occurred. The department of local government
 42 finance may prescribe procedures for county and township officials to



1 follow to assist the department in making the adjustments.

2 **(i) If the reuse authority adopts a declaratory resolution or an**
 3 **amendment to a declaratory resolution that contains an allocation**
 4 **provision and the reuse authority fails to make the filing required**
 5 **under section 17(e) or 18(f) of this chapter before the first**
 6 **anniversary of the effective date of the allocation provision, the**
 7 **auditor of the county in which the military base reuse district is**
 8 **located shall compute the base assessed value for the allocation**
 9 **area using the assessment date immediately preceding the date on**
 10 **which the documents are filed with the county auditor.**

11 SECTION 39. IC 36-7-30.5-31, AS ADDED BY P.L.203-2005,
 12 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2018]: Sec. 31. (a) As used in this section, "depreciable
 14 personal property" refers to:

- 15 (1) all or any part of the designated taxpayer's depreciable
 16 personal property that is located in the allocation area; and
 17 (2) all or any part of the other depreciable property located and
 18 taxable on the designated taxpayer's site of operations within the
 19 allocation area;

20 that is designated as depreciable personal property for purposes of this
 21 section by the development authority in a declaratory resolution
 22 adopted or amended under section 16 or 18 of this chapter.

23 (b) As used in this section, "designated taxpayer" means a taxpayer
 24 designated by the development authority in a declaratory resolution
 25 adopted or amended under section 16 or 18 of this chapter, and with
 26 respect to which the development authority finds that taxes to be
 27 derived from the depreciable personal property in the allocation area,
 28 in excess of the taxes attributable to the base assessed value of the
 29 personal property, are needed to pay debt service or provide security
 30 for bonds issued or to be issued under section 23 of this chapter or
 31 make payments or provide security on leases payable or to be payable
 32 under section 24 of this chapter in order to provide local public
 33 improvements or structures for a particular allocation area.

34 (c) The allocation provision of a declaratory resolution may modify
 35 the definition of "property taxes" under section 30(a) of this chapter to
 36 include taxes imposed under IC 6-1.1 on the depreciable personal
 37 property located and taxable on the site of operations of the designated
 38 taxpayers in accordance with the procedures and limitations set forth
 39 in this section and section 30 of this chapter. If a modification is
 40 included in the resolution, for purposes of section 30 of this chapter,
 41 the term "base assessed value" with respect to the depreciable personal
 42 property means, **subject to section 30(i) of this chapter**, the net



1 assessed value of all the depreciable personal property as finally
 2 determined for the assessment date immediately preceding the adoption
 3 date of the modification, as adjusted under section 30(b) of this
 4 chapter.

5 SECTION 40. IC 36-7-32-4 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 4. (a) As used in this
 7 chapter, "base assessed value" means, **subject to subsection (b):**

8 (1) the net assessed value of all the taxable property located in a
 9 certified technology park as finally determined for the assessment
 10 date immediately preceding the effective date of the allocation
 11 provision of a resolution adopted under section 15 of this chapter;
 12 plus

13 (2) to the extent it is not included in subdivision (1), the net
 14 assessed value of property that is assessed as residential property
 15 under the rules of the department of local government finance, as
 16 finally determined for any assessment date after the effective date
 17 of the allocation provision.

18 **(b) If a redevelopment commission adopts a resolution**
 19 **designating a certified technology park as an allocation area and**
 20 **the redevelopment commission fails to make the filing required**
 21 **under section 15(d) of this chapter before the first anniversary of**
 22 **the effective date of the allocation provision, the auditor of the**
 23 **county in which the unit is located shall compute the base assessed**
 24 **value for the allocation area using the assessment date immediately**
 25 **preceding the date on which the documents are filed with the**
 26 **county auditor.**

27 SECTION 41. IC 36-7-32-15 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 15. (a) Subject to the
 29 approval of the legislative body of the unit that established the
 30 redevelopment commission, the redevelopment commission may adopt
 31 a resolution designating a certified technology park as an allocation
 32 area for purposes of the allocation and distribution of property taxes.

33 (b) After adoption of the resolution under subsection (a), the
 34 redevelopment commission shall:

35 (1) publish notice of the adoption and substance of the resolution
 36 in accordance with IC 5-3-1; and

37 (2) file the following information with each taxing unit that has
 38 authority to levy property taxes in the geographic area where the
 39 certified technology park is located:

40 (A) A copy of the notice required by subdivision (1).

41 (B) A statement disclosing the impact of the certified
 42 technology park, including the following:



1 (i) The estimated economic benefits and costs incurred by
 2 the certified technology park, as measured by increased
 3 employment and anticipated growth of real property
 4 assessed values.

5 (ii) The anticipated impact on tax revenues of each taxing
 6 unit.

7 The notice must state the general boundaries of the certified technology
 8 park and must state that written remonstrances may be filed with the
 9 redevelopment commission until the time designated for the hearing.
 10 The notice must also name the place, date, and time when the
 11 redevelopment commission will receive and hear remonstrances and
 12 objections from persons interested in or affected by the proceedings
 13 pertaining to the proposed allocation area and will determine the public
 14 utility and benefit of the proposed allocation area. The commission
 15 shall file the information required by subdivision (2) with the officers
 16 of the taxing unit who are authorized to fix budgets, tax rates, and tax
 17 levies under IC 6-1.1-17-5 at least ten (10) days before the date of the
 18 public hearing. All persons affected in any manner by the hearing,
 19 including all taxpayers within the taxing district of the redevelopment
 20 commission, shall be considered notified of the pendency of the
 21 hearing and of subsequent acts, hearings, adjournments, and orders of
 22 the redevelopment commission affecting the allocation area if the
 23 redevelopment commission gives the notice required by this section.

24 (c) At the hearing, which may be recessed and reconvened
 25 periodically, the redevelopment commission shall hear all persons
 26 interested in the proceedings and shall consider all written
 27 remonstrances and objections that have been filed. After considering
 28 the evidence presented, the redevelopment commission shall take final
 29 action determining the public utility and benefit of the proposed
 30 allocation area confirming, modifying and confirming, or rescinding
 31 the resolution. The final action taken by the redevelopment commission
 32 shall be recorded and is final and conclusive, except that an appeal may
 33 be taken in the manner prescribed by section 16 of this chapter.

34 **(d) If the redevelopment commission confirms, or modifies and**
 35 **confirms, the resolution, the redevelopment commission shall file**
 36 **a copy of the resolution with the auditor of the county in which the**
 37 **certified technology park is located, together with any supporting**
 38 **documents that are relevant to the computation of assessed values**
 39 **in the allocation area, within thirty (30) days after the date on**
 40 **which the redevelopment commission takes final action on the**
 41 **resolution.**

42 SECTION 42. [EFFECTIVE JULY 1, 2018] (a) The legislative



- 1 **council is urged to assign the following topics to an appropriate**
- 2 **interim study committee for study during the 2018 interim:**
- 3 **(1) The advisability of eliminating the mortgage deduction**
- 4 **under IC 6-1.1-12-1.**
- 5 **(2) The advisability of increasing the homestead standard**
- 6 **deduction under IC 6-1.1-12-37.**
- 7 **(b) This SECTION expires January 1, 2019.**

