

# HOUSE BILL No. 1416

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-15-1; IC 6-1.5-5-2.

**Synopsis:** Assessment appeals. Provides that if a taxpayer appeals an assessment of property classified as commercial or industrial and the assessed value of the property exceeds \$1,000,000, each affected taxing unit must receive notice of the appeal and the resulting determination.

**Effective:** July 1, 2014.

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January 16, 2014, read first time and referred to Committee on Ways and Means.

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Second Regular Session 118th General Assembly (2014)

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 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

## HOUSE BILL No. 1416

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

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

1 SECTION 1. IC 6-1.1-15-1, AS AMENDED BY P.L.257-2013,  
2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2014]: Sec. 1. (a) A taxpayer may obtain a review by the  
4 county board of a county or township official's action with respect to  
5 either or both of the following:  
6 (1) The assessment of the taxpayer's tangible property.  
7 (2) A deduction for which a review under this section is  
8 authorized by any of the following:  
9 (A) IC 6-1.1-12-25.5.  
10 (B) IC 6-1.1-12-28.5.  
11 (C) IC 6-1.1-12-35.5.  
12 (D) IC 6-1.1-12.1-5.  
13 (E) IC 6-1.1-12.1-5.3.  
14 (F) IC 6-1.1-12.1-5.4.  
15 (b) At the time that notice of an action referred to in subsection (a)  
16 is given to the taxpayer, the taxpayer shall also be informed in writing



- 1 of:
- 2 (1) the opportunity for a review under this section, including a
- 3 preliminary informal meeting under subsection (h)(2) with the
- 4 county or township official referred to in this subsection; and
- 5 (2) the procedures the taxpayer must follow in order to obtain a
- 6 review under this section.
- 7 (c) In order to obtain a review of an assessment or deduction
- 8 effective for the assessment date to which the notice referred to in
- 9 subsection (b) applies, the taxpayer must file a notice in writing with
- 10 the county or township official referred to in subsection (a) not later
- 11 than forty-five (45) days after the date of the notice referred to in
- 12 subsection (b).
- 13 (d) A taxpayer may obtain a review by the county board of the
- 14 assessment of the taxpayer's tangible property effective for an
- 15 assessment date for which a notice of assessment is not given as
- 16 described in subsection (b). To obtain the review, the taxpayer must file
- 17 a notice in writing with the township assessor, or the county assessor
- 18 if the township is not served by a township assessor. The right of a
- 19 taxpayer to obtain a review under this subsection for an assessment
- 20 date for which a notice of assessment is not given does not relieve an
- 21 assessing official of the duty to provide the taxpayer with the notice of
- 22 assessment as otherwise required by this article. The notice to obtain
- 23 a review must be filed not later than the later of:
- 24 (1) May 10 of the year; or
- 25 (2) forty-five (45) days after the date of the tax statement mailed
- 26 by the county treasurer, regardless of whether the assessing
- 27 official changes the taxpayer's assessment.
- 28 (e) A change in an assessment made as a result of a notice for
- 29 review filed by a taxpayer under subsection (d) after the time
- 30 prescribed in subsection (d) becomes effective for the next assessment
- 31 date. A change in an assessment made as a result of a notice for review
- 32 filed by a taxpayer under subsection (c) or (d) remains in effect from
- 33 the assessment date for which the change is made until the next
- 34 assessment date for which the assessment is changed under this article.
- 35 (f) The written notice filed by a taxpayer under subsection (c) or (d)
- 36 must include the following information:
- 37 (1) The name of the taxpayer.
- 38 (2) The address and parcel or key number of the property.
- 39 (3) The address and telephone number of the taxpayer.
- 40 (g) The filing of a notice under subsection (c) or (d):
- 41 (1) initiates a review under this section; and
- 42 (2) constitutes a request by the taxpayer for a preliminary



- 1 informal meeting with the official referred to in subsection (a).  
 2 (h) A county or township official who receives a notice for review  
 3 filed by a taxpayer under subsection (c) or (d) shall:  
 4 (1) immediately forward the notice to the county board; and  
 5 (2) attempt to hold a preliminary informal meeting with the  
 6 taxpayer to resolve as many issues as possible by:  
 7 (A) discussing the specifics of the taxpayer's assessment or  
 8 deduction;  
 9 (B) reviewing the taxpayer's property record card;  
 10 (C) explaining to the taxpayer how the assessment or  
 11 deduction was determined;  
 12 (D) providing to the taxpayer information about the statutes,  
 13 rules, and guidelines that govern the determination of the  
 14 assessment or deduction;  
 15 (E) noting and considering objections of the taxpayer;  
 16 (F) considering all errors alleged by the taxpayer; and  
 17 (G) otherwise educating the taxpayer about:  
 18 (i) the taxpayer's assessment or deduction;  
 19 (ii) the assessment or deduction process; and  
 20 (iii) the assessment or deduction appeal process.  
 21 (i) Not later than ten (10) days after the informal preliminary  
 22 meeting, the official referred to in subsection (a) shall forward to the  
 23 county auditor and the county board the results of the conference on a  
 24 form prescribed by the department of local government finance that  
 25 must be completed and signed by the taxpayer and the official. The  
 26 form must indicate the following:  
 27 (1) If the taxpayer and the official agree on the resolution of all  
 28 assessment or deduction issues in the review, a statement of:  
 29 (A) those issues; and  
 30 (B) the assessed value of the tangible property or the amount  
 31 of the deduction that results from the resolution of those issues  
 32 in the manner agreed to by the taxpayer and the official.  
 33 (2) If the taxpayer and the official do not agree on the resolution  
 34 of all assessment or deduction issues in the review:  
 35 (A) a statement of those issues; ~~and~~  
 36 (B) the identification of:  
 37 (i) the issues on which the taxpayer and the official agree;  
 38 and  
 39 (ii) the issues on which the taxpayer and the official  
 40 disagree; **and**  
 41 **(C) for a notice to obtain a review filed after June 30, 2014,**  
 42 **involving the assessment of property classified as**



1           **commercial or industrial, a statement of:**

2           **(i) the assessed value of the tangible property that results**  
 3           **from the resolution of those issues on which the taxpayer**  
 4           **and the official agree; and**

5           **(ii) the assessed value of the tangible property that is the**  
 6           **subject of an issue on which the taxpayer and the official**  
 7           **disagree.**

8           **If the amount determined under subdivision (2)(C)(ii) exceeds one**  
 9           **million dollars (\$1,000,000), the county auditor shall, after**  
 10           **receiving the results of the conference under this section, determine**  
 11           **the taxing units that would be affected if the issues on which the**  
 12           **taxpayer and the official disagree are resolved in the manner**  
 13           **argued for by the taxpayer. The county auditor shall then forward**  
 14           **a copy of the results of the conference to each affected taxing unit.**

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

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

18           (2) the county official referred to in subsection (a) shall give  
 19           notice to the taxpayer, the county board, the county assessor, and  
 20           the county auditor of the assessment or deduction in the amount  
 21           referred to in subsection (i)(1)(B); and

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

25           (k) If:

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

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

31           the county board shall hold a hearing on a review under this subsection  
 32           not later than one hundred eighty (180) days after the date of that  
 33           notice. The county board shall, by mail, give at least thirty (30) days  
 34           notice of the date, time, and place fixed for the hearing to the taxpayer  
 35           and the county or township official with whom the taxpayer filed the  
 36           notice for review. The taxpayer and the county or township official  
 37           with whom the taxpayer filed the notice for review are parties to the  
 38           proceeding before the county board. A taxpayer may request a  
 39           continuance of the hearing by filing, at least twenty (20) days before  
 40           the hearing date, a request for continuance with the board and the  
 41           county or township official with evidence supporting a just cause for  
 42           the continuance. The board shall, not later than ten (10) days after the



1 date the request for a continuance is filed, either find that the taxpayer  
 2 has demonstrated a just cause for a continuance and grant the taxpayer  
 3 the continuance, or deny the continuance. A taxpayer may request that  
 4 the board take action without the taxpayer being present and that the  
 5 board make a decision based on the evidence already submitted to the  
 6 board by filing, at least eight (8) days before the hearing date, a request  
 7 with the board and the county or township official. A taxpayer may  
 8 withdraw a petition by filing, at least eight (8) days before the hearing  
 9 date, a notice of withdrawal with the board and the county or township  
 10 official.

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

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

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

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

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

18 A penalty of fifty dollars (\$50) shall be assessed against the taxpayer  
 19 if the taxpayer or representative fails to appear at the hearing and,  
 20 under subsection (k), the taxpayer's request for continuance is denied,  
 21 or the taxpayer's request for continuance, request for the board to take  
 22 action without the taxpayer being present, or withdrawal is not timely  
 23 filed. A taxpayer may appeal the assessment of the penalty to the  
 24 Indiana board or directly to the tax court. The penalty may not be added  
 25 as an amount owed on the property tax statement under IC 6-1.1-22 or  
 26 IC 6-1.1-22.5.

27 (m) The official referred to in subsection (a) may not require the  
 28 taxpayer to provide documentary evidence at the preliminary informal  
 29 meeting under subsection (h). The county board may not require a  
 30 taxpayer to file documentary evidence or summaries of statements of  
 31 testimonial evidence before the hearing required under subsection (k).  
 32 If the action for which a taxpayer seeks review under this section is the  
 33 assessment of tangible property, the taxpayer is not required to have an  
 34 appraisal of the property in order to do the following:

35 (1) Initiate the review.

36 (2) Prosecute the review.

37 (n) The county board shall prepare a written decision resolving all  
 38 of the issues under review. The county board shall, by mail, give notice  
 39 of its determination not later than one hundred twenty (120) days after  
 40 the hearing under subsection (k) to the taxpayer, the official referred to  
 41 in subsection (a), the county assessor, and the county auditor.

42 (o) **If a county auditor:**



1           **(1) is required under subsection (i) to forward the result of a**  
 2           **taxpayer's conference to all affected taxing units; and**  
 3           **(2) subsequently receives a written decision issued under**  
 4           **subsection (n) that resolves the issues of disagreement that**  
 5           **were set forth in the results of the taxpayer's conference**  
 6           **referred to in subdivision (1);**

7           **the county auditor shall also forward to all affected taxing units a**  
 8           **copy of the written decision issued under subsection (n).**

9           ~~(o)~~ **(p)** If the maximum time elapses:

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

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

16           SECTION 2. IC 6-1.5-5-2, AS AMENDED BY P.L.146-2008,  
 17           SECTION 308, IS AMENDED TO READ AS FOLLOWS  
 18           [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) After receiving a petition for  
 19           review that is filed under a statute listed in section 1(a) of this chapter,  
 20           the Indiana board shall, at its earliest opportunity:

- 21           (1) conduct a hearing; or  
 22           (2) cause a hearing to be conducted by an administrative law  
 23           judge.

24           The Indiana board may determine to conduct the hearing under  
 25           subdivision (1) on its own motion or on request of a party to the appeal.

26           (b) In its resolution of a petition, the Indiana board may correct any  
 27           errors that may have been made and adjust the assessment in  
 28           accordance with the correction.

29           (c) The Indiana board shall give notice of the date fixed for the  
 30           hearing by mail to:

- 31           (1) the taxpayer;  
 32           (2) the department of local government finance; and  
 33           (3) the appropriate:  
 34                (A) township assessor (if any);  
 35                (B) county assessor; and  
 36                (C) county auditor.

37           (d) With respect to an appeal of the assessment of real property or  
 38           personal property filed after June 30, 2005, the notices required under  
 39           subsection (c) must include the following:

- 40           (1) The action of the department of local government finance with  
 41           respect to the appealed items.  
 42           (2) A statement that a taxing unit receiving the notice from the



- 1 county auditor under subsection (e) may:
- 2 (A) attend the hearing;
- 3 (B) offer testimony; and
- 4 (C) file an amicus curiae brief in the proceeding.
- 5 (e) If, after receiving notice of a hearing under subsection (c), the
- 6 county auditor determines that:
- 7 **(1) the assessed value of the appealed items constitutes at least**
- 8 **one percent (1%) of the total gross certified assessed value of a**
- 9 **particular taxing unit involves property classified as**
- 10 **commercial or industrial; and**
- 11 **(2) the gross assessed value of the property exceeds one**
- 12 **million dollars (\$1,000,000) for the assessment date immediately**
- 13 **preceding the assessment date for which the appeal was filed;**
- 14 the county auditor shall send a copy of the notice to ~~the~~ **each** affected
- 15 taxing unit. A taxing unit that receives a notice from the county auditor
- 16 under this subsection is not a party to the appeal. Failure of the county
- 17 auditor to send a copy of the notice to the affected taxing unit does not
- 18 affect the validity of the appeal or delay the appeal.
- 19 (f) The Indiana board shall give the notices required under
- 20 subsection (c) at least thirty (30) days before the day fixed for the
- 21 hearing.

