



March 31, 2017

ENGROSSED

HOUSE BILL No. 1450

DIGEST OF HB 1450 (Updated March 28, 2017 2:21 pm - DI 120)

Citations Affected: IC 5-14; IC 6-1.1; IC 6-3.6; IC 8-22; IC 14-33; IC 20-46; IC 36-4; IC 36-7; IC 36-8; IC 36-9; IC 36-10; noncode.

Synopsis: Property tax matters. Provides that a political subdivision must upload a copy of a contract that the political subdivision enters into after June 30, 2016, to the Indiana transparency Internet web site if the total cost of the contract exceeds \$50,000. Specifies the definition of "low income rental property" for purposes of property tax assessment. Specifies the true tax value of low income rental property that is used to provide Medicaid assisted living services. Allows the department of local government finance (DLGF) to use estimated data to compute six year rolling averages for the purpose of determining the annual adjustments of assessed values between reassessments. Makes the statute specifying the assessed value of outdoor advertising signs permanent. Provides that certain outdoor signs shall be disregarded for the purpose of determining an assessment of the land on which the outdoor sign is located. Provides that a public utility that fails to timely file a statement concerning the property owned or used by the public
(Continued next page)

Effective: Upon passage; January 1, 2006 (retroactive); January 1, 2008 (retroactive); January 1, 2010 (retroactive); January 1, 2014 (retroactive); January 1, 2015 (retroactive); July 1, 2016 (retroactive); January 1, 2017 (retroactive); June 30, 2017; July 1, 2017.

Leonard, Steuerwald

(SENATE SPONSORS — MISHLER, RAATZ, RANDOLPH LONNIE M)

January 18, 2017, read first time and referred to Committee on Ways and Means.
February 20, 2017, amended, reported — Do Pass.
February 23, 2017, read second time, amended, ordered engrossed.
February 24, 2017, engrossed.
February 27, 2017, read third time, passed. Yeas 91, nays 0.

SENATE ACTION

March 1, 2017, read first time and referred to Committee on Tax and Fiscal Policy.
March 30, 2017, amended, reported favorably — Do Pass.

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utility on an assessment date shall remit the penalty to the department of state revenue. Defines the terms "installment loan" and "mortgage" for purposes of the mortgage deduction. Provides that, for purposes of claiming the mortgage deduction, the associated mortgage instrument that is recorded must include the terms of payment or other performance. Restates the conditions for when a taxpayer must reapply for various property tax deductions. Restates the requirement that a taxpayer file a certified statement with the county auditor when the taxpayer ceases to be eligible for the standard deduction for a property. Restates the provisions concerning the prohibition against dividing a controlled project in order to avoid the petition and remonstrance and referendum processes. Provides that both the executive of a political subdivision and a majority of the members of the fiscal body of a political subdivision may independently request technical assistance from the distressed unit appeal board in helping prevent the political subdivision from becoming a distressed political subdivision. Provides that a multiple county property tax assessment board of appeals shall submit to the DLGF, the Indiana board of tax review, and the legislative services agency separate reports for each county participating in the multiple county property tax assessment board of appeals. Authorizes, but does not require, the DLGF to adopt rules to limit the basis of payment for services provided by professionals who work on capital projects to a fee for service agreement. Provides that the DLGF may adopt a rule after June 30, 2016, and before September 1, 2017, that concerns or includes market segmentation and affects assessments for the January 1, 2018, assessment date. Provides that interest on a refund or credit owed to a taxpayer is computed until the date the county auditor determines the amount of the refund or credit. Provides that DLGF may not adopt a rule concerning the practice of a representative before a property tax assessment board or DLGF that restricts the ability of a certified public accountant to represent a client in a matter relating to the taxation of personal property or distributable property. Allows a county treasurer, with the approval of the county auditor, to implement a policy to waive, negotiate, or settle penalties that have accrued on delinquent property taxes. Repeals the requirements that the budget agency publish by May 1 each year an estimate of the total amount of statewide distributions of local income tax revenue for: (1) the following two years, in an odd-numbered year; and (2) the following year, in an even-numbered year. Eliminates the requirement in current law that the DLGF review a loan contract entered into by an airport authority. Specifies that the election of the directors of a conservancy district's board shall be by a plurality of the votes (instead of a majority of the votes, in current law). Provides that a conservancy district is not required to go through the budget review process unless the conservancy district imposes a levy. Adds conditions that a school corporation must satisfy to increase its maximum transportation fund levy. Specifies an October 20 filing deadline for an appeal. Provides that an annexation waiver signed after December 31, 1995, that a unit has not acted upon by completing an annexation before January 1, 2006, is null and void. Provides that a fire protection district may be a participating unit in a fire protection territory. Provides that a redevelopment commission's annual report to the unit that created the redevelopment commission must include both a list of parcels of real property and the depreciable personal property of designated taxpayers in the redevelopment area. Provides that a resolution by a provider unit to withdraw from a fire protection territory is effective on January 1 of the year following the year in which the resolution is adopted. Provides that if the provider unit of a fire protection territory withdraws, a majority of the remaining units must agree on which unit is to become the successor provider unit. Provides that the drainage board of a county may not impose interest on a drainage assessment for construction or reconstruction if the

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Digest Continued

construction or reconstruction is financed through the issuance of bonds or a construction loan. Specifies accounting procedures for drainage assessment construction or reconstruction loans having a term of fewer than six years. Permits a school corporation located in Vanderburgh County to impose a property tax at a rate of up to \$0.005 to provide money to a historical society for restoration and maintenance of Bosse Field. Allows certain nonprofit entities that failed to comply with the exemption filing deadlines to claim the property tax exemptions that the nonprofit entities were otherwise entitled to claim. Requires the DLGF to: (1) increase Knox County's maximum permissible ad valorem property tax levy by \$319,960 for taxes payable in 2018; and (2) decrease Knox County's maximum permissible ad valorem property tax levy by \$319,960 for taxes payable in 2019. Urges the legislative council to assign to a study committee the topic of issues related to establishing a neighborhood enhancement property tax relief program.

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March 31, 2017

First Regular Session of the 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1450

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 5-14-3.8-3.5, AS ADDED BY P.L.142-2016,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JUNE 30, 2017]: Sec. 3.5. **(a) This section applies only to contracts
4 that a political subdivision enters into after June 30, 2016.**
5 ~~(a)~~ **(b)** As used in this section, "contract" includes all pages of a
6 contract and any attachments to the contract.
7 ~~(b)~~ **(c)** A political subdivision shall ~~scan and~~ upload ~~the~~ a digital
8 ~~image copy~~ of a contract to the Indiana transparency Internet web site
9 during each year that the contract amount to be paid by the political
10 subdivision for that year exceeds the lesser of:
11 ~~(1)~~ **(1)** ten percent (10%) of the political subdivision's property tax
12 ~~levy for that year; or~~
13 ~~(2)~~ **(1)** time if the total cost of the contract to the political
14 ~~subdivision exceeds fifty thousand dollars (\$50,000) during the~~
15 ~~term of the contract. This subsection applies to all contracts~~

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1 **for any subject, purpose, or term, except that a political**
 2 **subdivision is not required to upload a copy of an employment**
 3 **contract between the political subdivision and an employee of**
 4 **the political subdivision. In the case of a collective bargaining**
 5 **agreement, the political subdivision shall upload a copy of the**
 6 **collective bargaining agreement and a copy of a blank or**
 7 **sample individual employment contract.** A political subdivision
 8 shall scan and upload the contract not later than sixty (60) days
 9 after the date the contract is executed. **If a political subdivision**
 10 **enters into a contract that the political subdivision reasonably**
 11 **expects when entered into will not exceed fifty thousand**
 12 **dollars (\$50,000) in cost to the political subdivision but at a**
 13 **later date determines or expects the contract to exceed fifty**
 14 **thousand dollars (\$50,000) in cost to the political subdivision,**
 15 **the political subdivision shall upload a copy of the contract**
 16 **within sixty (60) days after the date on which the political**
 17 **subdivision makes the determination or realizes the**
 18 **expectation that the contract will exceed fifty thousand dollars**
 19 **(\$50,000) in cost to the political subdivision.**

20 (ε) **(d)** Nothing in this section prohibits the political subdivision
 21 from withholding any information in the contract that the political
 22 subdivision shall or may withhold from disclosure under IC 5-14-3. **A**
 23 **political subdivision may redact or obscure signatures on a**
 24 **contract. The political subdivision is solely responsible for**
 25 **redacting information in the contract.**

26 SECTION 2. IC 6-1.1-1-3.1 IS ADDED TO THE INDIANA CODE
 27 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 28 UPON PASSAGE]: **Sec. 3.1. "Assisted living services" means the**
 29 **array of services that may be provided to a recipient residing in a**
 30 **facility eligible to provide home and community based services,**
 31 **including any and all of the following:**

- 32 **(1) Personal care services.**
- 33 **(2) Homemaker services.**
- 34 **(3) Chore services.**
- 35 **(4) Attendant care services.**
- 36 **(5) Companion services.**
- 37 **(6) Medication oversight (to the extent permitted under state**
 38 **law).**
- 39 **(7) Therapeutic, social, and recreational programming.**

40 SECTION 3. IC 6-1.1-1-9, AS AMENDED BY P.L.101-2008,
 41 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 UPON PASSAGE]: **Sec. 9. (a) For purposes of this article, the "owner"**



1 of tangible property shall be determined by using the rules contained
 2 in this section.

3 (b) Except as otherwise provided in this section, the holder of the
 4 legal title to personal property, or the legal title in fee to real property,
 5 is the owner of that property, **regardless of whether the holder of the**
 6 **legal title holds a fractional interest, a remainder interest, a life**
 7 **estate, or a tenancy for a term of years.**

8 (c) When title to tangible property passes on the assessment date of
 9 any year, only the person obtaining title is the owner of that property on
 10 the assessment date.

11 (d) When the mortgagee of real property is in possession of the
 12 mortgaged premises, the mortgagee is the owner of that property.

13 (e) When personal property is security for a debt and the debtor is
 14 in possession of the property, the debtor is the owner of that property.

15 (f) When a life tenant of real property **or a holder of a tenancy for**
 16 **a term of years in real property** is in possession of the real property,
 17 **only the life tenant or the holder of a tenancy for a term of years** is
 18 the owner of that property.

19 (g) When the grantor of a qualified personal residence trust created
 20 under United States Treasury Regulation 25.2702-5(c)(2) is:

- 21 (1) in possession of the real property transferred to the trust; and
- 22 (2) entitled to occupy the real property rent free under the terms
 23 of the trust;

24 the grantor is the owner of that real property.

25 SECTION 4. IC 6-1.1-3-24, AS AMENDED BY P.L.249-2015,
 26 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 UPON PASSAGE]: Sec. 24. (a) **Except as provided in subsection (b),**
 28 in determining the assessed value of various sizes of outdoor
 29 advertising signs, ~~for the 2011 through 2018 assessment dates,~~ a
 30 taxpayer and assessing official shall use the following table without any
 31 adjustments:

32 Single Pole Structure

33 Type of Sign	Value Per Structure
34 At least 48 feet, illuminated	\$5,000
35 At least 48 feet, non-illuminated	\$4,000
36 At least 26 feet and under 48 feet, illuminated	\$4,000
37 At least 26 feet and under 48 feet, 38 non-illuminated	\$3,300
39 Under 26 feet, illuminated	\$3,200
40 Under 26 feet, non-illuminated	\$2,600
41 Other Types of Outdoor Signs	
42 At least 50 feet, illuminated	\$2,500



1	At least 50 feet, non-illuminated	\$1,500
2	At least 40 feet and under 50 feet, illuminated	\$2,000
3	At least 40 feet and under 50 feet,	
4	non-illuminated	\$1,300
5	At least 30 feet and under 40 feet, illuminated	\$2,000
6	At least 30 feet and under 40 feet,	
7	non-illuminated	\$1,300
8	At least 20 feet and under 30 feet, illuminated	\$1,600
9	At least 20 feet and under 30 feet,	
10	non-illuminated	\$1,000
11	Under 20 feet, illuminated	\$1,600
12	Under 20 feet, non-illuminated	\$1,000

13 (b) ~~This section expires July 1, 2019.~~ **Beginning with the 2018**
 14 **assessment date for taxes first due and payable in 2019, the**
 15 **assessed values in the table set forth in subsection (a) shall be**
 16 **adjusted on a quadrennial basis by an amount equal to the average**
 17 **of the annual percentage changes in the Core Personal**
 18 **Consumption Expenditures Price Index using the four (4) most**
 19 **recent calendar years for which data is available. However, the**
 20 **adjustment may not result in a change of more than three percent**
 21 **(3%) from the previous assessed values determined under this**
 22 **section.**

23 SECTION 5. IC 6-1.1-4-4.5, AS AMENDED BY P.L.180-2016,
 24 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JANUARY 1, 2017 (RETROACTIVE)]: Sec. 4.5. (a) The department
 26 of local government finance shall adopt rules establishing a system for
 27 annually adjusting the assessed value of real property to account for
 28 changes in value in those years since a reassessment under section 4 or
 29 4.2 of this chapter for the property last took effect.

30 (b) Subject to subsection (e), the system must be applied to adjust
 31 assessed values beginning with the 2006 assessment date and each year
 32 thereafter that is not a year in which a reassessment under section 4 or
 33 4.2 of this chapter for the property becomes effective.

34 (c) The rules adopted under subsection (a) must include the
 35 following characteristics in the system:

36 (1) Promote uniform and equal assessment of real property within
 37 and across classifications.

38 (2) Require that assessing officials:

39 (A) reevaluate the factors that affect value;

40 (B) express the interactions of those factors mathematically;

41 (C) use mass appraisal techniques to estimate updated property
 42 values within statistical measures of accuracy; and



- 1 (D) provide notice to taxpayers of an assessment increase that
 2 results from the application of annual adjustments.
- 3 (3) Prescribe procedures that permit the application of the
 4 adjustment percentages in an efficient manner by assessing
 5 officials.
- 6 (d) The department of local government finance must review and
 7 certify each annual adjustment determined under this section.
- 8 (e) In making the annual determination of the base rate to satisfy the
 9 requirement for an annual adjustment under subsection (c) for the
 10 January 1, 2016, assessment date and each assessment date thereafter,
 11 the department of local government finance shall determine the base
 12 rate using the methodology reflected in Table 2-18 of Book 1, Chapter
 13 2 of the department of local government finance's Real Property
 14 Assessment Guidelines (as in effect on January 1, 2005), except that
 15 the department shall adjust the methodology as follows:
- 16 (1) Use a six (6) year rolling average adjusted under subdivision
 17 (3) instead of a four (4) year rolling average.
- 18 (2) Use ~~the~~ data from the six (6) most recent years preceding the
 19 year in which the assessment date occurs, ~~for which data is~~
 20 ~~available~~, before one (1) of those six (6) years is eliminated under
 21 subdivision (3) when determining the rolling average.
- 22 (3) Eliminate in the calculation of the rolling average the year
 23 among the six (6) years for which the highest market value in use
 24 of agricultural land is determined.
- 25 (4) After determining a preliminary base rate that would apply for
 26 the assessment date without applying the adjustment under this
 27 subdivision, the department of local government finance shall
 28 adjust the preliminary base rate as follows:
- 29 (A) If the preliminary base rate for the assessment date would
 30 be at least ten percent (10%) greater than the final base rate
 31 determined for the preceding assessment date, a capitalization
 32 rate of eight percent (8%) shall be used to determine the final
 33 base rate.
- 34 (B) If the preliminary base rate for the assessment date would
 35 be at least ten percent (10%) less than the final base rate
 36 determined for the preceding assessment date, a capitalization
 37 rate of six percent (6%) shall be used to determine the final
 38 base rate.
- 39 (C) If neither clause (A) nor clause (B) applies, a capitalization
 40 rate of seven percent (7%) shall be used to determine the final
 41 base rate.
- 42 (D) In the case of a market value in use for a year that is used



1 in the calculation of the six (6) year rolling average under
 2 subdivision (1) for purposes of determining the base rate for
 3 the assessment date:

4 (i) that market value in use shall be recalculated by using the
 5 capitalization rate determined under clauses (A) through (C)
 6 for the calculation of the base rate for the assessment date;
 7 and

8 (ii) the market value in use recalculated under item (i) shall
 9 be used in the calculation of the six (6) year rolling average
 10 under subdivision (1).

11 (f) For assessment dates after December 31, 2009, an adjustment in
 12 the assessed value of real property under this section shall be based on
 13 the estimated true tax value of the property on the assessment date that
 14 is the basis for taxes payable on that real property.

15 SECTION 6. IC 6-1.1-4-41, AS AMENDED BY P.L.1-2006,
 16 SECTION 132, IS AMENDED TO READ AS FOLLOWS
 17 [EFFECTIVE JULY 1, 2017]: Sec. 41. (a) For purposes of this section,

18 (†) "low income rental property" means real property used to
 19 provide low income housing eligible for federal income tax
 20 credits awarded under Section 42 of the Internal Revenue Code,
 21 **and including during the time period during which the**
 22 **property is subject to an extended low income housing**
 23 **commitment under Section 42(h)(6)(B) of the Internal**
 24 **Revenue Code.**

25 (2) "rental period" means the period during which low income
 26 rental property is eligible for federal income tax credits awarded
 27 under Section 42 of the Internal Revenue Code.

28 (b) For assessment dates after February 28, 2006, **and before**
 29 **January 1, 2018**, the true tax value of low income rental property is
 30 the greater of the true tax value:

31 (1) determined using the income capitalization approach; or

32 (2) that results in a gross annual tax liability equal to five percent
 33 (5%) of the total gross rent received from the rental of all units in
 34 the property for the most recent taxpayer fiscal year that ends
 35 before the assessment date.

36 (c) **For assessment dates after December 31, 2017, the true tax**
 37 **value of low income rental property that offers or is used to**
 38 **provide Medicaid assisted living services is equal to the total true**
 39 **tax value that results in a gross annual tax liability equal to five**
 40 **percent (5%) of the total gross rent received from the rental of all**
 41 **living units in the property for the most recent taxpayer fiscal year**
 42 **that ends before the assessment date. The total true tax value shall**



1 **not include the gross receipts from, or value of, any assisted living**
 2 **services provided.**

3 ~~(e)~~ **(d)** The department of local government finance may adopt rules
 4 under IC 4-22-2 to implement this section.

5 SECTION 7. IC 6-1.1-4-45 IS ADDED TO THE INDIANA CODE
 6 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
 7 JANUARY 1, 2015 (RETROACTIVE)]: **Sec. 45. (a) This section**
 8 **applies to assessment dates after December 31, 2014.**

9 **(b) As used in this section, "sign site" means the land beneath an**
 10 **outdoor sign that accommodates the outdoor sign display structure**
 11 **and foundation under a lease or a grant of an easement.**

12 **(c) An outdoor sign, and any associated lease, easement, and**
 13 **income, shall be disregarded for the purpose of determining an**
 14 **assessment of the land on which the outdoor sign is located, if:**

15 **(1) the sign site does not exceed the greater of:**

16 **(A) one-fourth (1/4) of an acre; or**

17 **(B) if the sign site exceeds one-fourth (1/4) of an acre, the**
 18 **area that is reasonably necessary to facilitate display of the**
 19 **outdoor sign; and**

20 **(2) the subject matter of the outdoor sign relates to products,**
 21 **services, or activities that are sold, produced, or conducted at**
 22 **a location other than the land for which the assessment is**
 23 **being determined.**

24 SECTION 8. IC 6-1.1-8-20, AS AMENDED BY P.L.183-2014,
 25 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2017]: **Sec. 20. (a) If a public utility company does not file a**
 27 **statement with the department of local government finance on or before**
 28 **the date prescribed under section 19 of this chapter, the company shall**
 29 **pay a penalty of one hundred dollars (\$100) per day for each day that**
 30 **the statement is late. However, a penalty under this subsection may not**
 31 **exceed one thousand dollars (\$1,000). **A public utility company shall****
 32 **remit a penalty for which the public utility company is liable under**
 33 **this subsection to the department of state revenue.**

34 **(b) The department of local government finance shall notify the**
 35 **attorney general and the department of state revenue if a public**
 36 **utility company fails to file a statement on or before the due date. The**
 37 **attorney general shall then bring an action in the name of this state to**
 38 **collect the penalty due under this section.**

39 **(c) The state auditor shall deposit amounts collected under this**
 40 **section in the state treasury for credit to the state general fund.**

41 SECTION 9. IC 6-1.1-10-47 IS ADDED TO THE INDIANA CODE
 42 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE



1 UPON PASSAGE]: Sec. 47. (a) This section applies to an assessment
2 date occurring after December 31, 2017.

3 (b) Tangible property owned by a nonprofit corporation is
4 exempt from property taxation if the following apply:

5 (1) The owner is an organization exempt from taxation under
6 Section 501(c)(3) of the Internal Revenue Code.

7 (2) The owner is:

8 (A) a federally-qualified health center (as defined in 42
9 U.S.C. 1396d(l)(2)(B)); or

10 (B) a primary medical provider that:

11 (i) accepts all patients and provides care regardless of a
12 patient's ability to pay;

13 (ii) is located in a medically underserved area; and

14 (iii) has received a grant at any time from the Indiana
15 health care trust account under IC 4-12-5.

16 (c) The property that is exempt under this section also includes
17 the following:

18 (1) Property used in providing storage or parking.

19 (2) Any part of the property that is leased or rented by the
20 owner to another nonprofit corporation providing services or
21 assistance to participants in the Special Supplemental
22 Nutrition Program for the Women, Infants, and Children
23 Nutrition Program (WIC) under IC 16-35-1.5.

24 (3) Any part of the property that is leased, rented, or
25 otherwise provided by the owner to:

26 (A) a dentist;

27 (B) a physician; or

28 (C) any other medical care provider;

29 that occupies and uses the property in a manner that furthers
30 the owner's mission.

31 SECTION 10. IC 6-1.1-12-1, AS AMENDED BY P.L.81-2010,
32 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2017]: Sec. 1. (a) The following definitions apply
34 throughout this section:

35 (1) "Installment loan" means a loan under which:

36 (A) a lender advances money for the purchase of:

37 (i) a mobile home that is not assessed as real property; or

38 (ii) a manufactured home that is not assessed as real
39 property; and

40 (B) a borrower repays the lender in installments in
41 accordance with the terms of an installment agreement.

42 (2) "Mortgage" means a lien against property that:



1 **(A) an owner of the property grants to secure an**
 2 **obligation, such as a debt, according to terms set forth in**
 3 **a written instrument, such as a deed or a contract; and**
 4 **(B) is extinguished upon payment or performance**
 5 **according to the terms of the written instrument.**

6 **The term includes a reverse mortgage.**

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

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

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

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

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

29 (1) the balance of the mortgage or contract indebtedness
 30 (including a home equity line of credit) on the assessment date of
 31 that year;

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

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

35 whichever is least.

36 ~~(c)~~ **(d)** A person who has sold real property, a mobile home not
 37 assessed as real property, or a manufactured home not assessed as real
 38 property to another person under a contract which provides that the
 39 contract buyer is to pay the property taxes on the real property, mobile
 40 home, or manufactured home may not claim the deduction provided
 41 under this section with respect to that real property, mobile home, or
 42 manufactured home.



- 1 ~~(d)~~ (e) The person must:
- 2 (1) own the real property, mobile home, or manufactured home;
- 3 or
- 4 (2) be buying the real property, mobile home, or manufactured
- 5 home under contract;
- 6 on the date the statement is filed under section 2 of this chapter.
- 7 **(f) A recorded installment loan agreement or other mortgage**
- 8 **instrument for which a person seeks to claim the deduction under**
- 9 **this section must include the terms of payment or other**
- 10 **performance that the mortgage secures. A deduction under this**
- 11 **section that was applied for before July 1, 2017, is not invalidated**
- 12 **by this subsection.**
- 13 SECTION 11. IC 6-1.1-12-17.8, AS AMENDED BY P.L.250-2015,
- 14 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 15 JULY 1, 2017]: Sec. 17.8. (a) An individual who receives a deduction
- 16 provided under section 1, 9, 11, 13, 14, 16, 17.4 (before its expiration),
- 17 or 37 of this chapter in a particular year and who remains eligible for
- 18 the deduction in the following year is not required to file a statement to
- 19 apply for the deduction in the following year. However, for purposes
- 20 of a deduction under section 37 of this chapter, the county auditor may,
- 21 in the county auditor's discretion, terminate the deduction for
- 22 assessment dates after January 15, 2012, if the individual does not
- 23 comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January
- 24 1, 2015), as determined by the county auditor, before January 1, 2013.
- 25 Before the county auditor terminates the deduction because the
- 26 taxpayer claiming the deduction did not comply with the requirement
- 27 in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1,
- 28 2013, the county auditor shall mail notice of the proposed termination
- 29 of the deduction to:
- 30 (1) the last known address of each person liable for any property
- 31 taxes or special assessment, as shown on the tax duplicate or
- 32 special assessment records; or
- 33 (2) the last known address of the most recent owner shown in the
- 34 transfer book.
- 35 (b) An individual who receives a deduction provided under section
- 36 1, 9, 11, 13, 14, 16, or 17.4 (before its expiration) of this chapter in a
- 37 particular year and who becomes ineligible for the deduction in the
- 38 following year shall notify the auditor of the county in which the real
- 39 property, mobile home, or manufactured home for which the individual
- 40 claims the deduction is located of the individual's ineligibility in the
- 41 year in which the individual becomes ineligible. An individual who
- 42 becomes ineligible for a deduction under section 37 of this chapter



1 shall notify the county auditor of the county in which the property is
2 located in conformity with section 37 of this chapter.

3 (c) The auditor of each county shall, in a particular year, apply a
4 deduction provided under section 1, 9, 11, 13, 14, 16, 17.4 (before its
5 expiration), or 37 of this chapter to each individual who received the
6 deduction in the preceding year unless the auditor determines that the
7 individual is no longer eligible for the deduction.

8 (d) An individual who receives a deduction provided under section
9 1, 9, 11, 13, 14, 16, 17.4 (before its expiration), or 37 of this chapter for
10 property that is jointly held with another owner in a particular year and
11 remains eligible for the deduction in the following year is not required
12 to file a statement to reapply for the deduction following the removal
13 of the joint owner if:

- 14 (1) the individual is the sole owner of the property following the
15 death of the individual's spouse; **or**
16 (2) the individual is the sole owner of the property following the
17 death of a joint owner who was not the individual's spouse. **or**
18 (3) the individual is awarded sole ownership of the property in a
19 divorce decree.

20 However, for purposes of a deduction under section 37 of this chapter,
21 if the removal of the joint owner occurs before the date that a notice
22 described in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) is sent, the
23 county auditor may, in the county auditor's discretion, terminate the
24 deduction for assessment dates after January 15, 2012, if the individual
25 does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired
26 January 1, 2015), as determined by the county auditor, before January
27 1, 2013. Before the county auditor terminates the deduction because
28 the taxpayer claiming the deduction did not comply with the
29 requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before
30 January 1, 2013, the county auditor shall mail notice of the proposed
31 termination of the deduction to the last known address of each person
32 liable for any property taxes or special assessment, as shown on the tax
33 duplicate or special assessment records or the last known address of the
34 most recent owner shown in the transfer book. **If an unmarried**
35 **individual who is receiving a deduction under section 37 of this**
36 **chapter for a property subsequently marries, desires to continue**
37 **claiming the deduction for the property, and remains eligible for**
38 **the deduction, the individual must reapply for the deduction for the**
39 **following assessment date. If a married individual who is receiving**
40 **a deduction under section 37 of this chapter for a property with the**
41 **individual's spouse subsequently divorces, desires to continue**
42 **claiming the deduction for the property, and remains eligible for**



1 **the deduction, the individual must reapply for the deduction for the**
 2 **following assessment date. However, the individual's failure to**
 3 **reapply for the deduction does not make the individual's former**
 4 **spouse ineligible for a deduction under section 37 of this chapter.**
 5 **If a person who is receiving a deduction under section 9 of this**
 6 **chapter for a property subsequently comes to own the property**
 7 **with another person jointly or as a tenant in common, desires to**
 8 **continue claiming the deduction for the property, and remains**
 9 **eligible for the deduction, the person must reapply for the**
 10 **deduction for the following assessment date. If an unmarried**
 11 **individual who is receiving a credit under IC 6-1.1-20.6-8.5 for a**
 12 **property subsequently marries, desires to continue claiming the**
 13 **credit for the property, and remains eligible for the credit, the**
 14 **individual must reapply for the credit for the following assessment**
 15 **date.**

16 (e) A trust entitled to a deduction under section 9, 11, 13, 14, 16,
 17 17.4 (before its expiration), or 37 of this chapter for real property
 18 owned by the trust and occupied by an individual in accordance with
 19 section 17.9 of this chapter is not required to file a statement to apply
 20 for the deduction, if:

- 21 (1) the individual who occupies the real property receives a
 22 deduction provided under section 9, 11, 13, 14, 16, 17.4 (before
 23 its expiration), or 37 of this chapter in a particular year; and
 24 (2) the trust remains eligible for the deduction in the following
 25 year.

26 However, for purposes of a deduction under section 37 of this chapter,
 27 the individuals that qualify the trust for a deduction must comply with
 28 the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015)
 29 before January 1, 2013.

30 (f) A cooperative housing corporation (as defined in 26 U.S.C. 216)
 31 that is entitled to a deduction under section 37 of this chapter in the
 32 immediately preceding calendar year for a homestead (as defined in
 33 section 37 of this chapter) is not required to file a statement to apply for
 34 the deduction for the current calendar year if the cooperative housing
 35 corporation remains eligible for the deduction for the current calendar
 36 year. However, the county auditor may, in the county auditor's
 37 discretion, terminate the deduction for assessment dates after January
 38 15, 2012, if the individual does not comply with the requirement in
 39 IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the
 40 county auditor, before January 1, 2013. Before the county auditor
 41 terminates a deduction because the taxpayer claiming the deduction did
 42 not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired



1 January 1, 2015) before January 1, 2013, the county auditor shall mail
2 notice of the proposed termination of the deduction to:

- 3 (1) the last known address of each person liable for any property
4 taxes or special assessment, as shown on the tax duplicate or
5 special assessment records; or
6 (2) the last known address of the most recent owner shown in the
7 transfer book.

8 (g) An individual who:

- 9 (1) was eligible for a homestead credit under IC 6-1.1-20.9
10 (repealed) for property taxes imposed for the March 1, 2007, or
11 January 15, 2008, assessment date; or
12 (2) would have been eligible for a homestead credit under
13 IC 6-1.1-20.9 (repealed) for property taxes imposed for the March
14 1, 2008, or January 15, 2009, assessment date if IC 6-1.1-20.9 had
15 not been repealed;

16 is not required to file a statement to apply for a deduction under section
17 37 of this chapter if the individual remains eligible for the deduction in
18 the current year. An individual who filed for a homestead credit under
19 IC 6-1.1-20.9 (repealed) for an assessment date after March 1, 2007 (if
20 the property is real property), or after January 1, 2008 (if the property
21 is personal property), shall be treated as an individual who has filed for
22 a deduction under section 37 of this chapter. However, the county
23 auditor may, in the county auditor's discretion, terminate the deduction
24 for assessment dates after January 15, 2012, if the individual does not
25 comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January
26 1, 2015), as determined by the county auditor, before January 1, 2013.
27 Before the county auditor terminates the deduction because the
28 taxpayer claiming the deduction did not comply with the requirement
29 in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1,
30 2013, the county auditor shall mail notice of the proposed termination
31 of the deduction to the last known address of each person liable for any
32 property taxes or special assessment, as shown on the tax duplicate or
33 special assessment records, or to the last known address of the most
34 recent owner shown in the transfer book.

35 (h) If a county auditor terminates a deduction because the taxpayer
36 claiming the deduction did not comply with the requirement in
37 IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1, 2013,
38 the county auditor shall reinstate the deduction if the taxpayer provides
39 proof that the taxpayer is eligible for the deduction and is not claiming
40 the deduction for any other property.

41 (i) A taxpayer described in section 37(k) of this chapter is not
42 required to file a statement to apply for the deduction provided by



1 section 37 of this chapter for a calendar year beginning after December
 2 31, 2008, if the property owned by the taxpayer remains eligible for the
 3 deduction for that calendar year. However, the county auditor may
 4 terminate the deduction for assessment dates after January 15, 2012, if
 5 the individual residing on the property owned by the taxpayer does not
 6 comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January
 7 1, 2015), as determined by the county auditor, before January 1, 2013.
 8 Before the county auditor terminates a deduction because the
 9 individual residing on the property did not comply with the
 10 requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before
 11 January 1, 2013, the county auditor shall mail notice of the proposed
 12 termination of the deduction to:

- 13 (1) the last known address of each person liable for any property
 14 taxes or special assessment, as shown on the tax duplicate or
 15 special assessment records; or
 16 (2) the last known address of the most recent owner shown in the
 17 transfer book.

18 SECTION 12. IC 6-1.1-12-37, AS AMENDED BY THE
 19 TECHNICAL CORRECTIONS BILL OF THE 2017 GENERAL
 20 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2017]: Sec. 37. (a) The following definitions apply throughout
 22 this section:

- 23 (1) "Dwelling" means any of the following:
 24 (A) Residential real property improvements that an individual
 25 uses as the individual's residence, including a house or garage.
 26 (B) A mobile home that is not assessed as real property that an
 27 individual uses as the individual's residence.
 28 (C) A manufactured home that is not assessed as real property
 29 that an individual uses as the individual's residence.
 30 (2) "Homestead" means an individual's principal place of
 31 residence:
 32 (A) that is located in Indiana;
 33 (B) that:
 34 (i) the individual owns;
 35 (ii) the individual is buying under a contract; recorded in the
 36 county recorder's office, **or evidenced by a memorandum**
 37 **of contract recorded in the county recorder's office**
 38 **under IC 36-2-11-20**, that provides that the individual is to
 39 pay the property taxes on the residence, and that obligates
 40 the owner to convey title to the individual upon completion
 41 of all of the individual's contract obligations;
 42 (iii) the individual is entitled to occupy as a



1 tenant-stockholder (as defined in 26 U.S.C. 216) of a
 2 cooperative housing corporation (as defined in 26 U.S.C.
 3 216); or

4 (iv) is a residence described in section 17.9 of this chapter
 5 that is owned by a trust if the individual is an individual
 6 described in section 17.9 of this chapter; and

7 (C) that consists of a dwelling and the real estate, not
 8 exceeding one (1) acre, that immediately surrounds that
 9 dwelling.

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

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

19 (1) the assessment date; or

20 (2) any date in the same year after an assessment date that a
 21 statement is filed under subsection (e) or section 44 of this
 22 chapter, if the property consists of real property.

23 If more than one (1) individual or entity qualifies property as a
 24 homestead under subsection (a)(2)(B) for an assessment date, only one
 25 (1) standard deduction from the assessed value of the homestead may
 26 be applied for the assessment date. Subject to subsection (c), the
 27 auditor of the county shall record and make the deduction for the
 28 individual or entity qualifying for the deduction.

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

32 (1) sixty percent (60%) of the assessed value of the real property,
 33 mobile home not assessed as real property, or manufactured home
 34 not assessed as real property; or

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

36 (d) A person who has sold real property, a mobile home not assessed
 37 as real property, or a manufactured home not assessed as real property
 38 to another person under a contract that provides that the contract buyer
 39 is to pay the property taxes on the real property, mobile home, or
 40 manufactured home may not claim the deduction provided under this
 41 section with respect to that real property, mobile home, or
 42 manufactured home.



1 (e) Except as provided in sections 17.8 and 44 of this chapter and
 2 subject to section 45 of this chapter, an individual who desires to claim
 3 the deduction provided by this section must file a certified statement,
 4 *in duplicate*, on forms prescribed by the department of local
 5 government finance, with the auditor of the county in which the
 6 homestead is located. The statement must include:

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

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

12 (3) the names of:

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

14 (i) as the names appear in the records of the United States
 15 Social Security Administration for the purposes of the
 16 issuance of a Social Security card and Social Security
 17 number; or

18 (ii) that they use as their legal names when they sign their
 19 names on legal documents;

20 if the applicant is an individual; or

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

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

27 (ii) that they use as their legal names when they sign their
 28 names on legal documents;

29 if the applicant is not an individual; and

30 (4) either:

31 (A) the last five (5) digits of the applicant's Social Security
 32 number and the last five (5) digits of the Social Security
 33 number of the applicant's spouse (if any); or

34 (B) if the applicant or the applicant's spouse (if any) does not
 35 have a Social Security number, any of the following for that
 36 individual:

37 (i) The last five (5) digits of the individual's driver's license
 38 number.

39 (ii) The last five (5) digits of the individual's state
 40 identification card number.

41 **(iii) The last five (5) digits of a preparer tax**
 42 **identification number that is obtained by the individual**



1 through the Internal Revenue Service of the United
2 States.

3 ~~(iii)~~ (iv) If the individual does not have a driver's license, or
4 a state identification card, or an Internal Revenue Service
5 preparer tax identification number, the last five (5) digits
6 of a control number that is on a document issued to the
7 individual by the *federal* United States government. *and*
8 *determined by the department of local government finance*
9 *to be acceptable.*

10 If a form or statement provided to the county auditor under this section,
11 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
12 part or all of the Social Security number of a party or other number
13 described in subdivision (4)(B) of a party, the telephone number and
14 the Social Security number or other number described in subdivision
15 (4)(B) included are confidential. The statement may be filed in person
16 or by mail. If the statement is mailed, the mailing must be postmarked
17 on or before the last day for filing. The statement applies for that first
18 year and any succeeding year for which the deduction is allowed. With
19 respect to real property, the statement must be completed and dated in
20 the calendar year for which the person desires to obtain the deduction
21 and filed with the county auditor on or before January 5 of the
22 immediately succeeding calendar year. With respect to a mobile home
23 that is not assessed as real property, the person must file the statement
24 during the twelve (12) months before March 31 of the year for which
25 the person desires to obtain the deduction.

26 (f) **Except as provided in subsection (n), if an individual a person**
27 **who is receiving, or seeks to receive,** the deduction provided by this
28 section **or who otherwise qualifies property for a deduction under this**
29 **section: in the person's name:**

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

33 (2) is ~~no longer~~ **not** eligible for a deduction under this section ~~on~~
34 ~~another parcel of property~~ because **the person is already**
35 **receiving:**

36 (A) ~~the individual would otherwise receive the benefit of more~~
37 ~~than one~~ (1) a deduction under this chapter; **section in the**
38 **person's name as an individual or a spouse;** or

39 (B) ~~the individual maintains the individual's principal place of~~
40 ~~residence with another individual who receives a deduction~~
41 ~~under this section;~~ **a deduction under the law of another**
42 **state that is equivalent to the deduction provided by this**



1 **section;**
 2 the ~~individual person~~ must file a certified statement with the auditor of
 3 the county, notifying the auditor of the ~~change of use;~~ **person's**
 4 **ineligibility**, not more than sixty (60) days after the date of ~~that the~~
 5 **change in eligibility**. ~~An individual~~ **A person** who fails to file the
 6 statement required by this subsection ~~is may, under IC 6-1.1-36-17,~~
 7 **be** liable for any additional taxes that would have been due on the
 8 property if the ~~individual person~~ had filed the statement as required by
 9 this subsection plus a civil penalty equal to ten percent (10%) of the
 10 additional taxes due. The civil penalty imposed under this subsection
 11 is in addition to any interest and penalties for a delinquent payment that
 12 might otherwise be due. One percent (1%) of the total civil penalty
 13 collected under this subsection shall be transferred by the county to the
 14 department of local government finance for use by the department in
 15 establishing and maintaining the homestead property data base under
 16 subsection (i) and, to the extent there is money remaining, for any other
 17 purposes of the department. This amount becomes part of the property
 18 tax liability for purposes of this article.

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

22 (h) This subsection does not apply to property in the first year for
 23 which a deduction is claimed under this section if the sole reason that
 24 a deduction is claimed on other property is that the individual or
 25 married couple maintained a principal residence at the other property
 26 on the ~~March 1~~ assessment date in the same year in which an
 27 application for a deduction is filed under this section or, if the
 28 application is for a homestead that is assessed as personal property, on
 29 the ~~March 1~~ assessment date in the immediately preceding year and the
 30 individual or married couple is moving the individual's or married
 31 couple's principal residence to the property that is the subject of the
 32 application. Except as provided in subsection (n), the county auditor
 33 may not grant an individual or a married couple a deduction under this
 34 section if:

35 (1) the individual or married couple, for the same year, claims the
 36 deduction on two (2) or more different applications for the
 37 deduction; and

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

39 (i) The department of local government finance shall provide secure
 40 access to county auditors to a homestead property data base that
 41 includes access to the homestead owner's name and the numbers
 42 required from the homestead owner under subsection (e)(4) for the sole



1 purpose of verifying whether an owner is wrongly claiming a deduction
 2 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, ~~or~~ or
 3 IC 6-3.6-5 (after December 31, 2016).

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

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

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

21 (2) The property is the principal place of residence of an
 22 individual.

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

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

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

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

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

32 (2) first due and payable in 2010;

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

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

40 (1) a deck or patio;

41 (2) a gazebo; or

42 (3) another residential yard structure, as defined in rules *that may*



1 ~~be~~ adopted by the department of local government finance (other
2 than a swimming pool);
3 that is assessed as real property and attached to the dwelling.

4 (n) A county auditor shall grant an individual a deduction under this
5 section regardless of whether the individual and the individual's spouse
6 claim a deduction on two (2) different applications and each
7 application claims a deduction for different property if the property
8 owned by the individual's spouse is located outside Indiana and the
9 individual files an affidavit with the county auditor containing the
10 following information:

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

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

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

18 (B) That neither the individual nor the individual's spouse has
19 an ownership interest in the other's principal place of
20 residence.

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

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

32 (o) If:

33 (1) a property owner files a statement under subsection (e) to
34 claim the deduction provided by this section for a particular
35 property; and

36 (2) the county auditor receiving the filed statement determines
37 that the property owner's property is not eligible for the deduction;
38 the county auditor shall inform the property owner of the county
39 auditor's determination in writing. If a property owner's property is not
40 eligible for the deduction because the county auditor has determined
41 that the property is not the property owner's principal place of
42 residence, the property owner may appeal the county auditor's



1 determination to the county property tax assessment board of appeals
 2 as provided in IC 6-1.1-15. The county auditor shall inform the
 3 property owner of the owner's right to appeal to the county property tax
 4 assessment board of appeals when the county auditor informs the
 5 property owner of the county auditor's determination under this
 6 subsection.

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

9 (1) either:

10 (A) the individual's interest in the homestead as described in
 11 subsection (a)(2)(B) is conveyed to the individual after the
 12 assessment date, but within the calendar year in which the
 13 assessment date occurs; or

14 (B) the individual contracts to purchase the homestead after
 15 the assessment date, but within the calendar year in which the
 16 assessment date occurs;

17 (2) on the assessment date:

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

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

22 (3) either:

23 (A) the individual files the certified statement required by
 24 subsection (e); *on or before December 31 of the calendar year*
 25 *in which the assessment date occurs to claim the deduction*
 26 *under this section;* or

27 (B) a sales disclosure form that meets the requirements of
 28 section 44 of this chapter is submitted to the county assessor
 29 on or before December 31 of the calendar year for the
 30 individual's purchase of the homestead. *and*

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

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

37 ~~(B) cancels the deduction described in clause (A) for that~~
 38 ~~property.~~

39 An individual who satisfies the requirements of subdivisions (1)
 40 through ~~(4)~~ (3) is entitled to the deduction under this section for the
 41 homestead for the assessment date, even if on the assessment date the
 42 property on which the homestead is currently located was vacant land



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

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

24 (r) This subsection:

- 25 (1) applies to an application for the deduction provided by this
 26 section that is filed for an assessment date occurring after
 27 December 31, 2013; and
 28 (2) does not apply to an individual described in subsection (q).

29 The owner of a mobile home that is not assessed as real property or a
 30 manufactured home that is not assessed as real property must attach a
 31 copy of the owner's title to the mobile home or manufactured home to
 32 the application for the deduction provided by this section.

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

- 35 (1) is serving on active duty in any branch of the armed forces of
 36 the United States;
 37 (2) was ordered to transfer to a location outside Indiana; and
 38 (3) was otherwise eligible, without regard to this subsection, for
 39 the deduction under this section for the property for the
 40 assessment date immediately preceding the transfer date specified
 41 in the order described in subdivision (2).

42 For property to qualify under this subsection for the deduction provided



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

20 SECTION 13. IC 6-1.1-12-45, AS AMENDED BY P.L.183-2014,
 21 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2017]: Sec. 45. (a) Subject to subsections (b) and (c), a
 23 deduction under this chapter applies for an assessment date and for the
 24 property taxes due and payable based on the assessment for that
 25 assessment date, regardless of whether with respect to the real property
 26 or mobile home or manufactured home not assessed as real property:

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

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

29 after that assessment date and on or before the next succeeding
 30 assessment date.

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

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

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

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

35 (c) A deduction applies under subsection (a) for only one (1) year.

36 The requirements of this chapter for filing a statement to apply for a
 37 deduction under this chapter apply to subsequent years. **A person who**
 38 **fails to apply for a deduction or credit under this article by the**
 39 **deadlines prescribed by this article may not apply for the**
 40 **deduction or credit retroactively.**

41 (d) If:

42 (1) a statement is filed under this chapter on or before January 5



1 of a calendar year to claim a deduction under this chapter with
 2 respect to real property; and
 3 (2) the eligibility criteria for the deduction are met;
 4 the deduction applies for the assessment date in the preceding calendar
 5 year and for the property taxes due and payable based on the
 6 assessment for that assessment date.

7 (e) If:

8 (1) a statement is filed under this chapter in a twelve (12) month
 9 filing period designated under this chapter to claim a deduction
 10 under this chapter with respect to a mobile home or a
 11 manufactured home not assessed as real property; and
 12 (2) the eligibility criteria for the deduction are met;
 13 the deduction applies for the assessment date in that twelve (12) month
 14 period and for the property taxes due and payable based on the
 15 assessment for that assessment date.

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

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

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

36 SECTION 14. IC 6-1.1-20-3.1, AS AMENDED BY P.L.138-2016,
 37 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2017]: Sec. 3.1. (a) This section applies only to the following:

39 (1) A controlled project (as defined in section 1.1 of this chapter
 40 as in effect June 30, 2008) for which the proper officers of a
 41 political subdivision make a preliminary determination in the
 42 manner described in subsection (b) before July 1, 2008.



- 1 (2) An elementary school building, middle school building, high
 2 school building, or other school building for academic instruction
 3 that:
 4 (A) is a controlled project;
 5 (B) will be used for any combination of kindergarten through
 6 grade 12; and
 7 (C) will not cost more than ten million dollars (\$10,000,000).
 8 (3) Any other controlled project that:
 9 (A) is not a controlled project described in subdivision (1) or
 10 (2); and
 11 (B) will not cost the political subdivision more than the lesser
 12 of the following:
 13 (i) Twelve million dollars (\$12,000,000).
 14 (ii) An amount equal to one percent (1%) of the total gross
 15 assessed value of property within the political subdivision
 16 on the last assessment date, if that amount is at least one
 17 million dollars (\$1,000,000).
 18 (b) A political subdivision may not impose property taxes to pay
 19 debt service on bonds or lease rentals on a lease for a controlled project
 20 without completing the following procedures:
 21 (1) The proper officers of a political subdivision shall:
 22 (A) publish notice in accordance with IC 5-3-1; and
 23 (B) send notice by first class mail to the circuit court clerk and
 24 to any organization that delivers to the officers, before January
 25 1 of that year, an annual written request for such notices;
 26 of any meeting to consider adoption of a resolution or an
 27 ordinance making a preliminary determination to issue bonds or
 28 enter into a lease and shall conduct a public hearing on a
 29 preliminary determination before adoption of the resolution or
 30 ordinance.
 31 (2) When the proper officers of a political subdivision make a
 32 preliminary determination to issue bonds or enter into a lease for
 33 a controlled project, the officers shall give notice of the
 34 preliminary determination by:
 35 (A) publication in accordance with IC 5-3-1; and
 36 (B) first class mail to the circuit court clerk and to the
 37 organizations described in subdivision (1)(B).
 38 (3) A notice under subdivision (2) of the preliminary
 39 determination of the political subdivision to issue bonds or enter
 40 into a lease for a controlled project must include the following
 41 information:
 42 (A) The maximum term of the bonds or lease.



- 1 (B) The maximum principal amount of the bonds or the
 2 maximum lease rental for the lease.
- 3 (C) The estimated interest rates that will be paid and the total
 4 interest costs associated with the bonds or lease.
- 5 (D) The purpose of the bonds or lease.
- 6 (E) A statement that any owners of property within the
 7 political subdivision or registered voters residing within the
 8 political subdivision who want to initiate a petition and
 9 remonstrance process against the proposed debt service or
 10 lease payments must file a petition that complies with
 11 subdivisions (4) and (5) not later than thirty (30) days after
 12 publication in accordance with IC 5-3-1.
- 13 (F) With respect to bonds issued or a lease entered into to
 14 open:
- 15 (i) a new school facility; or
 16 (ii) an existing facility that has not been used for at least
 17 three (3) years and that is being reopened to provide
 18 additional classroom space;
- 19 the estimated costs the school corporation expects to incur
 20 annually to operate the facility.
- 21 (G) A statement of whether the school corporation expects to
 22 appeal for a new facility adjustment (as defined in
 23 IC 20-45-1-16 (repealed) before January 1, 2009) for an
 24 increased maximum permissible tuition support levy to pay the
 25 estimated costs described in clause (F).
- 26 (H) The political subdivision's current debt service levy and
 27 rate and the estimated increase to the political subdivision's
 28 debt service levy and rate that will result if the political
 29 subdivision issues the bonds or enters into the lease.
- 30 (4) After notice is given, a petition requesting the application of
 31 a petition and remonstrance process may be filed by the lesser of:
- 32 (A) five hundred (500) persons who are either owners of
 33 property within the political subdivision or registered voters
 34 residing within the political subdivision; or
 35 (B) five percent (5%) of the registered voters residing within
 36 the political subdivision.
- 37 (5) The state board of accounts shall design and, upon request by
 38 the county voter registration office, deliver to the county voter
 39 registration office or the county voter registration office's
 40 designated printer the petition forms to be used solely in the
 41 petition process described in this section. The county voter
 42 registration office shall issue to an owner or owners of property



1 within the political subdivision or a registered voter residing
 2 within the political subdivision the number of petition forms
 3 requested by the owner or owners or the registered voter. Each
 4 form must be accompanied by instructions detailing the
 5 requirements that:

6 (A) the carrier and signers must be owners of property or
 7 registered voters;

8 (B) the carrier must be a signatory on at least one (1) petition;

9 (C) after the signatures have been collected, the carrier must
 10 swear or affirm before a notary public that the carrier
 11 witnessed each signature; and

12 (D) govern the closing date for the petition period.

13 Persons requesting forms may be required to identify themselves
 14 as owners of property or registered voters and may be allowed to
 15 pick up additional copies to distribute to other owners of property
 16 or registered voters. Each person signing a petition must indicate
 17 whether the person is signing the petition as a registered voter
 18 within the political subdivision or is signing the petition as the
 19 owner of property within the political subdivision. A person who
 20 signs a petition as a registered voter must indicate the address at
 21 which the person is registered to vote. A person who signs a
 22 petition as an owner of property must indicate the address of the
 23 property owned by the person in the political subdivision.

24 (6) Each petition must be verified under oath by at least one (1)
 25 qualified petitioner in a manner prescribed by the state board of
 26 accounts before the petition is filed with the county voter
 27 registration office under subdivision (7).

28 (7) Each petition must be filed with the county voter registration
 29 office not more than thirty (30) days after publication under
 30 subdivision (2) of the notice of the preliminary determination.

31 (8) The county voter registration office shall determine whether
 32 each person who signed the petition is a registered voter. The
 33 county voter registration office shall, not more than fifteen (15)
 34 business days after receiving a petition, forward a copy of the
 35 petition to the county auditor. Not more than ten (10) business
 36 days after receiving the copy of the petition, the county auditor
 37 shall provide to the county voter registration office a statement
 38 verifying:

39 (A) whether a person who signed the petition as a registered
 40 voter but is not a registered voter, as determined by the county
 41 voter registration office, is the owner of property in the
 42 political subdivision; and



- 1 (B) whether a person who signed the petition as an owner of
 2 property within the political subdivision does in fact own
 3 property within the political subdivision.
- 4 (9) The county voter registration office shall, not more than ten
 5 (10) business days after receiving the statement from the county
 6 auditor under subdivision (8), make the final determination of the
 7 number of petitioners that are registered voters in the political
 8 subdivision and, based on the statement provided by the county
 9 auditor, the number of petitioners that own property within the
 10 political subdivision. Whenever the name of an individual who
 11 signs a petition form as a registered voter contains a minor
 12 variation from the name of the registered voter as set forth in the
 13 records of the county voter registration office, the signature is
 14 presumed to be valid, and there is a presumption that the
 15 individual is entitled to sign the petition under this section. Except
 16 as otherwise provided in this chapter, in determining whether an
 17 individual is a registered voter, the county voter registration office
 18 shall apply the requirements and procedures used under IC 3 to
 19 determine whether a person is a registered voter for purposes of
 20 voting in an election governed by IC 3. However, an individual is
 21 not required to comply with the provisions concerning providing
 22 proof of identification to be considered a registered voter for
 23 purposes of this chapter. A person is entitled to sign a petition
 24 only one (1) time in a particular petition and remonstrance
 25 process under this chapter, regardless of whether the person owns
 26 more than one (1) parcel of real property, mobile home assessed
 27 as personal property, or manufactured home assessed as personal
 28 property, or a combination of those types of property within the
 29 subdivision and regardless of whether the person is both a
 30 registered voter in the political subdivision and the owner of
 31 property within the political subdivision. Notwithstanding any
 32 other provision of this section, if a petition is presented to the
 33 county voter registration office within forty-five (45) days before
 34 an election, the county voter registration office may defer acting
 35 on the petition, and the time requirements under this section for
 36 action by the county voter registration office do not begin to run
 37 until five (5) days after the date of the election.
- 38 (10) The county voter registration office must file a certificate and
 39 each petition with:
- 40 (A) the township trustee, if the political subdivision is a
 41 township, who shall present the petition or petitions to the
 42 township board; or



1 (B) the body that has the authority to authorize the issuance of
 2 the bonds or the execution of a lease, if the political
 3 subdivision is not a township;
 4 within thirty-five (35) business days of the filing of the petition
 5 requesting a petition and remonstrance process. The certificate
 6 must state the number of petitioners that are owners of property
 7 within the political subdivision and the number of petitioners who
 8 are registered voters residing within the political subdivision.

9 If a sufficient petition requesting a petition and remonstrance process
 10 is not filed by owners of property or registered voters as set forth in this
 11 section, the political subdivision may issue bonds or enter into a lease
 12 by following the provisions of law relating to the bonds to be issued or
 13 lease to be entered into.

14 (c) ~~This subsection applies only to a political subdivision that, after~~
 15 ~~April 30, 2011, adopts an ordinance or a resolution making a~~
 16 ~~preliminary determination to issue bonds or enter into a lease subject~~
 17 ~~to this section and section 3.2 of this chapter.~~ A political subdivision
 18 may not ~~artificially~~ divide a ~~capital controlled~~ project into ~~multiple~~
 19 ~~capital projects~~ in order to avoid the requirements of this section and
 20 section 3.2 of this chapter. A person that owns property within a
 21 political subdivision or a person that is a registered voter residing
 22 within a political subdivision may file a petition with the department
 23 of local government finance objecting that the political subdivision has
 24 ~~artificially~~ divided a ~~capital controlled~~ project into ~~multiple capital~~
 25 ~~projects~~ in order to avoid the requirements of this section and section
 26 3.2 of this chapter. The petition must be filed not more than ten (10)
 27 days after the political subdivision ~~makes~~ publishes the ~~political~~
 28 ~~subdivision's~~ preliminary determination to issue ~~the~~ bonds or enter
 29 into ~~the lease leases~~ for ~~the~~ a capital project ~~that the person believes~~
 30 **is the result of a division of a controlled project that is prohibited**
 31 **by this subsection.** If the department of local government finance
 32 receives a petition under this subsection, the department shall not later
 33 than thirty (30) days after receiving the petition make a final
 34 determination on the issue of whether the ~~capital projects were~~
 35 ~~artificially~~ **political subdivision** divided a **controlled project in order**
 36 **to avoid the requirements of this section and section 3.2 of this**
 37 **chapter. If the department of local government finance determines**
 38 **that a political subdivision divided a controlled project in order to**
 39 **avoid the requirements of this section and section 3.2 of this**
 40 **chapter and the political subdivision continues to desire to proceed**
 41 **with the project, the political subdivision shall fulfill the**
 42 **requirements of this section and section 3.2 of this chapter, if**



1 **applicable, regardless of the cost of the project in dispute.**

2 SECTION 15. IC 6-1.1-20-3.6, AS AMENDED BY P.L.149-2016,
3 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2017]: Sec. 3.6. (a) Except as provided in sections 3.7 and 3.8
5 of this chapter, this section applies only to a controlled project
6 described in section 3.5(a) of this chapter.

7 (b) If a sufficient petition requesting the application of the local
8 public question process has been filed as set forth in section 3.5 of this
9 chapter, a political subdivision may not impose property taxes to pay
10 debt service on bonds or lease rentals on a lease for a controlled project
11 unless the political subdivision's proposed debt service or lease rental
12 is approved in an election on a local public question held under this
13 section.

14 (c) Except as provided in subsection (k), the following question
15 shall be submitted to the eligible voters at the election conducted under
16 this section:

17 "Shall _____ (insert the name of the political subdivision)
18 issue bonds or enter into a lease to finance _____ (insert
19 a brief description of the controlled project), which is estimated
20 to cost not more than _____ (insert the total cost of the project)
21 and is estimated to increase the property tax rate for debt service
22 by _____ (insert increase in tax rate as determined by the
23 department of local government finance)?"

24 The public question must appear on the ballot in the form approved by
25 the county election board. If the political subdivision proposing to issue
26 bonds or enter into a lease is located in more than one (1) county, the
27 county election board of each county shall jointly approve the form of
28 the public question that will appear on the ballot in each county. The
29 form approved by the county election board may differ from the
30 language certified to the county election board by the county auditor.
31 If the county election board approves the language of a public question
32 under this subsection, the county election board shall submit the
33 language to the department of local government finance for review.

34 (d) The department of local government finance shall review the
35 language of the public question to evaluate whether the description of
36 the controlled project is accurate and is not biased against either a vote
37 in favor of the controlled project or a vote against the controlled
38 project. The department of local government finance may either
39 approve the ballot language as submitted or recommend that the ballot
40 language be modified as necessary to ensure that the description of the
41 controlled project is accurate and is not biased. The department of local
42 government finance shall certify its approval or recommendations to



1 the county auditor and the county election board not more than ten (10)
 2 days after the language of the public question is submitted to the
 3 department for review. If the department of local government finance
 4 recommends a modification to the ballot language, the county election
 5 board shall, after reviewing the recommendations of the department of
 6 local government finance, submit modified ballot language to the
 7 department for the department's approval or recommendation of any
 8 additional modifications. The public question may not be certified by
 9 the county auditor under subsection (e) unless the department of local
 10 government finance has first certified the department's final approval
 11 of the ballot language for the public question.

12 (e) The county auditor shall certify the finally approved public
 13 question under IC 3-10-9-3 to the county election board of each county
 14 in which the political subdivision is located. The certification must
 15 occur not later than noon:

16 (1) seventy-four (74) days before a primary election if the public
 17 question is to be placed on the primary or municipal primary
 18 election ballot; or

19 (2) August 1 if the public question is to be placed on the general
 20 or municipal election ballot.

21 Subject to the certification requirements and deadlines under this
 22 subsection and except as provided in subsection (k), the public
 23 question shall be placed on the ballot at the next primary election,
 24 general election, or municipal election in which all voters of the
 25 political subdivision are entitled to vote. However, if a primary
 26 election, general election, or municipal election will not be held during
 27 the first year in which the public question is eligible to be placed on the
 28 ballot under this section and if the political subdivision requests the
 29 public question to be placed on the ballot at a special election, the
 30 public question shall be placed on the ballot at a special election to be
 31 held on the first Tuesday after the first Monday in May or November
 32 of the year. The certification must occur not later than noon
 33 seventy-four (74) days before a special election to be held in May (if
 34 the special election is to be held in May) or noon on August 1 (if the
 35 special election is to be held in November). The fiscal body of the
 36 political subdivision that requests the special election shall pay the
 37 costs of holding the special election. The county election board shall
 38 give notice under IC 5-3-1 of a special election conducted under this
 39 subsection. A special election conducted under this subsection is under
 40 the direction of the county election board. The county election board
 41 shall take all steps necessary to carry out the special election.

42 (f) The circuit court clerk shall certify the results of the public



- 1 question to the following:
- 2 (1) The county auditor of each county in which the political
- 3 subdivision is located.
- 4 (2) The department of local government finance.
- 5 (g) Subject to the requirements of IC 6-1.1-18.5-8, the political
- 6 subdivision may issue the proposed bonds or enter into the proposed
- 7 lease rental if a majority of the eligible voters voting on the public
- 8 question vote in favor of the public question.
- 9 (h) If a majority of the eligible voters voting on the public question
- 10 vote in opposition to the public question, both of the following apply:
- 11 (1) The political subdivision may not issue the proposed bonds or
- 12 enter into the proposed lease rental.
- 13 (2) Another public question under this section on the same or a
- 14 substantially similar project may not be submitted to the voters
- 15 earlier than three hundred fifty (350) days after the date of the
- 16 election.
- 17 (i) IC 3, to the extent not inconsistent with this section, applies to an
- 18 election held under this section.
- 19 (j) A political subdivision may not ~~artificially~~ divide a ~~capital~~
- 20 **controlled** project ~~into multiple capital projects~~ in order to avoid the
- 21 requirements of this section and section 3.5 of this chapter. A person
- 22 that owns property within a political subdivision or a person that is a
- 23 registered voter residing within a political subdivision may file a
- 24 petition with the department of local government finance objecting that
- 25 the political subdivision has ~~artificially~~ divided a ~~capital~~ **controlled**
- 26 project into ~~multiple~~ **two (2) or more** capital projects in order to avoid
- 27 the requirements of this section and section 3.5 of this chapter. The
- 28 petition must be filed not more than ten (10) days after the political
- 29 subdivision ~~makes~~ **publishes** the **political subdivision's** preliminary
- 30 determination **under section 3.5 of this chapter or a determination**
- 31 **under section 5 of this chapter** to issue ~~the~~ bonds or enter into ~~the~~
- 32 ~~lease leases~~ for ~~the~~ a capital project **that the person believes is the**
- 33 **result of a division of a controlled project that is prohibited by this**
- 34 **subsection.** If the department of local government finance receives a
- 35 petition under this subsection, the department shall not later than thirty
- 36 (30) days after receiving the petition make a final determination on the
- 37 issue of whether the ~~capital projects were~~ **artificially political**
- 38 **subdivision** divided a **controlled project in order to avoid the**
- 39 **requirements of this section and section 3.5 of this chapter. If the**
- 40 **department of local government finance determines that a political**
- 41 **subdivision divided a controlled project in order to avoid the**
- 42 **requirements of this section and section 3.5 of this chapter and the**



1 **political subdivision continues to desire to proceed with the project,**
 2 **the political subdivision may appeal the determination of the**
 3 **department of local government finance to the Indiana board of**
 4 **tax review.**

5 (k) This subsection applies to a political subdivision for which a
 6 petition requesting a public question has been submitted under section
 7 3.5 of this chapter. The legislative body (as defined in IC 36-1-2-9) of
 8 the political subdivision may adopt a resolution to withdraw a
 9 controlled project from consideration in a public question. If the
 10 legislative body provides a certified copy of the resolution to the county
 11 auditor and the county election board not later than sixty-three (63)
 12 days before the election at which the public question would be on the
 13 ballot, the public question on the controlled project shall not be placed
 14 on the ballot and the public question on the controlled project shall not
 15 be held, regardless of whether the county auditor has certified the
 16 public question to the county election board. If the withdrawal of a
 17 public question under this subsection requires the county election
 18 board to reprint ballots, the political subdivision withdrawing the
 19 public question shall pay the costs of reprinting the ballots. If a political
 20 subdivision withdraws a public question under this subsection that
 21 would have been held at a special election and the county election
 22 board has printed the ballots before the legislative body of the political
 23 subdivision provides a certified copy of the withdrawal resolution to
 24 the county auditor and the county election board, the political
 25 subdivision withdrawing the public question shall pay the costs
 26 incurred by the county in printing the ballots. If a public question on a
 27 controlled project is withdrawn under this subsection, a public question
 28 under this section on the same controlled project or a substantially
 29 similar controlled project may not be submitted to the voters earlier
 30 than three hundred fifty (350) days after the date the resolution
 31 withdrawing the public question is adopted.

32 (l) If a public question regarding a controlled project is placed on
 33 the ballot to be voted on at an election under this section, the political
 34 subdivision shall submit to the department of local government finance,
 35 at least thirty (30) days before the election, the following information
 36 regarding the proposed controlled project for posting on the
 37 department's Internet web site:

- 38 (1) The cost per square foot of any buildings being constructed as
 39 part of the controlled project.
- 40 (2) The effect that approval of the controlled project would have
 41 on the political subdivision's property tax rate.
- 42 (3) The maximum term of the bonds or lease.



- 1 (4) The maximum principal amount of the bonds or the maximum
 2 lease rental for the lease.
- 3 (5) The estimated interest rates that will be paid and the total
 4 interest costs associated with the bonds or lease.
- 5 (6) The purpose of the bonds or lease.
- 6 (7) In the case of a controlled project proposed by a school
 7 corporation:
- 8 (A) the current and proposed square footage of school building
 9 space per student;
- 10 (B) enrollment patterns within the school corporation; and
- 11 (C) the age and condition of the current school facilities.
- 12 SECTION 16. IC 6-1.1-20.3-15, AS ADDED BY P.L.84-2014,
 13 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2017]: Sec. 15. (a) ~~After June 30, 2015~~; The executive of a
 15 political subdivision **or a majority of the members of the fiscal body**
 16 **of a political subdivision** may request technical assistance from the
 17 board in helping prevent the political subdivision from becoming a
 18 distressed political subdivision. The board, by using the health fiscal
 19 indicators developed under IC 5-14-3.7-16 or IC 5-14-3.8-8, shall
 20 determine whether to provide assistance to the political subdivision.
- 21 (b) The board may do any of the following for a political subdivision
 22 that receives assistance under subsection (a):
- 23 (1) Provide information and technical assistance with respect to
 24 the data management, accounting, or other aspects of the fiscal
 25 management of the political subdivision.
- 26 (2) Assist the political subdivision in obtaining assistance from
 27 state agencies and other resources.
- 28 SECTION 17. IC 6-1.1-28-12, AS AMENDED BY P.L.149-2016,
 29 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2017]: Sec. 12. (a) This section applies beginning January 1,
 31 2016.
- 32 (b) Each county property tax assessment board of appeals (referred
 33 to as the "county PTABOA" in this section) shall submit annually a
 34 report of the notices for review filed with the county PTABOA under
 35 IC 6-1.1-15-1(c) and IC 6-1.1-15-1(d) in the preceding year to the
 36 department of local government finance, the Indiana board of tax
 37 review, and the legislative services agency before April 1 of each year.
 38 A report submitted to the legislative services agency must be in an
 39 electronic format under IC 5-14-6.
- 40 (c) The report required by subsection (b) must include the following
 41 information:
- 42 (1) The total number of notices for review filed with the county



- 1 PTABOA.
- 2 (2) The notices for review, either filed or pending during the year,
- 3 that were resolved during the year by a preliminary informal
- 4 meeting under IC 6-1.1-15-1(h)(2) and IC 6-1.1-15-1(j).
- 5 (3) The notices for review, either filed or pending during the year,
- 6 in which a hearing was conducted during the year by the county
- 7 PTABOA under IC 6-1.1-15-1(k).
- 8 (4) The number of written decisions issued during the year by the
- 9 county PTABOA under IC 6-1.1-15-1(n).
- 10 (5) The number of notices for review pending with the county
- 11 PTABOA on December 31 of the reporting year.
- 12 (6) The number of reviews resolved through a preliminary
- 13 informal meeting under IC 6-1.1-15-1(h)(2) and IC 6-1.1-15-1(j)
- 14 that were:
- 15 (A) resolved in favor of the taxpayer;
- 16 (B) resolved in favor of the assessor; or
- 17 (C) resolved in some other manner.
- 18 (7) The number of reviews resolved through a written decision
- 19 issued during the year by the county PTABOA under
- 20 IC 6-1.1-15-1(n) that were:
- 21 (A) resolved in favor of the taxpayer;
- 22 (B) resolved in favor of the assessor; or
- 23 (C) resolved in some other manner.

24 The report may not include any confidential information.

25 **(d) A multiple county PTABOA shall submit a separate report**

26 **under this section for each county participating in the multiple**

27 **county PTABOA. A report filed under this subsection for a county**

28 **participating in a multiple county PTABOA must provide**

29 **information on the notices for review that originated within the**

30 **county.**

31 SECTION 18. IC 6-1.1-30-14.5 IS AMENDED TO READ AS

32 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 14.5. The department

33 of local government finance ~~shall~~ **may** adopt rules under IC 4-22-2 to

34 limit the basis of payment for services provided by all professionals,

35 including but not limited to attorneys, architects, and construction

36 managers, who work on capital projects, to a fee for service agreement

37 and may not adopt a rule authorizing the basis of payment for the

38 services to be a percentage of the cost of the capital project.

39 SECTION 19. IC 6-1.1-31-9, AS AMENDED BY P.L.112-2012,

40 SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

41 JULY 1, 2016 (RETROACTIVE)]: Sec. 9. (a) Except as provided in

42 subsection (b) **or** (c), the department of local government finance may



1 not adopt rules for the appraisal of real property:

2 (1) in a general reassessment under IC 6-1.1-4-4; or

3 (2) in a reassessment under a county's reassessment plan prepared
4 under IC 6-1.1-4-4.2;

5 after July 1 of the year before the year in which the reassessment is
6 scheduled to begin.

7 (b) If rules described in subsection (a) are timely adopted under
8 subsection (a) and are then disapproved by the attorney general for any
9 reason under IC 4-22-2-32, the department of local government finance
10 may modify the rules to cure the defect that resulted in disapproval by
11 the attorney general, and may then take all actions necessary under
12 IC 4-22-2 to readopt and to obtain approval of the rules. This process
13 may be repeated as necessary until the rules are approved.

14 **(c) The department of local government finance may adopt rules**
15 **under IC 4-22-2 after June 30, 2016, and before September 1, 2017,**
16 **that:**

17 **(1) concern or include market segmentation under section 6**
18 **of this chapter; and**

19 **(2) affect assessments for the January 1, 2018, assessment**
20 **date.**

21 SECTION 20. IC 6-1.1-31-11.5 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 11.5. (a) Subject to
23 subsection (b), the department of local government finance shall adopt
24 rules under IC 4-22-2 to govern the practice of representatives in
25 proceedings before the property tax assessment board of appeals and
26 the department of local government finance.

27 (b) Except as provided in subsection (c), a rule adopted under
28 subsection (a) may not:

29 (1) restrict the ability of a representative to practice before the
30 property tax assessment board of appeals or the department of
31 local government finance based on the fact that the representative
32 is not an attorney admitted to the Indiana bar; ~~or~~

33 (2) restrict the admissibility of written or oral testimony of a
34 representative or other witness based upon the manner in which
35 the representative or other witness is compensated; **or**

36 **(3) restrict the ability of a certified public accountant to**
37 **represent a client in a matter that relates only to the taxation**
38 **of personal property or distributable property (as defined in**
39 **50 IAC 5.1-1-9).**

40 (c) A rule adopted under subsection (a) may require a representative
41 in a proceeding before the property tax assessment board of appeals or
42 the department of local government finance to be an attorney admitted



1 to the Indiana bar if the matter under consideration in the proceeding
2 is:

- 3 (1) an exemption for which an application is required under
4 IC 6-1.1-11;
5 (2) a claim that taxes are illegal as a matter of law;
6 (3) a claim regarding the constitutionality of an assessment; or
7 (4) any other matter that requires representation that involves the
8 practice of law.

9 (d) This subsection applies to a petition that is filed with the
10 property tax assessment board of appeals or a matter under
11 consideration by the department of local government finance before the
12 adoption of a rule under subsection (a) that establishes new standards
13 for:

- 14 (1) the presentation of evidence or testimony; or
15 (2) the practice of representatives.

16 The property tax assessment board of appeals or the department of
17 local government finance may not dismiss a petition or reject
18 consideration of a matter solely for failure to comply with the rule
19 adopted under subsection (a) without providing the petitioner with an
20 opportunity to present evidence, testimony, or representation in
21 compliance with the rule.

22 SECTION 21. IC 6-1.1-37-11, AS AMENDED BY P.L.288-2013,
23 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 JULY 1, 2017]: Sec. 11. (a) If a taxpayer is entitled to a property tax
25 refund or credit because an assessment is decreased, the taxpayer shall
26 also be paid, or credited with, interest on the excess taxes that the
27 taxpayer paid at the rate established for excess tax payments by the
28 commissioner of the department of state revenue under IC 6-8.1-10-1.
29 However, in the case of an assessment that is decreased by the Indiana
30 board or the Indiana tax court, the taxpayer is not entitled to the greater
31 of five hundred dollars (\$500) or twenty percent (20%) of the interest
32 to which the taxpayer would otherwise be entitled on the excess taxes
33 unless the taxpayer affirms, under penalty of perjury, that substantive
34 evidence supporting the taxpayer's position had been:

- 35 (1) presented by the taxpayer to the assessor before; or
36 (2) introduced by the taxpayer at;

37 the hearing held by the county property tax assessment board of
38 appeals. An appraisal may not be required by the county property tax
39 assessment board of appeals or the assessor in a proceeding before the
40 county property tax assessment board of appeals or in a preliminary
41 informal meeting under IC 6-1.1-15-1(h)(2).

42 (b) For purposes of this section and except as provided in subsection



1 (c), the interest shall be computed:

2 (1) from the date on which the taxes were paid or due, whichever
3 is later, to the date **on which the county auditor determines the**
4 **amount** of the refund or credit; and

5 (2) using the rate in effect under IC 6-8.1-10-1 for each particular
6 year covered by the refund or credit.

7 If a taxpayer is sent a provisional tax statement and is later sent a final
8 or reconciling tax statement, interest shall be computed after the date
9 on which the taxes were paid or first due under the provisional tax
10 statement, whichever is later, through the date of the refund or credit.

11 (c) This subsection applies if a taxpayer who is entitled to a refund
12 or credit does not make a written request for the refund or credit to the
13 county auditor within forty-five (45) days after the final determination
14 of the county property tax assessment board of appeals, the state board
15 of tax commissioners, the department of local government finance, the
16 Indiana board, or the tax court that entitles the taxpayer to the refund
17 or credit. In the case of a taxpayer described in this subsection, the
18 interest shall be computed from the date on which the taxes were paid
19 or due to the date that is forty-five (45) days after the final
20 determination of the county property tax assessment board of appeals,
21 the state board of tax commissioners, the department of local
22 government finance, the Indiana board of tax review, or the Indiana tax
23 court. In any event, a property tax refund or credit must be issued not
24 later than ninety (90) days after the request is received.

25 SECTION 22. IC 6-1.1-37-15 IS ADDED TO THE INDIANA
26 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
27 **[EFFECTIVE JULY 1, 2017]: Sec. 15. (a) The county treasurer may,**
28 **with the approval of the county auditor, implement a policy to**
29 **waive, negotiate, or settle penalties that have accrued on**
30 **delinquent property taxes imposed in the county.**

31 **(b) A negotiated agreement or a settlement agreement under**
32 **this section must be an agreement in writing among the county**
33 **auditor, the county treasurer, and the taxpayer or the taxpayer's**
34 **authorized representative. After concluding the agreement, the**
35 **county auditor shall provide a copy of the agreement to the**
36 **taxpayer or the taxpayer's authorized representative.**

37 **(c) A county auditor who waives, negotiates, or settles penalties**
38 **under this section shall document the action in the manner**
39 **prescribed by the department. The manner prescribed by the**
40 **department must include placing notification in the public record**
41 **so there is searchable evidence of the penalties being resolved as of**
42 **the date of the resolution.**



1 **(d) A county auditor shall provide all documentation related to**
 2 **a waiver, negotiation, or settlement of penalties under this section**
 3 **to the state board of accounts upon request.**

4 SECTION 23. IC 6-1.1-41-13 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. **(a)** After a
 6 political subdivision complies with this chapter, a property tax may be
 7 levied annually at the tax rate approved under this chapter without
 8 further action under this chapter. The tax levy must be advertised
 9 annually as other tax levies are advertised.

10 **(b) If a political subdivision whose tax rate for a cumulative**
 11 **fund governed by this chapter is certified by the department of**
 12 **local government finance under IC 6-1.1-17-16 in an amount less**
 13 **than the political subdivision initially adopted for the cumulative**
 14 **fund under section 3 of this chapter and the political subdivision**
 15 **wishes to impose a greater tax rate for the cumulative fund in a**
 16 **subsequent year, the political subdivision must reestablish the**
 17 **cumulative fund as provided in this chapter.**

18 SECTION 24. IC 6-3.6-5-6, AS ADDED BY P.L.243-2015,
 19 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2017]: Sec. 6. **(a)** This section applies to all counties.

21 **(b)** The adopting body may impose a tax rate under this chapter that
 22 does not exceed one and twenty-five hundredths percent (1.25%) on the
 23 adjusted gross income of local taxpayers in the county served by the
 24 adopting body.

25 **(c)** Revenues from a tax under this section may be used only for the
 26 purpose of funding a property tax credit applied on a percentage basis
 27 to reduce the property tax liability of taxpayers with tangible property
 28 located in the county as authorized under this section. Property taxes
 29 imposed due to a referendum in which a majority of the voters in the
 30 taxing unit imposing the property taxes approved the property taxes are
 31 not eligible for a credit under this section.

32 **(d)** The adopting body shall specify by ordinance how the revenue
 33 from the tax shall be applied to provide property tax credits in
 34 subsequent years. The ordinance must be adopted before July 1 and
 35 first applies in the following year and then thereafter until it is
 36 rescinded or modified. The property tax credits may be allocated
 37 among any combination of the following categories:

38 **(1)** For homesteads eligible for a credit under IC 6-1.1-20.6-7.5
 39 that limits the taxpayer's property tax liability for the property to
 40 one percent (1%).

41 **(2)** For residential property, long term care property, agricultural
 42 land, and other tangible property (if any) eligible for a credit



1 under IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax
2 liability for the property to two percent (2%).

3 (3) For the following types of property as a single category:

4 (A) Residential property, as defined in 6-1.1-20.6-4.

5 (B) Real property, a mobile home, and industrialized housing
6 that would qualify as a homestead if the taxpayer had filed for
7 a homestead credit under IC 6-1.1-20.9 (repealed) or the
8 standard deduction under IC 6-1.1-12-37.

9 (C) Real property consisting of units that are regularly used to
10 rent or otherwise furnish residential accommodations for
11 periods of at least thirty (30) days, regardless of whether the
12 tangible property is subject to assessment under rules of the
13 department of local government finance that apply to:

14 (i) residential property; or

15 (ii) commercial property.

16 (4) For nonresidential real property, personal property, and other
17 tangible property (if any) eligible for a credit under
18 IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability
19 for the property to three percent (3%). However, IC 6-3.6-11-2
20 applies in Jasper County.

21 (e) Within a category described in subsection (d) for which an
22 ordinance grants property tax credits, the property tax credit rate must
23 be a uniform percentage for all qualifying taxpayers with property in
24 that category in the county. The credit percentage may be, but does not
25 have to be, uniform for all categories of property listed in subsection
26 (d). The total of all tax credits granted under this section for a year may
27 not exceed the amount of revenue raised by the tax imposed under this
28 section. If the amount available in a year for property tax credits under
29 this section is less than the amount necessary to provide all the property
30 tax credits authorized by the adopting body, the county auditor shall
31 reduce the property tax credits granted to eliminate the excess. The
32 county auditor shall reduce credits within the categories described in
33 subsection (d)(1) through (d)(4) as follows:

34 (1) First, against property taxes imposed on property described in
35 subsection (d)(4).

36 (2) Second, if an excess remains after applying the reduction as
37 described in subdivision (1), against property taxes imposed on
38 property described in subsection (d)(3).

39 (3) Third, if an excess remains after applying the reduction as
40 described in subdivisions (1) and (2), against property taxes
41 imposed on property described in subsection (d)(2).

42 (4) Fourth, if an excess remains after applying the reduction as



- 1 described in subdivisions (1) through (3), against property taxes
 2 imposed on property described in subsection (d)(1).
- 3 (f) The total of all tax credits granted under this section for a year
 4 may not exceed the amount authorized by the adopting body. If the
 5 amount available in a year for property tax credits under this section is
 6 greater than the amount necessary to provide all the property tax credits
 7 authorized by the adopting body, the county auditor shall retain and
 8 apply the excess as necessary to provide the property tax credits
 9 authorized by the adopting body for the following year. The adopting
 10 body may adopt an ordinance that directs to which categories described
 11 in subsection (d) the excess is to be uniformly applied.
- 12 (g) The county auditor shall allocate the amount of revenue applied
 13 as tax credits under this section to the taxing units that imposed the
 14 eligible property taxes against which the credits are applied.
- 15 **(h) If the adopting body adopts an ordinance to reduce or**
 16 **eliminate the property tax relief credits that are in effect in the**
 17 **county under this chapter, the county auditor shall give notice of**
 18 **the adoption of the ordinance in accordance with IC 5-3-1 not later**
 19 **than thirty (30) days after the date on which ordinance is adopted.**
- 20 SECTION 25. IC 6-3.6-7-7.5 IS ADDED TO THE INDIANA
 21 CODE AS A NEW SECTION TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2017]: **Sec. 7.5. (a) This section applies to**
 23 **Decatur County.**
- 24 **(b) The county council may, by ordinance, determine that**
 25 **additional local income tax revenue is needed in the county to do**
 26 **the following:**
- 27 **(1) Finance, construct, acquire, improve, renovate, and equip**
 28 **the county jail, and related buildings and parking facilities,**
 29 **including costs related to the demolition of existing buildings,**
 30 **the acquisition of land, and any other reasonably related**
 31 **costs.**
- 32 **(2) Repay bonds issued or leases entered into for the purposes**
 33 **described in subdivision (1).**
- 34 **(3) Operate and maintain the facilities described in**
 35 **subdivision (1).**
- 36 **(c) If the county council makes the determination set forth in**
 37 **subsection (b), the county council may adopt an ordinance to**
 38 **impose a local income tax rate of:**
- 39 **(1) fifteen-hundredths percent (0.15%);**
 40 **(2) two-tenths percent (0.2%);**
 41 **(3) twenty-five hundredths percent (0.25%);**
 42 **(4) three-tenths percent (0.3%);**



- 1 (5) thirty-five hundredths percent (0.35%);
 2 (6) four-tenths percent (0.4%);
 3 (7) forty-five hundredths percent (0.45%);
 4 (8) five-tenths percent (0.5%);
 5 (9) fifty-five hundredths percent (0.55%);
 6 (10) six-tenths percent (0.6%); or
 7 (11) sixty-five hundredths percent (0.65%).
 8 **The tax rate may not be greater than the rate necessary to pay for**
 9 **the purposes described in subsection (b).**
 10 **(d) The tax rate used to pay for the purposes described in**
 11 **subsection (b)(1) and (b)(2) may be imposed only until the latest of**
 12 **the following dates:**
 13 **(1) The date on which the financing, construction, acquisition,**
 14 **improvement, and equipping of the facilities as described in**
 15 **subsection (b) are completed.**
 16 **(2) The date on which the last of any bonds issued (including**
 17 **refunding bonds) or leases entered into to finance the**
 18 **construction, acquisition, improvement, renovation, and**
 19 **equipping of the facilities described in subsection (b) are fully**
 20 **paid.**
 21 **(3) The date on which an ordinance adopted under subsection**
 22 **(c) is rescinded.**
 23 **(e) The tax rate under this section may be imposed beginning in**
 24 **the year following the year the ordinance is adopted and until the**
 25 **date on which the ordinance adopted under this section is**
 26 **rescinded.**
 27 **(f) The term of a bond issued (including any refunding bond) or**
 28 **a lease entered into under subsection (b) may not exceed**
 29 **twenty-five (25) years.**
 30 **(g) The county treasurer shall establish a county jail revenue**
 31 **fund to be used only for the purposes described in this section.**
 32 **Local income tax revenues derived from the tax rate imposed**
 33 **under this section shall be deposited in the county jail revenue**
 34 **fund.**
 35 **(h) Local income tax revenues derived from the tax rate**
 36 **imposed under this section:**
 37 **(1) may be used only for the purposes described in this**
 38 **section;**
 39 **(2) may not be considered by the department of local**
 40 **government finance in determining the county's maximum**
 41 **permissible property tax levy limit under IC 6-1.1-18.5; and**
 42 **(3) may be pledged to the repayment of bonds issued or leases**



- 1 entered into for the purposes described in subsection (b).
- 2 (i) Decatur County possesses unique governmental and
- 3 economic development challenges and opportunities due to the
- 4 following:
- 5 (1) Deficiencies in the current county jail, including the
- 6 following:
- 7 (A) Lack of facilities to adequately provide mental health
- 8 services and substance abuse treatment.
- 9 (B) Lack of facilities space to allow for some inmates to
- 10 participate in work release and other community based
- 11 rehabilitation programs.
- 12 (C) Lack of facilities to adequately house and supervise
- 13 violent offenders.
- 14 (D) Lack of adequate facilities to accommodate an
- 15 increased volume of inmates involved in domestic violence
- 16 and crimes against children.
- 17 (E) Lack of adequate facilities to accommodate an
- 18 increased number of out-of-state offenders.
- 19 (F) Increasing maintenance demands and costs resulting
- 20 from having aging facilities.
- 21 (2) An agricultural based economy, with limited industrial
- 22 and commercial assessed valuation in the county.
- 23 The use of local income tax revenues as provided in this section is
- 24 necessary for the county to provide adequate jail capacity in the
- 25 county and to maintain low property tax rates essential to
- 26 economic development. The use of local income tax revenues as
- 27 provided in this section to pay any bonds issued or leases entered
- 28 into to finance the construction, acquisition, improvement,
- 29 renovation, and equipping of the facilities described in subsection
- 30 (b), rather than the use of property taxes, promotes those purposes.
- 31 (j) Money accumulated from the local income tax rate imposed
- 32 under this section after the termination of the tax under this
- 33 section shall be transferred to the county rainy day fund under
- 34 IC 36-1-8-5.1.
- 35 SECTION 26. IC 6-3.6-7-8.5 IS ADDED TO THE INDIANA
- 36 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 37 [EFFECTIVE JULY 1, 2017]: Sec. 8.5. (a) This section applies to
- 38 Fountain County.
- 39 (b) The county council may, by ordinance, determine that
- 40 additional local income tax revenue is needed in the county to do
- 41 the following:
- 42 (1) Finance, construct, acquire, improve, renovate, and equip



- 1 the county jail and related buildings and parking facilities,
 2 including costs related to the demolition of existing buildings,
 3 the acquisition of land, and any other reasonably related
 4 costs.
- 5 (2) Repay bonds issued or leases entered into for the purposes
 6 described in subdivision (1).
- 7 (c) If the county council makes the determination set forth in
 8 subsection (b), the county council may adopt an ordinance to
 9 impose a local income tax rate of not more than fifty-five
 10 hundredths percent (0.55%). However, the tax rate may not be
 11 greater than the rate necessary to pay for the purposes described
 12 in subsection (b).
- 13 (d) The tax rate may be imposed only until the later of the
 14 following dates:
- 15 (1) The date on which the financing, construction, acquisition,
 16 improvement, renovation, and equipping of the facilities as
 17 described in subsection (b) are completed.
- 18 (2) The date on which the last of any bonds issued (including
 19 refunding bonds) or leases entered into to finance the
 20 construction, acquisition, improvement, renovation, and
 21 equipping of the facilities described in subsection (b) are fully
 22 paid.
- 23 (e) The term of a bond issued (including any refunding bond) or
 24 a lease entered into under subsection (b) may not exceed
 25 twenty-five (25) years.
- 26 (f) The county treasurer shall establish a county jail revenue
 27 fund to be used only for the purposes described in this section.
 28 Local income tax revenues derived from the tax rate imposed
 29 under this section shall be deposited in the county jail revenue
 30 fund.
- 31 (g) Local income tax revenues derived from the tax rate imposed
 32 under this section:
- 33 (1) may be used only for the purposes described in this
 34 section;
- 35 (2) may not be considered by the department of local
 36 government finance in determining the county's maximum
 37 permissible property tax levy limit under IC 6-1.1-18.5; and
 38 (3) may be pledged to the repayment of bonds issued or leases
 39 entered into for the purposes described in subsection (b).
- 40 (h) Fountain County possesses unique governmental and
 41 economic development challenges and opportunities related to:
- 42 (1) the current county jail; and



- 1 **(2) a limited industrial and commercial assessed valuation in**
 2 **the county.**
- 3 **The use of local income tax revenues as provided in this section is**
 4 **necessary for the county to provide adequate jail capacity in the**
 5 **county and to maintain low property tax rates essential to**
 6 **economic development. The use of local income tax revenues as**
 7 **provided in this section to pay any bonds issued or leases entered**
 8 **into to finance the construction, acquisition, improvement,**
 9 **renovation, and equipping of the facilities described in subsection**
 10 **(b), rather than the use of property taxes, promotes those purposes.**
- 11 **(i) Money accumulated from the local income tax rate imposed**
 12 **under this section after the termination of the tax under this**
 13 **section shall be transferred to the county rainy day fund under**
 14 **IC 36-1-8-5.1.**
- 15 SECTION 27. IC 6-3.6-7-15, AS ADDED BY P.L.243-2015,
 16 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2017]: Sec. 15. (a) This section applies only to Miami County.
- 18 (b) Miami County possesses unique economic development
 19 challenges due to:
- 20 (1) underemployment in relation to similarly situated counties;
 21 and
 22 (2) the presence of a United States government military base or
 23 other military installation that is completely or partially inactive
 24 or closed.
- 25 Maintaining low property tax rates is essential to economic
 26 development, and the use of a tax under this section ~~to pay any bonds~~
 27 ~~issued or leases entered into~~ to carry out the purposes of this section
 28 rather than use of property taxes promotes these purposes.
- 29 (c) The county fiscal body may impose a tax rate on the adjusted
 30 gross income of local taxpayers that is the lesser of the following:
- 31 (1) Twenty-five hundredths percent (0.25%).
 32 (2) The rate necessary to pay the costs of financing, constructing,
 33 acquiring, renovating, ~~and~~ equipping, **operating, and**
 34 **maintaining** a county jail.
- 35 (d) Revenue raised from a tax imposed under this section may be
 36 used only for the purposes of paying the costs of financing,
 37 constructing, acquiring, renovating, ~~and~~ equipping, **operating, and**
 38 **maintaining** a county jail, including the repayment of bonds issued, or
 39 leases entered into, for financing, constructing, acquiring, renovating,
 40 and equipping a county jail.
- 41 SECTION 28. IC 6-3.6-9-2 IS REPEALED [EFFECTIVE
 42 JANUARY 1, 2017 (RETROACTIVE)]. ~~Sec. 2. The budget agency~~



1 shall before May 1 of every odd-numbered year publish an estimate of
 2 the statewide total amount of certified distributions to be made under
 3 this article during the following two (2) calendar years:

4 SECTION 29. IC 6-3.6-9-3 IS REPEALED [EFFECTIVE
 5 JANUARY 1, 2017 (RETROACTIVE)]. Sec. 3: The budget agency
 6 shall before May 1 of every even-numbered year publish an estimate
 7 of the statewide total amount of certified distributions to be made under
 8 this article during the following calendar year:

9 SECTION 30. IC 8-22-3-19, AS AMENDED BY P.L.230-2013,
 10 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2017]: Sec. 19. (a) Temporary loans may be made by the
 12 board in anticipation of the collection of taxes of the authority actually
 13 levied and in course of collection for the fiscal year in which the loans
 14 are made. The loans must be authorized by ordinance and evidenced by
 15 warrants in the form provided by the authorizing ordinance. The
 16 warrants must state the total amount of the issue, the denomination of
 17 the warrant, the time and place payable, the rate of interest, the funds
 18 in anticipation of which they are issued and out of which they are
 19 payable, and a reference to the ordinance authorizing them and the date
 20 of its adoption. The ordinance authorizing temporary loans must
 21 appropriate and pledge a sufficient amount of the current revenue in
 22 anticipation of which they are issued and out of which they are payable.
 23 The warrants evidencing the temporary loans must be executed, sold,
 24 and delivered as are bonds of the authority.

25 (b) The board may negotiate terms and borrow money from any
 26 source under a loan contract, subject to the following requirements:

27 (1) The loan contract must be approved by resolution of the board.
 28 (2) The loan contract must provide for the repayment of the loan
 29 in not more than forty (40) years.

30 (3) This subdivision applies only to loan contracts entered into
 31 under this subsection before July 1, 2013. The loan contract must
 32 state that the indebtedness:

33 (A) is that of the authority;

34 (B) is payable solely from revenues of the authority that are
 35 derived from either airport operations or from revenue bonds;
 36 and

37 (C) may not be paid by a tax levied on property located within
 38 the district.

39 (4) This subdivision applies only to loan contracts entered into
 40 under this subsection after June 30, 2013. The loan contract must
 41 state that the indebtedness:

42 (A) is that of the authority;



- 1 (B) is payable solely from:
 2 (i) a cumulative building fund established under section 25
 3 of this chapter;
 4 (ii) revenues of the authority that are derived from either
 5 airport operations or from revenue bonds; or
 6 (iii) both items (i) and (ii); and
 7 (C) may not be paid by a general operating fund tax levied on
 8 property located within the district.
 9 ~~(5) The loan contract must be submitted to the department of local
 10 government finance, which may approve, disapprove, or reduce
 11 the amount of the proposed loan contract. The department of local
 12 government finance must make a decision on the loan contract
 13 within thirty (30) days after it is submitted for review. The action
 14 taken by the department of local government finance on the
 15 proposed loan contract is final.~~
 16 (c) Any loan contract issued under this chapter is issued for
 17 essential public and governmental purposes. A loan contract, the
 18 interest on it, the proceeds received by a holder from the sale of a loan
 19 contract to the extent of the holder's cost of acquisition, proceeds
 20 received upon redemption before maturity, proceeds received at
 21 maturity, and the receipt of the interest and proceeds are exempt from
 22 taxation as provided in IC 6-8-5.
 23 (d) After the board of an authority enters into a loan contract, the
 24 board may use funds received from state or federal grants to satisfy the
 25 repayment of part or all of the loan contract.
 26 SECTION 31. IC 14-33-5-2, AS AMENDED BY P.L.84-2016,
 27 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2017]: Sec. 2. (a) At each annual meeting of the district,
 29 directors shall be elected to fill vacancies on the board due to
 30 expiration of terms, resignation, or otherwise. The election shall be
 31 conducted by written ballots. Except as provided in subsection (c), to
 32 be elected an individual must receive a **majority plurality** of the votes
 33 of the freeholders of the district who are:
 34 (1) present and voting in person; or
 35 (2) absent but have mailed or delivered a written ballot vote.
 36 (b) A written ballot vote must be signed and mailed or delivered to
 37 the district office. A ballot is valid if delivered or received before the
 38 scheduled date of the annual meeting.
 39 (c) Upon receipt of a petition from the board of directors of a
 40 conservancy district, the court may modify the order establishing the
 41 district under IC 14-33-2-27 to provide that each director representing
 42 an area established under IC 14-33-2-27 shall be elected by a **majority**



1 **plurality** of the votes of the freeholders of the respective areas.
 2 SECTION 32. IC 14-33-9-1, AS AMENDED BY P.L.182-2009(ss),
 3 SECTION 301, IS AMENDED TO READ AS FOLLOWS
 4 [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) Except as provided in
 5 IC 6-1.1-17-20, the budget of a district:
 6 (1) must be prepared and submitted:
 7 (A) at the same time;
 8 (B) in the same manner; and
 9 (C) with notice;
 10 as is required by statute for the preparation of budgets by
 11 municipalities; and
 12 (2) **if the district imposes a levy**, is subject to the same review
 13 by:
 14 (A) the county board of tax adjustment; and
 15 (B) the department of local government finance;
 16 as is required by statute for the budgets of municipalities.
 17 (b) If a district is established in more than one (1) county:
 18 (1) except as provided in subsection (c), the budget shall be
 19 certified to the auditor of the county in which is located the court
 20 that had exclusive jurisdiction over the establishment of the
 21 district; and
 22 (2) notice must be published in each county having land in the
 23 district. Any taxpayer in the district is entitled to be heard before
 24 the county board of tax adjustment and, after December 31, 2008,
 25 the fiscal body of each county having jurisdiction.
 26 (c) If one (1) of the counties in a district contains either a first or
 27 second class city located in whole or in part in the district, the budget:
 28 (1) shall be certified to the auditor of that county; and
 29 (2) is subject to review at the county level only by the county
 30 board of tax adjustment and, after December 31, 2008, the fiscal
 31 body of that county.
 32 SECTION 33. IC 20-46-4-10, AS ADDED BY P.L.2-2006,
 33 SECTION 169, IS AMENDED TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2017]: Sec. 10. (a) A school corporation may
 35 appeal to the department of local government finance under
 36 IC 6-1.1-19 to increase the maximum levy permitted for the school
 37 corporation's fund. To be granted an increase by the department of
 38 local government finance, the school corporation must establish that
 39 the increase is necessary because of a ~~transportation operating cost~~
 40 ~~increase of at least ten percent (10%) over the preceding year as a~~
 41 ~~result of conditions under both of the following:~~
 42 (1) At least one (1) of the following:



- 1 **(A) Actual transportation related expenditures from all**
 2 **funds of the school corporation in the current year are at**
 3 **least ten percent (10%) greater than actual transportation**
 4 **related expenditures from all funds of the school**
 5 **corporation in the preceding year.**
 6 **(B) The school corporation is significantly restructuring its**
 7 **transportation service for one (1) or more ensuing years.**
 8 **(C) The percentage growth in the school corporation's**
 9 **assessed value for the preceding year compared to the year**
 10 **before the preceding year is at least two (2) times the**
 11 **assessed value growth quotient determined under**
 12 **IC 6-1.1-18.5-2 for the preceding year.**
 13 **(D) The school corporation's student enrollment increased**
 14 **by at least one hundred fifty percent (150%) between the**
 15 **last two (2) decennial censuses.**
 16 **(E) The average of the school corporation's annual**
 17 **percentage increase in student enrollment for the**
 18 **preceding six (6) years is greater than two percent (2%),**
 19 **but the school corporation's maximum levy under this**
 20 **chapter has grown on average by less than three percent**
 21 **(3%) during the same period.**
 22 **(2) At least one (1) of the following:**
 23 **(+) (A) A fuel expense increase.**
 24 **(2) (B) A significant increase in the number of students**
 25 **enrolled in the school corporation that need transportation or**
 26 **a significant increase in the mileage traveled by the school**
 27 **corporation's buses compared with the previous year.**
 28 **(3) (C) A significant increase in the number of students**
 29 **enrolled in special education who need transportation or a**
 30 **significant increase in the mileage traveled by the school**
 31 **corporation's buses due to students enrolled in special**
 32 **education as compared with the previous year.**
 33 **(4) (D) Increased transportation operating costs due to**
 34 **compliance with a court ordered desegregation plan.**
 35 **(5) (E) The closure of a school building within the school**
 36 **corporation that results in a significant increase in the**
 37 **distances that students must be transported to attend another**
 38 **school building.**
 39 **(F) Restructuring or redesigning transportation services**
 40 **due to a need for additional, expanded, consolidated, or**
 41 **modified routes.**
 42 **(G) A labor shortage affecting the school corporation's**



1 **ability to hire qualified transportation employees.**

2 In addition, before the department of local government finance may
 3 grant a maximum levy increase, the school corporation must establish
 4 that the school corporation will be unable to provide transportation
 5 services without an increase. **The school corporation must support**
 6 **its appeal for a maximum levy increase with reasonably detailed**
 7 **statements of fact. A failure to do so despite meeting the**
 8 **mathematical criteria of this subsection may be grounds for denial**
 9 **of the appeal.**

10 (b) The department of local government finance may grant a
 11 maximum operating costs levy increase that is less than the increase
 12 requested by the school corporation. **The department of local**
 13 **government finance shall consider the school corporation's current**
 14 **operating balances, including any rainy day fund the school**
 15 **corporation has, in evaluating the school corporation's appeal**
 16 **under subsection (a) and may approve an increase under this**
 17 **section that accounts for the school corporation's current**
 18 **operating balances. However, the school corporation's rainy day**
 19 **fund balance may serve as the basis for modifying or denying the**
 20 **appeal only if the rainy day fund balance is not otherwise**
 21 **substantially earmarked for use by the school corporation. The**
 22 **school corporation may, as part of its reasonably detailed**
 23 **statements of fact, explain whether the school corporation's rainy**
 24 **day fund balance is substantially earmarked for use by the school**
 25 **corporation.**

26 ~~(b)~~ (c) If the department of local government finance determines
 27 that a permanent increase in the maximum permissible levy is
 28 necessary, the maximum levy after the increase granted under this
 29 section becomes the school corporation's maximum permissible levy
 30 under this chapter.

31 (d) **An appeal under this section must be filed with the**
 32 **department of local government finance before October 20 of the**
 33 **calendar year immediately preceding the ensuing calendar year.**

34 SECTION 34. IC 36-4-3-11.7, AS ADDED BY P.L.228-2015,
 35 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2017]: Sec. 11.7. (a) Notwithstanding any other law, a waiver
 37 of the right of remonstrance executed after June 30, 2015, expires not
 38 later than fifteen (15) years after the date the waiver was executed.

39 (b) This subsection applies to any deed recorded after June 30,
 40 2015. This subsection applies only to property that is subject to a
 41 remonstrance waiver. A municipality shall, within a reasonable time
 42 after the recording of a deed to property located within the



1 municipality, provide written notice to the property owner that a waiver
2 of the right of remonstrance exists with respect to the property.

3 **(c) Notwithstanding any other law, an annexation waiver signed**
4 **after December 31, 1995, that a unit has not acted upon by**
5 **completing an annexation before January 1, 2006, is null and void.**

6 SECTION 35. IC 36-7-14-13, AS AMENDED BY P.L.204-2016,
7 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JULY 1, 2017]: Sec. 13. (a) Not later than April 15 of each year, the
9 redevelopment commissioners or their designees shall file with the
10 unit's executive and fiscal body a report setting out their activities
11 during the preceding calendar year.

12 (b) The report of the commissioners of a municipal redevelopment
13 commission must show the names of the then qualified and acting
14 commissioners, the names of the officers of that body, the number of
15 regular employees and their fixed salaries or compensation, the amount
16 of the expenditures made during the preceding year and their general
17 purpose, an accounting of the tax increment revenues expended by any
18 entity receiving the tax increment revenues as a grant or loan from the
19 commission, the amount of funds on hand at the close of the calendar
20 year, and other information necessary to disclose the activities of the
21 commissioners and the results obtained.

22 (c) The report of the commissioners of a county redevelopment
23 commission must show all the information required by subsection (b),
24 plus the names of any commissioners appointed to or removed from
25 office during the preceding calendar year.

26 (d) A copy of each report filed under this section must be submitted
27 to the department of local government finance in an electronic format.

28 (e) The report required under subsection (a) must also include the
29 following information set forth for each tax increment financing district
30 regarding the previous year:

31 (1) Revenues received.

32 (2) Expenses paid.

33 (3) Fund balances.

34 (4) The amount and maturity date for all outstanding obligations.

35 (5) The amount paid on outstanding obligations.

36 (6) A list of all the parcels **and the depreciable personal**
37 **property of any designated taxpayer** included in each tax
38 increment financing district allocation area and the base assessed
39 value and incremental assessed value for each parcel **and the**
40 **depreciable personal property of any designated taxpayer** in
41 the list.

42 (7) To the extent that the following information has not previously



- 1 been provided to the department of local government finance:
 2 (A) The year in which the tax increment financing district was
 3 established.
 4 (B) The section of the Indiana Code under which the tax
 5 increment financing district was established.
 6 (C) Whether the tax increment financing district is part of an
 7 area needing redevelopment, an economic development area,
 8 a redevelopment project area, or an urban renewal project
 9 area.
 10 (D) If applicable, the year in which the boundaries of the tax
 11 increment financing district were changed and a description of
 12 those changes.
 13 (E) The date on which the tax increment financing district will
 14 expire.
 15 (F) A copy of each resolution adopted by the redevelopment
 16 commission that establishes or alters the tax increment
 17 financing district.
- 18 (f) A redevelopment commission and a department of
 19 redevelopment are subject to the same laws, rules, and ordinances of
 20 a general nature that apply to all other commissions or departments of
 21 the unit.
- 22 SECTION 36. IC 36-7-15.1-36.3, AS AMENDED BY
 23 P.L.204-2016, SECTION 35, IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 36.3. (a) Not later than
 25 April 15 of each year, the commission or its designee shall file with the
 26 mayor and the fiscal body a report setting out the commission's
 27 activities during the preceding calendar year.
- 28 (b) The report required by subsection (a) must show the names of
 29 the then qualified and acting commissioners, the names of the officers
 30 of that body, the number of regular employees and their fixed salaries
 31 or compensation, the amount of the expenditures made during the
 32 preceding year and their general purpose, an accounting of the tax
 33 increment revenues expended by any entity receiving the tax increment
 34 revenues as a grant or loan from the commission, the amount of funds
 35 on hand at the close of the calendar year, and other information
 36 necessary to disclose the activities of the commission and the results
 37 obtained.
- 38 (c) A copy of each report filed under this section must be submitted
 39 to the department of local government finance in an electronic format.
- 40 (d) The report required under subsection (a) must also include the
 41 following information set forth for each tax increment financing district
 42 regarding the previous year:



- 1 (1) Revenues received.
 2 (2) Expenses paid.
 3 (3) Fund balances.
 4 (4) The amount and maturity date for all outstanding obligations.
 5 (5) The amount paid on outstanding obligations.
 6 (6) A list of all the parcels **and the depreciable personal**
 7 **property of any designated taxpayer** included in each tax
 8 increment financing district allocation area and the base assessed
 9 value and incremental assessed value for each parcel **and the**
 10 **depreciable personal property of any designated taxpayer** in
 11 the list.
 12 (7) To the extent that the following information has not previously
 13 been provided to the department of local government finance:
 14 (A) The year in which the tax increment financing district was
 15 established.
 16 (B) The section of the Indiana Code under which the tax
 17 increment financing district was established.
 18 (C) Whether the tax increment financing district is part of an
 19 area needing redevelopment, an economic development area,
 20 a redevelopment project area, or an urban renewal project
 21 area.
 22 (D) If applicable, the year in which the boundaries of the tax
 23 increment financing district were changed and a description of
 24 those changes.
 25 (E) The date on which the tax increment financing district will
 26 expire.
 27 (F) A copy of each resolution adopted by the redevelopment
 28 commission that establishes or alters the tax increment
 29 financing district.
 30 SECTION 37. IC 36-8-19-1.7 IS ADDED TO THE INDIANA
 31 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 32 [EFFECTIVE JULY 1, 2017]: **Sec. 1.7. As used in this chapter, "fire**
 33 **protection district" means a fire protection district established**
 34 **under IC 36-8-11-4.**
 35 SECTION 38. IC 36-8-19-2, AS AMENDED BY P.L.47-2007,
 36 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 JULY 1, 2017]: Sec. 2. As used in this chapter, "participating unit"
 38 refers to a unit **or fire protection district** that adopts an ordinance or
 39 a resolution under section 6 of this chapter.
 40 SECTION 39. IC 36-8-19-5 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) Subject to
 42 subsections (b) and (c), the legislative ~~bodies of at least two~~ (2)



1 ~~contiguous units~~ **body of a unit or fire protection district and the**
 2 **legislative body of at least one (1) other contiguous unit or**
 3 **contiguous fire protection district** may establish a fire protection
 4 territory for any of the following purposes:

5 (1) Fire protection, including the capability for extinguishing all
 6 fires that might be reasonably expected because of the types of
 7 improvements, personal property, and real property within the
 8 boundaries of the territory.

9 (2) Fire prevention, including identification and elimination of all
 10 potential and actual sources of fire hazard.

11 (3) Other purposes or functions related to fire protection and fire
 12 prevention.

13 (b) Not more than one (1) **unit or fire protection district** within the
 14 proposed territory may be designated as the provider unit for the
 15 territory.

16 (c) The boundaries of a territory need not coincide with those of
 17 other political subdivisions.

18 SECTION 40. IC 36-8-19-6, AS AMENDED BY P.L.49-2012,
 19 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2017]: Sec. 6. (a) To establish a fire protection territory, the
 21 legislative bodies of each unit **or fire protection district** desiring to
 22 become a part of the proposed territory must adopt an ordinance (~~if the~~
 23 **unit is (in the case of a county or municipality)** or a resolution (~~if the~~
 24 **unit is (in the case of a township or a fire protection district)** that
 25 meets the following requirements:

26 (1) The ordinance or resolution is identical to the ordinances and
 27 resolutions adopted by the other units **or fire protection districts**
 28 desiring to become a part of the proposed territory.

29 (2) The ordinance or resolution is adopted after January 1 but
 30 before April 1.

31 (3) The ordinance or resolution authorizes the unit **or fire**
 32 **protection district** to become a party to an agreement for the
 33 establishment of a fire protection territory.

34 (4) The ordinance or resolution is adopted after the legislative
 35 body holds a public hearing to receive public comment on the
 36 proposed ordinance or resolution. The legislative body must give
 37 notice of the hearing under IC 5-3-1.

38 (b) Before the legislative body of a unit **or fire protection district**
 39 may adopt an ordinance or a resolution under this section to form a
 40 territory, the legislative body must do the following:

41 (1) Hold a public hearing, at least thirty (30) days before adopting
 42 the ordinance or resolution, at which the legislative body makes



- 1 available to the public the following information:
- 2 (A) The property tax levy, property tax rate, and budget to be
- 3 imposed or adopted during the first year of the proposed
- 4 territory for each of the units **or fire protection districts** that
- 5 would participate in the proposed territory.
- 6 (B) The estimated effect of the proposed reorganization in the
- 7 following years on taxpayers in each of the units **or fire**
- 8 **protection districts** that would participate in the proposed
- 9 territory, including the expected property tax rates, property
- 10 tax levies, expenditure levels, service levels, and annual debt
- 11 service payments.
- 12 (C) The estimated effect of the proposed reorganization on
- 13 other units in the county in the following years and on local
- 14 option income taxes, excise taxes, and property tax circuit
- 15 breaker credits.
- 16 (D) A description of the planned services and staffing levels
- 17 to be provided in the proposed territory.
- 18 (E) A description of any capital improvements to be provided
- 19 in the proposed territory.
- 20 (2) Hold at least one (1) additional public hearing before adopting
- 21 an ordinance or a resolution to form a territory, to receive public
- 22 comment on the proposed ordinance or resolution.
- 23 The public hearings required under this subsection are in addition to
- 24 the public hearing required under subsection (a)(4). The legislative
- 25 body must give notice of the hearings under IC 5-3-1.
- 26 (c) The notice required for a hearing under subsection (b)(2) shall
- 27 include all of the following:
- 28 (1) A list of the provider unit and all participating units in the
- 29 proposed territory.
- 30 (2) The date, time, and location of the hearing.
- 31 (3) The location where the public can inspect the proposed
- 32 ordinance or resolution.
- 33 (4) A statement as to whether the proposed ordinance or
- 34 resolution requires uniform tax rates or different tax rates within
- 35 the territory.
- 36 (5) The name and telephone number of a representative of the unit
- 37 **or fire protection district** who may be contacted for further
- 38 information.
- 39 (6) The proposed levies and tax rates for each participating unit.
- 40 (d) The ordinance or resolution adopted under this section shall
- 41 include at least the following:
- 42 (1) The boundaries of the proposed territory.



- 1 (2) The identity of the provider unit and all other participating
 2 units desiring to be included within the territory.
- 3 (3) An agreement to impose:
- 4 (A) a uniform tax rate upon all of the taxable property within
 5 the territory for fire protection services; or
- 6 (B) different tax rates for fire protection services for the units
 7 **or fire protection districts** desiring to be included within the
 8 territory, so long as a tax rate applies uniformly to all of a
 9 unit's **or fire protection district's** taxable property within the
 10 territory.
- 11 (4) The contents of the agreement to establish the territory.
- 12 (e) An ordinance or a resolution adopted under this section takes
 13 effect July 1 of the year the ordinance or resolution is adopted.
- 14 SECTION 41. IC 36-8-19-6.3, AS ADDED BY P.L.172-2011,
 15 SECTION 159, IS AMENDED TO READ AS FOLLOWS
 16 [EFFECTIVE JULY 1, 2017]: Sec. 6.3. A member of the legislative
 17 body of a unit **or fire protection district** may not vote on a proposed
 18 ordinance or resolution authorizing the unit **or fire protection district**
 19 to become a party to an agreement to join or establish a fire protection
 20 territory if that member is also an employee of:
- 21 (1) another unit **or fire protection district** that is a participating
 22 unit in the fire protection territory; or
- 23 (2) another unit **or fire protection district** that is proposing to
 24 become a participating unit in the fire protection territory.
- 25 SECTION 42. IC 36-8-19-6.5, AS ADDED BY P.L.182-2009(ss),
 26 SECTION 441, IS AMENDED TO READ AS FOLLOWS
 27 [EFFECTIVE JULY 1, 2017]: Sec. 6.5. (a) The legislative bodies of all
 28 participating units in a territory may agree to change the provider unit
 29 of the territory from one (1) participating unit to another participating
 30 unit. To change the provider unit, the legislative body of each
 31 participating unit must adopt an ordinance (~~if the unit is~~ **(in the case of**
 32 a county or municipality) or a resolution (~~if the unit is~~ **(in the case of**
 33 a township **or fire protection district)** that agrees to and specifies the
 34 new provider unit. The provider unit may not be changed unless all
 35 participating units agree on the participating unit that will become the
 36 new provider unit. **However, if the provider unit has adopted an**
 37 **ordinance or resolution under section 13 of this chapter to**
 38 **withdraw from the territory, a majority of the participating units**
 39 **that wish to remain in the territory and do not withdraw in**
 40 **accordance with section 13 of this chapter must agree on the**
 41 **participating unit that will become the new provider unit.** The
 42 participating units may not change the provider unit more than one (1)



- 1 time in any year.
- 2 (b) The following apply to an ordinance or a resolution adopted
- 3 under this section to change the provider unit of the territory:
- 4 (1) The ordinance or resolution must be adopted after January 1
- 5 but before ~~April~~ **July** 1 of a year.
- 6 (2) The ordinance or resolution ~~takes effect~~ **is effective** January
- 7 1 of the year following the year in which the ordinance or
- 8 resolution is adopted.
- 9 SECTION 43. IC 36-8-19-7, AS AMENDED BY P.L.172-2011,
- 10 SECTION 160, IS AMENDED TO READ AS FOLLOWS
- 11 [EFFECTIVE JULY 1, 2017]: Sec. 7. (a) A tax levied under this
- 12 chapter may be levied at:
- 13 (1) a uniform rate upon all taxable property within the territory;
- 14 or
- 15 (2) different rates for the participating units included within the
- 16 territory, so long as a tax rate applies uniformly to all of a unit's
- 17 **or fire protection district's** taxable property within the territory.
- 18 (b) If a uniform tax rate is levied upon all taxable property within a
- 19 territory upon the formation of the territory, different tax rates may be
- 20 levied for the participating units included within the territory in
- 21 subsequent years.
- 22 SECTION 44. IC 36-8-19-8.5, AS AMENDED BY P.L.203-2016,
- 23 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 24 JULY 1, 2017]: Sec. 8.5. (a) Participating units may agree to establish
- 25 an equipment replacement fund under this section to be used to
- 26 purchase fire protection equipment, including housing, that will be
- 27 used to serve the entire territory. To establish the fund, the legislative
- 28 bodies of each participating unit must adopt an ordinance (~~if the unit~~
- 29 **is (in the case of** a county or municipality) or a resolution (~~if the unit~~
- 30 **is (in the case of** a township **or fire protection district)**, and the
- 31 following requirements must be met:
- 32 (1) The ordinance or resolution is identical to the ordinances and
- 33 resolutions adopted by the other participating units under this
- 34 section.
- 35 (2) Before adopting the ordinance or resolution, each participating
- 36 unit must comply with the notice and hearing requirements of
- 37 IC 6-1.1-41-3.
- 38 (3) The ordinance or resolution authorizes the provider unit to
- 39 establish the fund.
- 40 (4) The ordinance or resolution includes at least the following:
- 41 (A) The name of each participating unit and the provider unit.
- 42 (B) An agreement to impose a uniform tax rate upon all of the



1 taxable property within the territory for the equipment
2 replacement fund.

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

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

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

33 (d) A participating unit of a territory may, to the extent allowed by
34 law, incur debt in the participating unit's own name to acquire fire
35 protection equipment or other property that is to be owned by the
36 participating unit. A participating unit that acquires fire protection
37 equipment or other property under this subsection may afterward enter
38 into an interlocal agreement under IC 36-1-7 with the provider unit to
39 furnish the fire protection equipment or other property to the provider
40 unit for the provider unit's use or benefit in accomplishing the purposes
41 of the territory. A participating unit shall comply with all general
42 statutes and rules relating to the incurrence of debt under this



1 subsection.

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

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

9 (1) the establishment or reestablishment of a fund under this
10 section;

11 (2) the imposing of a property tax for a fund under this section;
12 and

13 (3) the increasing of a property tax rate for a fund under this
14 section.

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

20 SECTION 45. IC 36-8-19-9 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 9. (a) The department
22 of local government finance, when approving a rate and levy fixed by
23 the provider unit, shall verify that a duplication of tax levies does not
24 exist within participating units, so that taxpayers do not bear two (2)
25 levies for the same service, except as provided by subsection (b) or (c).

26 (b) A unit **or fire protection district** that incurred indebtedness for
27 fire protection services before becoming a participating unit under this
28 chapter shall continue to repay that indebtedness by levies within the
29 boundaries of the unit **or fire protection district** until the indebtedness
30 is paid in full.

31 (c) A unit **or fire protection district** that agreed to the borrowing
32 of money to purchase fire protection equipment while a participating
33 unit under this chapter shall continue to repay the unit's **or fire**
34 **protection district's** share of that indebtedness by imposing a property
35 tax within the boundaries of the unit **or fire protection district** until
36 the indebtedness is paid in full. The department of local government
37 finance shall determine the amount of the indebtedness that represents
38 the unit's **or fire protection district's** fair share, taking into account
39 the equipment purchased, the useful life of the equipment, the
40 depreciated value of the equipment, and the number of years the unit
41 benefited from the equipment.

42 SECTION 46. IC 36-8-19-10, AS AMENDED BY P.L.47-2007,



1 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2017]: Sec. 10. This chapter does not require a municipality,
3 ~~or township, or fire protection district~~ to disband its fire department
4 unless its legislative body consents by ordinance ~~(if the unit is (in the~~
5 **case of** a municipality) or resolution ~~(if the unit is (in the case of a~~
6 **township or fire protection district)** to do so.

7 SECTION 47. IC 36-8-19-11 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 11. Any area that is
9 part of a territory and that is annexed by a municipality that is not a part
10 of the territory ceases to be a part of the territory when the municipality
11 begins to provide fire protection services to the area. **However, this**
12 **provision does not apply to or affect any part of the territory that**
13 **is located in a fire protection district that retains fire protection**
14 **authority and responsibility after an annexation.**

15 SECTION 48. IC 36-8-19-12 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 12. In the same year
17 that a tax levy is imposed under this chapter, each respective
18 participating unit's tax levies attributable to providing fire protection
19 services within the unit **or fire protection district** shall be reduced by
20 an amount equal to the amount levied for fire protection services in the
21 year immediately preceding the year in which each respective unit **or**
22 **fire protection district** became a participating unit.

23 SECTION 49. IC 36-8-19-13, AS AMENDED BY P.L.203-2016,
24 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
25 JULY 1, 2017]: Sec. 13. (a) If a unit **or fire protection district** elects
26 to withdraw from a fire protection territory established under this
27 chapter, the unit **or fire protection district** must after January 1 but
28 before April 1, adopt an ordinance ~~(if the unit is (in the case of a~~
29 ~~county or municipality) or a resolution (if the unit is (in the case of a~~
30 ~~township or fire protection district) providing for the withdrawal.~~
31 **However, if one (1) unit or fire protection district has adopted an**
32 **ordinance or resolution after January 1 and before April 1 to**
33 **withdraw from the fire protection territory, any remaining unit or**
34 **fire protection district may also adopt an ordinance or resolution**
35 **to withdraw from the fire protection territory before the later of:**

36 (1) April 1; or

37 (2) the date occurring thirty (30) days after the date the first
38 unit **or fire protection district** adopted the ordinance or
39 resolution to withdraw from the fire protection territory.

40 An ordinance or resolution adopted under this section ~~takes effect July~~
41 **is effective January 1** of the year ~~that~~ **immediately following the**
42 **year in which** the ordinance or resolution is adopted.



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

18 (c) If a territory is dissolved, subsection (b) applies to the
 19 determination of the maximum permissible ad valorem property tax
 20 levy of each unit **or fire protection district** that formerly participated
 21 in the territory.

22 SECTION 50. IC 36-9-27-73 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 73. (a) There is
 24 established in each county a general drain improvement fund, which
 25 shall be used to pay the cost of:

- 26 (1) constructing or reconstructing a regulated drain under this
 27 chapter; and
- 28 (2) removing obstructions from drains under IC 36-9-27.4.

29 In addition, if a maintenance fund has not been established for a drain,
 30 or if a maintenance fund has been established and it is insufficient, the
 31 general drain improvement fund shall be used to pay the deficiency.

32 (b) The general drain improvement fund consists of:

- 33 (1) all money in any ditch or drainage fund that was not otherwise
 34 allocated by January 1, 1966, which money the county treasurer
 35 shall transfer to the general drain improvement fund by January
 36 1, 1985;
- 37 (2) proceeds from the sale of bonds issued to pay the costs of
 38 constructing or reconstructing a drain;
- 39 (3) costs collected from petitioners in a drainage proceeding;
- 40 (4) appropriations made from the general fund of the county, or
 41 taxes levied by the county fiscal body for drainage purposes;
- 42 (5) money received from assessments upon land benefited for



1 construction or reconstruction of a regulated drain;
 2 (6) interest and penalties received on collection of delinquent
 3 drain assessments and interest received for deferred payment of
 4 drain assessments; **and**
 5 (7) money repaid to the general drain improvement fund out of a
 6 maintenance fund. ~~and~~
 7 ~~(8) money received from loans under section 97.5 of this chapter.~~

8 (c) The county fiscal body, at the request of the board and on
 9 estimates prepared by the board, shall from time to time appropriate
 10 enough money for transfer to the general drain improvement fund to
 11 maintain the fund at a level sufficient to meet the costs and
 12 expenditures to be charged against it, after allowing credit to the fund
 13 for assessments paid into it.

14 (d) There is no limit to the amount that the county fiscal body may
 15 appropriate and levy for the use of the general drain improvement fund
 16 in any one (1) year. However, the aggregate amount appropriated and
 17 levied for the use of the fund may not exceed the equivalent of fifty
 18 cents (\$.50) on each one hundred dollars (\$100) of net taxable
 19 valuation on the real and personal property in the county.

20 (e) Whenever:

21 (1) the board finds that the amount of money in the general drain
 22 improvement fund exceeds the amount necessary to meet the
 23 expenses likely to be paid from the fund; and

24 (2) the money was raised by taxation under this section;

25 the board shall issue an order specifying the excess amount and
 26 directing that it shall be transferred to the general fund of the county.
 27 The board shall serve the order on the county auditor, who shall
 28 transfer the excess amount to the general fund of the county.

29 SECTION 51. IC 36-9-27-85 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 85. (a) The board shall
 31 certify the list of assessments apportioned under section 84 of this
 32 chapter to the auditor of each county in which there are lands to be
 33 assessed.

34 (b) Whenever the order of the board establishing an annual
 35 assessment for periodic maintenance becomes final, the board shall
 36 certify that annual assessment to the auditor of each county in which
 37 there are lands to be assessed. The annual assessment shall be collected
 38 each year until changed or terminated by the board.

39 (c) The county auditor shall extend assessments for construction and
 40 reconstruction upon a book to be known as the ditch duplicate, for the
 41 full period of payment allowed for all assessments for construction and
 42 reconstruction, with interest at ten percent (10%) per year upon all



1 payments deferred beyond one (1) year from the date that the
 2 certification is made. However, the county auditor may not charge
 3 interest **under this section** on assessments for construction or
 4 reconstruction financed through:

5 (1) a bond issue under section 94 of this chapter; **or**

6 (2) **a construction loan obtained under section 97.5 of this**
 7 **chapter.**

8 (d) Whenever any sum is certified under this section and is not
 9 expended within two (2) years after payment of the most recently
 10 allowed claim for work on a drain, the county auditor, with the
 11 approval of the board, shall promptly transfer the unexpended sum to
 12 the periodic maintenance fund for that drain. If there is no periodic
 13 maintenance fund for the drain, the unexpended sum may be
 14 transferred to the general drain improvement fund or funds of the
 15 county or counties affected by the drain, in proportion to the original
 16 apportionment and certification of costs for the drain.

17 SECTION 52. IC 36-9-27-97.5 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 97.5. (a) Whenever the
 19 board determines by resolution spread upon its minutes that the cost of
 20 constructing or reconstructing a particular drain is an amount that the
 21 owners of land to be assessed may conveniently pay in installments
 22 over a five (5) year period, it may ask the county fiscal body to:

23 (1) obtain a loan from a bank, trust company, savings association,

24 or savings bank authorized to engage in business in the county; or

25 (2) obtain funds in the manner prescribed by IC 36-2-6-18,
 26 IC 36-2-6-19, and IC 36-2-6-20;

27 to finance that construction or reconstruction.

28 (b) A loan obtained under this section:

29 (1) must have a fixed or variable interest rate;

30 (2) must mature within six (6) years after the day it is obtained;

31 (3) shall be repaid from installments collected from assessments
 32 of landowners over a five (5) year period; **and**

33 (4) is not subject to the provisions of section 94 of this chapter
 34 that concern interest; **and**

35 (5) **is not subject to the penalty provisions under**
 36 **IC 6-1.1-37-10 if the installments are timely paid.**

37 (c) ~~The proceeds of loans obtained under this section shall be~~
 38 ~~deposited in the general drain improvement fund. A construction loan~~
 39 ~~fund is established for each construction or reconstruction project~~
 40 ~~loan that the board and the county fiscal body authorize under this~~
 41 ~~section. A construction loan fund consists of all payments received~~
 42 ~~from the owners assessed for the construction or reconstruction~~



1 project and may be used only to repay the associated loan. If
 2 money remains in a construction loan fund after the associated
 3 loan is paid in full, the remaining money in the fund may be
 4 transferred to the general drain improvement fund.

5 (d) A county auditor shall maintain a separate ledger sheet for
 6 each construction loan fund established under subsection (c) and
 7 record on the separate ledger sheet all payments of principal and
 8 interest received from the owners assessed for the associated
 9 construction or reconstruction project.

10 (e) A county auditor shall deposit all payments of principal and
 11 interest received from the owners assessed for a construction or
 12 reconstruction project in the associated construction loan fund.

13 ~~(d)~~ (f) The board shall determine whether interest on the loan is to
 14 be a part of the final assessment under section 84(a) of this chapter.

15 ~~(e)~~ (g) Notwithstanding section 85(c) of this chapter, interest on the
 16 loan may be charged back to the benefited landowner at a rate that is
 17 set in accordance with subsection (b).

18 SECTION 53. IC 36-10-13-4, AS AMENDED BY P.L.119-2012,
 19 SECTION 243, IS AMENDED TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2017]: Sec. 4. (a) This section does not apply
 21 to a school corporation in a county having a population of:

22 (1) more than two hundred fifty thousand (250,000) but less than
 23 two hundred seventy thousand (270,000); or

24 (2) more than one hundred seventy-five thousand (175,000)
 25 but less than one hundred eighty-five thousand (185,000).

26 (b) The governing body of a school corporation may annually
 27 appropriate, from the school corporation's general fund, a sum of not
 28 more than five-tenths of one cent (\$.005) on each one hundred dollars
 29 (\$100) of assessed valuation in the school corporation to be paid to a
 30 historical society, subject to section 6 of this chapter.

31 SECTION 54. IC 36-10-13-5, AS AMENDED BY P.L.119-2012,
 32 SECTION 244, IS AMENDED TO READ AS FOLLOWS
 33 [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) This section applies only to
 34 a school corporation in a county having a population of:

35 (1) more than two hundred fifty thousand (250,000) but less than
 36 two hundred seventy thousand (270,000); or

37 (2) more than one hundred seventy-five thousand (175,000)
 38 but less than one hundred eighty-five thousand (185,000).

39 (b) To provide funding for a historical society under this section, the
 40 governing body of a school corporation may impose a tax of not more
 41 than five-tenths of one cent (\$.005) on each one hundred dollars
 42 (\$100) of assessed valuation in the school corporation.



1 (c) The school corporation shall deposit the proceeds of the tax in
 2 a fund to be known as the historical society fund. The historical society
 3 fund is separate and distinct from the school corporation's general fund
 4 and may be used only to provide funds for a historical society under
 5 this section.

6 (d) Subject to section 6 of this chapter, the governing body of the
 7 school corporation may annually appropriate the money in the fund to
 8 be paid in semiannual installments to a historical society having
 9 facilities in the county.

10 SECTION 55. [EFFECTIVE JANUARY 1, 2006
 11 (RETROACTIVE)] (a) **This SECTION applies notwithstanding**
 12 **IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or**
 13 **provision.**

14 (b) **This SECTION applies to an assessment date occurring after**
 15 **February 28, 2006, and before March 1, 2013.**

16 (c) **As used in this SECTION, "eligible property" means real**
 17 **property:**

18 (1) **that was conveyed to an eligible taxpayer in 2008;**

19 (2) **on which property taxes were imposed for the 2006, 2007,**
 20 **2008, 2009, 2010, 2011, and 2012 assessment dates; and**

21 (3) **that would have been eligible for an exemption from**
 22 **property taxation under IC 6-1.1-10-16 for the 2006, 2007,**
 23 **2008, 2009, 2010, 2011, and 2012 assessment dates if an**
 24 **exemption application had been properly and timely filed**
 25 **under IC 6-1.1 for the real property.**

26 (d) **As used in this SECTION, "qualified taxpayer" refers to a**
 27 **nonprofit corporation.**

28 (e) **A qualified taxpayer may, before September 1, 2017, file a**
 29 **property tax exemption application and supporting documents**
 30 **claiming a property tax exemption under this SECTION and**
 31 **IC 6-1.1-10-16 for eligible property for the 2006, 2007, 2008, 2009,**
 32 **2010, 2011, and 2012 assessment dates.**

33 (f) **A property tax exemption application filed under subsection**
 34 **(e) by a qualified taxpayer is considered to have been properly and**
 35 **timely filed.**

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

38 (1) **The property tax exemption for the eligible property shall**
 39 **be allowed and granted for the 2006, 2007, 2008, 2009, 2010,**
 40 **2011, and 2012 assessment dates by the county assessor and**
 41 **county auditor of the county in which the eligible property is**
 42 **located.**



1 **(2) The qualified taxpayer is not required to pay any property**
 2 **taxes, penalties, or interest with respect to the eligible**
 3 **property exempted under this SECTION for the 2006, 2007,**
 4 **2008, 2009, 2010, 2011, and 2012 assessment dates.**

5 **(3) If the eligible property was placed on the list certified**
 6 **under IC 6-1.1-24-1 or IC 6-1.1-24-1.5 or was otherwise**
 7 **subject to a tax sale under IC 6-1.1-24 and IC 6-1.1-25**
 8 **because one (1) or more installments of property taxes due for**
 9 **the eligible property for the 2006, 2007, 2008, 2009, 2010,**
 10 **2011, and 2012 assessment dates were not timely paid:**

11 **(A) the county auditor shall remove the eligible property**
 12 **from the list certified under IC 6-1.1-24-1 or**
 13 **IC 6-1.1-24-1.5; and**

14 **(B) a tax deed may not be issued under IC 6-1.1-25 for the**
 15 **eligible property for any tax sale of the eligible property**
 16 **under IC 6-1.1-24 and IC 6-1.1-25 that was held because**
 17 **one (1) or more installments of property taxes due for the**
 18 **eligible property for the 2006, 2007, 2008, 2009, 2010, 2011,**
 19 **and 2012 assessment dates were not timely paid.**

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

25 **(i) To the extent the qualified taxpayer has paid any property**
 26 **taxes, penalties, or interest with respect to the eligible property for**
 27 **the 2006, 2007, 2008, 2009, 2010, 2011, and 2012 assessment dates,**
 28 **the eligible taxpayer is entitled to a refund of the amounts paid.**
 29 **Notwithstanding the filing deadlines for a claim in IC 6-1.1-26, any**
 30 **claim for a refund filed by an eligible taxpayer under this**
 31 **subsection before September 1, 2017, is considered timely filed.**
 32 **The county auditor shall pay the refund due under this SECTION**
 33 **in one (1) installment.**

34 **(j) This SECTION expires July 1, 2020.**

35 **SECTION 56. [EFFECTIVE JANUARY 1, 2010**
 36 **(RETROACTIVE)] (a) This SECTION applies to a taxpayer**
 37 **notwithstanding IC 6-1.1-10-47(a), as added by this act, IC 6-1.1-1,**
 38 **or any other law or administrative rule or provision.**

39 **(b) This SECTION applies to an assessment date occurring after**
 40 **December 31, 2009, and before January 1, 2018.**

41 **(c) As used in this SECTION, "taxpayer" refers to a nonprofit**
 42 **organization that meets the requirements for an exemption from**



1 property taxation set forth under IC 6-1.1-10-47, as added by this
2 act.

3 (d) A taxpayer may, before January 1, 2018, file a property tax
4 exemption application and supporting documents claiming an
5 exemption under IC 6-1.1-10-47, as added by this act, for any
6 assessment date under subsection (b).

7 (e) If the real property for which a property tax exemption
8 application is filed under this SECTION would have qualified for
9 an exemption under IC 6-1.1-10-47, as added by this act, for the
10 assessment date described in subsection (b) if IC 6-1.1-10-47, as
11 added by this act, were in effect on that date:

12 (1) the property tax exemption shall be allowed as if
13 IC 6-1.1-10-47, as added by this act, were in effect on that
14 assessment date; and

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

18 (f) A taxpayer is entitled to the exemption from real property
19 tax as claimed on a property tax exemption application filed under
20 this SECTION, regardless of whether:

21 (1) a property tax exemption application was previously filed
22 for the same or similar property for the assessment date;

23 (2) the county property tax assessment board of appeals has
24 issued a final determination regarding any previously filed
25 property tax exemption application for the assessment date;

26 (3) the taxpayer appealed any denial of a previously filed
27 property tax exemption application for the assessment date;
28 or

29 (4) the records of the county in which the property subject to
30 the property tax exemption application is located identified
31 the taxpayer as the owner of the property on the assessment
32 date described in subsection (b) for which the property tax
33 exemption is claimed.

34 (g) A property tax exemption claimed by a taxpayer under this
35 SECTION is considered approved without further action being
36 required by the county assessor or the county property tax
37 assessment board of appeals for the county in which the property
38 subject to the property tax exemption application is located. This
39 exemption approval is final and may not be appealed by the county
40 assessor, the county property tax assessment board of appeals, or
41 any member of the county property tax assessment board of
42 appeals.



1 **(h) A taxpayer is not entitled to a refund of any property taxes,**
 2 **penalties, or interest paid with respect to the property for which a**
 3 **property tax exemption application is allowed under this**
 4 **SECTION.**

5 **(i) This SECTION expires January 1, 2021.**

6 SECTION 57. [EFFECTIVE JANUARY 1, 2014
 7 (RETROACTIVE)] **(a) This SECTION applies to a taxpayer**
 8 **notwithstanding IC 6-1.1-11 or any other law or administrative**
 9 **rule or provision.**

10 **(b) This SECTION applies to an assessment date (as defined in**
 11 **IC 6-1.1-1-2) occurring after December 31, 2013, and before**
 12 **January 1, 2016.**

13 **(c) As used in this SECTION, "taxpayer" refers to a nonprofit**
 14 **corporation that:**

15 **(1) owns a parcel or parcels of real property in Randolph**
 16 **County that are owned, occupied, and used for educational,**
 17 **literary, scientific, religious, or charitable purposes described**
 18 **in IC 6-1.1-10-16; and**

19 **(2) failed to timely file a property tax exemption application**
 20 **for the parcel or parcels described in subdivision (1) for any**
 21 **assessment date described in subsection (b).**

22 **(d) A taxpayer may, before September 1, 2017, file a property**
 23 **tax exemption application and supporting documents claiming an**
 24 **exemption under IC 6-1.1-10-16 for any assessment date described**
 25 **in subsection (b).**

26 **(e) If the real property for which an exemption application is**
 27 **filed under this SECTION would have qualified for an exemption**
 28 **under IC 6-1.1-10-16 for an assessment date described in**
 29 **subsection (b) if an exemption application had been timely filed:**

30 **(1) the property tax exemption is allowed; and**

31 **(2) the property tax exemption application filed under this**
 32 **SECTION is considered to have been timely filed.**

33 **(f) A property tax exemption claimed by a taxpayer under this**
 34 **SECTION is considered approved without further action being**
 35 **required by the county assessor or the county property tax**
 36 **assessment board of appeals for the county in which the property**
 37 **subject to the property tax exemption application is located. This**
 38 **exemption approval is final and may not be appealed by the county**
 39 **assessor, the county property tax assessment board of appeals, or**
 40 **any member of the county property tax assessment board of**
 41 **appeals.**

42 **(g) The county auditor shall remove all penalties and interest**



1 assigned to the real property for which a property tax exemption
 2 is allowed under this SECTION for an assessment date described
 3 in subsection (b).

4 (h) This SECTION expires January 1, 2020.

5 SECTION 58. [EFFECTIVE JANUARY 1, 2010
 6 (RETROACTIVE)] (a) This SECTION applies notwithstanding
 7 IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or
 8 provision.

9 (b) This SECTION applies to an assessment date occurring after
 10 December 31, 2009, and before January 1, 2017.

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

13 (1) was purchased by an Indiana domestic nonprofit
 14 corporation after November 30, 2010, and before January 1,
 15 2011;

16 (2) was used as a church before the sale described in
 17 subdivision (1) and has been used as a church or for church
 18 purposes since it was purchased by the Indiana domestic
 19 nonprofit corporation; and

20 (3) would have been eligible for an exemption from property
 21 taxation under IC 6-1.1-10-16 or any other law if an
 22 exemption application had been properly and timely filed
 23 under IC 6-1.1 for the real and personal property.

24 (d) As used in this SECTION, "qualified taxpayer" refers to an
 25 Indiana domestic nonprofit corporation that:

26 (1) owns eligible property; and

27 (2) is organized for religious purposes and is exempt from
 28 taxation under Section 501(c)(3) of the Internal Revenue
 29 Code.

30 (e) A qualified taxpayer may, before September 1, 2017, file
 31 property tax exemption applications and supporting documents
 32 claiming a property tax exemption under this SECTION and
 33 IC 6-1.1-10-16 or any other law for eligible property for the 2010,
 34 2011, 2012, 2013, 2014, 2015, and 2016 assessment dates.

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

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

40 (1) The property tax exemption for the eligible property shall
 41 be allowed and granted for the 2010, 2011, 2012, 2013, 2014,
 42 2015, and 2016 assessment dates by the county assessor and



1 county auditor of the county in which the eligible property is
2 located.

3 (2) The qualified taxpayer is not required to pay any property
4 taxes, penalties, or interest with respect to the eligible
5 property for the 2010, 2011, 2012, 2013, 2014, 2015, and 2016
6 assessment dates.

7 (3) If the eligible property was placed on the list certified
8 under IC 6-1.1-24-1 or IC 6-1.1-24-1.5 or was otherwise
9 subject to a tax sale under IC 6-1.1-24 and IC 6-1.1-25
10 because one (1) or more installments of property taxes due for
11 the eligible property for the 2010, 2011, 2012, 2013, 2014,
12 2015, or 2016 assessment dates were not timely paid:

13 (A) the county auditor shall remove the eligible property
14 from the list certified under IC 6-1.1-24-1 or
15 IC 6-1.1-24-1.5; and

16 (B) a tax deed may not be issued under IC 6-1.1-25 for the
17 eligible property for any tax sale of the eligible property
18 under IC 6-1.1-24 and IC 6-1.1-25 that was held because
19 one (1) or more installments of property taxes due for the
20 eligible property for the 2010, 2011, 2012, 2013, 2014, 2015,
21 or 2016 assessment dates were not timely paid.

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

27 (i) To the extent a qualified taxpayer has paid any property
28 taxes, penalties, or interest with respect to the eligible property for
29 the 2010, 2011, 2012, 2013, 2014, 2015, and 2016 assessment dates,
30 the eligible taxpayer is entitled to a refund of the amounts paid.
31 Notwithstanding the filing deadlines for a claim under IC 6-1.1-26,
32 any claim for a refund filed by a qualified taxpayer under this
33 subsection before September 1, 2017, is considered timely filed.
34 The county auditor shall pay the refund due under this SECTION
35 in one (1) installment.

36 (j) This SECTION expires July 1, 2020.

37 SECTION 59. [EFFECTIVE JANUARY 1, 2008
38 (RETROACTIVE)] (a) This SECTION applies to a taxpayer
39 notwithstanding IC 6-1.1-11 or any other law or administrative
40 rule or provision.

41 (b) This SECTION applies to an assessment date (as defined in
42 IC 6-1.1-1-2) occurring after December 31, 2007, and before



- 1 **January 1, 2013.**
- 2 **(c) As used in this SECTION, "taxpayer" refers to an Indiana**
- 3 **nonprofit corporation that owns a hospital or associated office**
- 4 **buildings used for medical purposes.**
- 5 **(d) A taxpayer may, after January 1, 2017, and before July 1,**
- 6 **2017, file in any manner consistent with IC 6-1.1-36-1.5 property**
- 7 **tax exemption applications, along with any supporting documents,**
- 8 **claiming exemptions from real property taxes under IC 6-1.1-10-16**
- 9 **or IC 6-1.1-10-18.5 for any assessment date described in subsection**
- 10 **(b).**
- 11 **(e) If the real property for which a property tax exemption**
- 12 **application is filed under this SECTION would have qualified for**
- 13 **an exemption under IC 6-1.1-10-16 or IC 6-1.1-10-18.5 for an**
- 14 **assessment date described in subsection (b) if an exemption**
- 15 **application had been timely filed:**
- 16 **(1) the property tax exemption is allowed; and**
- 17 **(2) the property tax exemption application filed under this**
- 18 **SECTION is considered to have been timely filed.**
- 19 **(f) A taxpayer is considered to be the owner of the real property**
- 20 **for which a property tax exemption application is filed under this**
- 21 **SECTION, and is entitled to the exemption from real property tax**
- 22 **as claimed on a property tax exemption application filed under this**
- 23 **SECTION, regardless of whether:**
- 24 **(1) a property tax exemption application was previously filed**
- 25 **for the same or similar property for the assessment date;**
- 26 **(2) the county property tax assessment board of appeals has**
- 27 **issued a final determination regarding any previously filed**
- 28 **property tax exemption application for the assessment date;**
- 29 **(3) the taxpayer or any entity affiliated with the taxpayer**
- 30 **appealed any denial of a previously filed property tax**
- 31 **exemption application for the assessment date; or**
- 32 **(4) the records of the county in which the property subject to**
- 33 **the property tax exemption application at any time before**
- 34 **January 1, 2013, identified the taxpayer as the owner of the**
- 35 **property for which the property tax exemption is claimed.**
- 36 **(g) A property tax exemption claimed by a taxpayer under this**
- 37 **SECTION is considered approved without further action being**
- 38 **required by the county assessor or the county property tax**
- 39 **assessment board of appeals for the county in which the property**
- 40 **subject to the property tax exemption application is located. This**
- 41 **exemption approval is final and may not be appealed by the county**
- 42 **assessor, the county property tax assessment board of appeals, or**



1 any member of the county property tax assessment board of
2 appeals.

3 (h) A taxpayer who files a property tax exemption application
4 under this SECTION is not entitled to a refund of real property tax
5 paid with respect to the property for which a property tax
6 exemption is approved under this SECTION.

7 (i) The auditor of the county in which a property subject to a
8 property tax exemption application that is allowed under this
9 SECTION is located shall remove all penalties assigned to the
10 property as of July 1, 2017. The penalties shall be removed
11 regardless of when they accrued and whether they relate to an
12 assessment date identified in subsection (b) or a different
13 assessment date.

14 (j) This SECTION expires January 1, 2019.

15 SECTION 60. [EFFECTIVE UPON PASSAGE] (a) Except as
16 provided in SECTION 56 of this act, IC 6-1.1-10-47, as added by
17 this act, applies to assessment dates after December 31, 2017.

18 (b) This SECTION expires January 1, 2021.

19 SECTION 61. [EFFECTIVE JULY 1, 2017] (a) IC 6-1.1-12-1, as
20 amended by this act, applies for all assessment dates.

21 (b) This SECTION expires July 1, 2018.

22 SECTION 62. [EFFECTIVE UPON PASSAGE] (a) This
23 SECTION applies only to Knox County.

24 (b) For purposes of the levy limits under IC 6-1.1-18.5-3(a), the
25 department of local government finance shall increase Knox
26 County's maximum permissible ad valorem property tax levy by
27 an amount equal to three hundred nineteen thousand nine hundred
28 sixty dollars (\$319,960) for taxes payable in 2018.

29 (c) For purposes of the levy limits under IC 6-1.1-18.5-3(a), the
30 department of local government finance shall decrease Knox
31 County's maximum permissible ad valorem property tax levy by
32 an amount equal to three hundred nineteen thousand nine hundred
33 sixty dollars (\$319,960) for taxes payable in 2019.

34 (d) This SECTION expires July 1, 2020.

35 SECTION 63. [EFFECTIVE UPON PASSAGE] (a) As used in this
36 SECTION, "longtime owner-occupant" means any individual who
37 has, or joint property owners who all have, owned and occupied
38 the same homestead as a principal residence and domicile for at
39 least ten (10) consecutive annual assessment dates.

40 (b) The legislative council is urged to assign to the appropriate
41 study committee during the 2017 legislative interim the topic of
42 issues related to establishing a neighborhood enhancement



1 **property tax relief program to allow a county, city, or town to**
2 **adopt an ordinance or resolution to provide a real property**
3 **assessed value deduction to longtime owner-occupants of real**
4 **property located in designated areas with deteriorated, vacant, or**
5 **abandoned residences and properties where homestead values are**
6 **expected to rise markedly as a consequence of the refurbishing or**
7 **renovating of deteriorating residences in the area or the**
8 **construction of new residences in the area.**
9 **(c) This SECTION expires January 1, 2018.**
10 **SECTION 64. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1450, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 15, begin a new paragraph and insert:

"SECTION 1. IC 5-14-3.8-3.5, AS ADDED BY P.L.142-2016, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3.5. **(a) This section applies only to contracts that a political subdivision enters into after June 30, 2016.**

~~(a)~~ **(b)** As used in this section, "contract" includes all pages of a contract and any attachments to the contract.

~~(b)~~ **(c)** A political subdivision shall ~~scan and~~ upload ~~the a~~ digital **image copy** of a contract to the Indiana transparency Internet web site during each year that the contract amount to be paid by the political subdivision for that year exceeds the lesser of:

~~(1)~~ ten percent (10%) of the political subdivision's property tax levy for that year; or

~~(2)~~ **one (1) time if the total cost of the contract to the political subdivision exceeds fifty thousand dollars (\$50,000) during the term of the contract. This subsection applies to all contracts for any subject, purpose, or term, except that a political subdivision is not required to upload a copy of an employment contract between the political subdivision and an employee of the political subdivision. In the case of a collective bargaining agreement, the political subdivision may upload a copy of the collective bargaining agreement and a copy of a blank or sample individual employment contract.** A political subdivision shall ~~scan and~~ upload the contract not later than sixty (60) days after the date the contract is executed. **If a political subdivision enters into a contract that the political subdivision reasonably expects when entered into will not exceed fifty thousand dollars (\$50,000) in cost to the political subdivision but at a later date determines or expects the contract to exceed fifty thousand dollars (\$50,000) in cost to the political subdivision, the political subdivision shall upload a copy of the contract within sixty (60) days after the date on which the political subdivision makes the determination or realizes the expectation that the contract will exceed fifty thousand dollars (\$50,000) in cost to the political subdivision.**

~~(c)~~ **(d)** Nothing in this section prohibits the political subdivision



from withholding any information in the contract that the political subdivision shall or may withhold from disclosure under IC 5-14-3. **A political subdivision may redact or obscure signatures on a contract. The political subdivision is solely responsible for redacting information in the contract.**

SECTION 2. IC 6-1.1-3-24, AS AMENDED BY P.L.249-2015, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 24. (a) **Except as provided in subsection (b)**, in determining the assessed value of various sizes of outdoor advertising signs, ~~for the 2011 through 2018 assessment dates~~, a taxpayer and assessing official shall use the following table without any adjustments:

Single Pole Structure

Type of Sign	Value Per Structure
At least 48 feet, illuminated	\$5,000
At least 48 feet, non-illuminated	\$4,000
At least 26 feet and under 48 feet, illuminated	\$4,000
At least 26 feet and under 48 feet, non-illuminated	\$3,300
Under 26 feet, illuminated	\$3,200
Under 26 feet, non-illuminated	\$2,600
Other Types of Outdoor Signs	
At least 50 feet, illuminated	\$2,500
At least 50 feet, non-illuminated	\$1,500
At least 40 feet and under 50 feet, illuminated	\$2,000
At least 40 feet and under 50 feet, non-illuminated	\$1,300
At least 30 feet and under 40 feet, illuminated	\$2,000
At least 30 feet and under 40 feet, non-illuminated	\$1,300
At least 20 feet and under 30 feet, illuminated	\$1,600
At least 20 feet and under 30 feet, non-illuminated	\$1,000
Under 20 feet, illuminated	\$1,600
Under 20 feet, non-illuminated	\$1,000

(b) ~~This section expires July 1, 2019.~~ **Beginning with the 2018 assessment date for taxes first due and payable in 2019, the assessed values in the table set forth in subsection (a) shall be adjusted on a quadrennial basis by an amount equal to the average of the annual percentage changes in the Core Personal Consumption Expenditures Price Index using the four (4) most recent calendar years for which data is available. However, the**



adjustment may not result in a change of more than three percent (3%) from the previous assessed values determined under this section."

Page 2, delete lines 1 through 28.

Page 4, between lines 20 and 21, begin a new paragraph and insert:

"SECTION 4. IC 6-1.1-4-45 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: **Sec. 45. (a) This section applies to assessment dates after December 31, 2014.**

(b) As used in this section, "sign site" means the land beneath an outdoor sign that accommodates the outdoor sign display structure and foundation under a lease or a grant of an easement.

(c) An outdoor sign, and any associated lease, easement, and income, shall be disregarded for the purpose of determining an assessment of the land on which the outdoor sign is located, if:

- (1) the sign site does not exceed the greater of:**
 - (A) one-fourth (1/4) of an acre; or**
 - (B) if the sign site exceeds one-fourth (1/4) of an acre, the area that is reasonably necessary to facilitate display of the outdoor sign; and**
- (2) the subject matter of the outdoor sign relates to products, services, or activities that are sold, produced, or conducted at a location other than the land for which the assessment is being determined."**

Page 4, between lines 37 and 38, begin a new paragraph and insert:

"SECTION 6. IC 6-1.1-10-47 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE UPON PASSAGE]: **Sec. 47. (a) This section applies to an assessment date occurring after December 31, 2017.**

(b) Tangible property owned by a nonprofit corporation is exempt from property taxation if the following apply:

- (1) The owner is an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.**
- (2) The owner is:**
 - (A) a federally-qualified health center (as defined in 42 U.S.C. 1396d(l)(2)(B)); or**
 - (B) a primary medical provider that:**
 - (i) accepts all patients and provides care regardless of a patient's ability to pay;**
 - (ii) is located in a medically underserved area; and**
 - (iii) has received a grant at any time from the Indiana health care trust account under IC 4-12-5.**



(c) The property that is exempt under this section also includes the following:

- (1) Property used in providing storage or parking.**
- (2) Any part of the property that is leased or rented by the owner to another nonprofit corporation providing services or assistance to participants in the Special Supplemental Nutrition Program for the Women, Infants, and Children Nutrition Program (WIC) under IC 16-35-1.5.**
- (3) Any part of the property that is leased, rented, or otherwise provided by the owner to:**
 - (A) a dentist;**
 - (B) a physician; or**
 - (C) any other medical care provider;****that occupies and uses the property in a manner that furthers the owner's mission."**

Page 32, line 19, delete "April" and insert "**September**".

Page 32, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 18. IC 6-1.1-31-11.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 11.5. (a) Subject to subsection (b), the department of local government finance shall adopt rules under IC 4-22-2 to govern the practice of representatives in proceedings before the property tax assessment board of appeals and the department of local government finance.

(b) Except as provided in subsection (c), a rule adopted under subsection (a) may not:

- (1) restrict the ability of a representative to practice before the property tax assessment board of appeals or the department of local government finance based on the fact that the representative is not an attorney admitted to the Indiana bar; **or**
- (2) restrict the admissibility of written or oral testimony of a representative or other witness based upon the manner in which the representative or other witness is compensated; **or**
- (3) restrict the ability of a certified public accountant to represent a client in a matter that relates only to the taxation of personal property or distributable property (as defined in 50 IAC 5.1-1-9).**

(c) A rule adopted under subsection (a) may require a representative in a proceeding before the property tax assessment board of appeals or the department of local government finance to be an attorney admitted to the Indiana bar if the matter under consideration in the proceeding is:

- (1) an exemption for which an application is required under



IC 6-1.1-11;

- (2) a claim that taxes are illegal as a matter of law;
- (3) a claim regarding the constitutionality of an assessment; or
- (4) any other matter that requires representation that involves the practice of law.

(d) This subsection applies to a petition that is filed with the property tax assessment board of appeals or a matter under consideration by the department of local government finance before the adoption of a rule under subsection (a) that establishes new standards for:

- (1) the presentation of evidence or testimony; or
- (2) the practice of representatives.

The property tax assessment board of appeals or the department of local government finance may not dismiss a petition or reject consideration of a matter solely for failure to comply with the rule adopted under subsection (a) without providing the petitioner with an opportunity to present evidence, testimony, or representation in compliance with the rule."

Page 38, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 21. IC 20-46-4-10, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 10. (a) A school corporation may appeal to the department of local government finance under IC 6-1.1-19 to increase the maximum levy permitted for the school corporation's fund. To be granted an increase by the department of local government finance, the school corporation must establish that the increase is necessary because of a transportation operating cost increase of at least ten percent (10%) over the preceding year as a result of conditions under both of the following:

- (1) At least one (1) of the following:
 - (A) Actual transportation related expenditures from all funds of the school corporation in the current year are at least ten percent (10%) greater than actual transportation related expenditures from all funds of the school corporation in the preceding year.
 - (B) The school corporation is significantly restructuring its transportation service for one (1) or more ensuing years.
 - (C) The percentage growth in the school corporation's assessed value for the preceding year compared to the year before the preceding year is at least two (2) times the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the preceding year.



(D) The school corporation's student enrollment increased by at least one hundred fifty percent (150%) between the last two (2) decennial censuses.

(E) The average of the school corporation's annual percentage increase in student enrollment for the preceding six (6) years is greater than two percent (2%), but the school corporation's maximum levy under this chapter has grown on average by less than three percent (3%) during the same period.

(2) At least one (1) of the following:

~~(1)~~ **(A) A fuel expense increase.**

~~(2)~~ **(B) A significant increase in the number of students enrolled in the school corporation that need transportation or a significant increase in the mileage traveled by the school corporation's buses compared with the previous year.**

~~(3)~~ **(C) A significant increase in the number of students enrolled in special education who need transportation or a significant increase in the mileage traveled by the school corporation's buses due to students enrolled in special education as compared with the previous year.**

~~(4)~~ **(D) Increased transportation operating costs due to compliance with a court ordered desegregation plan.**

~~(5)~~ **(E) The closure of a school building within the school corporation that results in a significant increase in the distances that students must be transported to attend another school building.**

(F) Restructuring or redesigning transportation services due to a need for additional, expanded, consolidated, or modified routes.

(G) A labor shortage affecting the school corporation's ability to hire qualified transportation employees.

In addition, before the department of local government finance may grant a maximum levy increase, the school corporation must establish that the school corporation will be unable to provide transportation services without an increase. **The school corporation must support its appeal for a maximum levy increase with reasonably detailed statements of fact. A failure to do so despite meeting the mathematical criteria of this subsection may be grounds for denial of the appeal.**

(b) The department of local government finance may grant a maximum operating costs levy increase that is less than the increase requested by the school corporation. The department of local



government finance shall consider the school corporation's current operating balances, including any rainy day fund the school corporation has, in evaluating the school corporation's appeal under subsection (a) and may approve an increase under this section that accounts for the school corporation's current operating balances. However, the school corporation's rainy day fund balance may serve as the basis for modifying or denying the appeal only if the rainy day fund balance is not otherwise substantially earmarked for use by the school corporation. The school corporation may, as part of its reasonably detailed statements of fact, explain whether the school corporation's rainy day fund balance is substantially earmarked for use by the school corporation.

(b) (c) If the department of local government finance determines that a permanent increase in the maximum permissible levy is necessary, the maximum levy after the increase granted under this section becomes the school corporation's maximum permissible levy under this chapter.

(d) An appeal under this section must be filed with the department of local government finance before October 20 of the calendar year immediately preceding the ensuing calendar year."

Page 39, line 8, after "and" insert "**the depreciable**".

Page 39, line 8, delete "records" and insert "**of any designated taxpayer**".

Page 39, line 11, after "and" insert "**the depreciable**".

Page 39, line 11, delete "record" and insert "**of any designated taxpayer**".

Page 40, line 18, after "and" insert "**the depreciable**".

Page 40, line 18, delete "records" and insert "**of any designated taxpayer**".

Page 40, line 21, after "and" insert "**the depreciable**".

Page 40, line 21, delete "record" and insert "**of any designated taxpayer**".

Page 40, delete lines 40 through 42, begin a new paragraph and insert:

"SECTION 23. IC 36-8-19-6.5, AS ADDED BY P.L.182-2009(ss), SECTION 441, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6.5. (a) The legislative bodies of all participating units in a territory may agree to change the provider unit of the territory from one (1) participating unit to another participating unit. To change the provider unit, the legislative body of each participating unit must adopt an ordinance (if the unit is a county or



municipality) or a resolution (if the unit is a township) that agrees to and specifies the new provider unit. The provider unit may not be changed unless all participating units agree on the participating unit that will become the new provider unit. **However, if the provider unit has adopted an ordinance or resolution under section 13 of this chapter to withdraw from the territory, a majority of the participating units that wish to remain in the territory and do not withdraw in accordance with section 13 of this chapter must agree on the participating unit that will become the new provider unit.** The participating units may not change the provider unit more than one (1) time in any year.

(b) The following apply to an ordinance or a resolution adopted under this section to change the provider unit of the territory:

- (1) The ordinance or resolution must be adopted after January 1 but before ~~April~~ **July** 1 of a year.
- (2) The ordinance or resolution ~~takes effect~~ **is effective** January 1 of the year following the year in which the ordinance or resolution is adopted.

SECTION 24. IC 36-8-19-13, AS AMENDED BY P.L.203-2016, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 13. (a) If a unit elects to withdraw from a fire protection territory established under this chapter, the unit must after January 1 but before April 1, adopt an ordinance (if the unit is a county or municipality) or a resolution (if the unit is a township) providing for the withdrawal. **However, if one (1) unit has adopted an ordinance or resolution after January 1 and before April 1 to withdraw from the fire protection territory, any remaining unit may also adopt an ordinance or resolution to withdraw from the fire protection territory before the later of:**

- (1) April 1; or
- (2) the date occurring thirty (30) days after the date the first unit adopted the ordinance or resolution to withdraw from the fire protection territory.

An ordinance or resolution adopted under this section ~~takes effect July~~ **is effective January** 1 of the year ~~that~~ **immediately following the year in which** the ordinance or resolution is adopted.

(b) If an ordinance or a resolution is adopted under subsection (a), for purposes of determining a unit's maximum permissible ad valorem property tax levy for the year following the year in which the ordinance or resolution is adopted, the unit receives a percentage of the territory's maximum permissible ad valorem property tax levy equal to the percentage of the assessed valuation that the unit contributed to the



territory in the year in which the ordinance or resolution is adopted. The department of local government finance shall adjust the territory's maximum permissible ad valorem property tax levy to account for the unit's withdrawal. After the effective date of an ordinance or resolution adopted under subsection (a), the unit may no longer impose a tax rate for an equipment replacement fund under section 8.5 of this chapter. The unit remains liable for the unit's share of any debt incurred under section 8.5 of this chapter.

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

SECTION 27. IC 36-9-27-73 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 73. (a) There is established in each county a general drain improvement fund, which shall be used to pay the cost of:

- (1) constructing or reconstructing a regulated drain under this chapter; and
- (2) removing obstructions from drains under IC 36-9-27.4.

In addition, if a maintenance fund has not been established for a drain, or if a maintenance fund has been established and it is insufficient, the general drain improvement fund shall be used to pay the deficiency.

(b) The general drain improvement fund consists of:

- (1) all money in any ditch or drainage fund that was not otherwise allocated by January 1, 1966, which money the county treasurer shall transfer to the general drain improvement fund by January 1, 1985;
- (2) proceeds from the sale of bonds issued to pay the costs of constructing or reconstructing a drain;
- (3) costs collected from petitioners in a drainage proceeding;
- (4) appropriations made from the general fund of the county, or taxes levied by the county fiscal body for drainage purposes;
- (5) money received from assessments upon land benefited for construction or reconstruction of a regulated drain;
- (6) interest and penalties received on collection of delinquent drain assessments and interest received for deferred payment of drain assessments; **and**
- (7) money repaid to the general drain improvement fund out of a maintenance fund. **and**

~~(8) money received from loans under section 97.5 of this chapter.~~

(c) The county fiscal body, at the request of the board and on estimates prepared by the board, shall from time to time appropriate enough money for transfer to the general drain improvement fund to



maintain the fund at a level sufficient to meet the costs and expenditures to be charged against it, after allowing credit to the fund for assessments paid into it.

(d) There is no limit to the amount that the county fiscal body may appropriate and levy for the use of the general drain improvement fund in any one (1) year. However, the aggregate amount appropriated and levied for the use of the fund may not exceed the equivalent of fifty cents (\$.50) on each one hundred dollars (\$100) of net taxable valuation on the real and personal property in the county.

(e) Whenever:

(1) the board finds that the amount of money in the general drain improvement fund exceeds the amount necessary to meet the expenses likely to be paid from the fund; and

(2) the money was raised by taxation under this section;

the board shall issue an order specifying the excess amount and directing that it shall be transferred to the general fund of the county. The board shall serve the order on the county auditor, who shall transfer the excess amount to the general fund of the county.

SECTION 28. IC 36-9-27-85 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 85. (a) The board shall certify the list of assessments apportioned under section 84 of this chapter to the auditor of each county in which there are lands to be assessed.

(b) Whenever the order of the board establishing an annual assessment for periodic maintenance becomes final, the board shall certify that annual assessment to the auditor of each county in which there are lands to be assessed. The annual assessment shall be collected each year until changed or terminated by the board.

(c) The county auditor shall extend assessments for construction and reconstruction upon a book to be known as the ditch duplicate, for the full period of payment allowed for all assessments for construction and reconstruction, with interest at ten percent (10%) per year upon all payments deferred beyond one (1) year from the date that the certification is made. However, the county auditor may not charge interest **under this section** on assessments for construction or reconstruction financed through:

(1) a bond issue under section 94 of this chapter; or

(2) a **construction loan obtained under section 97.5 of this chapter.**

(d) Whenever any sum is certified under this section and is not expended within two (2) years after payment of the most recently allowed claim for work on a drain, the county auditor, with the



approval of the board, shall promptly transfer the unexpended sum to the periodic maintenance fund for that drain. If there is no periodic maintenance fund for the drain, the unexpended sum may be transferred to the general drain improvement fund or funds of the county or counties affected by the drain, in proportion to the original apportionment and certification of costs for the drain.

SECTION 29. IC 36-9-27-97.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 97.5. (a) Whenever the board determines by resolution spread upon its minutes that the cost of constructing or reconstructing a particular drain is an amount that the owners of land to be assessed may conveniently pay in installments over a five (5) year period, it may ask the county fiscal body to:

- (1) obtain a loan from a bank, trust company, savings association, or savings bank authorized to engage in business in the county; or
- (2) obtain funds in the manner prescribed by IC 36-2-6-18, IC 36-2-6-19, and IC 36-2-6-20;

to finance that construction or reconstruction.

(b) A loan obtained under this section:

- (1) must have a fixed or variable interest rate;
- (2) must mature within six (6) years after the day it is obtained;
- (3) shall be repaid from installments collected from assessments of landowners over a five (5) year period; ~~and~~
- (4) is not subject to the provisions of section 94 of this chapter that concern interest; ~~and~~
- (5) is not subject to the penalty provisions under IC 6-1.1-37-10 if the installments are timely paid.**

(c) ~~The proceeds of loans obtained under this section shall be deposited in the general drain improvement fund. A construction loan fund is established for each construction or reconstruction project loan that the board and the county fiscal body authorize under this section. A construction loan fund consists of all payments received from the owners assessed for the construction or reconstruction project and may be used only to repay the associated loan. If money remains in a construction loan fund after the associated loan is paid in full, the remaining money in the fund may be transferred to the county general fund.~~

(d) A county auditor shall maintain a separate ledger sheet for each construction loan fund established under subsection (c) and record on the separate ledger sheet all payments of principal and interest received from the owners assessed for the associated construction or reconstruction project.

(e) A county auditor shall deposit all payments of principal and



interest received from the owners assessed for a construction or reconstruction project in the associated construction loan fund.

~~(d)~~ **(f)** The board shall determine whether interest on the loan is to be a part of the final assessment under section 84(a) of this chapter.

~~(e)~~ **(g)** Notwithstanding section 85(c) of this chapter, interest on the loan may be charged back to the benefited landowner at a rate that is set in accordance with subsection (b)."

Delete page 41.

Page 42, delete lines 1 through 9.

Page 43, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 28. [EFFECTIVE JANUARY 1, 2006 (RETROACTIVE)] **(a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.**

(b) This SECTION applies to an assessment date occurring after February 28, 2006, and before March 1, 2013.

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

- (1) that was conveyed to an eligible taxpayer in 2008;**
- (2) on which property taxes were imposed for the 2006, 2007, 2008, 2009, 2010, 2011, and 2012 assessment dates; and**
- (3) that would have been eligible for an exemption from property taxation under IC 6-1.1-10-16 for the 2006, 2007, 2008, 2009, 2010, 2011, and 2012 assessment dates if an exemption application had been properly and timely filed under IC 6-1.1 for the real property.**

(d) As used in this SECTION, "qualified taxpayer" refers to a nonprofit corporation.

(e) A qualified taxpayer may, before September 1, 2017, file a property tax exemption application and supporting documents claiming a property tax exemption under this SECTION and IC 6-1.1-10-16 for eligible property for the 2006, 2007, 2008, 2009, 2010, 2011, and 2012 assessment dates.

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

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

- (1) The property tax exemption for the eligible property shall be allowed and granted for the 2006, 2007, 2008, 2009, 2010, 2011, and 2012 assessment dates by the county assessor and county auditor of the county in which the eligible property is**



located.

(2) The qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property exempted under this SECTION for the 2006, 2007, 2008, 2009, 2010, 2011, and 2012 assessment dates.

(3) If the eligible property was placed on the list certified under IC 6-1.1-24-1 or IC 6-1.1-24-1.5 or was otherwise subject to a tax sale under IC 6-1.1-24 and IC 6-1.1-25 because one (1) or more installments of property taxes due for the eligible property for the 2006, 2007, 2008, 2009, 2010, 2011, and 2012 assessment dates were not timely paid:

(A) the county auditor shall remove the eligible property from the list certified under IC 6-1.1-24-1 or IC 6-1.1-24-1.5; and

(B) a tax deed may not be issued under IC 6-1.1-25 for the eligible property for any tax sale of the eligible property under IC 6-1.1-24 and IC 6-1.1-25 that was held because one (1) or more installments of property taxes due for the eligible property for the 2006, 2007, 2008, 2009, 2010, 2011, and 2012 assessment dates were not timely paid.

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

(i) To the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for the 2006, 2007, 2008, 2009, 2010, 2011, and 2012 assessment dates, the eligible taxpayer is entitled to a refund of the amounts paid. Notwithstanding the filing deadlines for a claim in IC 6-1.1-26, any claim for a refund filed by an eligible taxpayer under this subsection before September 1, 2017, is considered timely filed. The county auditor shall pay the refund due under this SECTION in one (1) installment.

(j) This SECTION expires July 1, 2020.

SECTION 29. [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)] (a) This SECTION applies to a taxpayer notwithstanding IC 6-1.1-10-47(a), as added by this act, IC 6-1.1-1, or any other law or administrative rule or provision.

(b) This SECTION applies to an assessment date occurring after December 31, 2009, and before January 1, 2018.

(c) As used in this SECTION, "taxpayer" refers to a nonprofit



organization that meets the requirements for an exemption from property taxation set forth under IC 6-1.1-10-47, as added by this act.

(d) A taxpayer may, before January 1, 2018, file a property tax exemption application and supporting documents claiming an exemption under IC 6-1.1-10-47, as added by this act, for any assessment date under subsection (b).

(e) If the real property for which a property tax exemption application is filed under this SECTION would have qualified for an exemption under IC 6-1.1-10-47, as added by this act, for the assessment date described in subsection (b) if IC 6-1.1-10-47, as added by this act, were in effect on that date:

(1) the property tax exemption shall be allowed as if IC 6-1.1-10-47, as added by this act, were in effect on that assessment date; and

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

(f) A taxpayer is entitled to the exemption from real property tax as claimed on a property tax exemption application filed under this SECTION, regardless of whether:

(1) a property tax exemption application was previously filed for the same or similar property for the assessment date;

(2) the county property tax assessment board of appeals has issued a final determination regarding any previously filed property tax exemption application for the assessment date;

(3) the taxpayer appealed any denial of a previously filed property tax exemption application for the assessment date;

or

(4) the records of the county in which the property subject to the property tax exemption application is located identified the taxpayer as the owner of the property on the assessment date described in subsection (b) for which the property tax exemption is claimed.

(g) A property tax exemption claimed by a taxpayer under this SECTION is considered approved without further action being required by the county assessor or the county property tax assessment board of appeals for the county in which the property subject to the property tax exemption application is located. This exemption approval is final and may not be appealed by the county assessor, the county property tax assessment board of appeals, or any member of the county property tax assessment board of



appeals.

(h) A taxpayer is not entitled to a refund of any property taxes, penalties, or interest paid with respect to the property for which a property tax exemption application is allowed under this SECTION.

(i) This SECTION expires January 1, 2021.

SECTION 30. [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)] (a) This SECTION applies to a taxpayer notwithstanding IC 6-1.1-11 or any other law or administrative rule or provision.

(b) This SECTION applies to an assessment date (as defined in IC 6-1.1-1-2) occurring after December 31, 2013, and before January 1, 2016.

(c) As used in this SECTION, "taxpayer" refers to a nonprofit corporation that:

(1) owns a parcel or parcels of real property in Randolph County that are owned, occupied, and used for educational, literary, scientific, religious, or charitable purposes described in IC 6-1.1-10-16; and

(2) failed to timely file a property tax exemption application for the parcel or parcels described in subdivision (1) for any assessment date described in subsection (b).

(d) A taxpayer may, before September 1, 2017, file a property tax exemption application and supporting documents claiming an exemption under IC 6-1.1-10-16 for any assessment date described in subsection (b).

(e) If the real property for which an exemption application is filed under this SECTION would have qualified for an exemption under IC 6-1.1-10-16 for an assessment date described in subsection (b) if an exemption application had been timely filed:

(1) the property tax exemption is allowed; and

(2) the property tax exemption application filed under this SECTION is considered to have been timely filed.

(f) A property tax exemption claimed by a taxpayer under this SECTION is considered approved without further action being required by the county assessor or the county property tax assessment board of appeals for the county in which the property subject to the property tax exemption application is located. This exemption approval is final and may not be appealed by the county assessor, the county property tax assessment board of appeals, or any member of the county property tax assessment board of appeals.



(g) The county auditor shall remove all penalties and interest assigned to the real property for which a property tax exemption is allowed under this SECTION for an assessment date described in subsection (b).

(h) This SECTION expires January 1, 2020.

SECTION 31. [EFFECTIVE JANUARY 1, 2010 (RETROACTIVE)] (a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.

(b) This SECTION applies to an assessment date occurring after December 31, 2009, and before January 1, 2017.

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

(1) was purchased by an Indiana domestic nonprofit corporation after November 30, 2010, and before January 1, 2011;

(2) was used as a church before the sale described in subdivision (1) and has been used as a church or for church purposes since it was purchased by the Indiana domestic nonprofit corporation; and

(3) would have been eligible for an exemption from property taxation under IC 6-1.1-10-16 or any other law if an exemption application had been properly and timely filed under IC 6-1.1 for the real and personal property.

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

(1) owns eligible property; and

(2) is organized for religious purposes and is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.

(e) A qualified taxpayer may, before September 1, 2017, file property tax exemption applications and supporting documents claiming a property tax exemption under this SECTION and IC 6-1.1-10-16 or any other law for eligible property for the 2010, 2011, 2012, 2013, 2014, 2015, and 2016 assessment dates.

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

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

(1) The property tax exemption for the eligible property shall be allowed and granted for the 2010, 2011, 2012, 2013, 2014,



2015, and 2016 assessment dates by the county assessor and county auditor of the county in which the eligible property is located.

(2) The qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the 2010, 2011, 2012, 2013, 2014, 2015, and 2016 assessment dates.

(3) If the eligible property was placed on the list certified under IC 6-1.1-24-1 or IC 6-1.1-24-1.5 or was otherwise subject to a tax sale under IC 6-1.1-24 and IC 6-1.1-25 because one (1) or more installments of property taxes due for the eligible property for the 2010, 2011, 2012, 2013, 2014, 2015, or 2016 assessment dates were not timely paid:

(A) the county auditor shall remove the eligible property from the list certified under IC 6-1.1-24-1 or IC 6-1.1-24-1.5; and

(B) a tax deed may not be issued under IC 6-1.1-25 for the eligible property for any tax sale of the eligible property under IC 6-1.1-24 and IC 6-1.1-25 that was held because one (1) or more installments of property taxes due for the eligible property for the 2010, 2011, 2012, 2013, 2014, 2015, or 2016 assessment dates were not timely paid.

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

(i) To the extent a qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for the 2010, 2011, 2012, 2013, 2014, 2015, and 2016 assessment dates, the eligible taxpayer is entitled to a refund of the amounts paid. Notwithstanding the filing deadlines for a claim under IC 6-1.1-26, any claim for a refund filed by a qualified taxpayer under this subsection before September 1, 2017, is considered timely filed. The county auditor shall pay the refund due under this SECTION in one (1) installment.

(j) This SECTION expires July 1, 2020.

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

(b) This SECTION applies to an assessment date (as defined in



IC 6-1.1-1-2) occurring after December 31, 2007, and before January 1, 2013.

(c) As used in this SECTION, "taxpayer" refers to an Indiana nonprofit corporation that owns a hospital and associated office buildings used for medical purposes.

(d) A taxpayer may, after January 1, 2017, and before July 1, 2017, file in any manner consistent with IC 6-1.1-36-1.5 property tax exemption applications, along with any supporting documents, claiming exemptions from real property taxes under IC 6-1.1-10-16 or IC 6-1.1-10-18.5 for any assessment date described in subsection (b).

(e) If the real property for which a property tax exemption application is filed under this SECTION would have qualified for an exemption under IC 6-1.1-10-16 or IC 6-1.1-10-18.5 for an assessment date described in subsection (b) if an exemption application had been timely filed:

- (1) the property tax exemption is allowed; and
- (2) the property tax exemption application filed under this SECTION is considered to have been timely filed.

(f) A taxpayer is considered to be the owner of the real property for which a property tax exemption application is filed under this SECTION, and is entitled to the exemption from real property tax as claimed on a property tax exemption application filed under this SECTION, regardless of whether:

- (1) a property tax exemption application was previously filed for the same or similar property for the assessment date;
- (2) the county property tax assessment board of appeals has issued a final determination regarding any previously filed property tax exemption application for the assessment date;
- (3) the taxpayer or any entity affiliated with the taxpayer appealed any denial of a previously filed property tax exemption application for the assessment date; or
- (4) the records of the county in which the property subject to the property tax exemption application at any time before January 1, 2013, identified the taxpayer as the owner of the property for which the property tax exemption is claimed.

(g) A property tax exemption claimed by a taxpayer under this SECTION is considered approved without further action being required by the county assessor or the county property tax assessment board of appeals for the county in which the property subject to the property tax exemption application is located. This exemption approval is final and may not be appealed by the county



assessor, the county property tax assessment board of appeals, or any member of the county property tax assessment board of appeals.

(h) A taxpayer who files a property tax exemption application under this SECTION is not entitled to a refund of real property tax paid with respect to the property for which a property tax exemption is approved under this SECTION.

(i) The auditor of the county in which a property subject to a property tax exemption application that is allowed under this SECTION is located shall remove all penalties assigned to the property as of July 1, 2017. The penalties shall be removed regardless of when they accrued and whether they relate to an assessment date identified in subsection (b) or a different assessment date.

(j) This SECTION expires January 1, 2019.

SECTION 33. [EFFECTIVE UPON PASSAGE] (a) Except as provided in SECTION 28 of this act, IC 6-1.1-10-47, as added by this act, applies to assessment dates after December 31, 2017.

(b) This SECTION expires January 1, 2021."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1450 as introduced.)

BROWN T

Committee Vote: yeas 21, nays 1.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1450 be amended to read as follows:

Page 2, between lines 25 and 26, begin a new paragraph and insert: "SECTION 2. IC 5-22-2-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 23. (a) "Public funds" means money:

- (1) derived from the revenue sources of the governmental body; and
- (2) deposited into the general or a special fund of the governmental body.

(b) The term does not include either of the following:

- (1) Money received by any a person ~~managing or operating a~~

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public facility under an authorized **operating public-private** agreement under IC 5-23.

(2) Proceeds of bonds payable exclusively by a private entity."

Page 43, between lines 27 and 28, begin a new paragraph and insert:
"SECTION 27. IC 36-1-12-1.2, AS AMENDED BY P.L.91-2014,
SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 1.2. The following definitions apply
throughout this chapter:

(1) "Board" means the board or officer of a political subdivision or an agency having the power to award contracts for public work.

(2) "Contractor" means a person who is a party to a public work contract with the board.

(3) "Subcontractor" means a person who is a party to a contract with the contractor and furnishes and performs labor on the public work project. The term includes material men who supply contractors or subcontractors.

(4) "Escrowed income" means the value of all property held in an escrow account over the escrowed principal in the account.

(5) "Escrowed principal" means the value of all cash and securities or other property placed in an escrow account.

(6) "Operating agreement" has the meaning set forth in IC 5-23-2-7.

(7) "Person" means any association, corporation, limited liability company, fiduciary, individual, joint venture, partnership, sole proprietorship, or any other legal entity.

(8) "Property" means all:

(A) personal property, fixtures, furnishings, inventory, and equipment; and

(B) real property.

(9) "Public fund" means all funds that are:

(A) derived from the established revenue sources of a political subdivision or an agency of a political subdivision; and

(B) deposited in a general or special fund of a municipal corporation, or another political subdivision or agency of a political subdivision.

The term does not include funds received by ~~any~~ a person **managing or operating a public project** under a duly authorized **operating public-private** agreement under IC 5-23 or proceeds of bonds payable exclusively by a private entity.

(10) "Retainage" means the amount to be withheld from a payment to the contractor or subcontractor until the occurrence of a specified event.



(11) "Specifications" means a description of the physical characteristics, functional characteristics, extent, or nature of any public work required by the board.

(12) "Substantial completion" refers to the date when the construction of a structure is sufficiently completed, in accordance with the plans and specifications, as modified by any complete change orders agreed to by the parties, so that it can be occupied for the use for which it was intended."

Renumber all SECTIONS consecutively.

(Reference is to HB 1450 as printed February 21, 2017.)

BRAUN

HOUSE MOTION

Mr. Speaker: I move that House Bill 1450 be amended to read as follows:

Page 50, line 10, delete "county".

Page 50, line 10, after "general" insert "**drain improvement**".

(Reference is to HB 1450 as printed February 21, 2017.)

SAUNDERS

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1450, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 3, delete "JULY 1, 2017]:" and insert "JUNE 30, 2017]:".

Page 2, line 5, delete "may" and insert "**shall**".

Page 2, delete lines 26 through 37, begin a new paragraph and insert:

"SECTION 2. IC 6-1.1-1-3.1 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.1. "Assisted living services" means the array of services that may be provided to a recipient residing in a facility eligible to provide home and community based services,**

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including any and all of the following:

- (1) Personal care services.
- (2) Homemaker services.
- (3) Chore services.
- (4) Attendant care services.
- (5) Companion services.
- (6) Medication oversight (to the extent permitted under state law).
- (7) Therapeutic, social, and recreational programming.

SECTION 3. IC 6-1.1-1-9, AS AMENDED BY P.L.101-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) For purposes of this article, the "owner" of tangible property shall be determined by using the rules contained in this section.

(b) Except as otherwise provided in this section, the holder of the legal title to personal property, or the legal title in fee to real property, is the owner of that property, **regardless of whether the holder of the legal title holds a fractional interest, a remainder interest, a life estate, or a tenancy for a term of years.**

(c) When title to tangible property passes on the assessment date of any year, only the person obtaining title is the owner of that property on the assessment date.

(d) When the mortgagee of real property is in possession of the mortgaged premises, the mortgagee is the owner of that property.

(e) When personal property is security for a debt and the debtor is in possession of the property, the debtor is the owner of that property.

(f) When a life tenant of real property **or a holder of a tenancy for a term of years in real property** is in possession of the real property, **only the life tenant or the holder of a tenancy for a term of years** is the owner of that property.

(g) When the grantor of a qualified personal residence trust created under United States Treasury Regulation 25.2702-5(c)(2) is:

- (1) in possession of the real property transferred to the trust; and
- (2) entitled to occupy the real property rent free under the terms of the trust;

the grantor is the owner of that real property."

Page 5, between lines 27 and 28, begin a new paragraph and insert:
"SECTION 5. IC 6-1.1-4-41, AS AMENDED BY P.L.1-2006, SECTION 132, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 41. (a) For purposes of this section,

(+) "low income rental property" means real property used to provide low income housing eligible for federal income tax



credits awarded under Section 42 of the Internal Revenue Code, **and including during the time period during which the property is subject to an extended low income housing commitment under Section 42(h)(6)(B) of the Internal Revenue Code.**

(2) "rental period" means the period during which low income rental property is eligible for federal income tax credits awarded under Section 42 of the Internal Revenue Code.

(b) For assessment dates after February 28, 2006, **and before January 1, 2018**, the true tax value of low income rental property is the greater of the true tax value:

- (1) determined using the income capitalization approach; or
- (2) that results in a gross annual tax liability equal to five percent (5%) of the total gross rent received from the rental of all units in the property for the most recent taxpayer fiscal year that ends before the assessment date.

(c) For assessment dates after December 31, 2017, the true tax value of low income rental property that offers or is used to provide Medicaid assisted living services is equal to the total true tax value that results in a gross annual tax liability equal to five percent (5%) of the total gross rent received from the rental of all living units in the property for the most recent taxpayer fiscal year that ends before the assessment date. The total true tax value shall not include the gross receipts from, or value of, any assisted living services provided.

~~(e)~~ **(d)** The department of local government finance may adopt rules under IC 4-22-2 to implement this section."

Page 13, line 17, after "office," insert "**or evidenced by a memorandum of contract recorded in the county recorder's office under IC 36-2-11-20,**".

Page 23, line 2, after "contract" insert "**, or a memorandum of the contract,**".

Page 31, line 22, after "subdivision" delete "shall fulfill the requirements of this section" and insert "**may appeal the determination of the department of local government finance to the Indiana board of tax review.**".

Page 31, delete lines 23 through 24.

Page 37, line 5, delete "auditor of a county" and insert "**county treasurer**".

Page 37, line 6, delete "county treasurer, waive," and insert "**county auditor, implement a policy to waive,**".

Page 37, line 17, after "." insert "**The manner prescribed by the**



department must include placing notification in the public record so there is searchable evidence of the penalties being resolved as of the date of the resolution."

Page 37, between lines 20 and 21, begin a new paragraph and insert:

"SECTION 23. IC 6-1.1-41-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) After a political subdivision complies with this chapter, a property tax may be levied annually at the tax rate approved under this chapter without further action under this chapter. The tax levy must be advertised annually as other tax levies are advertised.

(b) If a political subdivision whose tax rate for a cumulative fund governed by this chapter is certified by the department of local government finance under IC 6-1.1-17-16 in an amount less than the political subdivision initially adopted for the cumulative fund under section 3 of this chapter and the political subdivision wishes to impose a greater tax rate for the cumulative fund in a subsequent year, the political subdivision must reestablish the cumulative fund as provided in this chapter."

Page 39, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 25. IC 6-3.6-7-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7.5. (a) This section applies to Decatur County.

(b) The county council may, by ordinance, determine that additional local income tax revenue is needed in the county to do the following:

(1) Finance, construct, acquire, improve, renovate, and equip the county jail, and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs.

(2) Repay bonds issued or leases entered into for the purposes described in subdivision (1).

(3) Operate and maintain the facilities described in subdivision (1).

(c) If the county council makes the determination set forth in subsection (b), the county council may adopt an ordinance to impose a local income tax rate of:

(1) fifteen-hundredths percent (0.15%);

(2) two-tenths percent (0.2%);

(3) twenty-five hundredths percent (0.25%);

(4) three-tenths percent (0.3%);



- (5) thirty-five hundredths percent (0.35%);
- (6) four-tenths percent (0.4%);
- (7) forty-five hundredths percent (0.45%);
- (8) five-tenths percent (0.5%);
- (9) fifty-five hundredths percent (0.55%);
- (10) six-tenths percent (0.6%); or
- (11) sixty-five hundredths percent (0.65%).

The tax rate may not be greater than the rate necessary to pay for the purposes described in subsection (b).

(d) The tax rate used to pay for the purposes described in subsection (b)(1) and (b)(2) may be imposed only until the latest of the following dates:

- (1) The date on which the financing, construction, acquisition, improvement, and equipping of the facilities as described in subsection (b) are completed.
- (2) The date on which the last of any bonds issued (including refunding bonds) or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping of the facilities described in subsection (b) are fully paid.
- (3) The date on which an ordinance adopted under subsection (c) is rescinded.

(e) The tax rate under this section may be imposed beginning in the year following the year the ordinance is adopted and until the date on which the ordinance adopted under this section is rescinded.

(f) The term of a bond issued (including any refunding bond) or a lease entered into under subsection (b) may not exceed twenty-five (25) years.

(g) The county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. Local income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund.

(h) Local income tax revenues derived from the tax rate imposed under this section:

- (1) may be used only for the purposes described in this section;
- (2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and
- (3) may be pledged to the repayment of bonds issued or leases



entered into for the purposes described in subsection (b).

(i) Decatur County possesses unique governmental and economic development challenges and opportunities due to the following:

(1) Deficiencies in the current county jail, including the following:

(A) Lack of facilities to adequately provide mental health services and substance abuse treatment.

(B) Lack of facilities space to allow for some inmates to participate in work release and other community based rehabilitation programs.

(C) Lack of facilities to adequately house and supervise violent offenders.

(D) Lack of adequate facilities to accommodate an increased volume of inmates involved in domestic violence and crimes against children.

(E) Lack of adequate facilities to accommodate an increased number of out-of-state offenders.

(F) Increasing maintenance demands and costs resulting from having aging facilities.

(2) An agricultural based economy, with limited industrial and commercial assessed valuation in the county.

The use of local income tax revenues as provided in this section is necessary for the county to provide adequate jail capacity in the county and to maintain low property tax rates essential to economic development. The use of local income tax revenues as provided in this section to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping of the facilities described in subsection (b), rather than the use of property taxes, promotes those purposes.

(j) Money accumulated from the local income tax rate imposed under this section after the termination of the tax under this section shall be transferred to the county rainy day fund under IC 36-1-8-5.1.

SECTION 26. IC 6-3.6-7-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 8.5. (a) This section applies to Fountain County.

(b) The county council may, by ordinance, determine that additional local income tax revenue is needed in the county to do the following:

(1) Finance, construct, acquire, improve, renovate, and equip



the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs.

(2) Repay bonds issued or leases entered into for the purposes described in subdivision (1).

(c) If the county council makes the determination set forth in subsection (b), the county council may adopt an ordinance to impose a local income tax rate of not more than fifty-five hundredths percent (0.55%). However, the tax rate may not be greater than the rate necessary to pay for the purposes described in subsection (b).

(d) The tax rate may be imposed only until the later of the following dates:

(1) The date on which the financing, construction, acquisition, improvement, renovation, and equipping of the facilities as described in subsection (b) are completed.

(2) The date on which the last of any bonds issued (including refunding bonds) or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping of the facilities described in subsection (b) are fully paid.

(e) The term of a bond issued (including any refunding bond) or a lease entered into under subsection (b) may not exceed twenty-five (25) years.

(f) The county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. Local income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund.

(g) Local income tax revenues derived from the tax rate imposed under this section:

(1) may be used only for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for the purposes described in subsection (b).

(h) Fountain County possesses unique governmental and economic development challenges and opportunities related to:

(1) the current county jail; and



(2) a limited industrial and commercial assessed valuation in the county.

The use of local income tax revenues as provided in this section is necessary for the county to provide adequate jail capacity in the county and to maintain low property tax rates essential to economic development. The use of local income tax revenues as provided in this section to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping of the facilities described in subsection (b), rather than the use of property taxes, promotes those purposes.

(i) Money accumulated from the local income tax rate imposed under this section after the termination of the tax under this section shall be transferred to the county rainy day fund under IC 36-1-8-5.1.

SECTION 27. IC 6-3.6-7-15, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 15. (a) This section applies only to Miami County.

(b) Miami County possesses unique economic development challenges due to:

- (1) underemployment in relation to similarly situated counties; and
- (2) the presence of a United States government military base or other military installation that is completely or partially inactive or closed.

Maintaining low property tax rates is essential to economic development, and the use of a tax under this section ~~to pay any bonds issued or leases entered into~~ to carry out the purposes of this section rather than use of property taxes promotes these purposes.

(c) The county fiscal body may impose a tax rate on the adjusted gross income of local taxpayers that is the lesser of the following:

- (1) Twenty-five hundredths percent (0.25%).
- (2) The rate necessary to pay the costs of financing, constructing, acquiring, renovating, ~~and~~ equipping, **operating, and maintaining** a county jail.

(d) Revenue raised from a tax imposed under this section may be used only for the purposes of paying the costs of financing, constructing, acquiring, renovating, ~~and~~ equipping, **operating, and maintaining** a county jail, including the repayment of bonds issued, or leases entered into, for financing, constructing, acquiring, renovating, and equipping a county jail."

Page 41, between lines 7 and 8, begin a new paragraph and insert:
"SECTION 31. IC 14-33-5-2, AS AMENDED BY P.L.84-2016,



SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) At each annual meeting of the district, directors shall be elected to fill vacancies on the board due to expiration of terms, resignation, or otherwise. The election shall be conducted by written ballots. Except as provided in subsection (c), to be elected an individual must receive a **majority plurality** of the votes of the freeholders of the district who are:

- (1) present and voting in person; or
- (2) absent but have mailed or delivered a written ballot vote.

(b) A written ballot vote must be signed and mailed or delivered to the district office. A ballot is valid if delivered or received before the scheduled date of the annual meeting.

(c) Upon receipt of a petition from the board of directors of a conservancy district, the court may modify the order establishing the district under IC 14-33-2-27 to provide that each director representing an area established under IC 14-33-2-27 shall be elected by a **majority plurality** of the votes of the freeholders of the respective areas."

Page 41, line 18, delete "property tax or special benefits" and insert "levy,".

Page 41, line 19, delete "tax,".

Page 43, delete lines 40 through 42.

Delete page 44.

Page 45, delete line 1, begin a new paragraph and insert:

"SECTION 34. IC 36-4-3-11.7, AS ADDED BY P.L.228-2015, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 11.7. (a) Notwithstanding any other law, a waiver of the right of remonstrance executed after June 30, 2015, expires not later than fifteen (15) years after the date the waiver was executed.

(b) This subsection applies to any deed recorded after June 30, 2015. This subsection applies only to property that is subject to a remonstrance waiver. A municipality shall, within a reasonable time after the recording of a deed to property located within the municipality, provide written notice to the property owner that a waiver of the right of remonstrance exists with respect to the property.

(c) Notwithstanding any other law, an annexation waiver signed after December 31, 1995, that a unit has not acted upon by completing an annexation before January 1, 2006, is null and void."

Page 47, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 37. IC 36-8-19-1.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 1.7. As used in this chapter, "fire**



protection district" means a fire protection district established under IC 36-8-11-4.

SECTION 38. IC 36-8-19-2, AS AMENDED BY P.L.47-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. As used in this chapter, "participating unit" refers to a unit **or fire protection district** that adopts an ordinance or a resolution under section 6 of this chapter.

SECTION 39. IC 36-8-19-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) Subject to subsections (b) and (c), the legislative ~~bodies of at least two (2) contiguous units~~ **body of a unit or fire protection district and the legislative body of at least one (1) other contiguous unit or contiguous fire protection district** may establish a fire protection territory for any of the following purposes:

- (1) Fire protection, including the capability for extinguishing all fires that might be reasonably expected because of the types of improvements, personal property, and real property within the boundaries of the territory.
- (2) Fire prevention, including identification and elimination of all potential and actual sources of fire hazard.
- (3) Other purposes or functions related to fire protection and fire prevention.

(b) Not more than one (1) **unit or fire protection district** within the proposed territory may be designated as the provider unit for the territory.

(c) The boundaries of a territory need not coincide with those of other political subdivisions.

SECTION 40. IC 36-8-19-6, AS AMENDED BY P.L.49-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. (a) To establish a fire protection territory, the legislative bodies of each unit **or fire protection district** desiring to become a part of the proposed territory must adopt an ordinance (~~if the unit is (in the case of a county or municipality)~~ or a resolution (~~if the unit is (in the case of a township or a fire protection district)~~) that meets the following requirements:

- (1) The ordinance or resolution is identical to the ordinances and resolutions adopted by the other units **or fire protection districts** desiring to become a part of the proposed territory.
- (2) The ordinance or resolution is adopted after January 1 but before April 1.
- (3) The ordinance or resolution authorizes the unit **or fire protection district** to become a party to an agreement for the



establishment of a fire protection territory.

(4) The ordinance or resolution is adopted after the legislative body holds a public hearing to receive public comment on the proposed ordinance or resolution. The legislative body must give notice of the hearing under IC 5-3-1.

(b) Before the legislative body of a unit **or fire protection district** may adopt an ordinance or a resolution under this section to form a territory, the legislative body must do the following:

(1) Hold a public hearing, at least thirty (30) days before adopting the ordinance or resolution, at which the legislative body makes available to the public the following information:

(A) The property tax levy, property tax rate, and budget to be imposed or adopted during the first year of the proposed territory for each of the units **or fire protection districts** that would participate in the proposed territory.

(B) The estimated effect of the proposed reorganization in the following years on taxpayers in each of the units **or fire protection districts** that would participate in the proposed territory, including the expected property tax rates, property tax levies, expenditure levels, service levels, and annual debt service payments.

(C) The estimated effect of the proposed reorganization on other units in the county in the following years and on local option income taxes, excise taxes, and property tax circuit breaker credits.

(D) A description of the planned services and staffing levels to be provided in the proposed territory.

(E) A description of any capital improvements to be provided in the proposed territory.

(2) Hold at least one (1) additional public hearing before adopting an ordinance or a resolution to form a territory, to receive public comment on the proposed ordinance or resolution.

The public hearings required under this subsection are in addition to the public hearing required under subsection (a)(4). The legislative body must give notice of the hearings under IC 5-3-1.

(c) The notice required for a hearing under subsection (b)(2) shall include all of the following:

(1) A list of the provider unit and all participating units in the proposed territory.

(2) The date, time, and location of the hearing.

(3) The location where the public can inspect the proposed ordinance or resolution.



- (4) A statement as to whether the proposed ordinance or resolution requires uniform tax rates or different tax rates within the territory.
- (5) The name and telephone number of a representative of the unit **or fire protection district** who may be contacted for further information.
- (6) The proposed levies and tax rates for each participating unit.
- (d) The ordinance or resolution adopted under this section shall include at least the following:
 - (1) The boundaries of the proposed territory.
 - (2) The identity of the provider unit and all other participating units desiring to be included within the territory.
 - (3) An agreement to impose:
 - (A) a uniform tax rate upon all of the taxable property within the territory for fire protection services; or
 - (B) different tax rates for fire protection services for the units **or fire protection districts** desiring to be included within the territory, so long as a tax rate applies uniformly to all of a unit's **or fire protection district's** taxable property within the territory.
 - (4) The contents of the agreement to establish the territory.
- (e) An ordinance or a resolution adopted under this section takes effect July 1 of the year the ordinance or resolution is adopted.

SECTION 41. IC 36-8-19-6.3, AS ADDED BY P.L.172-2011, SECTION 159, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6.3. A member of the legislative body of a unit **or fire protection district** may not vote on a proposed ordinance or resolution authorizing the unit **or fire protection district** to become a party to an agreement to join or establish a fire protection territory if that member is also an employee of:

- (1) another unit **or fire protection district** that is a participating unit in the fire protection territory; or
- (2) another unit **or fire protection district** that is proposing to become a participating unit in the fire protection territory."

Page 47, line 32, strike "(if the unit is" and insert "**(in the case of**".

Page 47, line 33, strike "(if the unit is" and insert "**(in the case of**".

Page 47, line 33, delete "township" and insert "township **or fire protection district**".

Page 48, between lines 8 and 9, begin a new paragraph and insert:

"SECTION 43. IC 36-8-19-7, AS AMENDED BY P.L.172-2011, SECTION 160, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. (a) A tax levied under this



chapter may be levied at:

- (1) a uniform rate upon all taxable property within the territory;
- or
- (2) different rates for the participating units included within the territory, so long as a tax rate applies uniformly to all of a unit's **or fire protection district's** taxable property within the territory.

(b) If a uniform tax rate is levied upon all taxable property within a territory upon the formation of the territory, different tax rates may be levied for the participating units included within the territory in subsequent years.

SECTION 44. IC 36-8-19-8.5, AS AMENDED BY P.L.203-2016, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 8.5. (a) Participating units may agree to establish an equipment replacement fund under this section to be used to purchase fire protection equipment, including housing, that will be used to serve the entire territory. To establish the fund, the legislative bodies of each participating unit must adopt an ordinance (~~if the unit is~~ **(in the case of** a county or municipality) or a resolution (~~if the unit is~~ **(in the case of** a township **or fire protection district)**), and the following requirements must be met:

- (1) The ordinance or resolution is identical to the ordinances and resolutions adopted by the other participating units under this section.
- (2) Before adopting the ordinance or resolution, each participating unit must comply with the notice and hearing requirements of IC 6-1.1-41-3.
- (3) The ordinance or resolution authorizes the provider unit to establish the fund.
- (4) The ordinance or resolution includes at least the following:
 - (A) The name of each participating unit and the provider unit.
 - (B) An agreement to impose a uniform tax rate upon all of the taxable property within the territory for the equipment replacement fund.
 - (C) The contents of the agreement to establish the fund.

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

- (b) If a fund is established, the participating units may agree to:
- (1) impose a property tax to provide for the accumulation of money in the fund to purchase fire protection equipment;
 - (2) incur debt to purchase fire protection equipment and impose a property tax to retire the loan; or
 - (3) transfer an amount from the fire protection territory fund to



the fire equipment replacement fund not to exceed five percent (5%) of the levy for the fire protection territory fund for that year; or any combination of these options.

(c) The property tax rate for the levy imposed under this section may not exceed three and thirty-three hundredths cents (\$0.0333) per one hundred dollars (\$100) of assessed value. Before debt may be incurred, the fiscal body of a participating unit must adopt an ordinance ~~(if the unit is~~ **(in the case of** a county or municipality) or a resolution ~~(if the unit is~~ **(in the case of** a township or fire protection district) that specifies the amount and purpose of the debt. The ordinance or resolution must be identical to the other ordinances and resolutions adopted by the participating units. Except as provided in subsection (d), if debt is to be incurred for the purposes of a fund, the provider unit shall negotiate for and hold the debt on behalf of the territory. However, the participating units and the provider unit of the territory are jointly liable for any debt incurred by the provider unit for the purposes of the fund. The most recent adjusted value of taxable property for the entire territory must be used to determine the debt limit under IC 36-1-15-6. A provider unit shall comply with all general statutes and rules relating to the incurrence of debt under this subsection.

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

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

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

- (1) the establishment or reestablishment of a fund under this section;
- (2) the imposing of a property tax for a fund under this section;



and

(3) the increasing of a property tax rate for a fund under this section.

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

SECTION 45. IC 36-8-19-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 9. (a) The department of local government finance, when approving a rate and levy fixed by the provider unit, shall verify that a duplication of tax levies does not exist within participating units, so that taxpayers do not bear two (2) levies for the same service, except as provided by subsection (b) or (c).

(b) A unit **or fire protection district** that incurred indebtedness for fire protection services before becoming a participating unit under this chapter shall continue to repay that indebtedness by levies within the boundaries of the unit **or fire protection district** until the indebtedness is paid in full.

(c) A unit **or fire protection district** that agreed to the borrowing of money to purchase fire protection equipment while a participating unit under this chapter shall continue to repay the unit's **or fire protection district's** share of that indebtedness by imposing a property tax within the boundaries of the unit **or fire protection district** until the indebtedness is paid in full. The department of local government finance shall determine the amount of the indebtedness that represents the unit's **or fire protection district's** fair share, taking into account the equipment purchased, the useful life of the equipment, the depreciated value of the equipment, and the number of years the unit benefited from the equipment.

SECTION 46. IC 36-8-19-10, AS AMENDED BY P.L.47-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 10. This chapter does not require a municipality, ~~or~~ township, **or fire protection district** to disband its fire department unless its legislative body consents by ordinance (~~if the unit is~~ **(in the case of** a municipality) or resolution (~~if the unit is~~ **(in the case of** a township **or fire protection district)**) to do so.

SECTION 47. IC 36-8-19-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 11. Any area that is part of a territory and that is annexed by a municipality that is not a part of the territory ceases to be a part of the territory when the municipality begins to provide fire protection services to the area. **However, this**



provision does not apply to or affect any part of the territory that is located in a fire protection district that retains fire protection authority and responsibility after an annexation.

SECTION 48. IC 36-8-19-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 12. In the same year that a tax levy is imposed under this chapter, each respective participating unit's tax levies attributable to providing fire protection services within the unit **or fire protection district** shall be reduced by an amount equal to the amount levied for fire protection services in the year immediately preceding the year in which each respective unit **or fire protection district** became a participating unit."

Page 48, line 11, after "unit" insert "**or fire protection district**".

Page 48, line 12, after "unit" insert "**or fire protection district**".

Page 48, line 13, strike "(if the unit is" and insert "**(in the case of**".

Page 48, line 14, strike "(if the unit is" and insert "**(in the case of**".

Page 48, line 14, delete "township)" and insert "township **or fire protection district)**".

Page 48, line 15, after "unit" insert "**or fire protection district**".

Page 48, line 17, after "unit" insert "**or fire protection district**".

Page 48, line 22, after "unit" insert "**or fire protection district**".

Page 48, line 28, after "unit's" insert "**or fire protection district's**".

Page 48, line 30, after "unit" insert "**or fire protection district**".

Page 48, line 32, after "unit" insert "**or fire protection district**".

Page 48, line 36, after "unit's" insert "**or fire protection district's**".

Page 48, line 37, after "unit" insert "**or fire protection district**".

Page 48, line 39, after "unit" insert "**or fire protection district**".

Page 48, line 39, after "unit's" insert "**or fire protection district's**".

Page 49, line 1, after "unit" insert "**or fire protection district**".

Page 58, line 25, delete "and" and insert "**or**".

Page 59, line 38, delete "28" and insert "**56**".

Page 60, between lines 1 and 2, begin a new paragraph and insert:
"SECTION 62. [EFFECTIVE UPON PASSAGE] **(a) This SECTION applies only to Knox County.**

(b) For purposes of the levy limits under IC 6-1.1-18.5-3(a), the department of local government finance shall increase Knox County's maximum permissible ad valorem property tax levy by an amount equal to three hundred nineteen thousand nine hundred sixty dollars (\$319,960) for taxes payable in 2018.

(c) For purposes of the levy limits under IC 6-1.1-18.5-3(a), the department of local government finance shall decrease Knox County's maximum permissible ad valorem property tax levy by an amount equal to three hundred nineteen thousand nine hundred



sixty dollars (\$319,960) for taxes payable in 2019.

(d) This SECTION expires July 1, 2020.

SECTION 63. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "longtime owner-occupant" means any individual who has, or joint property owners who all have, owned and occupied the same homestead as a principal residence and domicile for at least ten (10) consecutive annual assessment dates.**

(b) The legislative council is urged to assign to the appropriate study committee during the 2017 legislative interim the topic of issues related to establishing a neighborhood enhancement property tax relief program to allow a county, city, or town to adopt an ordinance or resolution to provide a real property assessed value deduction to longtime owner-occupants of real property located in designated areas with deteriorated, vacant, or abandoned residences and properties where homestead values are expected to rise markedly as a consequence of the refurbishing or renovating of deteriorating residences in the area or the construction of new residences in the area.

(c) This SECTION expires January 1, 2018."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1450 as reprinted February 24, 2017.)

HERSHMAN, Chairperson

Committee Vote: Yeas 10, Nays 1.

