

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.

HOUSE ENROLLED ACT No. 1520

AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 4-4-11-36.1, AS AMENDED BY P.L.162-2007, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 36.1. (a) Except as provided in subsections (b) through (c), all property, both tangible and intangible, acquired or held by the authority under the affected statutes is declared to be public property used for public and governmental purposes, and all such property and income therefrom shall at all times be exempt from all taxes imposed by this state, any county, any city, or any other political subdivision of this state, except for the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

(b) Property owned by the authority and leased to a person for an industrial development project is not public property. The property and the industrial development project are subject to all taxes of the state or any county, city, or other political subdivision of the state in the same manner and subject to the same exemptions as are applicable to all persons.

(c) Any industrial development project financed by a loan under the authority of this chapter shall not be considered public property and shall not be exempt from any taxes of this state, or any county, city, or other political subdivision thereof, except for pollution control equipment.

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(d) An agricultural enterprise or rural development project financed by a loan under the authority of this chapter or IC 5-28-31 shall not be considered public property and shall not be exempt from Indiana taxes or any county, city, or other political subdivision of the state.

SECTION 2. IC 4-4-11.2-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 29. All property of the authority is public property devoted to an essential public and governmental function and purpose and is exempt from all taxes and special assessments, direct or indirect, of the state or a political subdivision of the state. All bonds issued under this chapter are issued by a body corporate and public of the state, but not a state agency, and for an essential public and governmental purpose and the bonds, the interest thereon, the proceeds received by a holder from the sale of the bonds to the extent of the holder's cost of acquisition, proceeds received upon redemption prior to maturity, and proceeds received at maturity and the receipt of the interest and proceeds shall be exempt from taxation in the state for all purposes. ~~except a state inheritance tax imposed under IC 6-4.1.~~

SECTION 3. IC 4-4-11.4-29, AS ADDED BY P.L.232-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 29. All property of the authority is public property devoted to an essential public and governmental function and purpose and is exempt from all taxes and special assessments, direct or indirect, of the state or a political subdivision of the state. All bonds issued under this chapter are issued by a body corporate and public of the state, but not a state agency, and for an essential public and governmental purpose and the bonds, the interest thereon, the proceeds received by a holder from the sale of the bonds to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, and proceeds received at maturity and the receipt of the interest and proceeds are exempt from taxation in the state for all purposes. ~~except a state inheritance tax imposed under IC 6-4.1.~~

SECTION 4. IC 4-13.5-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. (a) All property of the commission is public property devoted to an essential public and governmental function and purpose and is exempt from all taxes and special assessments of the state or a political subdivision of the state.

(b) All bonds or loan contracts issued under this article are issued by a body corporate and politic of this state, but not a state agency, and for an essential public and governmental purpose, and the bonds and loan contracts, the interest thereon, the proceeds received by a holder from the sale of the bonds or loan contracts to the extent of the holder's

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cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of the interest and proceeds are exempt from taxation for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

SECTION 5. IC 5-1-4-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 26. The exercise of the powers granted by this chapter will be in all respects for the benefit of the people of the state, for the increase of their commerce and prosperity, and for the improvement of their health and living conditions, and as the operation and maintenance of a project by an authority or its agent will constitute the performance of essential governmental functions, such authority shall not be required to pay any taxes or assessments upon or in respect of a project or any property acquired or used by such authority under the provisions of this chapter, or upon the income therefrom, and the bonds issued under the provisions of this chapter, the interest thereon, the proceeds received by a holder from the sale of such bonds to the extent of the holder's cost of acquisition, or proceeds received upon redemption prior to maturity or proceeds received at maturity, and the receipt of such interest and proceeds shall be exempt from taxation in the state of Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

SECTION 6. IC 5-1-16.5-61, AS ADDED BY P.L.2-2007, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 61. All bonds and the interest on bonds issued under this chapter are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

SECTION 7. IC 5-1-17-23, AS ADDED BY P.L.214-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 23. All:

- (1) property owned by the authority;
- (2) revenues of the authority; and
- (3) bonds issued by the authority, the interest on the bonds, the proceeds received by a holder from the sale of bonds to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of interest in proceeds;

are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

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SECTION 8. IC 5-1.4-9-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 9. All property of the bank is public property devoted to an essential public and governmental function and purpose and is exempt from all taxes and special assessments of the state or a political subdivision of the state. All bonds or notes issued under this article are issued by a body corporate and public of this state, but not a state, city, or county agency, and for an essential public and governmental purpose. The bonds and notes, the interest thereon, the proceeds received by a holder from the sale of the bonds or notes to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of the interest and proceeds shall be exempt from taxation in the state for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

SECTION 9. IC 5-1.5-9-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 9. All property of the bank is public property devoted to an essential public and governmental function and purpose and is exempt from all taxes and special assessments, direct or indirect, of the state or a political subdivision of the state. All bonds or notes issued under this article are issued by a body corporate and public of this state, but not a state agency, and for an essential public and governmental purpose and the bonds and notes, the interest thereon, the proceeds received by a holder from the sale of the bonds or notes to the extent of the holder's cost of acquisition proceeds received upon redemption prior to maturity, and proceeds received at maturity and the receipt of the interest and proceeds shall be exempt from taxation in the state for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

SECTION 10. IC 5-20-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 14. All bonds and interim receipts or certificates, proceeds received by a holder from the sale of them to the extent of the holder's cost of acquisition, proceeds received upon redemption prior to maturity, proceeds received at maturity, and interest thereon, are exempt from taxation in the state of Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

SECTION 11. IC 6-4.1-1-0.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 0.7. The repeal of:**

(1) IC 6-4.1-2;

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- (2) IC 6-4.1-3;
- (3) IC 6-4.1-4-0.1;
- (4) IC 6-4.1-5-2, IC 6-4.1-5-3, IC 6-4.1-5-4, IC 6-4.1-5-5, IC 6-4.1-5-6, and IC 6-4.1-5-9;
- (5) IC 6-4.1-7-0.1;
- (6) IC 6-4.1-8-0.1;
- (7) IC 6-4.1-9-0.1, IC 6-4.1-9-2, IC 6-4.1-9-7, IC 6-4.1-9-8, and IC 6-4.1-9-9;
- (8) IC 6-4.1-10-1.5;
- (9) IC 6-4.1-11; and
- (10) IC 6-4.1-12-4;

do not affect any taxes or duties imposed under this article or any exemptions or deductions allowed under this article with respect to a property interest transferred by a decedent whose death occurred before January 1, 2013.

SECTION 12. IC 6-4.1-1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 14. "Taxable transfer" means a property interest transfer which is described in ~~clauses (1) and (2) of IC 6-4.1-2-1~~ **IC 6-4.1-2-1(a)(1) and IC 6-4.1-2-1(a)(2) (before the section's repeal)** and which is not exempt from the inheritance tax under ~~sections 1 through 7 of IC 6-4.1-3~~ **IC 6-4.1-3-1 through IC 6-4.1-3-7 (before the chapter's repeal).**

SECTION 13. IC 6-4.1-2 IS REPEALED [EFFECTIVE JULY 1, 2017]. (Imposition of the Inheritance Tax).

SECTION 14. IC 6-4.1-3 IS REPEALED [EFFECTIVE JULY 1, 2017]. (Inheritance Tax Exemptions and Deductions).

SECTION 15. IC 6-4.1-4-0.1 IS REPEALED [EFFECTIVE JULY 1, 2017]. ~~Sec. 0-1. The following amendments to this chapter apply as follows:~~

~~(1) The amendments made to sections 1, 2, and 7 of this chapter by P.L.252-2001 apply to the estate of an individual who dies after June 30, 2001.~~

~~(2) The amendments made to section 2 of this chapter by P.L.238-2005 apply to the estate of a person who dies after June 30, 2005.~~

SECTION 16. IC 6-4.1-4-0.5, AS AMENDED BY P.L.6-2010, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 0.5. (a) No inheritance tax return is required under this chapter unless the total fair market value of the property interests transferred by the decedent to a transferee under a taxable transfer or transfers exceeds the exemption provided to the transferee under IC 6-4.1-3-10 through IC 6-4.1-3-12 **(before the repeal of IC 6-4.1-3).**

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For purposes of this section, the fair market value of a property interest is its fair market value as of the appraisal date prescribed by IC 6-4.1-5-1.5.

(b) An affidavit may be used to state that no inheritance tax is due after applying the exemptions under IC 6-4.1-3 **(before its repeal)**. The affidavit must contain the following information:

- (1) The decedent's name and date of death.
- (2) The name of each known transferee and the transferee's relationship to the decedent.
- (3) The total value of property transferred to each known transferee as a result of the decedent's death.
- (4) A statement that the total value of property transferred to each known transferee as a result of the decedent's death is less than the amount of the exemption provided to the transferee under IC 6-4.1-3 **(before its repeal)**.

(c) An affidavit described in subsection (b) may be:

- (1) recorded in the office of the county recorder if the affidavit concerns real property and includes the legal description of the real property in the decedent's estate; or
- (2) submitted as required by IC 6-4.1-8-4 if the affidavit concerns personal property.

If consent by the department of state revenue or the appropriate county assessor is required under IC 6-4.1-8-4 for the transfer of personal property, the affidavit must be submitted with a request for a consent to transfer under IC 6-4.1-8-4.

(d) If consent by the department of state revenue or the appropriate county assessor is required under IC 6-4.1-8-4 before personal property may be transferred and the department of state revenue or the appropriate county assessor consents to a transfer of personal property under IC 6-4.1-8-4 after considering an affidavit described in subsection (b), the full value of the personal property may be transferred.

(e) The department of state revenue or the appropriate county assessor may rely upon an affidavit described in subsection (b) to determine that a transfer will not jeopardize the collection of inheritance tax for purposes of IC 6-4.1-8-4(e).

(f) It is presumed that no inheritance tax is due and that no inheritance tax return is required if an affidavit described in subsection (b) was:

- (1) properly executed; and
- (2) recorded in the decedent's county of residence or submitted under IC 6-4.1-8-4.

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(g) Except as provided in subsection (i), a lien attached under IC 6-4.1-8-1 to the real property owned by a decedent terminates when an affidavit described in subsection (b) is:

- (1) properly executed; and
- (2) recorded in the county in which the real property is located.

(h) Except as provided in subsection (i), a lien attached under IC 6-4.1-8-1 to personal property that is owned by the decedent terminates when:

- (1) an affidavit described in subsection (b) is properly executed;
- (2) the affidavit described in subsection (b) is submitted to the department of state revenue or the appropriate county assessor in conformity with IC 6-4.1-8-4; and
- (3) the department of state revenue or the appropriate county assessor consents to the transfer.

However, subdivision (3) does not apply if consent of the department of state revenue or the appropriate county assessor is not required under IC 6-4.1-8-4 before the property may be transferred.

(i) A lien terminated under subsection (g) or (h) is reattached to the property under IC 6-4.1-8-1 if the department of state revenue obtains an order that an inheritance tax is owed.

SECTION 17. IC 6-4.1-4-1, AS AMENDED BY P.L.190-2016, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) Except as otherwise provided in section 0.5 of this chapter or in IC 6-4.1-5-8, the personal representative of a resident decedent's estate or the trustee or transferee of property transferred by the decedent shall file an inheritance tax return with

- ~~(1) the appropriate probate court, in the case of a return filed before April 1, 2016; or~~
- ~~(2) the department of state revenue. in the case of a return filed after March 31, 2016;~~

~~within nine (9) months after the date of the decedent's death.~~

(b) The person filing the return shall file it under oath on the forms prescribed by the department of state revenue. The return shall:

- (1) contain a statement of all property interests transferred by the decedent under taxable transfers known to the person filing the return;
- (2) indicate the fair market value, as of the appraisal date prescribed by IC 6-4.1-5-1.5, of each property interest included in the statement;
- (3) contain an itemized list of all inheritance tax deductions claimed with respect to property interests included in the statement;

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(4) contain a list which indicates the name and address of each transferee of the property interests included in the statement and which indicates the total value of the property interests transferred to each transferee; and

(5) contain the name and address of the attorney for the personal representative or for the person filing the return.

(c) If the decedent died testate, the person filing the return shall attach a copy of the decedent's will to the return.

SECTION 18. IC 6-4.1-4-2, AS AMENDED BY P.L.190-2016, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) If the Internal Revenue Service allows an extension on a federal estate tax return, the corresponding due date for the Indiana inheritance tax return is automatically extended for the same period as the federal extension.

~~(b) This subsection applies to an inheritance tax return due before April 1, 2016. If the appropriate probate court finds that because of an unavoidable delay an inheritance tax return cannot be filed within nine (9) months after the date of decedent's death, the court may extend the period for filing the return. After the expiration of the first extension period, the court may grant a subsequent extension if the person seeking the extension files a written motion which states the reason for the delay in filing the return.~~

~~(b)~~ (b) This subsection applies to an inheritance tax return due after March 31, 2016. If the department of state revenue finds that because of an unavoidable delay an inheritance tax return cannot be filed before the deadline established by the appropriate probate court or the department of state revenue, the department of state revenue may extend the period for filing the return. After the expiration of the first extension period, the department of state revenue may grant a subsequent extension if the person seeking the extension files a written petition that states the reason for the delay in filing the return.

~~(c)~~ (c) For purposes of sections 3 and 6 of this chapter, an inheritance tax return is not due until the last day of any extension period or periods granted under this section.

SECTION 19. IC 6-4.1-4-6, AS AMENDED BY P.L.190-2016, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. (a) This subsection applies to an inheritance tax return due before April 1, 2016. Except as provided in subsection (b); the appropriate probate court shall charge a person who fails to file an inheritance tax return on or before the due date a penalty in an amount which equals:

(1) fifty cents (\$0.50) per day for each day that the return is

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- delinquent; or
 (2) fifty dollars (\$50);

whichever is less. The court shall include the penalty in the inheritance tax decree which it issues with respect to the decedent's estate. The person to whom the penalty is charged shall pay it to the treasurer of the county in which the resident decedent was domiciled at the time of the resident decedent's death.

(b) The appropriate probate court may waive the penalty otherwise required under subsection (a) if the court finds that the person had a justifiable excuse for not filing the return on or before the due date.

(c) (a) This subsection applies to an inheritance tax return due after March 31, 2016. Except as provided in subsection (d), (b), the department of state revenue shall charge a person who fails to file an inheritance tax return on or before the due date a penalty in an amount that equals:

- (1) fifty cents (\$0.50) per day for each day that the return is delinquent; or
 (2) fifty dollars (\$50);

whichever is less. The department of state revenue shall include the penalty in the inheritance tax order that it issues with respect to the decedent's estate. The person to whom the penalty is charged shall pay the penalty to the department of state revenue.

(d) (b) The department of state revenue may waive the penalty otherwise required under subsection (c) (a) if the department of state revenue finds that the person had a justifiable excuse for not filing the return on or before the due date.

SECTION 20. IC 6-4.1-5-2 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 2: (a) This section does not apply to an inheritance tax return filed for a resident decedent after March 31, 2016.

(b) Within ten (10) days after an inheritance tax return for a resident decedent is filed with the probate court, the court shall refer the return to the county inheritance tax appraiser. The county inheritance tax appraiser shall:

- (1) investigate the facts concerning taxable transfers made by the decedent before the decedent's death;
 (2) review the return for mistakes and omissions; and
 (3) appraise each property interest, transferred by the decedent under a taxable transfer, at its fair market value as of the appraisal date prescribed by IC 6-4.1-5-1.5.

SECTION 21. IC 6-4.1-5-3 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 3: (a) This section does not apply to an inheritance tax return filed for a resident decedent after March 31, 2016.

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(b) Before making the appraisal required under section 2(b)(3) of this chapter, the county inheritance tax appraiser shall give notice of the date, time, and place of the appraisal, by mail, to any person designated by the probate court and each interested person who filed a request for notice and provided a mailing address to the county assessor. The county inheritance tax appraiser shall appraise the property interests at the time and place stated in the notice.

SECTION 22. IC 6-4.1-5-4 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 4: (a) This section does not apply to an inheritance tax return filed for a resident decedent after March 31, 2016.

(b) In order to make the appraisal required under section 2(b)(3) of this chapter, the county inheritance tax appraiser may:

- (1) issue subpoenas;
- (2) compel the appearance of witnesses before the appraiser; and
- (3) examine witnesses under oath.

Each witness examined with respect to the appraisal is entitled to receive a fee in the same amount paid to a witness subpoenaed to appear before a court of record. The county treasurer shall, from county funds not otherwise appropriated, pay the witness fee which is provided for under this section and which is allowed by the probate court under section 10 of this chapter.

SECTION 23. IC 6-4.1-5-5 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 5: (a) This section does not apply to an inheritance tax return filed for a resident decedent after March 31, 2016.

(b) After an inheritance tax return filed for a resident decedent is examined by the county inheritance tax appraiser and the probate court, the court shall order the person responsible for filing the return to complete the return and refile it if the court finds that the return is incomplete. When the return is refiled, the court shall refer the refiled return to the county inheritance tax appraiser for review.

SECTION 24. IC 6-4.1-5-6 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 6: (a) This section does not apply to an inheritance tax return filed for a resident decedent after March 31, 2016.

(b) After completing the duties assigned under section 2(b) of this chapter, the county inheritance tax appraiser shall prepare an appraisal report. The appraisal report shall:

- (1) contain a list of the property interests described in section 2(b)(3) of this chapter; and
- (2) indicate the fair market value of the property interests.

The county inheritance tax appraiser shall file one (1) copy of the report with the probate court, and shall file another copy of the report with the department of state revenue. The appraiser shall attach the



depositions of any witnesses examined with respect to the appraisal and any other information which the court may require to the appraisal report filed with the court.

SECTION 25. IC 6-4.1-5-7, AS AMENDED BY P.L.190-2016, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. If the personal representative of a resident decedent's estate or the trustee or transferee of property transferred by the decedent believes that no inheritance tax is imposed under this article as a result of the decedent's death, the personal representative may file a verified petition with

- (1) ~~the appropriate probate court, in the case of an inheritance tax return that would otherwise be due before April 1, 2016; or~~
- (2) ~~the department of state revenue in the case of an inheritance tax return that would otherwise be due after March 31, 2016;~~

requesting that ~~the court or the~~ department of state revenue ~~whichever is applicable~~, enter an order stating that no inheritance tax is due. The petitioner must include in the petition a statement of the value of the property interests transferred by the decedent.

SECTION 26. IC 6-4.1-5-8, AS AMENDED BY P.L.190-2016, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 8. (a) If a petition is filed under section 7 of this chapter, the

- (1) ~~probate court, in the case of a petition filed under section 7(1) of this chapter; or~~
- (2) ~~department of state revenue in the case of a petition filed under section 7(2) of this chapter;~~

may hold a hearing on the petition. If ~~the court or the~~ department of state revenue ~~whichever is applicable~~, elects to hold a hearing, it shall give **twenty (20) days** notice of the hearing in the same manner prescribed for giving the notice required under section 9(b) of this chapter: **by mail of the date, time, and place to each interested person who filed a request for notice and provided a mailing address to the department of state revenue.**

(b) After the

- (1) ~~probate court; or~~
- (2) ~~department of state revenue~~

completes its examination of the petition, ~~the court or the~~ department of state revenue ~~whichever is applicable~~, may enter an order stating that no inheritance tax is due as a result of the decedent's death.

(c) If the

- (1) ~~court; or~~
- (2) ~~department of state revenue~~

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enters an order under subsection (b), the petitioner is not required to file an inheritance tax return.

(d) However, a person may petition the:

(1) appropriate probate court; or

(2) department of state revenue;

under IC 6-4.1-7 for a rehearing on the order entered under subsection (b) or for a reappraisal of the property interests transferred by the decedent.

SECTION 27. IC 6-4.1-5-9 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 9: (a) This section does not apply to an inheritance tax return filed for a resident decedent after March 31, 2016.

(b) When the county inheritance tax appraiser files an appraisal report with the probate court, the court shall give twenty (20) days notice by mail of the date, time, and place of a hearing on the report to each interested person who filed a request for notice and provided a mailing address under section 3(b) of this chapter.

SECTION 28. IC 6-4.1-5-10, AS AMENDED BY P.L.190-2016, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 10. (a) After the hearing required by section 9(b) of this chapter for a determination made before April 1, 2016, the probate court shall determine the fair market value of the property interests transferred by the resident decedent and the amount of inheritance tax due as a result of the decedent's death. The court shall then enter an order stating the amount of inheritance tax due and the fees due witnesses under section 4 of this chapter. If the court finds that no inheritance tax is due, the court shall include a statement to that effect in the order.

(b) The court shall prepare the order required by subsection (a) on the form prescribed by the department of state revenue. The court shall include in the order a description of all Indiana real property owned by the resident decedent at the time of the decedent's death. The probate court shall spread the order of record in the office of the clerk of the circuit court. The clerk shall maintain the orders in a looseleaf ledger.

(c) (a) This subsection applies if an order stating the amount of inheritance tax due as a result of the death of a decedent who died before January 1, 2013, has not been issued as of the close of business on March 31, 2016. The department of state revenue shall determine the fair market value of the property interests transferred by the resident decedent and the amount of inheritance tax due as a result of the decedent's death. The department of state revenue shall then enter an order stating the amount of inheritance tax due and the fees due witnesses under section 4 of this chapter. **payable in the same amount**

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paid to a witness subpoenaed to appear before a court of record. If the department of state revenue finds that no inheritance tax is due, the department shall include a statement to that effect in the order. The department of state revenue shall prepare the order required by this subsection on a form prescribed by the department. The department shall include in the order a description of all Indiana real property owned by the resident decedent at the time of the decedent's death. The department shall spread the order of record in the office of the clerk of the appropriate circuit court. The clerk shall maintain the orders in a looseleaf ledger.

~~(d)~~ **(b)** An order issued by the ~~appropriate probate court or the~~ department of state revenue under this section is confidential.

SECTION 29. IC 6-4.1-5-11, AS AMENDED BY P.L.190-2016, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 11. (a) The ~~court, or the~~ department of state revenue ~~whichever is applicable~~, shall immediately mail a copy of its determination of the fair market value of the property interests transferred by a resident decedent and the inheritance tax due as a result of the person's death to each interested person who filed a request for notice and provided a mailing address ~~under section 3(b) of this chapter.~~ **to the department.**

~~(b) If the appropriate probate court made the determinations under section 10 of this chapter, the court shall also mail the information described in subsection (a) to the department of state revenue and the county treasurer.~~

SECTION 30. IC 6-4.1-6-4, AS AMENDED BY P.L.190-2016, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. (a) ~~This subsection applies to an inheritance tax return filed before April 1, 2016. For purposes of determining the inheritance tax imposed on a decedent's transfer of specific property, the appropriate probate court shall, so far as possible, determine the manner in which the property will probably be distributed if:~~

- ~~(1) a contingency makes it impossible to determine each transferee's exact interest in the property; and~~
- ~~(2) the department of state revenue and the taxpayer fail, within a reasonable time, to enter into an agreement under section 3 of this chapter.~~

~~Unless the court's determination is appealed, it is final and binding on all parties.~~

~~(b) This subsection applies to an inheritance tax return filed after March 31, 2016. For purposes of determining the inheritance tax imposed on a decedent's transfer of specific property, the department~~

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of state revenue shall, so far as possible, determine the manner in which the property will probably be distributed if:

- (1) a contingency makes it impossible to determine each transferee's exact interest in the property; and
- (2) the department of state revenue and the taxpayer fail, within a reasonable time, to enter into an agreement under section 3 of this chapter.

A person may petition the department of state revenue for a redetermination of the amount of inheritance tax imposed under this subsection in the time and manner provided under IC 6-4.1-7-1 or IC 6-4.1-7-5, whichever is applicable.

SECTION 31. IC 6-4.1-7-0.1 IS REPEALED [EFFECTIVE JULY 1, 2017]. ~~Sec. 0-1. The amendments made to sections 1 and 6 of this chapter by P.L.48-1992 do not apply to a petition for rehearing or redetermination that is based on a determination or final determination made before July 1, 1992.~~

SECTION 32. IC 6-4.1-7-1, AS AMENDED BY P.L.190-2016, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) ~~This subsection applies to an inheritance tax return filed before April 1, 2016. A person who is dissatisfied with an inheritance tax determination made by a probate court with respect to a resident decedent's estate may obtain a rehearing on the determination. To obtain the rehearing, the person must file a petition for rehearing with the probate court within one hundred twenty (120) days after the determination is made. In the petition, the person must state the grounds for the rehearing. The probate court shall base the rehearing on evidence presented at the original hearing plus any additional evidence which the court elects to hear.~~

(b) ~~This subsection applies to an inheritance tax return filed after March 31, 2016. A person who is dissatisfied with an inheritance tax determination made by the department of state revenue with respect to a resident decedent's estate may obtain a hearing on the determination. To obtain the hearing, the person must file a petition for a hearing with the appropriate probate court within one hundred twenty (120) days after the determination is made. In the petition, the person must state the grounds for the hearing. The probate court shall base the hearing on evidence presented to the department of state revenue plus any additional evidence which the court elects to hear.~~

SECTION 33. IC 6-4.1-7-2, AS AMENDED BY P.L.190-2016, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) ~~This subsection applies to an inheritance tax return filed before April 1, 2016. A person who is dissatisfied with an~~

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appraisal approved by a probate court with respect to a resident decedent's estate may obtain a reappraisal of the property interest involved. To obtain the reappraisal, the person must file a petition for reappraisal with the probate court within one (1) year after the court enters an order determining the inheritance tax due as a result of the decedent's death. However, if the original appraisal is fraudulently or erroneously made, the person may file the reappraisal petition within two (2) years after the court enters the order.

(b) This subsection applies to an inheritance tax return filed after March 31, 2016. A person who is dissatisfied with an appraisal made by the department of state revenue with respect to a resident decedent's estate may obtain a reappraisal of the property interest involved. To obtain the reappraisal, the person must file a petition for reappraisal with the probate court within one (1) year after the department of state revenue enters an order determining the inheritance tax due as a result of the decedent's death. However, if the original appraisal is fraudulently or erroneously made, the person may file the reappraisal petition within two (2) years after the department of state revenue enters the order.

SECTION 34. IC 6-4.1-7-4, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2017 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
Sec. 4. (a) After the appraiser, if any, appointed under section 3 of this chapter files an appraisal report, the probate court shall redetermine the inheritance tax due with respect to the property interests transferred by the resident decedent. In making the redetermination, the court shall follow the same procedures

(1) the court is required to follow under ~~IC 6-4.1-5-9; IC 6-4.1-5-10; and IC 6-4.1-5-11~~ when making an original inheritance tax determination; in the case of an inheritance tax return filed before April 1, 2016; or

(2) the department of state revenue is required to follow under ~~IC 6-4.1-5-9; IC 6-4.1-5-8, IC 6-4.1-5-10, and IC 6-4.1-5-11~~ when making an original inheritance tax determination. ~~in the case of an inheritance tax return filed after March 31, 2016.~~

(b) The probate court's redetermination of the inheritance tax due supersedes:

(1) the court's original determination; or

(2) an original determination by the department of state revenue; whichever is applicable. The court shall file a copy of the redetermination with the clerk of the court.

SECTION 35. IC 6-4.1-8-0.1 IS REPEALED [EFFECTIVE JULY

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1, 2017]. Sec. 0.1. The following amendments to this chapter apply as follows:

(1) The addition of section 4.6 of this chapter by P.L.26-1985 applies to property belonging to decedents who die after June 30, 1986.

(2) The amendments made to section 5 of this chapter by P.L.6-1999 apply to the estate of an individual who dies after June 30, 1999.

SECTION 36. IC 6-4.1-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) The personal representative of a decedent's estate or the trustee of property transferred by the decedent may not transfer or deliver property to a transferee unless the inheritance tax imposed with respect to the transfer has been paid.

(b) If money is transferred by the decedent to a transferee for a limited period of time, the personal representative or trustee shall retain the total inheritance tax imposed on all the interests in the money.

(c) If property other than money is transferred by the decedent to a transferee for a limited period of time, the transferees of the interests in the property shall pay to the personal representative or trustee the inheritance tax imposed on the interests. The personal representative or trustee shall apply to the **appropriate probate court department of state revenue** for a determination of the amount which each transferee is required to pay under this subsection.

SECTION 37. IC 6-4.1-8-4.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4.6. A person who has possession of or control over money held in a checking account in which a resident decedent had a legal interest shall notify the department ~~or the county assessor of the county in which the resident decedent was domiciled at the time of death,~~ when money is transferred from the account to a person, other than the resident decedent's surviving spouse.

SECTION 38. IC 6-4.1-8-5, AS AMENDED BY P.L.143-2009, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) Within ten (10) days after life insurance proceeds are paid to a resident decedent's estate, the life insurance company shall give notice of the payment to the department of state revenue.

(b) Not later than ten (10) days after damages payable under a cause of action maintained by a personal representative under IC 34-9-3-4 are paid to a resident decedent's estate, the person making the payment shall give notice of the payment to the department of state revenue.

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(c) The department of state revenue shall send a copy of any notice which it receives under subsection (a) or (b) to the county assessor of the county in which the resident decedent was domiciled at the time of the resident decedent's death.

SECTION 39. IC 6-4.1-9-0.1 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 0.1. The amendments made to sections 1 and 2 of this chapter by P.L.252-2001 apply to the estate of an individual who dies after June 30, 2001.

SECTION 40. IC 6-4.1-9-1, AS AMENDED BY P.L.190-2016, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) Except as otherwise provided in IC 6-4.1-6-6(b), the inheritance tax imposed as a result of a decedent's death is due twelve (12) months after the person's date of death. If a person liable for payment of inheritance tax does not pay the tax on or before the due date, the person shall, except as provided in subsection (b), pay interest on the delinquent portion of the tax at the rate of ten percent (10%) per year from the date of the decedent's death to the date payment is made.

(b) If an unavoidable delay, such as necessary litigation, prevents a determination of the amount of inheritance tax due, the

(1) appropriate probate court, in the case of a resident decedent for whom an inheritance tax return is filed before April 1, 2016;
or

(2) department of state revenue in all other cases;

may reduce the rate of interest imposed under this section, for the time period beginning on the date of the decedent's death and ending when the cause of delay is removed, to six percent (6%) per year.

SECTION 41. IC 6-4.1-9-2 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 2. If the inheritance tax imposed as a result of a decedent's death is paid within nine (9) months after the person's date of death, the person making the payment is entitled to a five percent (5%) reduction in the inheritance tax due. When payment is so made, the person collecting the tax shall grant the five percent (5%) reduction to the payor.

SECTION 42. IC 6-4.1-9-5, AS AMENDED BY P.L.190-2016, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) A person who is liable for inheritance tax imposed as a result of a resident decedent's death shall pay the tax to the

(1) treasurer of the county in which the resident decedent was domiciled at the time of the resident decedent's death if an inheritance tax return is filed for the resident decedent before

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~~April 1, 2016; or~~

~~(2) department of state revenue. in all other cases.~~

(b) If such a person **described in subsection (a)** believes that more inheritance tax is due as a result of the resident decedent's death than the amount of tax determined by the ~~court or the~~ department of state revenue under IC 6-4.1-5-10, the person may, without obtaining another determination from the ~~court or the~~ department of state revenue, pay the additional tax and any interest due on the additional tax to the ~~county treasurer or the~~ department of state revenue, whichever is applicable.

(b) This subsection applies only to inheritance taxes paid under subsection ~~(a)(1)~~. The county treasurer shall collect the tax, shall issue a receipt for the tax payment in duplicate, and shall send one ~~(1)~~ copy of the receipt to the department of state revenue. The department shall countersign the receipt, shall affix its seal to the receipt, and shall return the signed and sealed receipt to the payor. The department shall also charge the county treasurer with the amount of inheritance tax collected.

SECTION 43. IC 6-4.1-9-6, AS AMENDED BY P.L.190-2016, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. ~~(a)~~ This subsection applies to inheritance taxes collected by a county treasurer before April 1, 2016. With respect to the inheritance tax imposed as a result of a resident decedent's death, the county in which the tax is collected shall receive eight percent (8%) of the inheritance tax paid as a result of the decedent's death. On the first day of January, April, July, and October of each year, the county treasurer shall, except as provided in subsection ~~(c)~~, transfer to the county general fund the amount due the county under this section. This state shall receive the remaining ninety-two percent (92%) of the inheritance taxes, all the interest charges collected by the county treasurer under section 1 or 1.5 of this chapter, and all the penalties collected by the county treasurer under IC 6-4.1-4-6.

(b) ~~(a)~~ This subsection applies to inheritance taxes imposed as a result of the death of a resident decedent that are collected after March 31, 2016, by the department of state revenue. The department of state revenue shall distribute inheritance taxes collected as the result of the death of a resident decedent as follows:

- (1) The department shall retain ninety-two percent (92%) of the taxes collected for deposit in the state general fund.
- (2) The department shall retain any interest or penalties collected by the department for deposit in the state general fund.
- (3) Subject to subsection ~~(c)~~, **(b)**, the department shall distribute

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eight percent (8%) of the taxes collected to the county treasurer of the county in which the resident decedent lived at the time of the resident decedent's death for deposit in the county general fund.

(c) (b) In a county having a consolidated city, the amount due the county under this section shall be transferred to the general fund of the consolidated city.

SECTION 44. IC 6-4.1-9-7 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 7: (a) This section does not apply to inheritance taxes paid to the department of state revenue after March 31, 2016.

(b) On the first day of January, April, July, and October of each year, each county treasurer shall, under oath, send a written inheritance tax report to the department of state revenue. Each report shall state the amount of inheritance taxes collected by the county treasurer during the preceding three (3) months and shall indicate the estates for which the taxes were paid, who paid the taxes, and when the taxes were paid. The county treasurer shall prepare each report on the form prescribed by the state board of accounts.

(c) On the first day of January, April, July, and October of each year, each county auditor shall issue a warrant to the state treasurer for the amount of inheritance taxes, interest charges, and penalties which the state is to receive under section 6 of this chapter. The county treasurer shall stamp and countersign the warrant. The county treasurer shall send the warrant to the department of state revenue not more than thirty (30) days after the county treasurer is required to send the related inheritance tax report for the preceding three (3) months under subsection (b).

SECTION 45. IC 6-4.1-9-8 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 8: (a) The department of state revenue shall receipt and account for each warrant which it receives under section 7(c) of this chapter. The department shall then forward the warrant to the state treasurer. The state treasurer shall deposit the warrants in a special account within the state general fund to be known as the Inheritance Tax Account.

(b) At the end of each month, the state auditor shall issue a quietus to the department of state revenue for the money collected by the department under section 7(c) of this chapter. The state auditor shall issue the quietus under the same terms and conditions established for issuing a quietus to similar state agencies.

SECTION 46. IC 6-4.1-9-9 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 9: The department of state revenue shall audit the quarterly inheritance tax reports required by section 7 of this chapter. The

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department shall report any shortage which it discovers to the appropriate county treasurer and county auditor. If the department notifies them of a shortage, the county treasurer and county auditor shall promptly issue a warrant to the state treasurer for the balance due the state. If the department, through its audit, discovers that an excessive payment has been made, the amount of the excess shall be refunded in the same manner that refunds are made under IC 6-4.1-10.

SECTION 47. IC 6-4.1-9-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 11. (a) If the department of state revenue believes that a person has failed to pay inheritance tax for which the person is liable under a court order, the department may file in the appropriate probate court an action in the name of the state to enforce payment of the tax. This action must be commenced within ten (10) years after the date of the order imposing the tax unless the court **or the department of state revenue, whichever is applicable**, has not complied with IC 6-4.1-5-11. Every person who is liable for the inheritance tax is liable to the department of state revenue for payment of the tax. The amounts collected under this section shall be distributed under section 6 of this chapter.

(b) When an action has been successfully prosecuted under this section, the person who is liable for the inheritance tax due from any property which is subject to the inheritance tax shall then pay the amount due from the person to the department of state revenue.

SECTION 48. IC 6-4.1-10-1.5 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 1.5: (a) This section applies to a refund of inheritance taxes paid with respect to an individual whose death occurs in 2013.

(b) The entire amount of a refund must be paid by the department, including any amounts retained by a county under IC 6-4.1-9-6.

(c) If a county is eligible to receive an inheritance tax replacement amount under IC 6-4.1-11-6 in 2013, the amount of the replacement amount must be reduced by the amount of any inheritance taxes retained by the county under IC 6-4.1-9-6 with respect to an individual whose death occurs in 2013.

(d) If a county is not eligible to receive an inheritance tax replacement amount under IC 6-4.1-11-6 in 2013, the department may deduct the amount of any inheritance taxes retained by the county under IC 6-4.1-9-6 with respect to an individual whose death occurs in 2013 from any distribution of revenue to the county.

SECTION 49. IC 6-4.1-11 IS REPEALED [EFFECTIVE JULY 1, 2017]. (Indiana Estate Tax).

SECTION 50. IC 6-4.1-12-2, AS AMENDED BY P.L.190-2016, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2017]: Sec. 2. (a) Except as provided in subsection (b); each county assessor shall serve as the county inheritance tax appraiser for the county the assessor serves. However, the appropriate probate court shall appoint a competent and qualified resident of the county to appraise property transferred by a resident decedent if the county assessor is:

- (1) beneficially interested as an heir of the decedent's estate;
- (2) the personal representative of the decedent's estate; or
- (3) related to the decedent or a beneficiary of the decedent's estate within the third degree of consanguinity or affinity.

A person who is appointed to act as the county inheritance tax appraiser under this section shall receive a fee for the person's services. The court, subject to the approval of the department of state revenue, shall set the fee.

(b) For purposes of determining **To determine** the inheritance tax with respect to an inheritance tax return filed after March 31, 2016, the ~~duty to~~ **department of state revenue shall** appraise a property interest transferred by a resident decedent. ~~is transferred to the department of state revenue.~~

SECTION 51. IC 6-4.1-12-4 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 4. ~~Before April 1, 2016, the county assessor shall receive funds from the county to pay the actual cost of equipment which the assessor needs to perform the duties assigned to the assessor under this article.~~

SECTION 52. IC 6-4.1-12-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. For the purpose of conducting an investigation described under ~~clause (3) or clause (6) of section 6~~ **section 6(3) or 6(6)** of this chapter, the department of state revenue may:

- (1) subpoena evidence;
- (2) subpoena witnesses;
- (3) administer oaths; or
- (4) take testimony concerning any matter.

Each witness examined by the department is entitled to receive a fee equal to the same fee paid witnesses subpoenaed to appear before a court of record. The witness fee shall be paid in the same manner that erroneous tax payments are refunded under IC 6-4.1-10.

SECTION 53. IC 6-8-5-1, AS AMENDED BY P.L.172-2011, SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) All bonds issued after March 11, 1959, or notes, warrants, or other evidences of indebtedness issued in the state of Indiana by or in the name of any Indiana county, township, city,

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incorporated town, school corporation, state educational institution, or any other Indiana political, municipal, public or quasi-public corporation or body, or in the name of any special assessment or taxing district or in the name of any authorized body of any such corporation or district, the interest thereon, the proceeds received by a holder from the sale of such obligations to the extent of the holder's cost of acquisition, or proceeds received upon redemption prior to maturity, or proceeds received at maturity, and the receipt of such interest and proceeds, shall be exempt from taxation in the state of Indiana for all purposes. ~~except a state inheritance tax imposed under IC 6-4.1.~~

(b) All bonds issued after March 11, 1933, and before March 12, 1959, by any municipality in this state under the provisions of any statute whereby the terms thereof provide for the payment of such bonds out of the funds derived from the revenues of any municipally owned utility or which are to be paid by pledging the physical property of any such municipally owned utility, or any bonds issued pledging both the physical property and the revenues of such utility, or any bonds issued for additions to or improvements to be made to such municipally owned utility, or any bonds issued by any municipality to be paid out of taxes levied by such municipality for the acquiring, purchase, construction, or the reconstruction of a utility, or any part thereof, shall be exempt from taxation for all purposes. ~~except a state inheritance tax imposed under IC 6-4.1.~~

(c) This section does not apply to measuring the franchise tax imposed on the privilege of transacting the business of a financial institution in Indiana under IC 6-5.5.

- (d) No other statute exempting interest paid on debt obligations of:
- (1) a state or local public entity, including an agency, a government corporation, or an authority; or
 - (2) a corporation or other entity leasing real or personal property to an entity described in subdivision (1);

applies to measuring of the franchise tax imposed on financial institutions under IC 6-5.5.

SECTION 54. IC 8-10-1-27, AS AMENDED BY P.L.98-2008, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 27. (a) The exercise of the powers granted by this article will be in all respects for the benefit of the people of the state, for the increase of their commerce and prosperity, and for the improvement of their health and living conditions.

(b) As the operation and maintenance of a port or project by the ports of Indiana will constitute the performance of essential governmental functions, the ports of Indiana shall not be required to

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pay any taxes or assessments upon any port or project or any property acquired or used by the ports of Indiana under the provisions of this article or upon the income therefrom. The bonds issued by the ports of Indiana, the interest thereon, the proceeds received by a holder from the sale of such bonds to the extent of the holder's cost of acquisition, or proceeds received upon redemption prior to maturity or proceeds received at maturity, and the receipt of such interest and proceeds shall be exempt from taxation in the state of Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

(c) Notwithstanding any other statute, a lessee's leasehold estate in land that is part of a port and that is owned by the state or the ports of Indiana is exempt from property taxation. However, an exemption under this subsection is not available for land not located at a port.

SECTION 55. IC 8-14.5-6-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 12. All bonds or notes issued under this article are issued by a body corporate and politic of this state, but not a state agency, and for an essential public and governmental purpose. The bonds and notes, the interest on the bonds and notes, the proceeds received by an owner from the sale of the bonds or notes to the extent of the owner's cost of acquisition, proceeds received upon redemption for maturity, proceeds received at maturity, and the receipt of the interest and proceeds are exempt from taxation for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

SECTION 56. IC 8-21-9-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 31. (a) The exercise of the powers granted by this chapter will be in all respects for the benefit of the people of the state, for the increase of their commerce and prosperity, and for the improvement of their health and living conditions, and as the operation and maintenance of an airport facility or airport facilities by the department will constitute the performance of essential governmental functions, the department shall not be required to pay any taxes or assessments upon any airport facility or airport facilities or any property acquired or used by the department under the provisions of this chapter, or upon the income therefrom, and the bonds issued under the provisions of this chapter, the interest thereon, the proceeds received by a holder from the sale of such bonds to the extent of the holder's cost of acquisition, or proceeds received upon redemption prior to maturity or proceeds received at maturity, and the receipt of such interest and proceeds shall be exempt from taxation in the state of Indiana for all purposes except the financial institutions

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tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

(b) All properties both real and personal owned and operated by the department or leased by the department for proprietary purposes shall be assessed and added to the local tax rolls as any other private property. Such proprietary operations, under control of either the authority or a lessee of the department, shall be subject to Indiana adjusted gross income and sales tax laws.

SECTION 57. IC 8-22-3-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 17. (a) For the purpose of raising money to pay all bonds issued under section 16 of this chapter and any interest on them, the principal of and interest on any outstanding bonds or obligations payable from taxes and assumed under section 33 of this chapter, and leases entered into under IC 8-22-3.6 that are payable in whole or in part from a property tax levy, the board shall levy each year a special tax upon all of the property, both real and personal, located within the district in a manner and in an amount to meet and pay the principal of the bonds as they severally mature, together with all interest accruing on them, and to pay lease rentals as they become due, after taking into account all other revenues pledged to the payment of the bonds or lease rentals.

(b) The board shall file the tax levied each year with the county auditor of the county in which the district is located under IC 6-1.1-17.

(c) The tax levied shall be collected and enforced by the treasurer of the county under IC 6-1.1, and as the tax is collected by the treasurer of the county it shall be paid over to the treasurer of the authority. The treasurer shall accumulate and keep the tax in a separate fund to be known as the "airport authority bond fund", which shall be applied to the payment of the bonds and the interest on them as they severally mature and to the payment of lease rentals and to no other purposes.

(d) The bonds issued under this chapter and the interest on them are exempt from taxation for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

SECTION 58. IC 8-22-3-18.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 18.1. (a) The board may:

- (1) finance capital improvements, including the acquisition of real estate;
- (2) refund any bonds; or
- (3) pay any loan contract;

by borrowing money and issuing revenue bonds from time to time

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under this section.

(b) The issuance of revenue bonds must be authorized by ordinance of the board in at least one (1) series, may bear a date or dates, may mature at a time or times not exceeding forty (40) years from their respective dates, may bear interest, may be in a denomination or denominations, may be in a form, either coupon or registered, may carry registration and conversion privileges, may be executed in a manner, may be payable in a medium of payment and at a place or places, may be subject to terms of redemption, with or without a premium, may be declared or become due before the maturity date, may provide for the replacement of mutilated, destroyed, stolen, or lost bonds, may be authenticated in a manner and upon compliance with conditions, and may contain other terms and covenants that the ordinance of the board provides. Notwithstanding the form or tenor of the bonds, and in the absence of express recitals on their faces that the bonds are nonnegotiable, the bonds are negotiable instruments.

(c) The issuance of revenue bonds must be approved as follows:

- (1) When the authority is established by an eligible entity, by the entity's executive.
- (2) When the authority is established by at least two (2) eligible entities acting jointly, by the executive of each of those entities.
- (3) When the authority was established under IC 19-6-2 (before its repeal on April 1, 1980), by the executive of the consolidated city.
- (4) When the authority was established under IC 19-6-3 (before its repeal on April 1, 1980), by the county fiscal body.

For purposes of this subsection, the entire legislative body of a town is considered the executive of the town.

(d) The bonds must be executed in the name of the authority by the president of the board and attested by the secretary, and interest coupons may be executed by placing on the interest coupons the facsimile signature of the president of the board. The bonds are valid and binding obligations of the authority for all purposes, notwithstanding that before delivery of the bonds any of the persons whose signatures appear on the bonds have ceased to be officers of the entity or authority, as if the persons had continued to be officers of the entity and authority until after delivery. The validity of the authorization and issuance of the bonds is not dependent on or affected in any way by proceedings taken for the improvement for which the bonds are to be issued, or by contracts made in connection with the improvement. An ordinance authorizing revenue bonds must provide that a revenue bond contain a recital that the bond is issued under this

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chapter, and a bond containing the recital under authority of an ordinance is considered valid and issued in conformity with this chapter.

(e) At the discretion of the board, the revenue bonds shall be sold either under the procedures for selling public bonds or at a negotiated sale. The bonds may be sold in installments at different times, or an entire issue or series may be sold or exchanged at one (1) time. Any issue or series of the bond may be sold in part or sold in part in installments at different times or at one (1) time.

(f) The bonds are special obligations of the authority and are payable solely from and secured by a lien upon the revenues of all or part of the facilities of the authority, as shall be more fully described in the ordinance of the board authorizing the issuance of the bonds, and, subject to the Constitution and to the prior or superior rights of any person, the board may by ordinance pledge and assign for the security of the bonds all or part of the gross or net revenues of the enterprise.

(g) All bonds of the same issue shall be equally and ratably secured, without priority by reason of number, date of bonds, of sale, of execution, or of delivery, by a lien upon the revenues in accordance with this section and the ordinance authorizing the issuance of the bonds.

(h) This chapter does not alter the rights granted to or the agreements made with the holders of any notes, bonds, or other obligations of the board outstanding on April 1, 1980.

(i) The bonds, and interest on the bonds, are not a debt of the authority or the board, nor a charge, a lien, or an encumbrance, legal or equitable, upon property of the board, or upon income, receipts, or revenues of the board other than those revenues of the facilities that have been pledged to the payment of the bonds. Every bond must recite in substance that the bond, including interest, is payable solely from the revenues pledged to the bond's payment, and that the board is under no obligation to pay the bond, except from those revenues.

(j) The bonds and the income from the bonds are exempt from taxation, except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

(k) In order that the payment of the revenue bonds and the interest on the bonds be adequately secured, the board and its officers, agents, and employees shall:

(1) pay or cause to be paid punctually the principal of every bond, and the interest on every bond, on the date or dates and at the place or places and in the manner and out of the funds mentioned in the bonds and in the attached coupons, in accordance with the

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ordinance authorizing their issuance;

(2) operate the facilities of the authority, the revenues of which are pledged to the bonds, in an efficient and economical manner and establish, levy, maintain, and collect fees, tolls, rentals, rates, and other charges that may be necessary or proper, which must be at least sufficient after making due and reasonable allowance for contingencies and for a margin of error in the estimates:

(A) to pay all current expenses of operation, maintenance, and repair of the facilities;

(B) to pay the interest on and principal of the bonds as the bonds become due and payable;

(C) to comply in all respects with the terms of the ordinance authorizing the issuance of bonds or any other contract or agreement with the holders of the bonds; and

(D) to meet any other obligations of the board that are charges, liens, or encumbrances upon the revenues of the facilities;

(3) operate and maintain the facilities and every part of the facilities in good working order and condition;

(4) preserve the security of the bonds and the rights of the holders, and warrant and defend the rights against all claims and demands of all persons;

(5) pay the lawful claims for labor, materials, and supplies, which, if unpaid, might by law become a lien or charge upon the revenues or part of the revenues, superior to the lien of the bonds, or that might impair the security of the bonds, to the end that the priority and security of the bonds be fully preserved;

(6) hold in trust the revenues pledged to the payment of the bonds for the benefit of the holders of the bonds and apply the revenues only as provided by the ordinance authorizing the issuance of the bonds or, if the ordinance is modified, as provided in the ordinance as modified; and

(7) keep proper books of record and accounts of the facilities (separate from all other records and accounts) in which complete and correct entries are made of all transactions relating to the facilities or part of the facilities, the revenues of which are pledged and that, together with all other books and papers of the board, are at all times subject to the inspection of the holder or holders of not less than ten percent (10%) of the bonds then outstanding or the holder's or the holders' representative duly authorized in writing.

None of the duties in this subsection require the expenditure in any manner or for any purpose by the board of any funds other than

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revenues received or receivable from the enterprise or facilities.

(l) The board may insert provisions in an ordinance or a resolution authorizing the issuance of revenue bonds, which becomes a part of the contract with the holders of the revenue bonds, as to:

- (1) limitations on the purpose to which the proceeds of sale of any issue of revenue bonds, or any notes, bonds, or other obligations payable from the revenues to finance the improving of the facilities may be applied;
- (2) limitations on the issuance of additional bonds, or additional notes, bonds, or other obligations to finance the improving of the facilities, including liens;
- (3) limitations on the right of the board to restrict and regulate the use of the facilities;
- (4) the amount and kind of insurance to be maintained on the facilities and the use and disposition of insurance money;
- (5) pledging all or part of the revenues of the facilities to which the board's right exists;
- (6) covenanting against pledging all or part of the revenues of the facilities to which its right exists;
- (7) events of default and terms and conditions upon which the bonds become or may be declared due before maturity and as to the terms and conditions upon which declaration and its consequences may be waived;
- (8) the rights, liabilities, powers, and duties arising upon the breach by it of any covenants, conditions, or obligations;
- (9) the vesting in a trust or trustees the right to enforce covenants made to secure, to pay, or in relation to the bonds, as to the powers and duties of the trustee or trustees, and the limitation of liabilities, and as to the terms and conditions upon which the holders of the bonds or any proportion or percentage of the holders of the bonds may enforce any covenants made or duties imposed under this chapter;
- (10) a procedure by which the terms of an ordinance authorizing revenue bonds, or any other contract with bondholders, such as an indenture of trust or similar instrument, may be amended or abrogated and as to the amount of bonds, the holders of which must consent to them and the manner in which such consent may be given;
- (11) the execution of all instruments necessary or convenient in the exercise of the powers granted by this chapter or in the performance of the duties of the board and the officers, agents, and employees of them;

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(12) refraining from pledging, claiming, or taking the benefit or advantage of any stay or extension law whenever enacted, which may affect the duties or covenants of the board in relation to the bonds, or the performance or the lien of the bonds;

(13) the purchase out of funds available, including the proceeds of revenue bonds, of outstanding notes, bonds, or obligations and the price or prices at which and the manner in which purchases may be made; and

(14) other acts and things that may be necessary, convenient, or desirable in order to secure the bonds, or that may tend to make the bonds more marketable.

This section does not authorize the board to make covenants, to perform an act, or to do anything that requires the expenditure by the board of funds other than revenues received or receivable from the facilities.

(m) In the event that the board defaults in the payment of the principal or interest on any of the revenue bonds after the bonds become due, whether at maturity or upon call for redemption, and the default continues for a period of thirty (30) days, or in the event that the board or the board's officers, agents, or employees fail or refuse to comply with this chapter or default in an agreement made with the holders of the bonds, any holder or holders of revenue bonds, or a trustee for the holder or holders of the bonds, has the right to apply in an appropriate judicial proceeding to the circuit or superior court of the county in which the district is situated, in which the facilities are located, or in any court of competent jurisdiction, for the appointment of a receiver of the facilities, whether or not the holder, holders, or trustee is seeking or has sought to enforce any other right or to exercise any remedy in connection with the bonds. Upon application, the circuit or superior court may appoint, and if the application is made by the holders of twenty-five percent (25%) in principal amount of the bonds then outstanding or by a trustee for holders of the bonds in that amount shall appoint, a receiver for the enterprise.

(n) The receiver appointed shall, directly or by the receiver's agents and attorneys, enter into and upon and take possession of the facilities, the revenues of which are pledged, and every part of the facilities, and may exclude the board, the board's officers, agents, and employees, and all persons claiming under them. The receiver may have, hold, use, operate, manage, and control the facilities in the name of the board or otherwise, as the receiver considers best, and may exercise all rights and powers of the board with respect to the facilities as the board itself might do. The receiver shall maintain, restore, and insure the facilities,

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shall make all necessary repairs, shall establish, levy, maintain, and collect fees, tolls, rentals, and other charges in connection with the facilities that the receiver considers necessary or proper and reasonable, and shall collect and receive all revenues, deposit the revenues in a separate account, and apply the revenues in the manner that the court directs.

(o) Whenever all that is due upon the revenue bonds and interest on the bonds, and upon other notes, bonds, or other obligations, and interest on the notes, bonds, or obligations, having a charge, lien, or encumbrance on the revenues of the facilities and under the terms of covenants or agreements with bondholders has been paid or deposited, and all defaults have been cured and made good, the court may in its discretion, and after notice and hearing that the court considers reasonable and proper, direct the receiver to surrender possession of the facilities to the board, with the right of the holders of the bonds to secure the appointment of a receiver upon subsequent default remaining in force.

(p) The receiver shall act under the direction and supervision of the court making the appointment and is at all times subject to the orders and decrees of the court, including possible removal. Nothing contained in this section limits or restricts the jurisdiction of the court to enter other or further orders and decrees as the court considers necessary or appropriate for the exercise by the receiver of functions specifically set forth.

(q) Subject to contractual limitations binding upon the holders or a trustee of an issue of revenue bonds, including but not limited to the restrictions of the exercise of a remedy to a specified proportion or percentage of the holders, a holder or trustee of the bonds may, for the equal benefit and protection of all holders of revenue bonds similarly situated:

- (1) by mandamus or other suit, action, or proceeding at law or in equity enforce rights against the board and any of the board's officers, agents, and employees and require and compel the board or the board's officers, agents, or employees to perform and carry out duties and obligations under this chapter and covenant agreements with bondholders;
- (2) by action or suit in equity require the board to account as if the board were the trustee of an express trust;
- (3) by action or suit in equity enjoin any acts or things that may be unlawful or in violation of the rights of the bondholders; or
- (4) bring suit upon the bonds.

No remedy conferred by this chapter upon a holder or trustee of

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revenue bonds is intended to be exclusive of any other remedy, but each remedy is in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred by this chapter or by any other law. No waiver of a default or breach of duty or contract, whether by a holder or trustee of revenue bonds extends to or affects a subsequent default or breach of duty or contract or impairs any rights or remedies on them. No delay or omission of a bondholder or trustee extends to or affects a subsequent default or breach of duty or contract or impairs any rights or remedies. No delay or omission of a bondholder or trustee to exercise a right or power accruing upon default impairs the right or power or may be construed to be a waiver of the default or acquiescence in it. Every substantive right and every remedy conferred upon the holders of revenue bonds may be enforced and exercised from time to time and as often as is expedient. In case any suit, action, or proceeding to enforce a right or exercise a remedy is brought or taken and then discontinued or abandoned, or is determined adversely to the holder or trustee of the revenue bonds, then the board and the holder or trustee shall be restored to their former positions and rights and remedies as if no suit, action, or proceeding had been brought or taken.

(r) Refunding or refunding and improvement revenue bonds may be issued in accordance with the provisions for the refinancing or refinancing and improving of any of the facilities for which revenue bonds or a loan contract have been issued or made under this section or section 19 of this chapter.

(s) This section constitutes full authority for the issuance of revenue bonds. No procedure, proceedings, publications, notices, consents, approvals, orders, acts, or things by the board, by a board, an officer, a commission, a department, an agency, or an instrumentality of the state, or by an eligible entity is required to issue revenue bonds or to do any act or perform anything under this chapter, except as presented by this chapter. The powers conferred by this chapter are in addition to, and not in substitution for, and the limitations imposed by this section do not affect the powers conferred in another section of this chapter or by any other statute.

SECTION 59. IC 8-22-3.7-21, AS AMENDED BY P.L.27-2007, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 21. (a) All:

- (1) property owned by the development authority;
- (2) revenues of the development authority; and
- (3) bonds issued by the development authority, the interest on the bonds, the proceeds received by a holder from the sale of bonds

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to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of interest in proceeds;
are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

(b) All securities issued under this chapter are exempt from the registration requirements of IC 23-19 and other securities registration statutes.

SECTION 60. IC 9-17-3-9, AS AMENDED BY P.L.81-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 9. (a) The owner or owners of a vehicle may create an interest in the vehicle that is transferrable on the death of the owner or owners by obtaining a certificate of title conveying the interest in the vehicle to one (1) or more persons as transfer on death beneficiaries.

(b) Subject to subsection (e), an interest in a vehicle transferred under this section vests upon the death of the owner or owners.

(c) A certificate of title that is:

- (1) worded in substance as "A.B. transfers on death to C.D." or "A.B. and C.D. transfer on death to E.F."; and
- (2) signed by the owner or owners;

is a good and sufficient conveyance on the death of the owner or owners to the transferee or transferees.

(d) A certificate of title obtained under this section is not required to be:

- (1) supported by consideration; or
- (2) delivered to the named transfer on death beneficiary or beneficiaries;

to be effective.

(e) Upon the death of the owner or owners conveying an interest in a vehicle in a certificate of title obtained under this section, the interest in the vehicle is transferred to each beneficiary who is described by either of the following:

- (1) The beneficiary:
 - (A) is named in the certificate; and
 - (B) survives the transferor.
- (2) The beneficiary:
 - (A) survives the transferor; and
 - (B) is entitled to an interest in the vehicle under IC 32-17-14-22 following the death of a beneficiary who:
 - (i) is named in the certificate; and

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(ii) did not survive the transferor.

~~(f) A transfer of an interest in a vehicle under this section is subject to IC 6-4-1.~~

~~(g)~~ (f) A certificate of title designating a transfer on death beneficiary is not testamentary.

~~(h)~~ (g) In general, IC 32-17-14 applies to a certificate of title designating a transfer on death beneficiary. However, a particular provision of IC 32-17-14 does not apply if it is inconsistent with the requirements of this section or IC 9-17-2-2(b).

SECTION 61. IC 14-13-1-38 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 38. (a) The commission is not required to pay any taxes or assessments upon any of the following:

- (1) A project of the commission.
- (2) A facility, betterment, or improvement within a project.
- (3) Property acquired or used by the commission under this chapter or IC 14-6-29 (before its repeal).
- (4) The income or revenue from the property.

(b) The:

- (1) bonds issued under this chapter or under IC 14-6-29 (before its repeal);
- (2) interest on the bonds;
- (3) proceeds received by a holder from the sale of the bonds to the extent of the holder's cost of acquisition;
- (4) proceeds received upon redemption before maturity or proceeds received at maturity; and
- (5) receipt of interest and proceeds;

are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4-1.~~

SECTION 62. IC 14-13-2-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 28. (a) The commission is not required to pay any taxes or assessments upon any of the following:

- (1) A project of the commission.
- (2) A facility, a betterment, or an improvement within a project.
- (3) Property acquired or used by the commission under this chapter or under IC 14-6-29.5 (before its repeal).
- (4) The income or revenue from the property.

(b) The:

- (1) bonds issued under this chapter or under IC 14-6-29.5 (before its repeal);

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- (2) interest on the bonds;
 - (3) proceeds received by a holder from the sale of the bonds to the extent of the holder's cost of acquisition;
 - (4) proceeds received upon redemption before maturity or proceeds received at maturity; and
 - (5) receipt of interest and proceeds;
- are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

SECTION 63. IC 14-14-1-46 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 46. (a) The exercise of the powers granted by this chapter will be in all respects for the benefit of the people of Indiana and for the increase of their commerce, health, enjoyment, and prosperity. The operation and maintenance of a park project by the commission will constitute the performance of essential governmental functions.

(b) The commission is not required to pay taxes or assessments upon a park project or property acquired or used by the commission under this chapter or IC 14-3-12 (before its repeal) or upon the income from the property. The following are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5: ~~or a state inheritance tax imposed under IC 6-4.1:~~

- (1) Bonds issued under this chapter or under IC 14-3-12 (before its repeal).
- (2) Interest on the bonds.
- (3) Proceeds:
 - (A) received by a holder from the sale of bonds to the extent of the holder's cost of acquisition;
 - (B) received upon redemption before maturity; or
 - (C) received at maturity.
- (4) Receipt of the interest and proceeds.

SECTION 64. IC 15-13-10-10, AS ADDED BY P.L.2-2008, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 10. Interest paid on bonds issued under this chapter is exempt from taxation for all purposes, except

- ~~(1) the inheritance tax under IC 6-4.1; and~~
- ~~(2) for determining financial institution tax liabilities under IC 6-5.5.~~

SECTION 65. IC 16-22-6-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 34. The following are exempt from state taxation except for the financial institutions tax imposed under IC 6-5.5: ~~or a state inheritance tax imposed under~~

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~~IC 6-4.1:~~

- (1) Property owned by the authority.
- (2) Revenues of the authority.
- (3) Bonds or other securities and the interest on bonds and securities issued by the authority.
- (4) Proceeds received by a holder from the sale of the bonds, to the extent of the holder's cost of acquisition.
- (5) Proceeds received upon redemption at or before maturity and the interest on the proceeds.

SECTION 66. IC 16-22-7-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 39. The following are exempt from state taxation except the financial institutions tax: ~~and the state inheritance tax:~~

- (1) All property owned by the authority.
- (2) All revenues of the authority.
- (3) All bonds or other securities issued by the authority and the interest on the bonds or other securities, the proceeds received by a holder from the sale of bonds to the extent of the holder's cost of acquisition, proceeds received upon redemption at or before maturity and the interest on the proceeds.

SECTION 67. IC 20-47-2-21, AS ADDED BY P.L.2-2006, SECTION 170, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 21. Property owned by a lessor corporation entering into a lease with a school corporation or corporations under this chapter, and all stock and other securities (including the interest or dividends) issued by a lessor corporation, are exempt from all state, county, and other taxes, except the financial institutions tax (IC 6-5.5). ~~and inheritance taxes (IC 6-4.1):~~

SECTION 68. IC 21-9-7-3 IS REPEALED [EFFECTIVE JULY 1, 2017]. ~~Sec. 3: An account is not an asset for the purposes of IC 6-4.1-2:~~

SECTION 69. IC 21-16-5-12, AS ADDED BY P.L.2-2007, SECTION 257, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 12. The principal of and the interest on bonds and notes issued by the corporation under this chapter are exempt from taxation of every kind by the state and by the municipalities and other political subdivisions of the state. ~~except taxes imposed under IC 6-4.1:~~

SECTION 70. IC 27-1-29-17, AS AMENDED BY P.L.235-2005, SECTION 203, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 17. (a) As used in this section:

- (1) "basic fund" refers to the political subdivision risk management fund established by this chapter; and

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(2) "catastrophic fund" refers to the political subdivision catastrophic liability fund established by IC 27-1-29.1.

(b) Before July 1, 2005, the commission may issue its bonds or notes in amounts that it considers necessary to provide funds to:

(1) establish or maintain the reserve account in the catastrophic fund provided for in IC 27-1-29.1-8;

(2) provide for the payment of liabilities payable out of the basic fund to the extent such liabilities exceed the money in the basic fund; and

(3) pay, fund, or refund, regardless of when due, the principal of or interest or redemption premiums on bonds or notes issued under subdivision (1) or (2).

Bonds or notes issued under subdivision (2) must mature within three (3) years after their date of issuance.

(c) The bonds or notes of the commission may be issued and sold by the commission to the Indiana bond bank under IC 5-1.5.

(d) Every issue of bonds or notes is an obligation of the commission. An issue of bonds or notes under subsection (b)(1) is payable solely from assessments imposed by the commission under IC 27-1-29.1 on political subdivisions that are members of the catastrophic fund, and the commission may secure such bonds or notes by a pledge of assessments imposed under IC 27-1-29.1. An issue of bonds or notes under subsection (b)(2) is payable solely from assessments imposed by the commission under section 12 of this chapter on political subdivisions that are members of the basic fund, and the commission may secure such bonds or notes by a pledge of assessments imposed under section 12 of this chapter.

(e) A bond or note of the commission:

(1) is not a debt, liability, loan of credit, or pledge of the faith and credit of the state; and

(2) must contain on its face a statement that the commission is obligated to pay principal and interest, and the redemption premium, if any, and that the faith, credit, and taxing power of the state are not pledged to the payment of the bond or note.

(f) The state pledges to and agrees with the holders of the bonds or notes issued under this chapter that the state will not:

(1) limit or restrict the rights vested in the commission to fulfill the terms of any agreement made with the holders of its bonds or notes; or

(2) in any way impair the rights or remedies of the holders of the bonds or notes;

until the bonds or notes, together with the interest on the bonds or



notes, and interest on unpaid installments of interest, and all costs and expenses in connection with an action or proceeding by or on behalf of the holders, are fully met, paid, and discharged.

(g) The bonds or notes of the commission are negotiable instruments for all purposes of IC 26-1, subject only to the provisions of the bonds and notes for registration.

(h) Bonds or notes of the commission must be authorized by resolution of the commission, may be issued in one (1) or more series, and must:

- (1) bear the date;
- (2) mature at the time or times;
- (3) be in the denomination;
- (4) be in the form;
- (5) carry the conversion or registration privileges;
- (6) have the rank or priority;
- (7) be executed in the manner;
- (8) be payable from the sources in the medium of payment at the place inside or outside the state; and
- (9) be subject to the terms of redemption;

as the resolution of the commission or the trust agreement securing the bonds or notes provides.

(i) Bonds or notes may be issued under this chapter without obtaining the consent of any agency of the state and without any other proceeding or condition other than the proceedings or conditions specified in this chapter.

(j) The rate or rates of interest on the bonds or notes may be fixed or variable. Variable rates shall be determined in the manner and in accordance with the procedures set forth in the resolution authorizing the issuance of the bonds or notes. Bonds or notes bearing a variable rate of interest may be converted to bonds or notes bearing a fixed rate or rates of interest, and bonds or notes bearing a fixed rate or rates of interest may be converted to bonds or notes bearing a variable rate of interest, to the extent and in the manner set forth in the resolution pursuant to which the bonds or notes are issued. The interest on bonds or notes may be payable semiannually or annually or at any other interval or intervals as may be provided in the resolution, or the interest may be compounded and paid at maturity or at any other times as may be specified in the resolution.

(k) The bonds or notes may be made subject, at the option of the holders, to mandatory redemption by the commission at the times and under the circumstances set forth in the authorizing resolution.

(l) Bonds or notes of the commission may be sold at public or

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private sale at such price, either above or below the principal amount, as the commission fixes. If bonds or notes of the commission are to be sold at public sale, the commission shall comply with IC 5-1-11 and shall publish notice of the sale in accordance with IC 5-3-1-2 in two (2) newspapers published and of general circulation in Indianapolis.

(m) The commission may periodically issue its notes under this chapter and pay and retire the principal of the notes, pay the interest due on the notes, or fund or refund the notes from proceeds of bonds or of other notes or from other funds or money of the commission available for that purpose in accordance with a contract between the commission and the holders of the notes.

(n) The commission may secure any bonds or notes issued under this chapter by a trust agreement by and between the commission and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside Indiana.

(o) The trust agreement or the resolution providing for the issuance of the bonds or notes may contain provisions for protecting and enforcing the rights and remedies of the holders of any such bonds or notes as are reasonable and proper and not in violation of law.

(p) The trust agreement or resolution may set forth the rights and remedies of the holders of any bonds or notes and of the trustee and may restrict the individual right of action by the holders.

(q) In addition to the provisions of subsections (n) through (p), any trust agreement or resolution may contain other provisions the commission considers reasonable and proper for the security of the holders of any bonds or notes.

(r) All expenses incurred in carrying out the provisions of the trust agreement or resolution may be paid from assessments, revenues, or assets pledged or assigned to the payment of the principal of and the interest on bonds and notes or from any other funds available to the commission.

(s) Notwithstanding the restrictions of any other law, all financial institutions, investment companies, insurance companies, insurance associations, executors, administrators, guardians, trustees, and other fiduciaries may legally invest sinking funds, money, or other funds belonging to them or within their control in bonds or notes issued under this chapter.

(t) All bonds or notes issued under this chapter are issued by a body corporate and politic of this state, but not a state agency, and for an essential public and government purpose and the bonds and notes, the interest thereon, the proceeds received by a holder from the sale of the bonds or notes to the extent of the holder's cost of acquisition, proceeds

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received upon redemption before maturity, and proceeds received at maturity, and the receipt of the interest and proceeds are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

SECTION 71. IC 28-5-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. If any certificate holder of any industrial loan and investment company shall die, leaving unpledged certificates in such company and no executor of ~~his the~~ will or administrator of ~~his the~~ estate has been appointed, such company, ~~upon receiving a waiver from the inheritance tax administrator under IC 6-4.1,~~ may, in its discretion, pay the value of such certificates to the widow, widower, or next of kin, or may apply the value of such certificates to the payment of funeral expenses or the expenses of the last sickness or other just debts of the decedent. As a condition of such payment, such company shall require proof by affidavit as to the parties in interest and shall also require the filing of proper waivers and the execution of a bond of indemnity with proper sureties from the parties interested, and a proper acquittance and receipt for such payment by the person to whom such payment is made shall fully release the company, and such company shall not thereafter be held liable to the decedent's executor or administrator thereafter appointed, or to any other person.

SECTION 72. IC 29-1-17-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 14. (a) If, after an estate has been settled and the personal representative discharged, other property of the estate shall be discovered, or if it shall appear that any necessary act remains unperformed on the part of the personal representative, or for any other proper cause, the court, upon the petition of the discharged personal representative or any person interested in the estate and, without notice or upon such notice as it may direct, may order that said estate be reopened. It may reappoint the personal representative or appoint another personal representative to administer such property or perform such act as may be deemed necessary. Unless the court shall otherwise order, the provisions of this article as to an original administration shall apply to the proceedings had in the reopened administration so far as may be, but no claim which is already barred can be asserted in the reopened administration.

(b) Whenever any solvent estate has been closed, and it thereafter appears that any assets thereof have not been fully administered upon, the court may, if it appears practicable, order such assets distributed to, or title vested in, the persons entitled thereto ~~after compliance with~~

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requirements as to an inheritance tax imposed under IC 6-4.1, in lieu of reopening the estate as provided in the preceding subsection. No additional notice of such proceedings shall be necessary unless so ordered by the court.

SECTION 73. IC 29-1-17-15.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 15.1. (a) Whenever any person has died leaving property or any interest therein and no general administration has been commenced on ~~his~~ **the person's** estate in this state, nor has any will been offered for probate in this state, within five (5) months after ~~his~~ **the person's** death, any person claiming an interest in such property as heir or through an heir may file a petition in any court which would be of proper venue for the administration of such decedent's estate, to determine the heirs of said decedent and their respective interests as heirs in the estate.

(b) The petition shall state:

- (1) The name, age, domicile and date of death of the decedent;
- (2) The names, ages and residence addresses of the heirs, so far as known or can with reasonable diligence be ascertained;
- (3) The names and residence addresses of any persons claiming any interest in such property through an heir, so far as known or can by reasonable diligence be ascertained;
- (4) A particular description of the property with respect to which such determination is sought;
- (5) The net value of the estate.

(c) Upon the filing of the petition, the court shall fix the time for the hearing thereof, notice of which shall be given to:

- (1) All persons known or believed to claim any interest in the property as heir or through an heir of the decedent;
- (2) All persons who may at the date of the filing of the petition be shown by the records of conveyances of the county in which any real property described in such petition is located to claim any interest therein through the heirs of the decedent; and
- (3) Any unknown heirs of the decedent.

Such notice shall be given by publication and, in addition personal notice by registered mail shall be given to every such person whose address is known to the petitioner. Upon satisfactory proofs ~~including proof of compliance with inheritance tax laws of this state~~ the court shall make a decree determining the heirs of said decedent and their respective interests as heirs in said property.

(d) A certified copy of the decree shall be recorded at the expense of the petitioner in each county in which any real property described therein is situated except the county in which the decree is entered, and

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shall be conclusive evidence of the facts determined therein as against all parties to the proceedings.

SECTION 74. IC 29-3-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. Except as otherwise determined in a dissolution of marriage proceeding, a custody proceeding, or in some other proceeding authorized by law, including a proceeding under section 6 of this chapter or another proceeding under this article, and unless a minor is married, the parents of the minor jointly (or the survivor if one (1) parent is deceased), if not an incapacitated person, have, without the appointment of a guardian, giving of bond, or order or confirmation of court, the right to custody of the person of the minor and the power to execute the following on behalf of the minor:

- (1) Consent to the application of subsection (c) of Section 2032A of the Internal Revenue Code, which imposes personal liability for payment of the tax under that Section.
- (2) Consent to the application of Section 6324A of the Internal Revenue Code, which attaches a lien to property to secure payment of taxes deferred under Section 6166 of the Internal Revenue Code.
- (3) Any other consents, waivers, or powers of attorney provided for under the Internal Revenue Code.
- (4) Waivers of notice permissible with reference to proceedings under IC 29-1.
- (5) Consents, waivers of notice, or powers of attorney under any statute, including the ~~Indiana inheritance tax law (IC 6-4.1)~~ and the Indiana adjusted gross income tax law (IC 6-3).
- (6) Consent to unsupervised administration as provided in IC 29-1-7.5.
- (7) Federal and state income tax returns.
- (8) Consent to medical or other professional care, treatment, or advice for the minor's health and welfare.

SECTION 75. IC 32-17-14-2, AS AMENDED BY P.L.198-2016, SECTION 662, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) Except as provided elsewhere in this chapter, this chapter applies to a transfer on death security, transfer on death securities account, and pay on death account created before July 1, 2009, unless the application of this chapter would:

- (1) adversely affect a right given to an owner or beneficiary;
- (2) give a right to any owner or beneficiary that the owner or beneficiary was not intended to have when the transfer on death security, transfer on death securities account, or pay on death



account was created;

(3) impose a duty or liability on any person that was not intended to be imposed when the transfer on death security, transfer on death securities account, or pay on death account was created; or

(4) relieve any person from any duty or liability imposed:

(A) by the terms of the transfer on death security, transfer on death securities account, or pay on death account; or

(B) under prior law.

(b) Subject to section 32 of this chapter, this chapter applies to a transfer on death transfer if at the time the owner designated the beneficiary:

(1) the owner was a resident of Indiana;

(2) the property subject to the beneficiary designation was situated in Indiana;

(3) the obligation to pay or deliver arose in Indiana;

(4) the transferring entity was a resident of Indiana or had a place of business in Indiana; or

(5) the transferring entity's obligation to make the transfer was accepted in Indiana.

(c) This chapter does not apply to property, money, or benefits paid or transferred at death under a life or accidental death insurance policy, annuity, contract, plan, or other product sold or issued by a life insurance company unless the provisions of this chapter are incorporated into the policy or beneficiary designation in whole or in part by express reference.

(d) This chapter does not apply to a transfer on death transfer if the beneficiary designation or an applicable law expressly provides that this chapter does not apply to the transfer.

(e) Subject to ~~IC 9-17-3-9(h)~~, **IC 9-17-3-9(g)**, this chapter applies to a beneficiary designation for the transfer on death of a motor vehicle or a watercraft.

(f) The provisions of:

(1) section 22 of this chapter; and

(2) section 26(b)(9) of this chapter;

relating to distributions to lineal descendants per stirpes apply to a transfer on death or payable on death transfer created before July 1, 2009.

SECTION 76. IC 33-37-4-7, AS AMENDED BY P.L.136-2012, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. (a) Except as provided under subsection (c), the clerk shall collect from the party filing the action a probate costs fee of one hundred twenty dollars (\$120) for each action filed under any of

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the following:

~~(1) IC 6-4.1-5 (determination of inheritance tax):~~

~~(2) (1) IC 29 (probate).~~

~~(3) (2) IC 30 (trusts and fiduciaries).~~

(b) In addition to the probate costs fee collected under subsection (a), the clerk shall collect from the party filing the action the following fees, if they are required under IC 33-37-5:

(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).

(2) A document storage fee (IC 33-37-5-20).

(3) An automated record keeping fee (IC 33-37-5-21).

(4) A public defense administration fee (IC 33-37-5-21.2).

(5) A judicial insurance adjustment fee (IC 33-37-5-25).

(6) A judicial salaries fee (IC 33-37-5-26).

(7) A court administration fee (IC 33-37-5-27).

(8) Before July 1, 2017, a pro bono legal services fee (IC 33-37-5-31).

(c) A clerk may not collect a court costs fee for the filing of the following exempted actions:

(1) Petition to open a safety deposit box.

(2) Filing an inheritance tax return, unless proceedings other than the court's approval of the return become necessary.

(3) Offering a will for probate under IC 29-1-7, unless proceedings other than admitting the will to probate become necessary.

SECTION 77. IC 34-9-3-4, AS AMENDED BY P.L.143-2009, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. (a) This section applies when a person:

(1) receives personal injuries caused by the wrongful act or omission of another; and

(2) subsequently dies from causes other than those personal injuries.

(b) The personal representative of the decedent who was injured may maintain an action against the wrongdoer to recover all damages resulting before the date of death from those injuries that the decedent would have been entitled to recover had the decedent lived. The damages

~~(1) inure to the exclusive benefit of the decedent's estate. and~~

~~(2) are subject to IC 6-4.1.~~

SECTION 78. IC 34-13-8-5, AS ADDED BY P.L.160-2012, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) The attorney general shall attempt to resolve

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before January 1, 2013, all claims and suits brought against the state or its employees for an occurrence for an amount that, in the aggregate, does not exceed eleven million dollars (\$11,000,000), consisting of:

- (1) five million dollars (\$5,000,000) paid from the state tort claim fund established to pay claims and expenses under IC 34-13-3-24; and
- (2) six million dollars (\$6,000,000) to be paid from the supplemental fund.

(b) The attorney general shall attempt to resolve before January 1, 2013, claims or suits for an occurrence as follows:

- (1) The estate of an eligible person whose death resulted from an occurrence shall receive seven hundred thousand dollars (\$700,000). This amount includes any compensation under this chapter for the eligible person's attorney's fees. The amount distributed to the estate of the eligible person whose death resulted from an occurrence is exempt from inheritance taxes under IC 6-4.1 **(before its repeal)** and shall not be included in the calculation of the amount transferred to a Class A transferee, Class B transferee, or Class C transferee for the purposes of applying the exemptions in IC 6-4.1-3-10, IC 6-4.1-3-11, and IC 6-4.1-3-12 **(before their repeal)**.

- (2) Except as provided in subdivision (3), each other eligible person who was physically injured as a result of an occurrence shall be compensated (including any compensation under this chapter for the eligible person's attorney's fees) for the physical injury in an amount that does not exceed the least of the following:

- (A) The amount of the eligible person's medical expenses incurred as a result of the physical injury.

- (B) The amount claimed before the deadline established by the attorney general by the eligible person for medical expenses incurred as a result of the physical injury in relation to the claim filed before December 31, 2011.

- (C) Seven hundred thousand dollars (\$700,000).

- (3) Eligible persons who suffered physical injuries involving permanent paralysis or permanent physical trauma or requiring major and ongoing long-term care shall be compensated for the physical injury in an amount equal to:

- (A) the amount of compensation paid under subdivision (2); plus

- (B) additional compensation determined under the process established by the attorney general under subdivision (4).

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(4) The attorney general shall establish a process for determining the equitable amount of compensation for eligible persons under subdivision (3). The attorney general shall before January 1, 2013, determine the amount of compensation that each eligible person described in subdivision (3) is entitled to receive under subdivision (3). The attorney general may employ arbitrators, mediators, consultants, and other experts to assist in the process established by the attorney general for determining the compensation for eligible persons under subdivision (3).

SECTION 79. IC 34-24-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) If:

(1) the court has entered judgment in favor of the state, and a unit (if appropriate) concerning property that is subject to seizure under this chapter; and

(2) a person:

(A) holding a valid lien, mortgage, security interest, or interest under a conditional sales contract; or

(B) who is a co-owner of the property;

did not know of the illegal use;

the court shall determine whether the secured interest or the co-owner's interest is equal to or in excess of the appraised value of the property.

(b) Appraised value is to be determined as of the date of judgment on a wholesale basis by:

(1) agreement between the secured party or the co-owner and the prosecuting attorney; or

(2) the ~~inheritance tax appraiser~~ **county assessor** for the county in which the action is brought.

(c) If the amount:

(1) due to the secured party; or

(2) of the co-owner's interest;

is equal to or greater than the appraised value of the property, the court shall order the property released to the secured party or the co-owner.

(d) If the amount:

(1) due the secured party; or

(2) of the co-owner's interest;

is less than the appraised value of the property, the holder of the interest or the co-owner may pay into the court an amount equal to the owner's equity, which shall be the difference between the appraised value and the amount of the lien, mortgage, security interest, interest under a conditional sales contract, or co-owner's interest. Upon such payment, the state or unit, or both, shall relinquish all claims to the property, and the court shall order the payment deposited as provided

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in section 4(d) of this chapter.

(e) If the seized property is a vehicle and if the security holder or the co-owner elects not to make payment as stated in subsection (d), the vehicle shall be disposed of in accordance with section 4(c) of this chapter.

SECTION 80. IC 34-24-2-5, AS AMENDED BY P.L.222-2005, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) If a person holding a valid lien, mortgage, security interest, or interest under a conditional sales contract did not know the property was the object of corrupt business influence or conduct described in section 2(b) of this chapter, the court shall determine whether the secured interest is equal to or in excess of the appraised value of the property.

(b) Appraised value is to be determined as of the date of judgment on a wholesale basis by:

- (1) agreement between the secured party and the prosecuting attorney; or
- (2) the ~~inheritance tax appraiser~~ **county assessor** for the county in which the action is brought.

(c) If the amount due to the secured party is equal to or greater than the appraised value of the property, the court shall order the property released to the secured party.

(d) If the amount due the secured party is less than the appraised value of the property, the holder of the interest may pay into the court an amount equal to the owner's equity, which shall be the difference between the appraised value and the amount of the lien, mortgage, security interest, or interest under a conditional sales contract. Upon payment, the state or unit, or both, shall relinquish all claims to the property.

SECTION 81. IC 36-7-14.5-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 23. All:

- (1) property owned by the authority;
- (2) revenues of the authority; and
- (3) bonds issued by the authority, the interest on the bonds, the proceeds received by a holder from the sale of bonds to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of interest in proceeds;

are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

SECTION 82. IC 36-7-15.3-19 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 19. All:

- (1) property owned by the authority;
- (2) revenues of the authority; and
- (3) bonds issued by the authority, the interest on the bonds, the proceeds received by a holder from the sale of bonds to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of interest in proceeds;

are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

SECTION 83. IC 36-7-23-48 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 48. All property, both tangible and intangible, acquired or held by the authority under this chapter is public property used for public and governmental purposes. All the property, along with the income from the property, is exempt from all taxes imposed by the state or a political subdivision, except for the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

SECTION 84. IC 36-7.5-4-13, AS AMENDED BY P.L.27-2007, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 13. (a) All:

- (1) property owned by the development authority;
- (2) revenues of the development authority; and
- (3) bonds issued by the development authority, the interest on the bonds, the proceeds received by a holder from the sale of bonds to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of interest in proceeds;

are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

(b) All securities issued under this chapter are exempt from the registration requirements of IC 23-19 and other securities registration statutes.

SECTION 85. IC 36-7.6-4-13, AS AMENDED BY P.L.1-2009, SECTION 169, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 13. (a) All:

- (1) property owned by a development authority;
- (2) revenue of a development authority; and
- (3) bonds issued by a development authority, the interest on the bonds, the proceeds received by a holder from the sale of bonds

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to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of interest in proceeds;
 are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

(b) All securities issued under this chapter are exempt from the registration requirements of IC 23-19 and other securities registration statutes.

SECTION 86. IC 36-9-25-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 27. (a) To raise money to pay for the property and the construction, and in anticipation of the special tax to be levied as provided in sections 19 and 29 of this chapter, the board may have issued, in the name of the municipality, the bonds of the district. The bonds may not exceed in amount the estimated cost of all land, rights-of-way, and other property to be acquired and the estimated cost of all construction as provided in the resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the cost of supervision and inspection during the period of construction. The expenses to be covered by the bond issue include all expenses of every kind actually incurred preliminary to acquisition of the property and the construction of the work, such as the cost of necessary records, engineering expenses, publication of notices, salaries, and other expenses.

(b) If different parcels of land are to be acquired, or if more than one (1) contract for work is let by the board at approximately the same time, whether under one (1) or more resolutions of the board, the estimated cost may be combined in one (1) bond issue. The bonds shall be issued in denominations of at least one thousand dollars (\$1,000) each and shall have a final maturity of not later than fifty (50) years from the date of issue. The bonds are negotiable unless registered, but may be made registrable for principal only or principal and interest. The bonds may be made redeemable before the stated maturities on terms and conditions and at the premiums that the board determines in the resolution authorizing the issuance of the bonds.

(c) Upon adoption of a resolution ordering bonds, the board shall certify a copy of the resolution to the municipal fiscal officer, who shall then prepare the bonds. The municipal executive shall execute the bonds and the fiscal officer shall attest them. The bonds and interest are exempt from taxation for all purposes, except the financial institutions tax imposed under IC 6-5.5. ~~or an inheritance tax imposed under~~

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~~IC 6-4.1.~~ All bonds issued by the board shall be sold by the fiscal officer to the highest bidder, but not for less than par, after giving notice of the sale by publication in accordance with IC 5-3-1.

(d) The bonds are not a corporate obligation or indebtedness of the municipality, but constitute an indebtedness of the district as a special taxing district. Except as provided in section 29(c) of this chapter, the bonds and interest are payable only out of a special tax levied upon all the property of the district as provided in this chapter. The bonds must recite these terms upon their face, together with the purpose for which they are issued.

(e) The board may sell bonds of the district to run for a period of five (5) years from the date of sale. The five (5) year bonds are exempt from taxation for all purposes except for the financial institutions tax imposed under IC 6-5.5. The board may sell bonds of the district in series for the purpose of refunding at any time the five (5) year bonds. Actions questioning the validity of the bonds issued or to prevent their issue may not be brought after the date set for the sale of the bonds, and all bonds are incontestable for any cause after that date.

(f) The total amount of the bond issue, including bonds already issued and to be issued, may not exceed twelve percent (12%) of the total adjusted value of taxable property in the district as determined under IC 36-1-15. All bonds issued in violation of this subsection are void.

SECTION 87. IC 36-10-9.1-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 22. All:

- (1) property owned by the authority;
- (2) revenues of the authority; and
- (3) bonds issued by the authority, the interest on the bonds, the proceeds received by a holder from the sale of bonds to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of interest in proceeds;

are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance tax imposed under IC 6-4.1.~~

SECTION 88. IC 36-10-10-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 24. All:

- (1) property owned by the authority;
- (2) revenues of the authority; and
- (3) bonds or other securities issued by the authority, the interest on them, the proceeds received by a holder from the sale of bonds to the extent of the holder's cost of acquisition, proceeds received

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upon redemption prior to maturity, proceeds received at maturity,
and the receipt of interest and proceeds;
are exempt from taxation in Indiana for all purposes except the
financial institutions tax imposed under IC 6-5.5. ~~or a state inheritance
tax imposed under IC 6-4.1.~~



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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