

HOUSE BILL No. 1623

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-12; IC 6-3-2-4; IC 10-17; IC 21-12-13-1; IC 21-14-1-4; IC 21-14-4.5.

Synopsis: Veterans. Provides that a veteran who is classified as individually unemployable is entitled to a property tax deduction. Increases the limit of the gross assessed value below which the veteran's property tax deduction is allowable for a veteran who is totally disabled, is at least 62 years of age and has a disability of at least 10%, or is classified as individually unemployable by the department of veterans affairs. Provides that the surviving spouse of an individual who dies while serving in the military or naval forces of the United States is entitled to a property tax deduction. Provides a state income tax deduction for all military service income received by an individual or the individual's surviving spouse. Creates the veterans service officer fund. Allows the department of veterans affairs to award grants for treatment for drug addiction recovery and mental health services. Creates the veterans service officer training fund. Provides for tuition remission at state educational institutions for children of veterans and children of individuals currently serving in or on active duty in the armed forces or their reserves, the Indiana National Guard, and the National Guard.

Effective: July 1, 2019; January 1, 2020.

Lauer

January 22, 2019, read first time and referred to Committee on Ways and Means.



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

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1623

A BILL FOR AN ACT to amend the Indiana Code concerning military and veterans.

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

- 1 SECTION 1. IC 6-1.1-12-14, AS AMENDED BY P.L.100-2016,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2019]: Sec. 14. (a) Except as provided in subsection ~~(c)~~ **(d)**
4 and except as provided in section 40.5 of this chapter, an individual
5 may have the sum of ~~twelve thousand four hundred eighty dollars~~
6 ~~(\$12,480)~~ **determined under subsection (b)** deducted from the
7 assessed value of the tangible property that the individual owns (or the
8 real property, mobile home not assessed as real property, or
9 manufactured home not assessed as real property that the individual is
10 buying under a contract that provides that the individual is to pay
11 property taxes on the real property, mobile home, or manufactured
12 home if the contract or a memorandum of the contract is recorded in
13 the county recorder's office) if:
14 (1) the individual served in the military or naval forces of the
15 United States for at least ninety (90) days;
16 (2) the individual received an honorable discharge;
17 (3) the individual: ~~either:~~



- 1 (A) has a total disability; ~~or~~
 2 (B) is at least sixty-two (62) years old and has a disability of at
 3 least ten percent (10%); ~~or~~
 4 **(C) is classified as individually unemployable by the United**
 5 **States Department of Veterans Affairs, regardless of the**
 6 **individual's service connected disability rating, if any;**
 7 (4) the individual's disability ~~or classification~~ is evidenced by:
 8 (A) a pension certificate or an award of compensation issued
 9 by the United States Department of Veterans Affairs; or
 10 (B) a certificate of eligibility issued to the individual by the
 11 Indiana department of veterans' affairs after the Indiana
 12 department of veterans' affairs has determined that the
 13 individual's disability ~~or classification~~ qualifies the individual
 14 to receive a deduction under this section; and
 15 (5) the individual:
 16 (A) owns the real property, mobile home, or manufactured
 17 home; or
 18 (B) is buying the real property, mobile home, or manufactured
 19 home under contract;
 20 on the date the statement required by section 15 of this chapter is
 21 filed.
 22 **(b) Except as provided in subsections (d) and (e), the amount of**
 23 **a deduction under this section is equal to:**
 24 **(1) twelve thousand four hundred eighty dollars (\$12,480), for**
 25 **an individual who qualifies for the deduction under subsection**
 26 **(a)(3)(A) or (a)(3)(B); or**
 27 **(2) one hundred percent (100%) of the assessed value, for an**
 28 **individual who qualifies for the deduction under subsection**
 29 **(a)(3)(C).**
 30 ~~(b)~~ (c) Except as provided in subsections ~~(c)~~ and (d) and (e), the
 31 surviving spouse of an individual may receive the deduction provided
 32 by this section if the individual satisfied the requirements of subsection
 33 (a)(1) through (a)(4) at the time of death and the surviving spouse
 34 satisfies the requirement of subsection (a)(5) at the time the deduction
 35 statement is filed. The surviving spouse is entitled to the deduction
 36 regardless of whether the property for which the deduction is claimed
 37 was owned by the deceased veteran or the surviving spouse before the
 38 deceased veteran's death.
 39 ~~(c)~~ (d) No one is entitled to the deduction provided by this section
 40 if the assessed value of the individual's Indiana real property, Indiana
 41 mobile home not assessed as real property, and Indiana manufactured
 42 home not assessed as real property, as shown by the tax duplicate,



1 exceeds the assessed value limit specified in subsection ~~(d)~~: **(e)**.

2 ~~(d) For the January 1, 2017, assessment date and for each~~
 3 ~~assessment date thereafter;~~ **(e)** The assessed value limit for purposes of
 4 subsection ~~(e)~~ **(d)** is:

5 **(1) one hundred seventy-five thousand dollars (\$175,000), for the**
 6 **2018 assessment date; or**

7 **(2) one hundred ninety-five thousand dollars (\$195,000), for**
 8 **assessment dates occurring after 2018.**

9 ~~(e)~~ **(f)** An individual who has sold real property, a mobile home not
 10 assessed as real property, or a manufactured home not assessed as real
 11 property to another person under a contract that provides that the
 12 contract buyer is to pay the property taxes on the real property, mobile
 13 home, or manufactured home may not claim the deduction provided
 14 under this section against that real property, mobile home, or
 15 manufactured home.

16 SECTION 2. IC 6-1.1-12-16.5 IS ADDED TO THE INDIANA
 17 CODE AS A NEW SECTION TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2019]: **Sec. 16.5. (a) Except as provided in**
 19 **section 40.5 of this chapter, a surviving spouse may have the sum**
 20 **of eighteen thousand seven hundred twenty dollars (\$18,720)**
 21 **deducted from the assessed value of the surviving spouse's tangible**
 22 **property, or real property, mobile home not assessed as real**
 23 **property, or manufactured home not assessed as real property that**
 24 **the surviving spouse buys under a contract that provides that the**
 25 **surviving spouse is to pay property taxes on the real property,**
 26 **mobile home, or manufactured home, if the contract or a**
 27 **memorandum of the contract is recorded in the county recorder's**
 28 **office, and if:**

29 **(1) the deceased spouse died while serving in the military or**
 30 **naval forces of the United States; and**

31 **(2) the surviving spouse:**

32 **(A) owns the real property, mobile home, or manufactured**
 33 **home; or**

34 **(B) is buying the real property, mobile home, or**
 35 **manufactured home under contract;**

36 **on the date the statement required by section 17 of this**
 37 **chapter is filed.**

38 **(b) A surviving spouse who receives the deduction provided by**
 39 **this section may not also receive the deduction provided by section**
 40 **13, 14, or 14.5 of this chapter as a surviving spouse. However, the**
 41 **surviving spouse may receive any other deduction which the**
 42 **surviving spouse is entitled to by law.**



1 (c) An individual who has sold real property, a mobile home not
 2 assessed as real property, or a manufactured home not assessed as
 3 real property to another person under a contract that provides that
 4 the contract buyer is to pay the property taxes on the real
 5 property, mobile home, or manufactured home may not claim the
 6 deduction provided under this section against that real property,
 7 mobile home, or manufactured home.

8 SECTION 3. IC 6-1.1-12-17, AS AMENDED BY P.L.183-2014,
 9 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2019]: Sec. 17. (a) Except as provided in section 17.8 of this
 11 chapter and subject to section 45 of this chapter, a surviving spouse
 12 who desires to claim the deduction provided by section 16 or 16.5 of
 13 this chapter must file a statement with the auditor of the county in
 14 which the surviving spouse resides. With respect to real property, the
 15 statement must be completed and dated in the calendar year for which
 16 the person wishes to obtain the deduction and filed with the county
 17 auditor on or before January 5 of the immediately succeeding calendar
 18 year. With respect to a mobile home that is not assessed as real
 19 property or a manufactured home that is not assessed as real property,
 20 the statement must be filed during the twelve (12) months before
 21 March 31 of each year for which the individual wishes to obtain the
 22 deduction. The statement may be filed in person or by mail. If mailed,
 23 the mailing must be postmarked on or before the last day for filing. The
 24 statement shall contain:

25 (1) a sworn statement that the surviving spouse is entitled to the
 26 deduction; and

27 (2) the record number and page where the contract or
 28 memorandum of the contract is recorded, if the individual is
 29 buying the real property on a contract that provides that the
 30 individual is to pay property taxes on the real property.

31 (b) **This subsection applies to a claim for a deduction under**
 32 **section 16 of this chapter.** In addition to the statement, the surviving
 33 spouse shall submit to the county auditor for the auditor's inspection a
 34 letter or certificate from the United States Department of Veterans
 35 Affairs establishing the service of the deceased spouse in the military
 36 or naval forces of the United States before November 12, 1918.

37 (c) **This subsection applies to a claim for a deduction under**
 38 **section 16.5 of this chapter.** In addition to the statement, the
 39 surviving spouse shall submit to the county auditor for the
 40 auditor's inspection a letter or certificate from the United States
 41 Department of Veterans Affairs establishing the service of the
 42 deceased spouse in the military or naval forces of the United States



1 **at the time of the deceased spouse's death.**

2 SECTION 4. IC 6-1.1-12-17.8, AS AMENDED BY P.L.255-2017,
3 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2019]: Sec. 17.8. (a) An individual who receives a deduction
5 provided under section 1, 9, 11, 13, 14, 16, **16.5**, 17.4 (before its
6 expiration), or 37 of this chapter in a particular year and who remains
7 eligible for the deduction in the following year is not required to file a
8 statement to apply for the deduction in the following year. However, for
9 purposes of a deduction under section 37 of this chapter, the county
10 auditor may, in the county auditor's discretion, terminate the deduction
11 for assessment dates after January 15, 2012, if the individual does not
12 comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January
13 1, 2015), as determined by the county auditor, before January 1, 2013.
14 Before the county auditor terminates the deduction because the
15 taxpayer claiming the deduction did not comply with the requirement
16 in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1,
17 2013, the county auditor shall mail notice of the proposed termination
18 of the deduction to:

- 19 (1) the last known address of each person liable for any property
20 taxes or special assessment, as shown on the tax duplicate or
21 special assessment records; or
22 (2) the last known address of the most recent owner shown in the
23 transfer book.

24 (b) An individual who receives a deduction provided under section
25 1, 9, 11, 13, 14, 16, **16.5**, or 17.4 (before its expiration) of this chapter
26 in a particular year and who becomes ineligible for the deduction in the
27 following year shall notify the auditor of the county in which the real
28 property, mobile home, or manufactured home for which the individual
29 claims the deduction is located of the individual's ineligibility in the
30 year in which the individual becomes ineligible. An individual who
31 becomes ineligible for a deduction under section 37 of this chapter
32 shall notify the county auditor of the county in which the property is
33 located in conformity with section 37 of this chapter.

34 (c) The auditor of each county shall, in a particular year, apply a
35 deduction provided under section 1, 9, 11, 13, 14, 16, **16.5**, 17.4
36 (before its expiration), or 37 of this chapter to each individual who
37 received the deduction in the preceding year unless the auditor
38 determines that the individual is no longer eligible for the deduction.

39 (d) An individual who receives a deduction provided under section
40 1, 9, 11, 13, 14, 16, **16.5**, 17.4 (before its expiration), or 37 of this
41 chapter for property that is jointly held with another owner in a
42 particular year and remains eligible for the deduction in the following



year is not required to file a statement to reapply for the deduction following the removal of the joint owner if:

- (1) the individual is the sole owner of the property following the death of the individual's spouse; or
- (2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse.

If an unmarried individual who is receiving a deduction under section 37 of this chapter for a property subsequently marries, desires to continue claiming the deduction for the property, and remains eligible for the deduction, the individual must reapply for the deduction for the following assessment date. If a married individual who is receiving a deduction under section 37 of this chapter for a property with the individual's spouse subsequently divorces, desires to continue claiming the deduction for the property, and remains eligible for the deduction, the individual must reapply for the deduction for the following assessment date. However, the individual's failure to reapply for the deduction does not make the individual's former spouse ineligible for a deduction under section 37 of this chapter. If a person who is receiving a deduction under section 9 of this chapter for a property subsequently comes to own the property with another person jointly or as a tenant in common, desires to continue claiming the deduction for the property, and remains eligible for the deduction, the person must reapply for the deduction for the following assessment date. If an unmarried individual who is receiving a credit under IC 6-1.1-20.6-8.5 for a property subsequently marries, desires to continue claiming the credit for the property, and remains eligible for the credit, the individual must reapply for the credit for the following assessment date.

(e) A trust entitled to a deduction under section 9, 11, 13, 14, 16, **16.5**, 17.4 (before its expiration), or 37 of this chapter for real property owned by the trust and occupied by an individual in accordance with section 17.9 of this chapter is not required to file a statement to apply for the deduction, if:

- (1) the individual who occupies the real property receives a deduction provided under section 9, 11, 13, 14, 16, **16.5**, 17.4 (before its expiration), or 37 of this chapter in a particular year; and
- (2) the trust remains eligible for the deduction in the following year.

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



before January 1, 2013.

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

(1) the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records; or

(2) the last known address of the most recent owner shown in the transfer book.

(g) An individual who:

(1) was eligible for a homestead credit under IC 6-1.1-20.9 (repealed) for property taxes imposed for the March 1, 2007, or January 15, 2008, assessment date; or

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

is not required to file a statement to apply for a deduction under section 37 of this chapter if the individual remains eligible for the deduction in the current year. An individual who filed for a homestead credit under IC 6-1.1-20.9 (repealed) for an assessment date after March 1, 2007 (if the property is real property), or after January 1, 2008 (if the property is personal property), shall be treated as an individual who has filed for a deduction under section 37 of this chapter. However, the county auditor may, in the county auditor's discretion, terminate the deduction for assessment dates after January 15, 2012, if the individual does not comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015), as determined by the county auditor, before January 1, 2013. Before the county auditor terminates the deduction because the taxpayer claiming the deduction did not comply with the requirement



1 in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before January 1,
 2 2013, the county auditor shall mail notice of the proposed termination
 3 of the deduction to the last known address of each person liable for any
 4 property taxes or special assessment, as shown on the tax duplicate or
 5 special assessment records, or to the last known address of the most
 6 recent owner shown in the transfer book.

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

13 (i) A taxpayer described in section 37(k) of this chapter is not
 14 required to file a statement to apply for the deduction provided by
 15 section 37 of this chapter for a calendar year beginning after December
 16 31, 2008, if the property owned by the taxpayer remains eligible for the
 17 deduction for that calendar year. However, the county auditor may
 18 terminate the deduction for assessment dates after January 15, 2012, if
 19 the individual residing on the property owned by the taxpayer does not
 20 comply with the requirement in IC 6-1.1-22-8.1(b)(9) (expired January
 21 1, 2015), as determined by the county auditor, before January 1, 2013.
 22 Before the county auditor terminates a deduction because the
 23 individual residing on the property did not comply with the
 24 requirement in IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015) before
 25 January 1, 2013, the county auditor shall mail notice of the proposed
 26 termination of the deduction to:

- 27 (1) the last known address of each person liable for any property
- 28 taxes or special assessment, as shown on the tax duplicate or
- 29 special assessment records; or
- 30 (2) the last known address of the most recent owner shown in the
- 31 transfer book.

32 SECTION 5. IC 6-3-2-4, AS AMENDED BY P.L.214-2018(ss),
 33 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JANUARY 1, 2020]: Sec. 4. (a) Each taxable year, an individual, or the
 35 individual's surviving spouse, is entitled to the following:

- 36 (1) An adjusted gross income tax deduction for the first ~~five~~ **ten**
- 37 thousand dollars ~~(\$5,000)~~ **(\$10,000)** of income, excluding
- 38 adjusted gross income described in subdivision (2), received
- 39 during the taxable year by the individual, or the individual's
- 40 surviving spouse, for the individual's service in an active or
- 41 reserve component of the armed forces of the United States,
- 42 including the army, navy, air force, coast guard, marine corps,



1 merchant marine, Indiana army national guard, or Indiana air
2 national guard.

3 (2) An adjusted gross income tax deduction of six thousand two
4 hundred fifty dollars (\$6,250) for income from retirement or
5 survivor's benefits received during the taxable year by the
6 individual, or the individual's surviving spouse, for the
7 individual's service in an active or reserve component of the
8 armed forces of the United States, including the army, navy, air
9 force, coast guard, marine corps, merchant marine, Indiana army
10 national guard, or Indiana air national guard.

11 (b) An individual whose qualified military income is subtracted
12 from the individual's federal adjusted gross income under
13 IC 6-3-1-3.5(a)(18) for Indiana individual income tax purposes is not,
14 for that taxable year, entitled to a deduction under this section for the
15 same qualified military income that is deducted under
16 IC 6-3-1-3.5(a)(18).

17 SECTION 6. IC 10-17-1-10.5 IS ADDED TO THE INDIANA
18 CODE AS A NEW SECTION TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2019]: **Sec. 10.5. (a) As used in this section,**
20 **"fund" refers to the veterans service officer training fund**
21 **established by this section.**

22 (b) **The veterans service officer training fund is established to**
23 **provide grants for reimbursement for training for county and city**
24 **veterans service officers.**

25 (c) **The department shall administer the fund. The fund consists**
26 **of the following:**

27 (1) **Appropriations made by the general assembly.**

28 (2) **Donations to the fund.**

29 (3) **Interest.**

30 (4) **Money from any other source authorized or appropriated**
31 **for the fund.**

32 (d) **The expenses of administering the fund shall be paid from**
33 **money in the fund.**

34 (e) **The treasurer of state shall invest the money in the fund not**
35 **currently needed to meet the obligations of the fund in the same**
36 **manner as other public money may be invested. Interest that**
37 **accrues from these investments shall be deposited in the fund.**

38 (f) **Money in the fund at the end of a state fiscal year does not**
39 **revert to the state general fund.**

40 (g) **The department shall adopt rules under IC 4-22-2, including**
41 **emergency rules under IC 4-22-2-37.1, to implement this section,**
42 **including rules that establish an application process for providing**



1 grants under this section. Subject to the approval of the budget
 2 agency, any appropriation to the department may be used to
 3 augment appropriations made to the department for use in funding
 4 grants under this section.

5 (h) A county or city veterans service officer may receive a grant
 6 for reimbursement for training expenses associated with veterans
 7 service officer training, including travel and incidental expenses of
 8 eligible county and city veterans service officers seeking initial or
 9 renewal veterans service officer accreditation.

10 (i) The department shall set standards for the reimbursement
 11 grants.

12 (j) A county or city veterans service officer may apply to the
 13 department for a reimbursement grant, and the department may
 14 make a grant based on the department's review of an application.

15 SECTION 7. IC 10-17-13.5-4, AS AMENDED BY P.L.155-2018,
 16 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2019]: Sec. 4. (a) The department may make grants to
 18 qualified entities to be used for the purpose of providing services to
 19 veterans, including the following:

20 (1) Programs focused on eliminating homelessness, preventing
 21 near term homelessness, and providing safe and secure living
 22 conditions.

23 (2) Assisting veterans in moving from public housing assistance
 24 programs to:

25 (A) home ownership; or

26 (B) stable, long term rental status.

27 A grant under this chapter for the purpose specified in clause (B)
 28 may include up to nine (9) months of rental assistance.

29 (3) Assisting veterans in finding and using available federal and
 30 state resources.

31 (4) Providing therapeutic services.

32 (5) Providing job training and job search assistance.

33 **(6) Programs for drug addiction recovery.**

34 **(7) Mental health programs.**

35 (b) The department may make grants to the provider chosen by the
 36 state department of health under section 6 of this chapter to be used for
 37 the purpose of providing assistance to the provider to provide
 38 diagnostic testing and hyperbaric oxygen treatment to veterans
 39 receiving treatment under the pilot program established under section
 40 6 of this chapter. However, a grant under this chapter may not be
 41 awarded for the purposes specified in this subsection unless the state
 42 department of health has adopted the rules required by section 6(g) of



1 this chapter. In addition, a grant may not be awarded for the purposes
 2 specified in this subsection after the expiration of the pilot program
 3 established under section 6 of this chapter.

4 SECTION 8. IC 10-17-13.7 IS ADDED TO THE INDIANA CODE
 5 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2019]:

7 **Chapter 13.7. Veterans Service Officer Fund**

8 **Sec. 1. As used in this chapter, "commission" refers to the**
 9 **Indiana veterans' affairs commission established by IC 10-17-13-4.**

10 **Sec. 2. As used in this chapter, "department" refers to the**
 11 **Indiana department of veterans' affairs established by**
 12 **IC 10-17-1-2.**

13 **Sec. 3. As used in this chapter, "fund" refers to the veterans**
 14 **service officer fund established by section 4 of this chapter.**

15 **Sec. 4. (a) The veterans service officer fund is established to**
 16 **provide funding for grants to counties for salaries for veterans**
 17 **service officers.**

18 **(b) The fund shall be administered by the commission.**

19 **(c) The fund consists of the following:**

20 **(1) Appropriations made by the general assembly.**

21 **(2) Donations to the fund.**

22 **(3) Interest.**

23 **(4) Money from any other source authorized or appropriated**
 24 **for the fund.**

25 **(d) The expenses of administering the fund shall be paid from**
 26 **money in the fund.**

27 **(e) The treasurer of state shall invest the money in the fund not**
 28 **currently needed to meet the obligations of the fund in the same**
 29 **manner as other public money may be invested. Interest that**
 30 **accrues from these investments shall be deposited in the fund.**

31 **(f) Money in the fund at the end of a state fiscal year does not**
 32 **revert to the state general fund.**

33 **(g) The commission shall adopt rules under IC 4-22-2, including**
 34 **emergency rules under IC 4-22-2-37.1 to implement this chapter,**
 35 **including rules that establish an application process for providing**
 36 **grants to counties under this section for salaries for county**
 37 **veterans service officers. Subject to the approval of the budget**
 38 **agency, any appropriation to the department or the commission**
 39 **may be used to augment appropriations made to the commission**
 40 **for use in funding grants under this chapter.**

41 **(h) The maximum amount of a grant the commission may award**
 42 **to any county under this section per year for a veterans service**



1 officer required to be designated under IC 10-17-1-9 is equal to
2 fifteen thousand dollars (\$15,000).

3 **Sec. 5. The department may establish procedures, forms, and**
4 **standards to carry out this chapter.**

5 SECTION 9. IC 21-12-13-1, AS AMENDED BY P.L.191-2017,
6 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2019]: Sec. 1. (a) This section applies to the following
8 scholarships and tuition and fee remission statutes:

9 (1) IC 10-12-2-6.

10 (2) IC 10-12-2-11.

11 (3) IC 10-17-7.

12 (4) IC 21-14-4.

13 **(5) IC 21-14-4.5.**

14 ~~(5) (6)~~ IC 21-14-6.

15 ~~(6) (7)~~ IC 21-14-6.5.

16 ~~(7) (8)~~ IC 21-14-7.

17 ~~(8) (9)~~ IC 21-14-10.

18 (b) Except as provided in subsection (c), a grant or reduction in
19 tuition or fees, including all renewals and extensions, under any of the
20 laws listed in subsection (a) may not exceed one hundred twenty-four
21 (124) undergraduate credit hours or its equivalent, as determined by the
22 commission and must be used within eight (8) years after the date the
23 individual first applies and becomes eligible for benefits under the
24 applicable law.

25 (c) The commission may, subject to availability of funds, extend
26 eligibility under subsection (b) for a recipient who used a grant or
27 reduction in tuition or fees under any of the statutes listed in subsection
28 (a) at a postsecondary educational institution that has closed. The
29 extension of eligibility may not exceed the number of credit hours used
30 by the recipient at the postsecondary educational institution that closed.

31 SECTION 10. IC 21-14-1-4, AS AMENDED BY P.L.161-2017,
32 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2019]: Sec. 4. "Eligible applicant":

34 (1) for purposes of IC 21-14-4, refers to a person who is eligible
35 for an educational costs exemption for children of veterans under
36 IC 21-14-4;

37 **(2) for purposes of IC 21-14-4.5, refers to a person who is**
38 **eligible for an educational costs exemption for children of**
39 **veterans and active duty military persons under IC 21-14-4.5;**

40 ~~(2) (3)~~ for purposes of IC 21-14-6, refers to a person who is
41 eligible for an educational costs exemption for the children or
42 surviving spouse of a public safety officer under IC 21-14-6;



~~(3)~~ (4) for purposes of IC 21-14-6.5, refers to a person who is eligible under IC 21-14-6.5 for an educational costs exemption for the children or spouse of a member of the 1977 police officers' and firefighters' pension and disability fund who sustains a catastrophic physical personal injury in the line of duty;

~~(4)~~ (5) for purposes of IC 21-14-7, refers to a person who is eligible for an educational costs exemption for children and spouses of National Guard members under IC 21-14-7; and

~~(5)~~ (6) for purposes of IC 21-14-10, refers to a person who is eligible for an educational costs exemption for Purple Heart recipients under IC 21-14-10.

SECTION 11. IC 21-14-4.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

Chapter 4.5. Tuition and Fee Exemption for Children of Veterans and Active Duty Military Persons

Sec. 1. This chapter applies to a person who meets all of the following conditions:

(1) The person's mother or father:

(A) has previously served in any branch of the armed forces of the United States or their reserves, the national guard, or the Indiana national guard and received an honorable discharge from service; or

(B) is currently serving in any branch of the armed forces of the United States or their reserves, the national guard, or the Indiana national guard.

(2) The person is eligible to pay the resident tuition rate at the state educational institution the person will attend, as determined by the institution.

(3) The person possesses the requisite academic qualifications.

(4) If the person was adopted by the person's mother or father, the adoption occurred before the person was eighteen (18) years of age.

(5) The person is not more than thirty-two (32) years of age when the person first applies and becomes eligible for benefits under this chapter.

Sec. 2. (a) An eligible applicant is entitled to enter, remain, and receive instruction in a state educational institution upon the same conditions, qualifications, and regulations prescribed for other applicants for admission to or scholars in the state educational institution, without the payment of any educational costs for one hundred twenty-four (124) semester credit hours in the state



educational institution.

(b) The maximum amount that an eligible applicant is exempt from paying for a semester hour is an amount equal to the cost of an undergraduate semester credit hour at the state educational institution in which the eligible applicant enrolls.

(c) Subject to subsection (d), any benefits awarded under this chapter may not be renewed, subject to subsections (a) and (b), if the eligible individual fails to maintain at least a cumulative grade point average that the eligible institution determines is satisfactory academic progress.

(d) After the first semester or its equivalent at the eligible institution that a person does not achieve the requisite cumulative grade point average specified in subsection (c), the person is considered to be on probation and must achieve the requisite cumulative grade point average by the next semester or its equivalent at the eligible institution in order to continue to receive benefits under this chapter.

Sec. 3. For purposes of this chapter, the commission shall define mandatory fees that qualify as educational costs.

Sec. 4. If an eligible applicant:

- (1) is permitted to matriculate in the state educational institution;
- (2) qualifies under this chapter; and
- (3) has earned or has been awarded a cash scholarship that is paid or payable to a state educational institution, from any source;

the amount paid shall be applied to the credit of the eligible applicant in the payment of incidental expenses of the eligible applicant's attendance at the state educational institution. The balance, if the terms of the scholarship permit, must be returned to the eligible applicant.

Sec. 5. (a) Determination of eligibility for higher education benefits authorized under this chapter is vested exclusively in the Indiana department of veterans' affairs. Any applicant for benefits under this chapter may make a written request for a determination of eligibility by the Indiana department of veterans' affairs. The director or deputy director of the Indiana department of veterans' affairs shall make a written determination of eligibility in response to each request. In determining the amount of an applicant's benefit, the commission shall consider other higher education financial assistance in conformity with this chapter.

(b) The commission shall administer the benefits and ensure



1 compliance with this chapter.

2 **Sec. 6.** An appeal from an adverse determination under section
3 5(a) of this chapter must be made in writing to the veterans' affairs
4 commission not more than fifteen (15) working days following the
5 applicant's receipt of the determination. A final order must be
6 made by a simple majority of the veterans' affairs commission not
7 more than fifteen (15) days following receipt of the written appeal.

8 **Sec. 7.** A person who knowingly or intentionally submits a false
9 or misleading application or other document under this chapter
10 commits a Class A misdemeanor.

11 **Sec. 8.** The amount of the benefits under this chapter is equal to
12 one (1) of the following amounts:

13 (1) If the applicant does not receive financial assistance
14 specifically designated for educational costs, the amount
15 determined under sections 2 through 6 of this chapter.

16 (2) If the applicant receives any financial assistance, including
17 federal assistance, specifically designated for educational
18 costs:

19 (A) the amount determined under sections 2 through 6 of
20 this chapter; minus

21 (B) the financial assistance specifically designated for
22 educational costs.

23 **SECTION 12.** [EFFECTIVE JULY 1, 2019] (a) IC 6-1.1-12-14,
24 IC 6-1.1-12-17, and IC 6-1.1-12-17.8, all as amended by this act,
25 apply only to property taxes for assessment dates occurring after
26 December 31, 2019.

27 (b) This SECTION expires January 1, 2022.

28 **SECTION 13.** [EFFECTIVE JULY 1, 2019] (a) IC 6-3-2-4, as
29 amended by this act, applies to taxable years beginning after
30 December 31, 2019.

31 (b) This SECTION expires July 1, 2022.

