



Reprinted  
January 26, 2021

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## SENATE BILL No. 99

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DIGEST OF SB 99 (Updated January 25, 2021 3:38 pm - DI 138)

**Citations Affected:** IC 6-1.1.

**Synopsis:** Property taxes. Authorizes a county fiscal body to adopt an ordinance to provide a credit against property tax liability for qualified individuals. Defines a "qualified individual" for purposes of the credit. Provides that the ordinance may designate: (1) all of the territory of the county; or (2) one or more specific geographic territories within the county; as an area in which qualified individuals may apply for the credit. Provides that the credit amount is equal to the amount by which property taxes on the property increased by more than 2% from the prior year (excluding any property tax liability imposed in a voter approved referendum levy). Provides that the credit does not effect the allocation of taxes to a referendum fund. Requires a qualified individual who desires to claim the credit to file a certified statement with the county auditor. Provides that the county auditor shall apply the credit in succeeding years after the certified statement is filed unless the auditor determines that the individual is no longer eligible for the credit or the county fiscal body rescinds the ordinance. Provides a penalty for wrongly receiving the credit that is the same as the penalty for wrongly receiving the homestead standard deduction.

**Effective:** July 1, 2021.

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### Sandlin, Buchanan, Baldwin, Busch

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January 5, 2021, read first time and referred to Committee on Tax and Fiscal Policy.  
January 12, 2021, reported favorably — Do Pass.  
January 25, 2021, read second time, amended, ordered engrossed.

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SB 99—LS 6406/DI 120





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January 26, 2021

First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

## SENATE BILL No. 99

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

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

- 1 SECTION 1. IC 6-1.1-49 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2021]:  
4 **Chapter 49. County Option Circuit Breaker Tax Credit**  
5 **Sec. 1. As used in this chapter, "homestead" refers to a**  
6 **homestead that has been granted a standard deduction under**  
7 **IC 6-1.1-12-37.**  
8 **Sec. 2. As used in this chapter, "qualified individual" means an**  
9 **individual who:**  
10 (1) **qualified for a standard deduction granted under**  
11 **IC 6-1.1-12-37 for the individual's homestead property in the**  
12 **immediately preceding calendar year (or was married at the**  
13 **time of death to a deceased spouse who qualified for a**  
14 **standard deduction granted under IC 6-1.1-12-37 for the**  
15 **individual's homestead property in the immediately preceding**  
16 **calendar year);**  
17 (2) **qualifies for a standard deduction granted under**

SB 99—LS 6406/DI 120



1           **IC 6-1.1-12-37 for the same homestead property in the**  
 2           **current calendar year;**

3           **(3) has lived in the homestead for at least three (3) years on or**  
 4           **before December 31 of the calendar year immediately**  
 5           **preceding the current calendar year; and**

6           **(4) had:**

7               **(A) in the case of an individual who filed a single return,**  
 8               **adjusted gross income (as defined in Section 62 of the**  
 9               **Internal Revenue Code) not exceeding the amount**  
 10              **specified in the ordinance adopted by the county under**  
 11              **section 3(c)(2) of this chapter; or**

12              **(B) in the case of an individual who filed a joint income tax**  
 13              **return with the individual's spouse, combined adjusted**  
 14              **gross income (as defined in Section 62 of the Internal**  
 15              **Revenue Code) not exceeding the amount specified in the**  
 16              **ordinance adopted by the county under section 3(c)(2) of**  
 17              **this chapter;**

18           **for the calendar year preceding by two (2) years the calendar**  
 19           **year in which property taxes are first due and payable.**

20           **Sec. 3. (a) A county fiscal body may adopt an ordinance to**  
 21           **provide a credit against a qualified individual's property tax**  
 22           **liability as set forth in this chapter.**

23           **(b) An ordinance adopted under this section may designate:**

24               **(1) all of the territory of the county; or**

25               **(2) one (1) or more specific geographic territories within the**  
 26               **county;**

27           **as an area in which qualified individuals may apply for the credit.**

28           **(c) An ordinance adopted under this section must:**

29               **(1) include a boundary description of the geographic area or**  
 30               **areas to which the ordinance applies; and**

31               **(2) specify the income thresholds for a qualified individual**  
 32               **under section 2(4)(A) and 2(4)(B) of this chapter, if any.**

33           **(d) If a proposal is presented to the county fiscal body to adopt**  
 34           **an ordinance under this section, the county fiscal body shall hear**  
 35           **the proposal at a public meeting of the county fiscal body and may**  
 36           **then vote to adopt the ordinance at the next meeting of the county**  
 37           **fiscal body.**

38           **(e) The county fiscal body may rescind an ordinance adopted**  
 39           **under this section.**

40           **(f) An ordinance adopted under this section is effective January**  
 41           **1 of the year following the year in which the ordinance is adopted.**

42           **Sec. 4. If a county fiscal body adopts an ordinance to either**



1 provide the credit under this chapter or rescind an ordinance  
 2 previously adopted, the county fiscal body shall give notice of the  
 3 adoption of the ordinance to:

- 4 (1) the department of local government finance on the form  
 5 and in the manner prescribed by the department of local  
 6 government finance;  
 7 (2) the county auditor; and  
 8 (3) the fiscal officer of each taxing unit within the geographic  
 9 area or areas to which the ordinance applies;

10 including a certified copy of the adopted ordinance.

11 Sec. 5. A qualified individual who desires to claim the credit  
 12 under this chapter must apply for the credit by filing a certified  
 13 statement on forms prescribed by the department of local  
 14 government finance with the county auditor. However, a qualified  
 15 individual who remains eligible for the credit in the following year  
 16 is not required to file a statement to apply for the credit in the  
 17 following year.

18 Sec. 6. The amount of the credit under this chapter is equal to  
 19 the greater of zero (0) or the result of:

- 20 (1) the property tax liability first due and payable on the  
 21 qualified individual's homestead property for the calendar  
 22 year (excluding any property tax liability imposed in a voter  
 23 approved referendum levy); minus  
 24 (2) the result of:

- 25 (A) the property tax liability first due and payable on the  
 26 qualified individual's homestead property for the  
 27 immediately preceding year after the application of the  
 28 credit granted under this section for that year (excluding  
 29 any property tax liability imposed in a voter approved  
 30 referendum levy); multiplied by  
 31 (B) one and two-hundredths (1.02).

32 However, the credit provided by this chapter shall not apply to any  
 33 portion of property tax liability imposed on a qualified individual's  
 34 homestead property that is used for trade or business purposes in  
 35 connection with the production of income. In addition, the credit  
 36 does not effect the allocation of taxes to a referendum fund.

37 Sec. 7. The auditor of each county shall, in a particular year,  
 38 apply a credit provided under this chapter to each qualified  
 39 individual who received the credit in the preceding year unless the  
 40 county auditor determines that the individual is no longer eligible  
 41 for the credit or the county fiscal body rescinds the ordinance that  
 42 provided the credit.



1           **Sec. 8. (a) If an individual who is receiving the credit provided**  
2 **by this chapter:**

3           **(1) knows or should have known that the individual does not**  
4 **qualify for the credit under this chapter; or**

5           **(2) changes the use of the individual's property so that part or**  
6 **all of the property no longer qualifies for the credit under this**  
7 **chapter;**

8 **the individual must file a certified statement with the county**  
9 **auditor, notifying the county auditor that subdivision (1) or (2)**  
10 **applies, not more than sixty (60) days after the date subdivision (1)**  
11 **or (2) first applies.**

12           **(b) An individual who fails to file the statement required by this**  
13 **section is liable for any additional taxes that would have been due**  
14 **on the property if the individual had filed the statement as**  
15 **required by this section, plus a civil penalty equal to ten percent**  
16 **(10%) of the additional taxes due. The additional taxes owed plus**  
17 **the civil penalty become part of the property tax liability for**  
18 **purposes of this article.**

19           **(c) The civil penalty imposed under this section is in addition to**  
20 **any interest and penalties for a delinquent payment that might**  
21 **otherwise be due. One percent (1%) of the total civil penalty**  
22 **collected under this section shall be transferred by the county to**  
23 **the department of local government finance for use by the**  
24 **department in establishing and maintaining the homestead**  
25 **property data base under IC 6-1.1-12-37(i) and, to the extent there**  
26 **is money remaining, for any other purposes of the department.**



## COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 99, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 99 as introduced.)

HOLDMAN, Chairperson

Committee Vote: Yeas 13, Nays 0

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SENATE MOTION

Madam President: I move that Senate Bill 99 be amended to read as follows:

Page 3, line 22, delete ";" and insert "**(excluding any property tax liability imposed in a voter approved referendum levy);**".

Page 3, line 27, delete ";" and insert "**(excluding any property tax liability imposed in a voter approved referendum levy);**".

Page 3, line 33, after "income." insert "**In addition, the credit does not effect the allocation of taxes to a referendum fund.**".

(Reference is to SB 99 as printed January 13, 2021.)

HOLDMAN

