



February 24, 2014

**ENGROSSED
SENATE BILL No. 158**

DIGEST OF SB 158 (Updated February 21, 2014 9:09 am - DI 92)

Citations Affected: IC 6-1.1.

Synopsis: Property taxes. Specifies requirements that a for profit early childhood education provider must meet to obtain a property tax exemption for educating children who are four or five years of age. Prorates the exemption based on the number of children who are four or five years of age.

Effective: January 1, 2015.

Kenley, Skinner

(HOUSE SPONSORS — BROWN T, HUSTON, GOODIN)

January 8, 2014, read first time and referred to Committee on Tax and Fiscal Policy.
January 23, 2014, amended, reported favorably — Do Pass.
January 27, 2014, read second time, ordered engrossed.
January 28, 2014, engrossed. Read third time, passed. Yeas 48, nays 1.

HOUSE ACTION

February 4, 2014, read first time and referred to Committee on Ways and Means.
February 24, 2014, amended, reported — Do Pass.

ES 158—LS 6791/DI 58



February 24, 2014

Second Regular Session 118th General Assembly (2014)

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

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

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

ENGROSSED SENATE BILL No. 158

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 6-1.1-10-16, AS AMENDED BY P.L.197-2011,
2 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2015]: Sec. 16. (a) All or part of a building is exempt
4 from property taxation if it is owned, occupied, and used by a person
5 for educational, literary, scientific, religious, or charitable purposes.
6 (b) A building is exempt from property taxation if it is owned,
7 occupied, and used by a town, city, township, or county for educational,
8 literary, scientific, fraternal, or charitable purposes.
9 (c) A tract of land, including the campus and athletic grounds of an
10 educational institution, is exempt from property taxation if:
11 (1) a building that is exempt under subsection (a) or (b) is situated
12 on it;
13 (2) a parking lot or structure that serves a building referred to in
14 subdivision (1) is situated on it; or
15 (3) the tract:
16 (A) is owned by a nonprofit entity established for the purpose

ES 158—LS 6791/DI 58



- 1 of retaining and preserving land and water for their natural
 2 characteristics;
 3 (B) does not exceed five hundred (500) acres; and
 4 (C) is not used by the nonprofit entity to make a profit.
 5 (d) A tract of land is exempt from property taxation if:
 6 (1) it is purchased for the purpose of erecting a building that is to
 7 be owned, occupied, and used in such a manner that the building
 8 will be exempt under subsection (a) or (b); and
 9 (2) not more than four (4) years after the property is purchased,
 10 and for each year after the four (4) year period, the owner
 11 demonstrates substantial progress and active pursuit towards the
 12 erection of the intended building and use of the tract for the
 13 exempt purpose. To establish substantial progress and active
 14 pursuit under this subdivision, the owner must prove the existence
 15 of factors such as the following:
 16 (A) Organization of and activity by a building committee or
 17 other oversight group.
 18 (B) Completion and filing of building plans with the
 19 appropriate local government authority.
 20 (C) Cash reserves dedicated to the project of a sufficient
 21 amount to lead a reasonable individual to believe the actual
 22 construction can and will begin within four (4) years.
 23 (D) The breaking of ground and the beginning of actual
 24 construction.
 25 (E) Any other factor that would lead a reasonable individual to
 26 believe that construction of the building is an active plan and
 27 that the building is capable of being completed within eight (8)
 28 years considering the circumstances of the owner.
 29 If the owner of the property sells, leases, or otherwise transfers a tract
 30 of land that is exempt under this subsection, the owner is liable for the
 31 property taxes that were not imposed upon the tract of land during the
 32 period beginning January 1 of the fourth year following the purchase
 33 of the property and ending on December 31 of the year of the sale,
 34 lease, or transfer. The county auditor of the county in which the tract
 35 of land is located may establish an installment plan for the repayment
 36 of taxes due under this subsection. The plan established by the county
 37 auditor may allow the repayment of the taxes over a period of years
 38 equal to the number of years for which property taxes must be repaid
 39 under this subsection.
 40 (e) Personal property is exempt from property taxation if it is owned
 41 and used in such a manner that it would be exempt under subsection (a)
 42 or (b) if it were a building.



1 (f) A hospital's property that is exempt from property taxation under
 2 subsection (a), (b), or (e) shall remain exempt from property taxation
 3 even if the property is used in part to furnish goods or services to
 4 another hospital whose property qualifies for exemption under this
 5 section.

6 (g) Property owned by a shared hospital services organization that
 7 is exempt from federal income taxation under Section 501(c)(3) or
 8 501(e) of the Internal Revenue Code is exempt from property taxation
 9 if it is owned, occupied, and used exclusively to furnish goods or
 10 services to a hospital whose property is exempt from property taxation
 11 under subsection (a), (b), or (e).

12 (h) This section does not exempt from property tax an office or a
 13 practice of a physician or group of physicians that is owned by a
 14 hospital licensed under IC 16-21-2 or other property that is not
 15 substantially related to or supportive of the inpatient facility of the
 16 hospital unless the office, practice, or other property:

- 17 (1) provides or supports the provision of charity care (as defined
 18 in IC 16-18-2-52.5), including providing funds or other financial
 19 support for health care services for individuals who are indigent
 20 (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or
 21 (2) provides or supports the provision of community benefits (as
 22 defined in IC 16-21-9-1), including research, education, or
 23 government sponsored indigent health care (as defined in
 24 IC 16-21-9-2).

25 However, participation in the Medicaid or Medicare program alone
 26 does not entitle an office, practice, or other property described in this
 27 subsection to an exemption under this section.

28 (i) A tract of land or a tract of land plus all or part of a structure on
 29 the land is exempt from property taxation if:

- 30 (1) the tract is acquired for the purpose of erecting, renovating, or
 31 improving a single family residential structure that is to be given
 32 away or sold:
 33 (A) in a charitable manner;
 34 (B) by a nonprofit organization; and
 35 (C) to low income individuals who will:
 36 (i) use the land as a family residence; and
 37 (ii) not have an exemption for the land under this section;
 38 (2) the tract does not exceed three (3) acres;
 39 (3) the tract of land or the tract of land plus all or part of a
 40 structure on the land is not used for profit while exempt under this
 41 section; and
 42 (4) not more than four (4) years after the property is acquired for



1 the purpose described in subdivision (1), and for each year after
 2 the four (4) year period, the owner demonstrates substantial
 3 progress and active pursuit towards the erection, renovation, or
 4 improvement of the intended structure. To establish substantial
 5 progress and active pursuit under this subdivision, the owner must
 6 prove the existence of factors such as the following:

7 (A) Organization of and activity by a building committee or
 8 other oversight group.

9 (B) Completion and filing of building plans with the
 10 appropriate local government authority.

11 (C) Cash reserves dedicated to the project of a sufficient
 12 amount to lead a reasonable individual to believe the actual
 13 construction can and will begin within five (5) years of the
 14 initial exemption received under this subsection.

15 (D) The breaking of ground and the beginning of actual
 16 construction.

17 (E) Any other factor that would lead a reasonable individual to
 18 believe that construction of the structure is an active plan and
 19 that the structure is capable of being:

20 (i) completed; and

21 (ii) transferred to a low income individual who does not
 22 receive an exemption under this section;

23 within eight (8) years considering the circumstances of the
 24 owner.

25 (j) An exemption under subsection (i) terminates when the property
 26 is conveyed by the nonprofit organization to another owner. When the
 27 property is conveyed to another owner, the nonprofit organization
 28 receiving the exemption must file a certified statement with the auditor
 29 of the county, notifying the auditor of the change not later than sixty
 30 (60) days after the date of the conveyance. The county auditor shall
 31 immediately forward a copy of the certified statement to the county
 32 assessor. A nonprofit organization that fails to file the statement
 33 required by this subsection is liable for the amount of property taxes
 34 due on the property conveyed if it were not for the exemption allowed
 35 under this chapter.

36 (k) If property is granted an exemption in any year under subsection
 37 (i) and the owner:

38 (1) ceases to be eligible for the exemption under subsection (i)(4);

39 (2) fails to transfer the tangible property within eight (8) years
 40 after the assessment date for which the exemption is initially
 41 granted; or

42 (3) transfers the tangible property to a person who:



- 1 (A) is not a low income individual; or
 2 (B) does not use the transferred property as a residence for at
 3 least one (1) year after the property is transferred;
 4 the person receiving the exemption shall notify the county recorder and
 5 the county auditor of the county in which the property is located not
 6 later than sixty (60) days after the event described in subdivision (1),
 7 (2), or (3) occurs. The county auditor shall immediately inform the
 8 county assessor of a notification received under this subsection.
- 9 (l) If subsection (k)(1), (k)(2), or (k)(3) applies, the owner shall pay,
 10 not later than the date that the next installment of property taxes is due,
 11 an amount equal to the sum of the following:
- 12 (1) The total property taxes that, if it were not for the exemption
 13 under subsection (i), would have been levied on the property in
 14 each year in which an exemption was allowed.
- 15 (2) Interest on the property taxes at the rate of ten percent (10%)
 16 per year.
- 17 (m) The liability imposed by subsection (l) is a lien upon the
 18 property receiving the exemption under subsection (i). An amount
 19 collected under subsection (l) shall be collected as an excess levy. If
 20 the amount is not paid, it shall be collected in the same manner that
 21 delinquent taxes on real property are collected.
- 22 (n) Property referred to in this section shall be assessed to the extent
 23 required under IC 6-1.1-11-9.
- 24 **(o) A for-profit provider of early childhood education services**
 25 **to children who are at least four (4) but less than six (6) years of**
 26 **age on the annual assessment date may receive the exemption**
 27 **provided by this section for property used for educational purposes**
 28 **only if all the requirements of section 46 of this chapter are**
 29 **satisfied. A for-profit provider of early childhood education**
 30 **services that provides the services only to children younger than**
 31 **four (4) years of age may not receive the exemption provided by**
 32 **this section for property used for educational purposes.**
- 33 SECTION 2. IC 6-1.1-10-36.3 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 36.3. (a) For
 35 purposes of this section, property is predominantly used or occupied for
 36 one (1) or more stated purposes if it is used or occupied for one (1) or
 37 more of those purposes during more than fifty percent (50%) of the
 38 time that it is used or occupied in the year that ends on the assessment
 39 date of the property.
- 40 (b) The determination under subsection (c) of:
 41 (1) the use or occupation of the property; and
 42 (2) the application of an exemption;



1 applies separately to each part of the property identified under
2 IC 6-1.1-11-3(c)(5).

3 (c) If a section of this chapter states one (1) or more purposes for
4 which property must be used or occupied in order to qualify for an
5 exemption, then the exemption applies as follows:

6 (1) Property that is exclusively used or occupied for one (1) or
7 more of the stated purposes is totally exempt under that section.

8 (2) Property that is predominantly used or occupied for one (1) or
9 more of the stated purposes by a church, religious society, or
10 not-for-profit school is totally exempt under that section.

11 (3) Property that is predominantly used or occupied for one (1) or
12 more of the stated purposes by a person other than a church,
13 religious society, or not-for-profit school is exempt under that
14 section from property tax on the part of the assessment of the
15 property that bears the same proportion to the total assessment of
16 the property as the amount of time that the property was used or
17 occupied for one (1) or more of the stated purposes during the
18 year that ends on the assessment date of the property bears to the
19 amount of time that the property was used or occupied for any
20 purpose during that year. **This subdivision does not apply to a
21 for-profit provider of early childhood education services
22 covered by section 46 of this chapter.**

23 (4) Property that is predominantly used or occupied for a purpose
24 other than one (1) of the stated purposes is not exempt from any
25 part of the property tax.

26 (d) Property is not used or occupied for one (1) or more of the stated
27 purposes during the time that a predominant part of the property is used
28 or occupied in connection with a trade or business that is not
29 substantially related to the exercise or performance of one (1) or more
30 of the stated purposes.

31 SECTION 3. IC 6-1.1-10-46 IS ADDED TO THE INDIANA CODE
32 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
33 JANUARY 1, 2015]: **Sec. 46. (a) Tangible property owned,
34 occupied, or used by a for-profit provider of early childhood
35 education services to children who are at least four (4) but less than
36 six (6) years of age is exempt from property taxation under section
37 16 of this chapter only if all the following requirements are
38 satisfied:**

39 **(1) The primary purpose of the provider is educational.**

40 **(2) The provider is the property owner and the provider also
41 predominantly occupies and uses the tangible property for
42 providing early childhood education services to children who**



1 are at least four (4) but less than six (6) years of age.

2 (3) The provider participates in the early education evaluation
3 program established under IC 12-17.2-3.8 and meets the
4 standards of quality recognized by a Level 3 or Level 4 Paths
5 to QUALITY program rating or has a comparable rating
6 from a nationally recognized accrediting body.

7 If the property owner provides early childhood education services
8 to children who are at least four (4) but less than six (6) years of
9 age and to children younger than four (4) years of age, the amount
10 of the exemption must be on that part of the assessment of the
11 property that bears the same proportion to the total assessment of
12 the property as the percentage of the property owner's enrollment
13 count of children who are at least four (4) but less than six (6) years
14 of age compared to the property owner's total enrollment count of
15 children of all ages.

16 (b) For purposes of this section, the annual assessment date or,
17 if the annual assessment date is not a business day for the property
18 owner, the business day closest to the annual assessment date, must
19 be used for the enrollment count under this section. However, a
20 property owner that believes that the enrollment count on this date
21 for a particular year does not accurately represent the property
22 owner's normal enrollment count for that year may appeal to the
23 county assessor for a change in the date to be used under this
24 section for that year. The appeal must be filed on or before the
25 deadline for filing an exemption under section 16 of this chapter.
26 If the county assessor finds that the property owner's appeal
27 substantiates that the property owner's normal enrollment count
28 is not accurately represented by using the required date, the
29 assessor shall establish an alternate date to be used for that year
30 that represents the property owner's normal enrollment count for
31 that year.



COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 158, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-10-16, AS AMENDED BY P.L.197-2011, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 16. (a) All or part of a building is exempt from property taxation if it is owned, occupied, and used by a person for educational, literary, scientific, religious, or charitable purposes.

(b) A building is exempt from property taxation if it is owned, occupied, and used by a town, city, township, or county for educational, literary, scientific, fraternal, or charitable purposes.

(c) A tract of land, including the campus and athletic grounds of an educational institution, is exempt from property taxation if:

(1) a building that is exempt under subsection (a) or (b) is situated on it;

(2) a parking lot or structure that serves a building referred to in subdivision (1) is situated on it; or

(3) the tract:

(A) is owned by a nonprofit entity established for the purpose of retaining and preserving land and water for their natural characteristics;

(B) does not exceed five hundred (500) acres; and

(C) is not used by the nonprofit entity to make a profit.

(d) A tract of land is exempt from property taxation if:

(1) it is purchased for the purpose of erecting a building that is to be owned, occupied, and used in such a manner that the building will be exempt under subsection (a) or (b); and

(2) not more than four (4) years after the property is purchased, and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the erection of the intended building and use of the tract for the exempt purpose. To establish substantial progress and active pursuit under this subdivision, the owner must prove the existence of factors such as the following:

(A) Organization of and activity by a building committee or other oversight group.

(B) Completion and filing of building plans with the



appropriate local government authority.

(C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within four (4) years.

(D) The breaking of ground and the beginning of actual construction.

(E) Any other factor that would lead a reasonable individual to believe that construction of the building is an active plan and that the building is capable of being completed within eight (8) years considering the circumstances of the owner.

If the owner of the property sells, leases, or otherwise transfers a tract of land that is exempt under this subsection, the owner is liable for the property taxes that were not imposed upon the tract of land during the period beginning January 1 of the fourth year following the purchase of the property and ending on December 31 of the year of the sale, lease, or transfer. The county auditor of the county in which the tract of land is located may establish an installment plan for the repayment of taxes due under this subsection. The plan established by the county auditor may allow the repayment of the taxes over a period of years equal to the number of years for which property taxes must be repaid under this subsection.

(e) Personal property is exempt from property taxation if it is owned and used in such a manner that it would be exempt under subsection (a) or (b) if it were a building.

(f) A hospital's property that is exempt from property taxation under subsection (a), (b), or (e) shall remain exempt from property taxation even if the property is used in part to furnish goods or services to another hospital whose property qualifies for exemption under this section.

(g) Property owned by a shared hospital services organization that is exempt from federal income taxation under Section 501(c)(3) or 501(e) of the Internal Revenue Code is exempt from property taxation if it is owned, occupied, and used exclusively to furnish goods or services to a hospital whose property is exempt from property taxation under subsection (a), (b), or (e).

(h) This section does not exempt from property tax an office or a practice of a physician or group of physicians that is owned by a hospital licensed under IC 16-21-2 or other property that is not substantially related to or supportive of the inpatient facility of the hospital unless the office, practice, or other property:

(1) provides or supports the provision of charity care (as defined in IC 16-18-2-52.5), including providing funds or other financial



support for health care services for individuals who are indigent (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or
 (2) provides or supports the provision of community benefits (as defined in IC 16-21-9-1), including research, education, or government sponsored indigent health care (as defined in IC 16-21-9-2).

However, participation in the Medicaid or Medicare program alone does not entitle an office, practice, or other property described in this subsection to an exemption under this section.

(i) A tract of land or a tract of land plus all or part of a structure on the land is exempt from property taxation if:

(1) the tract is acquired for the purpose of erecting, renovating, or improving a single family residential structure that is to be given away or sold:

(A) in a charitable manner;

(B) by a nonprofit organization; and

(C) to low income individuals who will:

(i) use the land as a family residence; and

(ii) not have an exemption for the land under this section;

(2) the tract does not exceed three (3) acres;

(3) the tract of land or the tract of land plus all or part of a structure on the land is not used for profit while exempt under this section; and

(4) not more than four (4) years after the property is acquired for the purpose described in subdivision (1), and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the erection, renovation, or improvement of the intended structure. To establish substantial progress and active pursuit under this subdivision, the owner must prove the existence of factors such as the following:

(A) Organization of and activity by a building committee or other oversight group.

(B) Completion and filing of building plans with the appropriate local government authority.

(C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within five (5) years of the initial exemption received under this subsection.

(D) The breaking of ground and the beginning of actual construction.

(E) Any other factor that would lead a reasonable individual to believe that construction of the structure is an active plan and



that the structure is capable of being:

- (i) completed; and
- (ii) transferred to a low income individual who does not receive an exemption under this section;

within eight (8) years considering the circumstances of the owner.

(j) An exemption under subsection (i) terminates when the property is conveyed by the nonprofit organization to another owner. When the property is conveyed to another owner, the nonprofit organization receiving the exemption must file a certified statement with the auditor of the county, notifying the auditor of the change not later than sixty (60) days after the date of the conveyance. The county auditor shall immediately forward a copy of the certified statement to the county assessor. A nonprofit organization that fails to file the statement required by this subsection is liable for the amount of property taxes due on the property conveyed if it were not for the exemption allowed under this chapter.

(k) If property is granted an exemption in any year under subsection (i) and the owner:

- (1) ceases to be eligible for the exemption under subsection (i)(4);
- (2) fails to transfer the tangible property within eight (8) years after the assessment date for which the exemption is initially granted; or
- (3) transfers the tangible property to a person who:
 - (A) is not a low income individual; or
 - (B) does not use the transferred property as a residence for at least one (1) year after the property is transferred;

the person receiving the exemption shall notify the county recorder and the county auditor of the county in which the property is located not later than sixty (60) days after the event described in subdivision (1), (2), or (3) occurs. The county auditor shall immediately inform the county assessor of a notification received under this subsection.

(l) If subsection (k)(1), (k)(2), or (k)(3) applies, the owner shall pay, not later than the date that the next installment of property taxes is due, an amount equal to the sum of the following:

- (1) The total property taxes that, if it were not for the exemption under subsection (i), would have been levied on the property in each year in which an exemption was allowed.
- (2) Interest on the property taxes at the rate of ten percent (10%) per year.

(m) The liability imposed by subsection (l) is a lien upon the property receiving the exemption under subsection (i). An amount



collected under subsection (l) shall be collected as an excess levy. If the amount is not paid, it shall be collected in the same manner that delinquent taxes on real property are collected.

(n) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

(o) A for-profit provider of early childhood education services to children who are at least four (4) but less than six (6) years of age on the annual assessment date may receive the exemption provided by this section for property used for educational purposes only if all the requirements of section 46 of this chapter are satisfied. A for-profit provider of early childhood education services that provides the services only to children younger than four (4) years of age may not receive the exemption provided by this section for property used for educational purposes.

SECTION 2. IC 6-1.1-10-36.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 36.3. (a) For purposes of this section, property is predominantly used or occupied for one (1) or more stated purposes if it is used or occupied for one (1) or more of those purposes during more than fifty percent (50%) of the time that it is used or occupied in the year that ends on the assessment date of the property.

(b) The determination under subsection (c) of:

- (1) the use or occupation of the property; and
- (2) the application of an exemption;

applies separately to each part of the property identified under IC 6-1.1-11-3(c)(5).

(c) If a section of this chapter states one (1) or more purposes for which property must be used or occupied in order to qualify for an exemption, then the exemption applies as follows:

- (1) Property that is exclusively used or occupied for one (1) or more of the stated purposes is totally exempt under that section.
- (2) Property that is predominantly used or occupied for one (1) or more of the stated purposes by a church, religious society, or not-for-profit school is totally exempt under that section.
- (3) Property that is predominantly used or occupied for one (1) or more of the stated purposes by a person other than a church, religious society, or not-for-profit school is exempt under that section from property tax on the part of the assessment of the property that bears the same proportion to the total assessment of the property as the amount of time that the property was used or occupied for one (1) or more of the stated purposes during the year that ends on the assessment date of the property bears to the



amount of time that the property was used or occupied for any purpose during that year. **This subdivision does not apply to a for-profit provider of early childhood education services covered by section 46 of this chapter.**

(4) Property that is predominantly used or occupied for a purpose other than one (1) of the stated purposes is not exempt from any part of the property tax.

(d) Property is not used or occupied for one (1) or more of the stated purposes during the time that a predominant part of the property is used or occupied in connection with a trade or business that is not substantially related to the exercise or performance of one (1) or more of the stated purposes."

Page 1, line 3, after "46." insert "(a)".

Page 1, line 3, after "property" insert "**owned, occupied, or used by a for-profit provider of early childhood education services to children who are at least four (4) but less than six (6) years of age**".

Page 1, delete lines 4 through 16 and insert "**property taxation under section 16 of this chapter only if all the following requirements are satisfied:**

(1) The primary purpose of the provider is educational.

(2) The provider is the property owner and the provider also predominantly occupies and uses the tangible property for providing early childhood education services to children who are at least four (4) but less than six (6) years of age.

(3) The provider participates in the early education evaluation program established under IC 12-17.2-3.7 and meets the standards of quality recognized by a Level 3 or Level 4 Paths to QUALITY program rating or has a comparable rating from a nationally recognized accrediting body.

If the property owner provides early childhood education services to children who are at least four (4) but less than six (6) years of age and to children younger than four (4) years of age, the amount of the exemption must be on that part of the assessment of the property that bears the same proportion to the total assessment of the property as the percentage of the property owner's enrollment count of children who are at least four (4) but less than six (6) years of age compared to the property owner's total enrollment count of children of all ages.

(b) For purposes of this section, the annual assessment date or, if the annual assessment date is not a business day for the property owner, the business day closest to the annual assessment date, must be used for the enrollment count under this section. However, a



property owner that believes that the enrollment count on this date for a particular year does not accurately represent the property owner's normal enrollment count for that year may appeal to the county assessor for a change in the date to be used under this section for that year. The appeal must be filed on or before the deadline for filing an exemption under section 16 of this chapter. If the county assessor finds that the property owner's appeal substantiates that the property's owner's normal enrollment count is not accurately represented by using the required date, the assessor shall establish an alternate date to be used for that year that represents the property's owner's normal enrollment count for that year."

Delete pages 2 through 7.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 158 as introduced.)

HERSHMAN, Chairperson

Committee Vote: Yeas 9, Nays 0.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 158, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 7, line 3, delete "IC 12-17.2-3.7" and insert "**IC 12-17.2-3.8**".

Page 7, line 27, delete "property's" and insert "**property**".

Page 7, line 30, delete "property's" and insert "**property**".

and when so amended that said bill do pass.

(Reference is to SB 158 as printed January 24, 2014.)

BROWN T, Chair

Committee Vote: yeas 19, nays 0.

ES 158—LS 6791/DI 58

