



March 29, 2019

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# ENGROSSED

## SENATE BILL No. 171

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DIGEST OF SB 171 (Updated March 27, 2019 6:02 pm - DI 113)

**Citations Affected:** IC 2-5; IC 5-22; IC 5-28; IC 6-1.1; IC 6-3.1; IC 6-3.5; IC 6-6; IC 8-1.5; IC 8-22; IC 21-47; IC 36-3; IC 36-4; IC 36-5; IC 36-7; IC 36-9; noncode.

**Synopsis:** State and local administration. Makes the filing deadlines for property tax deductions applicable to mobile homes and manufactured homes that are not assessed as real property the same as the filing deadlines for property tax deductions applicable to real property. Repeals the coal conversion system property tax deduction, the coal combustion product property tax deduction, the recycled coal combustion byproduct personal property tax deduction, the aircraft property tax deduction, the intrastate aircraft property tax deduction, the Hoosier alternative fuel vehicle manufacturer investment income tax credit, and the local income tax option hiring incentive credit. Extends the legislative services agency tax incentive review schedule from 5 to 7 years. Requires a statement in the county treasurer's notice of intention to sell that the county treasurer will apply for a court judgment against the mobile homes for an amount that is set by the county executive and that includes collection expenses. Provides that whenever no bid is received on a mobile home, the taxpayer who is  
(Continued next page)

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

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**Holdman, Houchin, Koch,**  
**Randolph Lonnie M, Bohacek**  
(HOUSE SPONSORS — HUSTON, LEHMAN)

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January 3, 2019, read first time and referred to Committee on Tax and Fiscal Policy.  
February 5, 2019, reported favorably — Do Pass.  
February 11, 2019, read second time, amended, ordered engrossed.  
February 12, 2019, engrossed. Read third time, passed. Yeas 48, nays 0.

HOUSE ACTION  
February 26, 2019, read first time and referred to Committee on Ways and Means.  
March 28, 2019, amended, reported — Do Pass.

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## Digest Continued

delinquent in the payment of taxes causing the tax sale maintains ownership of the mobile home and liability for the delinquent taxes. Allows the board governing a: (1) municipal water or sewer provider; (2) municipal department of sanitation; or (3) sewage disposal plant service provider; to fix the time within which service charges become delinquent and service may be discontinued due to nonpayment of charges. (Currently these time periods are provided by statute.) Requires the clerk and fiscal officer of all cities and towns to complete at least: (1) 14 hours of training courses within one year; and (2) 36 hours of training courses within three years. Provides that a training course that an individual completes after being elected or appointed as clerk or fiscal officer of a city or town and before the individual begins serving in office applies toward the training requirements. Requires all city and town clerks and fiscal officers to fulfill the training requirements for each term the clerk or fiscal officer serves in office. Provides, in the case of a city or town that reorganizes, that the individual who performs the functions of clerk or fiscal officer for the reorganizing city or town shall comply with the training requirements for the reorganized political subdivision. Provides that a redevelopment commission or other entity that creates a tax increment financing area shall file the resolution and supporting documents that create the tax increment financing area with both the county auditor in which the tax increment financing area is located and the department of local government finance within 30 days after the redevelopment commission or other entity takes final action on the resolution. Provides that if a redevelopment commission or other entity that creates a tax increment financing area files the resolution and supporting documents with either the county auditor and the department of local government finance after the first anniversary of the effective date of the tax increment financing area, the county auditor shall compute the base assessed value of the tax increment financing area using the assessment date immediately preceding the later of the date on which the documents were filed with the county auditor or the date on which the documents were filed with the department of local government finance. Urges the study of the advisability of eliminating the mortgage property tax deduction and the advisability of increasing the homestead standard deduction. Urges the study of automatic enrollment of employees in a political subdivision's deferred compensation plan. Urges the study of allowing municipalities to make deposits of a certain amount to a vendor or service provider for certain transactions.



March 29, 2019

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.

## ENGROSSED SENATE BILL No. 171

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A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

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

1           SECTION 1. IC 2-5-3.2-1, AS AMENDED BY P.L.36-2015,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2019]: Sec. 1. (a) As used in this section, "tax incentive"  
4 means a benefit provided through a state or local tax that is intended to  
5 alter, reward, or subsidize a particular action or behavior by the tax  
6 incentive recipient, including a benefit intended to encourage economic  
7 development. The term includes the following:  
8           (1) An exemption, deduction, credit, preferential rate, or other tax  
9           benefit that:  
10           (A) reduces the amount of a tax that would otherwise be due  
11           to the state;  
12           (B) results in a tax refund in excess of any tax due; or  
13           (C) reduces the amount of property taxes that would otherwise  
14           be due to a political subdivision of the state.  
15           (2) The dedication of revenue by a political subdivision to provide  
16           improvements or to retire bonds issued to pay for improvements  
17           in an economic or sports development area, a community

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- 1           revitalization area, an enterprise zone, a tax increment financing  
2           district, or any other similar area or district.
- 3           (b) The general assembly intends that each tax incentive effectuate  
4           the purposes for which it was enacted and that the cost of tax incentives  
5           should be included more readily in the biennial budgeting process. To  
6           provide the general assembly with the information it needs to make  
7           informed policy choices about the efficacy of each tax incentive, the  
8           legislative services agency shall conduct a regular review, analysis, and  
9           evaluation of all tax incentives according to a schedule developed by  
10          the legislative services agency.
- 11          (c) The legislative services agency shall conduct a systematic and  
12          comprehensive review, analysis, and evaluation of each tax incentive  
13          scheduled for review. The review, analysis, and evaluation must  
14          include information about each tax incentive that is necessary to  
15          achieve the goals described in subsection (b), which may include any  
16          of the following:
- 17               (1) The basic attributes and policy goals of the tax incentive,  
18               including the statutory and programmatic goals of the tax  
19               incentive, the economic parameters of the tax incentive, the  
20               original scope and purpose of the tax incentive, and how the  
21               scope or purpose has changed over time.
- 22               (2) The tax incentive's equity, simplicity, competitiveness, public  
23               purpose, adequacy, and extent of conformance with the original  
24               purposes of the legislation enacting the tax incentive.
- 25               (3) The types of activities on which the tax incentive is based and  
26               how effective the tax incentive has been in promoting these  
27               targeted activities and in assisting recipients of the tax incentive.
- 28               (4) The count of the following:
- 29                   (A) Applicants for the tax incentive.
- 30                   (B) Applicants that qualify for the tax incentive.
- 31                   (C) Qualified applicants that, if applicable, are approved to  
32                   receive the tax incentive.
- 33                   (D) Taxpayers that actually claim the tax incentive.
- 34                   (E) Taxpayers that actually receive the tax incentive.
- 35               (5) The dollar amount of the tax incentive benefits that has been  
36               actually claimed by all taxpayers over time, including the  
37               following:
- 38                   (A) The dollar amount of the tax incentive, listed by the North  
39                   American Industrial Classification System (NAICS) Code  
40                   associated with the tax incentive recipients, if an NAICS Code  
41                   is available.
- 42                   (B) The dollar amount of income tax credits that can be carried



- 1 forward for the next five (5) state fiscal years.
- 2 (6) An estimate of the economic impact of the tax incentive,  
3 including the following:
- 4 (A) A return on investment calculation for the tax incentive.  
5 For purposes of this clause, "return on investment calculation"  
6 means analyzing the cost to the state or political subdivision of  
7 providing the tax incentive, analyzing the benefits realized by  
8 the state or political subdivision from providing the tax  
9 incentive.
- 10 (B) A cost-benefit comparison of the state and local revenue  
11 foregone and property taxes shifted to other taxpayers as a  
12 result of allowing the tax incentive, compared to tax revenue  
13 generated by the taxpayer receiving the incentive, including  
14 direct taxes applied to the taxpayer and taxes applied to the  
15 taxpayer's employees.
- 16 (C) An estimate of the number of jobs that were the direct  
17 result of the tax incentive.
- 18 (D) For any tax incentive that is reviewed or approved by the  
19 Indiana economic development corporation, a statement by the  
20 chief executive officer of the Indiana economic development  
21 corporation as to whether the statutory and programmatic  
22 goals of the tax incentive are being met, with obstacles to these  
23 goals identified, if possible.
- 24 (7) The methodology and assumptions used in carrying out the  
25 reviews, analyses, and evaluations required under this subsection.
- 26 (8) The estimated cost to the state to administer the tax incentive.
- 27 (9) An estimate of the extent to which benefits of the tax incentive  
28 remained in Indiana or flowed outside Indiana.
- 29 (10) Whether the effectiveness of the tax incentive could be  
30 determined more definitively if the general assembly were to  
31 clarify or modify the tax incentive's goals and intended purpose.
- 32 (11) Whether measuring the economic impact is significantly  
33 limited due to data constraints and whether any changes in statute  
34 would facilitate data collection in a way that would allow for  
35 better review, analysis, or evaluation.
- 36 (12) An estimate of the indirect economic benefit or activity  
37 stimulated by the tax incentive.
- 38 (13) Any additional review, analysis, or evaluation that the  
39 legislative services agency considers advisable, including  
40 comparisons with tax incentives offered by other states if those  
41 comparisons would add value to the review, analysis, and  
42 evaluation.



1 The legislative services agency may request a state or local official or  
2 a state agency, a political subdivision, a body corporate and politic, or  
3 a county or municipal redevelopment commission to furnish  
4 information necessary to complete the tax incentive review, analysis,  
5 and evaluation required by this section. An official or entity presented  
6 with a request from the legislative services agency under this  
7 subsection shall cooperate with the legislative services agency in  
8 providing the requested information. An official or entity may require  
9 that the legislative services agency adhere to the provider's rules, if any,  
10 that concern the confidential nature of the information.

11 (d) The legislative services agency shall, before October 1 of each  
12 year, submit a report to the legislative council, in an electronic format  
13 under IC 5-14-6, and to the interim study committee on fiscal policy  
14 established by IC 2-5-1.3-4 containing the results of the legislative  
15 services agency's review, analysis, and evaluation. The report must  
16 include at least the following:

- 17 (1) A detailed description of the review, analysis, and evaluation  
18 for each tax incentive reviewed.
- 19 (2) Information to be used by the general assembly to determine  
20 whether a reviewed tax incentive should be continued, modified,  
21 or terminated, the basis for the recommendation, and the expected  
22 impact of the recommendation on the state's economy.
- 23 (3) Information to be used by the general assembly to better align  
24 a reviewed tax incentive with the original intent of the legislation  
25 that enacted the tax incentive.

26 The report required by this subsection must not disclose any  
27 proprietary or otherwise confidential taxpayer information.

28 (e) The interim study committee on fiscal policy shall do the  
29 following:

- 30 (1) Hold at least one (1) public hearing after September 30 and  
31 before November 1 of each year at which:
  - 32 (A) the legislative services agency presents the review,  
33 analysis, and evaluation of tax incentives; and
  - 34 (B) the interim study committee receives information  
35 concerning tax incentives.
- 36 (2) Submit to the legislative council, in an electronic format under  
37 IC 5-14-6, any recommendations made by the interim study  
38 committee that are related to the legislative services agency's  
39 review, analysis, and evaluation of tax incentives prepared under  
40 this section.

41 (f) The general assembly shall use the legislative services agency's  
42 report under this section and the interim study committee on fiscal



1 policy's recommendations under this section to determine whether a  
2 particular tax incentive:

- 3 (1) is successful;
- 4 (2) is provided at a cost that can be accommodated by the state's
- 5 biennial budget; and
- 6 (3) should be continued, amended, or repealed.

7 (g) The legislative services agency shall establish and maintain a  
8 system for making available to the public information about the amount  
9 and effectiveness of tax incentives.

10 (h) The legislative services agency shall develop and publish on the  
11 general assembly's Internet web site a multi-year schedule that lists all  
12 tax incentives and indicates the year when the report will be published  
13 for each tax incentive reviewed. The legislative services agency may  
14 revise the schedule as long as the legislative services agency provides  
15 for a systematic review, analysis, and evaluation of all tax incentives  
16 and that each tax incentive is reviewed at least once every ~~five (5)~~  
17 **seven (7)** years.

18 (i) This section expires December 31, ~~2023~~: **2025**.

19 SECTION 2. IC 5-22-5-8.5, AS AMENDED BY P.L.277-2013,  
20 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
21 JANUARY 1, 2020]: Sec. 8.5. (a) As used in this section, "clean  
22 energy vehicle" means any of the following:

- 23 (1) A vehicle that operates on one (1) or more of the following
- 24 energy sources:
  - 25 (A) A rechargeable energy storage system.
  - 26 (B) Hydrogen.
  - 27 (C) Compressed air.
  - 28 (D) Compressed or liquid natural gas.
  - 29 (E) Solar energy.
  - 30 (F) Liquefied petroleum gas.
  - 31 ~~(G) Any other alternative fuel (as defined in IC 6-3.1-31.9-1).~~
  - 32 **(G) Methanol, denatured ethanol, and other alcohols.**
  - 33 **(H) Mixtures containing eighty-five percent (85%) or more**
  - 34 **by volume of methanol, denatured ethanol, and other**
  - 35 **alcohols with gasoline or other fuel.**
  - 36 **(I) Natural gas.**
  - 37 **(J) Coal-derived liquid fuels.**
  - 38 **(K) Non-alcohol fuels derived from biological material.**
  - 39 **(L) P-Series fuels.**
  - 40 **(M) Electricity.**
  - 41 **(N) Biodiesel or ultra low sulfur diesel fuel.**

42 (2) A vehicle that operates on gasoline and one (1) or more of the



- 1 energy sources listed in subdivision (1).  
 2 (3) A vehicle that operates on diesel fuel and one (1) or more of  
 3 the energy sources listed in subdivision (1).  
 4 (b) As used in this section, "state entity" means the following:  
 5 (1) A state agency.  
 6 (2) Any other authority, board, branch, commission, committee,  
 7 department, division, or other instrumentality of the executive  
 8 (including the administrative), legislative, or judicial department  
 9 of state government.  
 10 The term includes a state elected official's office and excludes a state  
 11 educational institution.  
 12 (c) As used in this section, "vehicle" includes the following:  
 13 (1) An automobile.  
 14 (2) A truck.  
 15 (3) A tractor.  
 16 (d) Except as provided in subsection (e), if a state entity purchases  
 17 or leases a vehicle, it must purchase or lease a clean energy vehicle  
 18 unless the Indiana department of administration determines that the  
 19 purchase or lease of a clean energy vehicle:  
 20 (1) is inappropriate because of the purposes for which the vehicle  
 21 will be used; or  
 22 (2) would cost at least twenty percent (20%) more than the  
 23 purchase or lease of a vehicle that:  
 24 (A) is not a clean energy vehicle; and  
 25 (B) is designed and equipped comparably to the clean energy  
 26 vehicle.  
 27 (e) The requirements of subsection (d) do not apply to the:  
 28 (1) purchase or lease of vehicles by or for the state police  
 29 department; and  
 30 (2) short term or temporary lease of vehicles.  
 31 (f) The Indiana department of administration shall adopt rules or  
 32 guidelines to provide a preference for the purchase or lease by state  
 33 entities of clean energy vehicles manufactured wholly or partially in  
 34 Indiana or containing parts manufactured in Indiana.  
 35 (g) Before August 1, each state entity shall annually submit to the  
 36 Indiana department of administration information regarding the use of  
 37 clean energy vehicles by the state entity. The information must specify  
 38 the following for the preceding state fiscal year:  
 39 (1) The amount of ~~alternative fuels~~ **energy sources described in**  
 40 **subsection (a)(1)** purchased by the state entity.  
 41 (2) The amount of conventional fuels purchased by the state  
 42 entity.



1 (3) The average price per gallon paid by the state entity for each  
2 type of fuel purchased by the state entity.

3 (4) The total number of vehicles purchased or leased by the state  
4 agency that were clean energy vehicles and the total number of  
5 vehicles purchased or leased by the state agency that were not  
6 clean energy vehicles.

7 (5) Any other information required by the Indiana department of  
8 administration.

9 (h) Before September 1, the Indiana department of administration  
10 shall annually submit to the general assembly in an electronic format  
11 under IC 5-14-6 and to the governor a report that lists the information  
12 required under subsection (g) for each state entity and for all state  
13 agencies in the aggregate.

14 SECTION 3. IC 5-28-28-4, AS AMENDED BY P.L.238-2017,  
15 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
16 JANUARY 1, 2020]: Sec. 4. As used in this chapter, "tax credit" means  
17 a state tax liability credit under any of the following:

18 (1) IC 6-3.1-7 (before its expiration).

19 (2) IC 6-3.1-13.

20 (3) IC 6-3.1-26.

21 (4) IC 6-3.1-30.

22 ~~(5) IC 6-3.1-31-9.~~

23 SECTION 4. IC 6-1.1-12-2, AS AMENDED BY P.L.81-2010,  
24 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
25 JULY 1, 2019]: Sec. 2. (a) Except as provided in section 17.8 of this  
26 chapter and subject to section 45 of this chapter, for a person to qualify  
27 for the deduction provided by section 1 of this chapter a statement must  
28 be filed under subsection (b) or (c). Regardless of the manner in which  
29 a statement is filed, the mortgage, contract, or memorandum (including  
30 a home equity line of credit) must be recorded with the county  
31 recorder's office to qualify for a deduction under section 1 of this  
32 chapter.

33 (b) Subject to subsection (c), to apply for the deduction under  
34 section 1 of this chapter with respect to real property, the person  
35 recording the mortgage, home equity line of credit, contract, or  
36 memorandum of the contract with the county recorder may file a  
37 written statement with the county recorder containing the information  
38 described in subsection (e)(1), (e)(2), (e)(3), (e)(4), (e)(6), (e)(7), and  
39 (e)(8). The statement must be prepared on the form prescribed by the  
40 department of local government finance and be signed by the property  
41 owner or contract purchaser under the penalties of perjury. The form  
42 must have a place for the county recorder to insert the record number



1 and page where the mortgage, home equity line of credit, contract, or  
 2 memorandum of the contract is recorded. Upon receipt of the form and  
 3 the recording of the mortgage, home equity line of credit, contract, or  
 4 memorandum of the contract, the county recorder shall insert on the  
 5 form the record number and page where the mortgage, home equity line  
 6 of credit, contract, or memorandum of the contract is recorded and  
 7 forward the completed form to the county auditor. The county recorder  
 8 may not impose a charge for the county recorder's duties under this  
 9 subsection. The statement must be completed and dated in the calendar  
 10 year for which the person wishes to obtain the deduction and filed with  
 11 the county recorder on or before January 5 of the immediately  
 12 succeeding calendar year.

13 (c) With respect to:

14 (1) real property as an alternative to a filing under subsection (b);

15 or

16 (2) a mobile home that is not assessed as real property or a  
 17 manufactured home that is not assessed as real property;

18 to apply for a deduction under section 1 of this chapter, a person who  
 19 desires to claim the deduction may file a statement in duplicate, on  
 20 forms prescribed by the department of local government finance, with  
 21 the auditor of the county in which the real property, mobile home not  
 22 assessed as real property, or manufactured home not assessed as real  
 23 property is located. ~~With respect to real property To obtain the~~  
 24 ~~deduction for a desired calendar year in which property taxes are~~  
 25 ~~first due and payable,~~ the statement must be completed and dated in  
 26 the ~~immediately preceding~~ calendar year for which the person wishes  
 27 to obtain the deduction and filed with the county auditor on or before  
 28 January 5 of the immediately succeeding calendar year ~~With respect to~~  
 29 ~~a mobile home that is not assessed as real property or a manufactured~~  
 30 ~~home that is not assessed as real property, the statement must be filed~~  
 31 ~~during the twelve (12) months before March 31 of each year for which~~  
 32 ~~the individual wishes to obtain the deduction: in which the property~~  
 33 ~~taxes are first due and payable.~~ The statement may be filed in person  
 34 or by mail. If mailed, the mailing must be postmarked on or before the  
 35 last day for filing. In addition to the statement required by this  
 36 subsection, a contract buyer who desires to claim the deduction must  
 37 submit a copy of the recorded contract or recorded memorandum of the  
 38 contract, which must contain a legal description sufficient to meet the  
 39 requirements of IC 6-1.1-5, with the first statement that the buyer files  
 40 under this section with respect to a particular parcel of real property.

41 (d) Upon receipt of:

42 (1) the statement under subsection (b); or

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- 1 (2) the statement under subsection (c) and the recorded contract  
 2 or recorded memorandum of the contract;  
 3 the county auditor shall assign a separate description and identification  
 4 number to the parcel of real property being sold under the contract.
- 5 (e) The statement referred to in subsections (b) and (c) must be  
 6 verified under penalties for perjury. The statement must contain the  
 7 following information:
- 8 (1) The balance of the person's mortgage, home equity line of  
 9 credit, or contract indebtedness that is recorded in the county  
 10 recorder's office on the assessment date of the year for which the  
 11 deduction is claimed.
- 12 (2) The assessed value of the real property, mobile home, or  
 13 manufactured home.
- 14 (3) The full name and complete residence address of the person  
 15 and of the mortgagee or contract seller.
- 16 (4) The name and residence of any assignee or bona fide owner or  
 17 holder of the mortgage, home equity line of credit, or contract, if  
 18 known, and if not known, the person shall state that fact.
- 19 (5) The record number and page where the mortgage, contract, or  
 20 memorandum of the contract is recorded.
- 21 (6) A brief description of the real property, mobile home, or  
 22 manufactured home which is encumbered by the mortgage or  
 23 home equity line of credit or sold under the contract.
- 24 (7) If the person is not the sole legal or equitable owner of the real  
 25 property, mobile home, or manufactured home, the exact share of  
 26 the person's interest in it.
- 27 (8) The name of any other county in which the person has applied  
 28 for a deduction under this section and the amount of deduction  
 29 claimed in that application.
- 30 (f) The authority for signing a deduction application filed under this  
 31 section may not be delegated by the real property, mobile home, or  
 32 manufactured home owner or contract buyer to any person except upon  
 33 an executed power of attorney. The power of attorney may be contained  
 34 in the recorded mortgage, contract, or memorandum of the contract, or  
 35 in a separate instrument.
- 36 (g) A closing agent (as defined in section 43(a)(2) of this chapter)  
 37 is not liable for any damages claimed by the property owner or contract  
 38 purchaser because of:
- 39 (1) the closing agent's failure to provide the written statement  
 40 described in subsection (b);  
 41 (2) the closing agent's failure to file the written statement  
 42 described in subsection (b);



- 1 (3) any omission or inaccuracy in the written statement described
- 2 in subsection (b) that is filed with the county recorder by the
- 3 closing agent; or
- 4 (4) any determination made with respect to a property owner's or
- 5 contract purchaser's eligibility for the deduction under section 1
- 6 of this chapter.

7 (h) The county recorder may not refuse to record a mortgage,  
 8 contract, or memorandum because the written statement described in  
 9 subsection (b):

- 10 (1) is not included with the mortgage, home equity line of credit,
- 11 contract, or memorandum of the contract;
- 12 (2) does not contain the signatures required by subsection (b);
- 13 (3) does not contain the information described in subsection (e);
- 14 or
- 15 (4) is otherwise incomplete or inaccurate.

16 (i) The form prescribed by the department of local government  
 17 finance under subsection (b) and the instructions for the form must  
 18 both include a statement:

- 19 (1) that explains that a person is not entitled to a deduction under
- 20 section 1 of this chapter unless the person has a balance on the
- 21 person's mortgage or contract indebtedness that is recorded in the
- 22 county recorder's office (including any home equity line of credit
- 23 that is recorded in the county recorder's office) that is the basis for
- 24 the deduction; and
- 25 (2) that specifies the penalties for perjury.

26 (j) The department of local government finance shall develop a  
 27 notice:

- 28 (1) that must be displayed in a place accessible to the public in
- 29 the office of each county auditor;
- 30 (2) that includes the information described in subsection (i); and
- 31 (3) that explains that the form prescribed by the department of
- 32 local government finance to claim the deduction under section 1
- 33 of this chapter must be signed by the property owner or contract
- 34 purchaser under the penalties of perjury.

35 SECTION 5. IC 6-1.1-12-10.1, AS AMENDED BY P.L.183-2014,  
 36 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 37 JULY 1, 2019]: Sec. 10.1. (a) Except as provided in section 17.8 of this  
 38 chapter and subject to section 45 of this chapter, an individual who  
 39 desires to claim the deduction provided by section 9 of this chapter  
 40 must file a sworn statement, on forms prescribed by the department of  
 41 local government finance, with the auditor of the county in which the  
 42 real property, mobile home, or manufactured home is located. ~~With~~



1 respect to real property; **To obtain the deduction for a desired**  
 2 **calendar year in which property taxes are first due and payable,**  
 3 the statement must be completed and dated in the **immediately**  
 4 **preceding** calendar year for which the individual wishes to obtain the  
 5 deduction and filed with the county auditor on or before January 5 of  
 6 the immediately succeeding calendar year. ~~With respect to a mobile~~  
 7 ~~home that is not assessed as real property or a manufactured home that~~  
 8 ~~is not assessed as real property, the statement must be filed during the~~  
 9 ~~twelve (12) months before March 31 of each year for which the~~  
 10 ~~individual wishes to obtain the deduction: **in which the property taxes**~~  
 11 **are first due and payable.** The statement may be filed in person or by  
 12 mail. If mailed, the mailing must be postmarked on or before the last  
 13 day for filing.

14 (b) The statement referred to in subsection (a) shall be in affidavit  
 15 form or require verification under penalties of perjury. The statement  
 16 must be filed in duplicate if the applicant owns, or is buying under a  
 17 contract, real property, a mobile home, or a manufactured home subject  
 18 to assessment in more than one (1) county or in more than one (1)  
 19 taxing district in the same county. The statement shall contain:

- 20 (1) the source and exact amount of gross income received by the  
 21 individual and the individual's spouse during the preceding  
 22 calendar year;  
 23 (2) the description and assessed value of the real property, mobile  
 24 home, or manufactured home;  
 25 (3) the individual's full name and complete residence address;  
 26 (4) the record number and page where the contract or  
 27 memorandum of the contract is recorded if the individual is  
 28 buying the real property, mobile home, or manufactured home on  
 29 contract; and  
 30 (5) any additional information which the department of local  
 31 government finance may require.

32 (c) In order to substantiate the deduction statement, the applicant  
 33 shall submit for inspection by the county auditor a copy of the  
 34 applicant's and a copy of the applicant's spouse's income tax returns ~~for~~  
 35 ~~the preceding that were originally due in the~~ calendar year  
 36 **immediately preceding the desired calendar year in which the**  
 37 **property taxes are first due and payable and for which the**  
 38 **applicant and the applicant's spouse desire to claim the deduction.**  
 39 If either was not required to file an income tax return, the applicant  
 40 shall subscribe to that fact in the deduction statement.

41 SECTION 6. IC 6-1.1-12-12, AS AMENDED BY P.L.183-2014,  
 42 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2019]: Sec. 12. (a) Except as provided in section 17.8 of this  
 2 chapter and subject to section 45 of this chapter, a person who desires  
 3 to claim the deduction provided in section 11 of this chapter must file  
 4 an application, on forms prescribed by the department of local  
 5 government finance, with the auditor of the county in which the real  
 6 property, mobile home not assessed as real property, or manufactured  
 7 home not assessed as real property is located. ~~With respect to real~~  
 8 ~~property, To obtain the deduction for a desired calendar year in~~  
 9 ~~which property taxes are first due and payable,~~ the application must  
 10 be completed and dated in the **immediately preceding** calendar year  
 11 ~~for which the person wishes to obtain the deduction~~ and filed with the  
 12 county auditor on or before January 5 of the **immediately succeeding**  
 13 ~~calendar year~~ ~~With respect to a mobile home that is not assessed as real~~  
 14 ~~property or a manufactured home that is not assessed as real property;~~  
 15 ~~the application must be filed during the twelve (12) months before~~  
 16 ~~March 31 of each year for which the individual wishes to obtain the~~  
 17 ~~deduction.~~ **in which the property taxes are first due and payable.**  
 18 The application may be filed in person or by mail. If mailed, the  
 19 mailing must be postmarked on or before the last day for filing.

20 (b) Proof of blindness may be supported by:

- 21 (1) the records of the division of family resources or the division  
 22 of disability and rehabilitative services; or  
 23 (2) the written statement of a physician who is licensed by this  
 24 state and skilled in the diseases of the eye or of a licensed  
 25 optometrist.

26 (c) The application required by this section must contain the record  
 27 number and page where the contract or memorandum of the contract  
 28 is recorded if the individual is buying the real property, mobile home,  
 29 or manufactured home on a contract that provides that the individual  
 30 is to pay property taxes on the real property, mobile home, or  
 31 manufactured home.

32 SECTION 7. IC 6-1.1-12-15, AS AMENDED BY P.L.183-2014,  
 33 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JULY 1, 2019]: Sec. 15. (a) Except as provided in section 17.8 of this  
 35 chapter and subject to section 45 of this chapter, an individual who  
 36 desires to claim the deduction provided by section 13 or 14 of this  
 37 chapter must file a statement with the auditor of the county in which  
 38 the individual resides. ~~With respect to real property, To obtain the~~  
 39 ~~deduction for a desired calendar year in which property taxes are~~  
 40 ~~first due and payable,~~ the statement must be completed and dated in  
 41 the **immediately preceding** calendar year ~~for which the individual~~  
 42 ~~wishes to obtain the deduction~~ and filed with the county auditor on or



1 before January 5 of the ~~immediately succeeding~~ calendar year ~~With~~  
 2 ~~respect to a mobile home that is not assessed as real property or a~~  
 3 ~~manufactured home that is not assessed as real property, the statement~~  
 4 ~~must be filed during the twelve (12) months before March 31 of each~~  
 5 ~~year for which the individual wishes to obtain the deduction: **in which**~~  
 6 ~~**the property taxes are first due and payable.**~~ The statement may be  
 7 filed in person or by mail. If mailed, the mailing must be postmarked  
 8 on or before the last day for filing. The statement shall contain a sworn  
 9 declaration that the individual is entitled to the deduction.

10 (b) In addition to the statement, the individual shall submit to the  
 11 county auditor for the auditor's inspection:

12 (1) a pension certificate, an award of compensation, or a disability  
 13 compensation check issued by the United States Department of  
 14 Veterans Affairs if the individual claims the deduction provided  
 15 by section 13 of this chapter;

16 (2) a pension certificate or an award of compensation issued by  
 17 the United States Department of Veterans Affairs if the individual  
 18 claims the deduction provided by section 14 of this chapter; or

19 (3) the appropriate certificate of eligibility issued to the individual  
 20 by the Indiana department of veterans' affairs if the individual  
 21 claims the deduction provided by section 13 or 14 of this chapter.

22 (c) If the individual claiming the deduction is under guardianship,  
 23 the guardian shall file the statement required by this section. If a  
 24 deceased veteran's surviving spouse is claiming the deduction, the  
 25 surviving spouse shall provide the documentation necessary to  
 26 establish that at the time of death the deceased veteran satisfied the  
 27 requirements of section 13(a)(1) through 13(a)(4) of this chapter or  
 28 section 14(a)(1) through 14(a)(4) of this chapter, whichever applies.

29 (d) If the individual claiming a deduction under section 13 or 14 of  
 30 this chapter is buying real property, a mobile home not assessed as real  
 31 property, or a manufactured home not assessed as real property under  
 32 a contract that provides that the individual is to pay property taxes for  
 33 the real estate, mobile home, or manufactured home, the statement  
 34 required by this section must contain the record number and page  
 35 where the contract or memorandum of the contract is recorded.

36 SECTION 8. IC 6-1.1-12-17, AS AMENDED BY P.L.183-2014,  
 37 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 38 JULY 1, 2019]: Sec. 17. Except as provided in section 17.8 of this  
 39 chapter and subject to section 45 of this chapter, a surviving spouse  
 40 who desires to claim the deduction provided by section 16 of this  
 41 chapter must file a statement with the auditor of the county in which  
 42 the surviving spouse resides. ~~With respect to real property, To obtain~~



1 **the deduction for a desired calendar year in which property taxes**  
 2 **are first due and payable**, the statement must be completed and dated  
 3 in the **immediately preceding** calendar year for which the person  
 4 wishes to obtain the deduction and filed with the county auditor on or  
 5 before January 5 of the **immediately succeeding** calendar year. With  
 6 respect to a mobile home that is not assessed as real property or a  
 7 manufactured home that is not assessed as real property, the statement  
 8 must be filed during the twelve (12) months before March 31 of each  
 9 year for which the individual wishes to obtain the deduction. **in which**  
 10 **the property taxes are first due and payable.** The statement may be  
 11 filed in person or by mail. If mailed, the mailing must be postmarked  
 12 on or before the last day for filing. The statement shall contain:

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

15 (2) the record number and page where the contract or  
 16 memorandum of the contract is recorded, if the individual is  
 17 buying the real property on a contract that provides that the  
 18 individual is to pay property taxes on the real property.

19 In addition to the statement, the surviving spouse shall submit to the  
 20 county auditor for the auditor's inspection a letter or certificate from the  
 21 United States Department of Veterans Affairs establishing the service  
 22 of the deceased spouse in the military or naval forces of the United  
 23 States before November 12, 1918.

24 SECTION 9. IC 6-1.1-12-17.5 IS REPEALED [EFFECTIVE JULY  
 25 1, 2019]. Sec. 17.5: (a) Except as provided in section 17.8 of this  
 26 chapter and subject to section 45 of this chapter, a veteran who desires  
 27 to claim the deduction provided in section 17.4 of this chapter (before  
 28 its expiration) must file a sworn statement, on forms prescribed by the  
 29 department of local government finance, with the auditor of the county  
 30 in which the real property, mobile home, or manufactured home is  
 31 assessed. With respect to real property, the veteran must complete and  
 32 date the statement in the calendar year for which the veteran wishes to  
 33 obtain the deduction and file the statement with the county auditor on  
 34 or before January 5 of the immediately succeeding calendar year. With  
 35 respect to a mobile home that is not assessed as real property or a  
 36 manufactured home that is not assessed as real property, the statement  
 37 must be filed during the twelve (12) months before March 31 of each  
 38 year for which the individual wishes to obtain the deduction. The  
 39 statement may be filed in person or by mail. If mailed, the mailing must  
 40 be postmarked on or before the last day for filing.

41 (b) The statement required under this section shall be in affidavit  
 42 form or require verification under penalties of perjury. The statement



1 shall be filed in duplicate if the veteran has; or is buying under a  
 2 contract, real property in more than one (1) county or in more than one  
 3 (1) taxing district in the same county. The statement shall contain:

4 (1) a description and the assessed value of the real property;  
 5 mobile home; or manufactured home;

6 (2) the veteran's full name and complete residence address;

7 (3) the record number and page where the contract or  
 8 memorandum of the contract is recorded; if the individual is  
 9 buying the real property, mobile home, or manufactured home on  
 10 a contract that provides that the individual is to pay property taxes

11 on the real property, mobile home, or manufactured home; and

12 (4) any additional information that the department of local  
 13 government finance may require.

14 SECTION 10. IC 6-1.1-12-27.1, AS AMENDED BY P.L.183-2014,  
 15 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JULY 1, 2019]: Sec. 27.1. Except as provided in sections 36 and 44 of  
 17 this chapter and subject to section 45 of this chapter, a person who  
 18 desires to claim the deduction provided by section 26 or 26.1 of this  
 19 chapter must file a certified statement in duplicate, on forms prescribed  
 20 by the department of local government finance, with the auditor of the  
 21 county in which the real property, mobile home, manufactured home,  
 22 or solar power device is subject to assessment. ~~With respect to real~~  
 23 ~~property or a solar power device that is assessed as distributable~~  
 24 ~~property under IC 6-1.1-8 or as personal property; To obtain the~~  
 25 **deduction for a desired calendar year in which property taxes are**  
 26 **first due and payable**, the person must complete and date the certified  
 27 statement in the **immediately preceding** calendar year for which the  
 28 person wishes to obtain the deduction and file the certified statement  
 29 with the county auditor on or before January 5 of the **immediately**  
 30 **succeeding** calendar year ~~Except as provided in sections 36 and 44 of~~  
 31 ~~this chapter and subject to section 45 of this chapter; with respect to a~~  
 32 ~~mobile home which is not assessed as real property; the person must~~  
 33 ~~file the statement during the twelve (12) months before March 31 of~~  
 34 ~~each year for which the person desires to obtain the deduction: in~~  
 35 **which the property taxes are first due and payable**. The person  
 36 must:

37 (1) own the real property, mobile home, or manufactured home or  
 38 own the solar power device;

39 (2) be buying the real property, mobile home, manufactured  
 40 home, or solar power device under contract; or

41 (3) be leasing the real property from the real property owner and  
 42 be subject to assessment and property taxation with respect to the



1 solar power device;  
 2 on the date the statement is filed under this section. The statement may  
 3 be filed in person or by mail. If mailed, the mailing must be postmarked  
 4 on or before the last day for filing. On verification of the statement by  
 5 the assessor of the township in which the real property, mobile home,  
 6 manufactured home, or solar power device is subject to assessment, or  
 7 the county assessor if there is no township assessor for the township,  
 8 the county auditor shall allow the deduction.

9 SECTION 11. IC 6-1.1-12-30, AS AMENDED BY P.L.183-2014,  
 10 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JULY 1, 2019]: Sec. 30. Except as provided in sections 36 and 44 of  
 12 this chapter and subject to section 45 of this chapter, a person who  
 13 desires to claim the deduction provided by section 29 of this chapter  
 14 must file a certified statement in duplicate, on forms prescribed by the  
 15 department of local government finance, with the auditor of the county  
 16 in which the real property or mobile home is subject to assessment.  
 17 ~~With respect to real property;~~ **To obtain the deduction for a desired**  
 18 **calendar year in which property taxes are first due and payable,**  
 19 the person must complete and date the statement in the **immediately**  
 20 **preceding** calendar year ~~for which the person desires to obtain the~~  
 21 ~~deduction~~ and file the statement with the county auditor on or before  
 22 January 5 of the ~~immediately succeeding~~ calendar year ~~With respect to~~  
 23 ~~a mobile home which is not assessed as real property;~~ the person must  
 24 file the statement during the twelve (12) months before March 31 of  
 25 each year for which the person desires to obtain the deduction: **in**  
 26 **which the property taxes are first due and payable.** The person  
 27 must:

- 28 (1) own the real property, mobile home, or manufactured home;  
 29 or  
 30 (2) be buying the real property, mobile home, or manufactured  
 31 home under contract;

32 on the date the statement is filed under this section. On verification of  
 33 the statement by the assessor of the township in which the real property  
 34 or mobile home is subject to assessment, or the county assessor if there  
 35 is no township assessor for the township, the county auditor shall allow  
 36 the deduction.

37 SECTION 12. IC 6-1.1-12-31 IS REPEALED [EFFECTIVE  
 38 JANUARY 1, 2020]. Sec. 31: (a) For purposes of this section, "coal  
 39 conversion system" means tangible property directly used to convert  
 40 coal into a gaseous or liquid fuel or char. This definition includes coal  
 41 liquification; gasification; pyrolysis; and a fluid bed combustion system  
 42 designed for pollution control.



1 (b) For each calendar year which begins after December 31, 1979;  
 2 and before January 1, 1988, the owner of a coal conversion system  
 3 which is used to process coal is entitled to a deduction from the  
 4 assessed value of the system. The amount of the deduction for a  
 5 particular calendar year equals the product of (1) ninety-five percent  
 6 (95%) of the assessed value of the system; multiplied by (2) a fraction.  
 7 The numerator of the fraction is the amount of Indiana coal converted  
 8 by the system during the immediately preceding calendar year and the  
 9 denominator of the fraction is the total amount of coal converted by the  
 10 system during the immediately preceding calendar year.

11 (c) The deduction provided by this section applies only if the  
 12 property owner:

13 (1) owns the property; or

14 (2) is buying the property under contract;

15 on the assessment date for which the deduction applies.

16 SECTION 13. IC 6-1.1-12-34.5 IS REPEALED [EFFECTIVE  
 17 JANUARY 1, 2020]. Sec. 34.5: (a) As used in this section, "coal  
 18 combustion product" has the meaning set forth in IC 6-1.1-44-1.

19 (b) As used in this section, "qualified building" means a building  
 20 designed and constructed to systematically use qualified materials  
 21 throughout the building.

22 (c) For purposes of this section, building materials are "qualified  
 23 materials" if at least sixty percent (60%) of the materials' dry weight  
 24 consists of coal combustion products.

25 (d) The owner of a qualified building, as determined by the center  
 26 for coal technology research, is entitled to a property tax deduction for  
 27 not more than three (3) years. The amount of the deduction equals the  
 28 product of:

29 (1) the assessed value of the qualified building; multiplied by

30 (2) five percent (5%).

31 (e) The deduction provided by this section applies only if the  
 32 building owner:

33 (1) owns the building; or

34 (2) is buying the building under contract;

35 on the assessment date for which the deduction applies.

36 SECTION 14. IC 6-1.1-12-35.5, AS AMENDED BY P.L.183-2014,  
 37 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 38 JANUARY 1, 2020]: Sec. 35.5. (a) Except as provided in section 36 or  
 39 44 of this chapter and subject to section 45 of this chapter, a person  
 40 who desires to claim the deduction provided by section 31, 33 or 34 or  
 41 34.5 of this chapter must file a certified statement in duplicate, on  
 42 forms prescribed by the department of local government finance and



1 proof of certification under subsection (b) ~~or (f)~~ with the auditor of the  
 2 county in which the property for which the deduction is claimed is  
 3 subject to assessment. ~~Except as provided in subsection (e), with~~  
 4 ~~respect to property that is not assessed under IC 6-1.1-7, To obtain the~~  
 5 **deduction for a desired calendar year in which property taxes are**  
 6 **first due and payable**, the person must complete and date the certified  
 7 statement in the **immediately preceding** calendar year ~~for which the~~  
 8 ~~person wishes to obtain the deduction~~ and file the certified statement  
 9 with the county auditor on or before January 5 of the ~~immediately~~  
 10 ~~succeeding~~ calendar year ~~With respect to a property which is assessed~~  
 11 ~~under IC 6-1.1-7, the person must file the statement during the twelve~~  
 12 ~~(12) months before March 31 of each year for which the person desires~~  
 13 ~~to obtain the deduction. in which the property taxes are first due and~~  
 14 **payable**. The statement may be filed in person or by mail. If mailed,  
 15 the mailing must be postmarked on or before the last day for filing. On  
 16 verification of the statement by the assessor of the township in which  
 17 the property for which the deduction is claimed is subject to  
 18 assessment, or the county assessor if there is no township assessor for  
 19 the township, the county auditor shall allow the deduction.

20 (b) ~~This subsection does not apply to an application for a deduction~~  
 21 ~~under section 34.5 of this chapter.~~ The department of environmental  
 22 management, upon application by a property owner, shall determine  
 23 whether a system or device qualifies for a deduction provided by  
 24 section ~~31~~, 33 or 34 of this chapter. If the department determines that  
 25 a system or device qualifies for a deduction, it shall certify the system  
 26 or device and provide proof of the certification to the property owner.  
 27 The department shall prescribe the form and manner of the certification  
 28 process required by this subsection.

29 (c) ~~This subsection does not apply to an application for a deduction~~  
 30 ~~under section 34.5 of this chapter.~~ If the department of environmental  
 31 management receives an application for certification, the department  
 32 shall determine whether the system or device qualifies for a deduction.  
 33 If the department fails to make a determination under this subsection  
 34 before December 31 of the year in which the application is received,  
 35 the system or device is considered certified.

36 (d) A denial of a deduction claimed under section ~~31~~, 33 ~~or 34 or~~  
 37 ~~34.5~~ of this chapter may be appealed as provided in IC 6-1.1-15. The  
 38 appeal is limited to a review of a determination made by the township  
 39 assessor county property tax assessment board of appeals, or  
 40 department of local government finance.

41 (e) ~~A person who timely files a personal property return under~~  
 42 ~~IC 6-1.1-3-7(a) for an assessment year and who desires to claim the~~



1 deduction provided in section 31 of this chapter for property that is not  
 2 assessed under IC 6-1.1-7 must file the statement described in  
 3 subsection (a) during the year in which the personal property return is  
 4 filed.

5 (f) This subsection applies only to an application for a deduction  
 6 under section 34.5 of this chapter. The center for coal technology  
 7 research established by IC 21-47-4-1, upon receiving an application  
 8 from the owner of a building, shall determine whether the building  
 9 qualifies for a deduction under section 34.5 of this chapter. If the center  
 10 determines that a building qualifies for a deduction, the center shall  
 11 certify the building and provide proof of the certification to the owner  
 12 of the building. The center shall prescribe the form and procedure for  
 13 certification of buildings under this subsection. If the center receives  
 14 an application for certification of a building under section 34.5 of this  
 15 chapter:

16 (1) the center shall determine whether the building qualifies for  
 17 a deduction; and

18 (2) if the center fails to make a determination before December 31  
 19 of the year in which the application is received, the building is  
 20 considered certified.

21 SECTION 15. IC 6-1.1-12-36, AS AMENDED BY P.L.214-2005,  
 22 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 23 JANUARY 1, 2020]: Sec. 36. (a) A person who receives a deduction  
 24 provided under section 26, 29, 33, 34, 34.5; or 38 of this chapter for a  
 25 particular year and who remains eligible for the deduction for the  
 26 following year is not required to file a statement to apply for the  
 27 deduction for the following year.

28 (b) A person who receives a deduction provided under section 26,  
 29 29, 33, 34, 34.5; or 38 of this chapter for a particular year and who  
 30 becomes ineligible for the deduction for the following year shall notify  
 31 the auditor of the county in which the real property or mobile home for  
 32 which the person received the deduction is located of the person's  
 33 ineligibility before March 31 of the year for which the person becomes  
 34 ineligible.

35 (c) The auditor of each county shall, in a particular year, apply a  
 36 deduction provided under section 26, 29, 33, 34, 34.5; or 38 of this  
 37 chapter to each person who received the deduction in the preceding  
 38 year unless the auditor determines that the person is no longer eligible  
 39 for the deduction.

40 SECTION 16. IC 6-1.1-12-37, AS AMENDED BY P.L.255-2017,  
 41 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 JULY 1, 2019]: Sec. 37. (a) The following definitions apply throughout



- 1 this section:
- 2 (1) "Dwelling" means any of the following:
- 3 (A) Residential real property improvements that an individual
- 4 uses as the individual's residence, including a house or garage.
- 5 (B) A mobile home that is not assessed as real property that an
- 6 individual uses as the individual's residence.
- 7 (C) A manufactured home that is not assessed as real property
- 8 that an individual uses as the individual's residence.
- 9 (2) "Homestead" means an individual's principal place of
- 10 residence:
- 11 (A) that is located in Indiana;
- 12 (B) that:
- 13 (i) the individual owns;
- 14 (ii) the individual is buying under a contract recorded in the
- 15 county recorder's office, or evidenced by a memorandum of
- 16 contract recorded in the county recorder's office under
- 17 IC 36-2-11-20, that provides that the individual is to pay the
- 18 property taxes on the residence, and that obligates the owner
- 19 to convey title to the individual upon completion of all of the
- 20 individual's contract obligations;
- 21 (iii) the individual is entitled to occupy as a
- 22 tenant-stockholder (as defined in 26 U.S.C. 216) of a
- 23 cooperative housing corporation (as defined in 26 U.S.C.
- 24 216); or
- 25 (iv) is a residence described in section 17.9 of this chapter
- 26 that is owned by a trust if the individual is an individual
- 27 described in section 17.9 of this chapter; and
- 28 (C) that consists of a dwelling and the real estate, not
- 29 exceeding one (1) acre, that immediately surrounds that
- 30 dwelling.
- 31 Except as provided in subsection (k), the term does not include
- 32 property owned by a corporation, partnership, limited liability
- 33 company, or other entity not described in this subdivision.
- 34 (b) Each year a homestead is eligible for a standard deduction from
- 35 the assessed value of the homestead for an assessment date. Except as
- 36 provided in subsection (p), the deduction provided by this section
- 37 applies to property taxes first due and payable for an assessment date
- 38 only if an individual has an interest in the homestead described in
- 39 subsection (a)(2)(B) on:
- 40 (1) the assessment date; or
- 41 (2) any date in the same year after an assessment date that a
- 42 statement is filed under subsection (e) or section 44 of this



1 chapter, if the property consists of real property.  
 2 If more than one (1) individual or entity qualifies property as a  
 3 homestead under subsection (a)(2)(B) for an assessment date, only one  
 4 (1) standard deduction from the assessed value of the homestead may  
 5 be applied for the assessment date. Subject to subsection (c), the  
 6 auditor of the county shall record and make the deduction for the  
 7 individual or entity qualifying for the deduction.

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

- 11 (1) sixty percent (60%) of the assessed value of the real property,  
 12 mobile home not assessed as real property, or manufactured home  
 13 not assessed as real property; or  
 14 (2) forty-five thousand dollars (\$45,000).

15 (d) A person who has sold real property, a mobile home not assessed  
 16 as real property, or a manufactured home not assessed as real property  
 17 to another person under a contract that provides that the contract buyer  
 18 is to pay the property taxes on the real property, mobile home, or  
 19 manufactured home may not claim the deduction provided under this  
 20 section with respect to that real property, mobile home, or  
 21 manufactured home.

22 (e) Except as provided in sections 17.8 and 44 of this chapter and  
 23 subject to section 45 of this chapter, an individual who desires to claim  
 24 the deduction provided by this section must file a certified statement on  
 25 forms prescribed by the department of local government finance, with  
 26 the auditor of the county in which the homestead is located. The  
 27 statement must include:

- 28 (1) the parcel number or key number of the property and the name  
 29 of the city, town, or township in which the property is located;  
 30 (2) the name of any other location in which the applicant or the  
 31 applicant's spouse owns, is buying, or has a beneficial interest in  
 32 residential real property;  
 33 (3) the names of:  
 34 (A) the applicant and the applicant's spouse (if any):  
 35 (i) as the names appear in the records of the United States  
 36 Social Security Administration for the purposes of the  
 37 issuance of a Social Security card and Social Security  
 38 number; or  
 39 (ii) that they use as their legal names when they sign their  
 40 names on legal documents;  
 41 if the applicant is an individual; or  
 42 (B) each individual who qualifies property as a homestead



- 1 under subsection (a)(2)(B) and the individual's spouse (if any):  
 2 (i) as the names appear in the records of the United States  
 3 Social Security Administration for the purposes of the  
 4 issuance of a Social Security card and Social Security  
 5 number; or  
 6 (ii) that they use as their legal names when they sign their  
 7 names on legal documents;  
 8 if the applicant is not an individual; and  
 9 (4) either:  
 10 (A) the last five (5) digits of the applicant's Social Security  
 11 number and the last five (5) digits of the Social Security  
 12 number of the applicant's spouse (if any); or  
 13 (B) if the applicant or the applicant's spouse (if any) does not  
 14 have a Social Security number, any of the following for that  
 15 individual:  
 16 (i) The last five (5) digits of the individual's driver's license  
 17 number.  
 18 (ii) The last five (5) digits of the individual's state  
 19 identification card number.  
 20 (iii) The last five (5) digits of a preparer tax identification  
 21 number that is obtained by the individual through the  
 22 Internal Revenue Service of the United States.  
 23 (iv) If the individual does not have a driver's license, a state  
 24 identification card, or an Internal Revenue Service preparer  
 25 tax identification number, the last five (5) digits of a control  
 26 number that is on a document issued to the individual by the  
 27 United States government.
- 28 If a form or statement provided to the county auditor under this section,  
 29 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or  
 30 part or all of the Social Security number of a party or other number  
 31 described in subdivision (4)(B) of a party, the telephone number and  
 32 the Social Security number or other number described in subdivision  
 33 (4)(B) included are confidential. The statement may be filed in person  
 34 or by mail. If the statement is mailed, the mailing must be postmarked  
 35 on or before the last day for filing. The statement applies for that first  
 36 year and any succeeding year for which the deduction is allowed. ~~With~~  
 37 ~~respect to real property; To obtain the deduction for a desired~~  
 38 **calendar year in which property taxes are first due and payable,**  
 39 the statement must be completed and dated in the **immediately**  
 40 **preceding** calendar year ~~for which the person desires to obtain the~~  
 41 ~~deduction~~ and filed with the county auditor on or before January 5 of  
 42 the ~~immediately succeeding~~ calendar year ~~With respect to a mobile~~



1 home that is not assessed as real property, the person must file the  
 2 statement during the twelve (12) months before March 31 of the year  
 3 for which the person desires to obtain the deduction: **in which the**  
 4 **property taxes are first due and payable.**

5 (f) Except as provided in subsection (n), if a person who is  
 6 receiving, or seeks to receive, the deduction provided by this section in  
 7 the person's name:

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

11 (2) is not eligible for a deduction under this section because the  
 12 person is already receiving:

13 (A) a deduction under this section in the person's name as an  
 14 individual or a spouse; or

15 (B) a deduction under the law of another state that is  
 16 equivalent to the deduction provided by this section;

17 the person must file a certified statement with the auditor of the county,  
 18 notifying the auditor of the person's ineligibility, not more than sixty  
 19 (60) days after the date of the change in eligibility. A person who fails  
 20 to file the statement required by this subsection may, under  
 21 IC 6-1.1-36-17, be liable for any additional taxes that would have been  
 22 due on the property if the person had filed the statement as required by  
 23 this subsection plus a civil penalty equal to ten percent (10%) of the  
 24 additional taxes due. The civil penalty imposed under this subsection  
 25 is in addition to any interest and penalties for a delinquent payment that  
 26 might otherwise be due. One percent (1%) of the total civil penalty  
 27 collected under this subsection shall be transferred by the county to the  
 28 department of local government finance for use by the department in  
 29 establishing and maintaining the homestead property data base under  
 30 subsection (i) and, to the extent there is money remaining, for any other  
 31 purposes of the department. This amount becomes part of the property  
 32 tax liability for purposes of this article.

33 (g) The department of local government finance may adopt rules or  
 34 guidelines concerning the application for a deduction under this  
 35 section.

36 (h) This subsection does not apply to property in the first year for  
 37 which a deduction is claimed under this section if the sole reason that  
 38 a deduction is claimed on other property is that the individual or  
 39 married couple maintained a principal residence at the other property  
 40 on the assessment date in the same year in which an application for a  
 41 deduction is filed under this section or, if the application is for a  
 42 homestead that is assessed as personal property, on the assessment date



1 in the immediately preceding year and the individual or married couple  
 2 is moving the individual's or married couple's principal residence to the  
 3 property that is the subject of the application. Except as provided in  
 4 subsection (n), the county auditor may not grant an individual or a  
 5 married couple a deduction under this section if:

6 (1) the individual or married couple, for the same year, claims the  
 7 deduction on two (2) or more different applications for the  
 8 deduction; and

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

10 (i) The department of local government finance shall provide secure  
 11 access to county auditors to a homestead property data base that  
 12 includes access to the homestead owner's name and the numbers  
 13 required from the homestead owner under subsection (e)(4) for the sole  
 14 purpose of verifying whether an owner is wrongly claiming a deduction  
 15 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or  
 16 IC 6-3.6-5 (after December 31, 2016).

17 (j) A county auditor may require an individual to provide evidence  
 18 proving that the individual's residence is the individual's principal place  
 19 of residence as claimed in the certified statement filed under subsection  
 20 (e). The county auditor may limit the evidence that an individual is  
 21 required to submit to a state income tax return, a valid driver's license,  
 22 or a valid voter registration card showing that the residence for which  
 23 the deduction is claimed is the individual's principal place of residence.  
 24 The department of local government finance shall work with county  
 25 auditors to develop procedures to determine whether a property owner  
 26 that is claiming a standard deduction or homestead credit is not eligible  
 27 for the standard deduction or homestead credit because the property  
 28 owner's principal place of residence is outside Indiana.

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

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

34 (2) The property is the principal place of residence of an  
 35 individual.

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

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

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

42 (l) If a county auditor terminates a deduction for property described



1 in subsection (k) with respect to property taxes that are:

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

3 (2) first due and payable in 2010;

4 on the grounds that the property is not owned by an entity described in  
5 subsection (a)(2)(B), the county auditor shall reinstate the deduction if  
6 the taxpayer provides proof that the property is eligible for the  
7 deduction in accordance with subsection (k) and that the individual  
8 residing on the property is not claiming the deduction for any other  
9 property.

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

11 (1) a deck or patio;

12 (2) a gazebo; or

13 (3) another residential yard structure, as defined in rules adopted  
14 by the department of local government finance (other than a  
15 swimming pool);

16 that is assessed as real property and attached to the dwelling.

17 (n) A county auditor shall grant an individual a deduction under this  
18 section regardless of whether the individual and the individual's spouse  
19 claim a deduction on two (2) different applications and each  
20 application claims a deduction for different property if the property  
21 owned by the individual's spouse is located outside Indiana and the  
22 individual files an affidavit with the county auditor containing the  
23 following information:

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

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

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

31 (B) That neither the individual nor the individual's spouse has  
32 an ownership interest in the other's principal place of  
33 residence.

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

38 A county auditor may require an individual or an individual's spouse to  
39 provide evidence of the accuracy of the information contained in an  
40 affidavit submitted under this subsection. The evidence required of the  
41 individual or the individual's spouse may include state income tax  
42 returns, excise tax payment information, property tax payment



1 information, driver license information, and voter registration  
2 information.

3 (o) If:

4 (1) a property owner files a statement under subsection (e) to  
5 claim the deduction provided by this section for a particular  
6 property; and

7 (2) the county auditor receiving the filed statement determines  
8 that the property owner's property is not eligible for the deduction;  
9 the county auditor shall inform the property owner of the county  
10 auditor's determination in writing. If a property owner's property is not  
11 eligible for the deduction because the county auditor has determined  
12 that the property is not the property owner's principal place of  
13 residence, the property owner may appeal the county auditor's  
14 determination to the county property tax assessment board of appeals  
15 as provided in IC 6-1.1-15. The county auditor shall inform the  
16 property owner of the owner's right to appeal to the county property tax  
17 assessment board of appeals when the county auditor informs the  
18 property owner of the county auditor's determination under this  
19 subsection.

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

22 (1) either:

23 (A) the individual's interest in the homestead as described in  
24 subsection (a)(2)(B) is conveyed to the individual after the  
25 assessment date, but within the calendar year in which the  
26 assessment date occurs; or

27 (B) the individual contracts to purchase the homestead after  
28 the assessment date, but within the calendar year in which the  
29 assessment date occurs;

30 (2) on the assessment date:

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

33 (B) the construction of the dwelling that constitutes the  
34 homestead was not completed; and

35 (3) either:

36 (A) the individual files the certified statement required by  
37 subsection (e); or

38 (B) a sales disclosure form that meets the requirements of  
39 section 44 of this chapter is submitted to the county assessor  
40 on or before December 31 of the calendar year for the  
41 individual's purchase of the homestead.

42 An individual who satisfies the requirements of subdivisions (1)



1 through (3) is entitled to the deduction under this section for the  
 2 homestead for the assessment date, even if on the assessment date the  
 3 property on which the homestead is currently located was vacant land  
 4 or the construction of the dwelling that constitutes the homestead was  
 5 not completed. The county auditor shall apply the deduction for the  
 6 assessment date and for the assessment date in any later year in which  
 7 the homestead remains eligible for the deduction. A homestead that  
 8 qualifies for the deduction under this section as provided in this  
 9 subsection is considered a homestead for purposes of section 37.5 of  
 10 this chapter and IC 6-1.1-20.6.

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

20 (r) This subsection:

21 (1) applies to an application for the deduction provided by this  
 22 section that is filed for an assessment date occurring after  
 23 December 31, 2013; and

24 (2) does not apply to an individual described in subsection (q).

25 The owner of a mobile home that is not assessed as real property or a  
 26 manufactured home that is not assessed as real property must attach a  
 27 copy of the owner's title to the mobile home or manufactured home to  
 28 the application for the deduction provided by this section.

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

31 (1) is serving on active duty in any branch of the armed forces of  
 32 the United States;

33 (2) was ordered to transfer to a location outside Indiana; and

34 (3) was otherwise eligible, without regard to this subsection, for  
 35 the deduction under this section for the property for the  
 36 assessment date immediately preceding the transfer date specified  
 37 in the order described in subdivision (2).

38 For property to qualify under this subsection for the deduction provided  
 39 by this section, the individual described in subdivisions (1) through (3)  
 40 must submit to the county auditor a copy of the individual's transfer  
 41 orders or other information sufficient to show that the individual was  
 42 ordered to transfer to a location outside Indiana. The property continues



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

16 SECTION 17. IC 6-1.1-12-43, AS AMENDED BY P.L.250-2015,  
 17 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 18 JANUARY 1, 2020]: Sec. 43. (a) For purposes of this section:

- 19 (1) "benefit" refers to a deduction under section 1, 9, 11, 13, 14,  
 20 16, 17.4 (before its expiration), 26, 29, ~~31~~, 33, 34, 37, or 37.5 of  
 21 this chapter;  
 22 (2) "closing agent" means a person that closes a transaction;  
 23 (3) "customer" means an individual who obtains a loan in a  
 24 transaction; and  
 25 (4) "transaction" means a single family residential:  
 26 (A) first lien purchase money mortgage transaction; or  
 27 (B) refinancing transaction.

28 (b) Before closing a transaction after December 31, 2004, a closing  
 29 agent must provide to the customer the form referred to in subsection  
 30 (c).

31 (c) Before June 1, 2004, the department of local government finance  
 32 shall prescribe the form to be provided by closing agents to customers  
 33 under subsection (b). The department shall make the form available to  
 34 closing agents, county assessors, county auditors, and county treasurers  
 35 in hard copy and electronic form. County assessors, county auditors,  
 36 and county treasurers shall make the form available to the general  
 37 public. The form must:

- 38 (1) on one (1) side:  
 39 (A) list each benefit;  
 40 (B) list the eligibility criteria for each benefit; and  
 41 (C) indicate that a new application for a deduction under  
 42 section 1 of this chapter is required when residential real



- 1 property is refinanced;
- 2 (2) on the other side indicate:
- 3 (A) each action by and each type of documentation from the
- 4 customer required to file for each benefit; and
- 5 (B) sufficient instructions and information to permit a party to
- 6 terminate a standard deduction under section 37 of this chapter
- 7 on any property on which the party or the spouse of the party
- 8 will no longer be eligible for the standard deduction under
- 9 section 37 of this chapter after the party or the party's spouse
- 10 begins to reside at the property that is the subject of the
- 11 closing, including an explanation of the tax consequences and
- 12 applicable penalties, if a party unlawfully claims a standard
- 13 deduction under section 37 of this chapter; and
- 14 (3) be printed in one (1) of two (2) or more colors prescribed by
- 15 the department of local government finance that distinguish the
- 16 form from other documents typically used in a closing referred to
- 17 in subsection (b).
- 18 (d) A closing agent:
- 19 (1) may reproduce the form referred to in subsection (c);
- 20 (2) in reproducing the form, must use a print color prescribed by
- 21 the department of local government finance; and
- 22 (3) is not responsible for the content of the form referred to in
- 23 subsection (c) and shall be held harmless by the department of
- 24 local government finance from any liability for the content of the
- 25 form.
- 26 (e) This subsection applies to a transaction that is closed after
- 27 December 31, 2009. In addition to providing the customer the form
- 28 described in subsection (c) before closing the transaction, a closing
- 29 agent shall do the following as soon as possible after the closing, and
- 30 within the time prescribed by the department of insurance under
- 31 IC 27-7-3-15.5:
- 32 (1) To the extent determinable, input the information described in
- 33 IC 27-7-3-15.5(c)(2) into the system maintained by the
- 34 department of insurance under IC 27-7-3-15.5.
- 35 (2) Submit the form described in IC 27-7-3-15.5(c) to the data
- 36 base described in IC 27-7-3-15.5(c)(2)(D).
- 37 (f) A closing agent to which this section applies shall document the
- 38 closing agent's compliance with this section with respect to each
- 39 transaction in the form of verification of compliance signed by the
- 40 customer.
- 41 (g) Subject to IC 27-7-3-15.5(d), a closing agent is subject to a civil
- 42 penalty of twenty-five dollars (\$25) for each instance in which the



1 closing agent fails to comply with this section with respect to a  
2 customer. The penalty:

3 (1) may be enforced by the state agency that has administrative  
4 jurisdiction over the closing agent in the same manner that the  
5 agency enforces the payment of fees or other penalties payable to  
6 the agency; and

7 (2) shall be paid into:

8 (A) the state general fund, if the closing agent fails to comply  
9 with subsection (b); or

10 (B) the home ownership education account established by  
11 IC 5-20-1-27, if the closing agent fails to comply with  
12 subsection (e) in a transaction that is closed after December  
13 31, 2009.

14 (h) A closing agent is not liable for any other damages claimed by  
15 a customer because of:

16 (1) the closing agent's mere failure to provide the appropriate  
17 document to the customer under subsection (b); or

18 (2) with respect to a transaction that is closed after December 31,  
19 2009, the closing agent's failure to input the information or submit  
20 the form described in subsection (e).

21 (i) The state agency that has administrative jurisdiction over a  
22 closing agent shall:

23 (1) examine the closing agent to determine compliance with this  
24 section; and

25 (2) impose and collect penalties under subsection (g).

26 SECTION 18. IC 6-1.1-12-45, AS AMENDED BY P.L.255-2017,  
27 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
28 JULY 1, 2019]: Sec. 45. (a) Subject to subsections (b) and (c), a  
29 deduction under this chapter applies for an assessment date and for the  
30 property taxes due and payable based on the assessment for that  
31 assessment date, regardless of whether with respect to the real property  
32 or mobile home or manufactured home not assessed as real property:

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

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

35 after that assessment date and on or before the next succeeding  
36 assessment date.

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

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

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

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

41 (c) A deduction applies under subsection (a) for only one (1) year.  
42 The requirements of this chapter for filing a statement to apply for a



1 deduction under this chapter apply to subsequent years. A person who  
 2 fails to apply for a deduction or credit under this article by the  
 3 deadlines prescribed by this article may not apply for the deduction or  
 4 credit retroactively.

5 (d) If:

6 **(1) a taxpayer wishes to claim a deduction under this chapter**  
 7 **for a desired calendar year in which property taxes are first**  
 8 **due and payable;**

9 **(+) (2) the taxpayer files a statement is filed under this chapter**  
 10 **on or before January 5 of a the calendar year to claim a deduction**  
 11 **under this chapter with respect to real property; in which the**  
 12 **property taxes are first due and payable; and**

13 **(-) (3) the eligibility criteria for the deduction are met;**

14 the deduction applies for the assessment date in the preceding calendar  
 15 year and for the **desired calendar year in which the** property taxes  
 16 **are first due and payable. based on the assessment for that assessment**  
 17 **date.**

18 (e) If:

19 **(+) a statement is filed under this chapter in a twelve (12) month**  
 20 **filing period designated under this chapter to claim a deduction**  
 21 **under this chapter with respect to a mobile home or a**  
 22 **manufactured home not assessed as real property; and**

23 **(-) the eligibility criteria for the deduction are met;**

24 the deduction applies for the assessment date in that twelve (12) month  
 25 period and for the property taxes due and payable based on the  
 26 assessment for that assessment date.

27 **(+) (e) If a person who is receiving a deduction under section 1 of**  
 28 **this chapter subsequently refinances the property, desires to continue**  
 29 **claiming the deduction, and remains eligible for the deduction, the**  
 30 **person must reapply for the deduction for the following assessment**  
 31 **date.**

32 **(+) (f) A person who is required to record a contract with a county**  
 33 **recorder in order to qualify for a deduction under this article must**  
 34 **record the contract, or a memorandum of the contract, before, or**  
 35 **concurrently with, the filing of the corresponding deduction**  
 36 **application.**

37 **(+) (g) Before a county auditor terminates a deduction under this**  
 38 **article, the county auditor shall give to the person claiming the**  
 39 **deduction written notice that states the county auditor's intention to**  
 40 **terminate the deduction and the county auditor's reason for terminating**  
 41 **the deduction. The county auditor may send the notice to the taxpayer**  
 42 **claiming the deduction by first class mail or by electronic mail. A**



1 notice issued under this subsection is not appealable under IC 6-1.1-15.  
 2 However, after a deduction is terminated by a county auditor, the  
 3 taxpayer may appeal the county auditor's action under IC 6-1.1-15.

4 SECTION 19. IC 6-1.1-12.2 IS REPEALED [EFFECTIVE  
 5 JANUARY 1, 2020]. (Deduction for Aircraft).

6 SECTION 20. IC 6-1.1-12.3 IS REPEALED [EFFECTIVE  
 7 JANUARY 1, 2020]. (Intrastate Aircraft Deduction).

8 SECTION 21. IC 6-1.1-23.5-9, AS ADDED BY P.L.235-2017,  
 9 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 10 JULY 1, 2019]: Sec. 9. (a) At least sixty (60) days after the date on  
 11 which the written demands are issued by a county treasurer under  
 12 section 5 of this chapter, the county treasurer shall prepare a notice in  
 13 accordance with this section that declares the county treasurer's  
 14 intention to sell the mobile homes on the tentative auction list under  
 15 section 4 of this chapter.

16 (b) The notice required by subsection (a) must contain the  
 17 following:

- 18 (1) A list of mobile homes eligible for sale under this chapter.
- 19 (2) A statement that the mobile homes included in the list will be  
 20 sold at public auction to the highest bidder.
- 21 (3) A statement, for informational purposes only, of the last  
 22 known location of each mobile home by street address, if any, and  
 23 lot number, if any.
- 24 (4) A statement that the county does not warrant the accuracy of  
 25 the street address and lot number at which the mobile home was  
 26 last known to be located.
- 27 (5) A statement indicating:
  - 28 (A) the name of the owner of each mobile home with a single  
 29 owner; or
  - 30 (B) the name of at least one (1) of the owners of each mobile  
 31 home with multiple owners.
- 32 (6) A statement of the procedure to be followed for obtaining or  
 33 objecting to a judgment and order of sale, which must include the  
 34 following:
  - 35 (A) A statement that the county treasurer will apply on or after  
 36 a date designated in the notice for a court judgment against the  
 37 mobile homes for an amount that is ~~not less than the amount~~  
 38 ~~of the delinquent personal property taxes, penalties, and set by~~  
 39 **the county executive and includes** collection expenses  
 40 attributable to the mobile homes, and for an order to sell the  
 41 mobile homes at public auction to the highest bidder.
  - 42 (B) A statement that any defense to the application for



1 judgment must be:  
2 (i) filed with the court; and  
3 (ii) served on the county treasurer;  
4 before the date designated as the earliest date on which the  
5 application for judgment may be filed.  
6 (C) A statement that the county treasurer is entitled to receive  
7 all pleadings, motions, petitions, and other filings related to  
8 the defense to the application for judgment.  
9 (D) A statement that the court will set a date for a hearing at  
10 least seven (7) days before the advertised public auction date  
11 and that the court will determine any defenses to the  
12 application for judgment at the hearing.  
13 (7) A statement that the sale will be conducted at a place  
14 designated in the notice and that the sale will continue until all  
15 mobile homes have been offered for sale.  
16 (8) A statement that the sale will take place at the times and dates  
17 designated in the notice. Whenever the public auction is to be  
18 conducted as an electronic sale, the notice must include a  
19 statement indicating that the public auction will be conducted as  
20 an electronic sale and a description of the procedures that must be  
21 followed to participate in the electronic sale.  
22 (9) A statement that if the mobile home is sold for an amount that  
23 exceeds the sum of the delinquent personal property taxes,  
24 penalties, and collection expenses attributable to the mobile  
25 home, the owner of record of the mobile home who is divested of  
26 ownership at the time the mobile home is sold may have a right to  
27 the amount of the sales price minus the amount remaining after  
28 the delinquent property taxes, penalties, and collection expenses  
29 are paid.  
30 SECTION 22. IC 6-1.1-23.5-18, AS ADDED BY P.L.235-2017,  
31 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
32 JULY 1, 2019]: Sec. 18. (a) Whenever:  
33 (1) a mobile home assessed as personal property is offered for  
34 sale under this chapter; and  
35 (2) no bid is received;  
36 the county auditor shall prepare a certified statement of the actual  
37 collection costs incurred by the county.  
38 (b) The county auditor shall place the amount specified in the  
39 certified statement prepared under subsection (a) on the tax duplicate  
40 of the mobile home assessed as personal property that is offered but not  
41 sold at the sale. The amount shall be collected as personal property  
42 taxes are collected and paid into the county general fund.



1           **(c) The taxpayer who is delinquent in the payment of taxes**  
 2           **causing the tax sale maintains ownership of the mobile home and**  
 3           **liability for the delinquent taxes.**

4           SECTION 23. IC 6-1.1-39-3, AS AMENDED BY P.L.4-2005,  
 5           SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6           JULY 1, 2019]: Sec. 3. (a) The fiscal body shall publish notice of the  
 7           adoption and substance of the ordinance in accordance with IC 5-3-1  
 8           after:

9           (1) the adoption of the ordinance under section 2 of this chapter;  
 10           and

11           (2) the fiscal body receives preliminary certification from the  
 12           Indiana economic development corporation under section 2.5 of  
 13           this chapter that the proposed industrial development project  
 14           qualifies as a qualified industrial development project and that  
 15           there is a reasonable likelihood that a loan from the industrial  
 16           development fund will be approved under IC 5-28-9-12.

17           The notice must state the general boundaries of the area designated as  
 18           an economic development district and must state that written  
 19           remonstrances may be filed with the fiscal body until the time  
 20           designated for the hearing. The notice must also name the place, date,  
 21           and time when the fiscal body will receive and hear remonstrances and  
 22           objections from persons interested in or affected by the proceedings  
 23           pertaining to the proposed economic development district designation  
 24           and will determine the public utility and benefit of the proposed  
 25           economic development district designation. All persons affected in any  
 26           manner by the hearing, including all taxpayers of the economic  
 27           development district, shall be considered notified of the pendency of  
 28           the hearing and of subsequent acts, hearings, adjournments, and orders  
 29           of the fiscal body affecting the economic development district if the  
 30           fiscal body gives the notice required by this section.

31           (b) A copy of the notice of the hearing shall be filed with the office  
 32           of the unit's plan commission, board of zoning appeals, works board,  
 33           park board, building commissioner, and any other departments, bodies,  
 34           or officers of the unit having to do with unit planning, variances from  
 35           zoning ordinances, land use, or the issuance of building permits.

36           (c) At the hearing, which may be recessed and reconvened from  
 37           time to time, the fiscal body shall hear all persons interested in the  
 38           proceedings and shall consider all written remonstrances and  
 39           objections that have been filed. After considering the evidence  
 40           presented, the fiscal body shall take final action determining the public  
 41           utility and benefit of the proposed economic development district  
 42           designation and confirming, modifying and confirming, or rescinding



1 the ordinance. The final action taken by the fiscal body shall be  
 2 recorded and is final and conclusive, except that an appeal may be  
 3 taken in the manner prescribed by section 4 of this chapter.

4 **(d) If the fiscal body confirms, or modifies and confirms, the**  
 5 **ordinance, the fiscal body shall file a copy of the ordinance with**  
 6 **both the auditor of the county in which the unit is located and the**  
 7 **department, together with any supporting documents that are**  
 8 **relevant to the computation of assessed values in the allocation**  
 9 **area, within thirty (30) days after the date on which the fiscal body**  
 10 **takes final action on the ordinance.**

11 SECTION 24. IC 6-1.1-39-5, AS AMENDED BY P.L.86-2018,  
 12 SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 JULY 1, 2019]: Sec. 5. (a) A declaratory ordinance adopted under  
 14 section 2 of this chapter and confirmed under section 3 of this chapter  
 15 must include a provision with respect to the allocation and distribution  
 16 of property taxes for the purposes and in the manner provided in this  
 17 section. The allocation provision must apply to the entire economic  
 18 development district. The allocation provisions must require that any  
 19 property taxes subsequently levied by or for the benefit of any public  
 20 body entitled to a distribution of property taxes on taxable property in  
 21 the economic development district be allocated and distributed as  
 22 follows:

23 (1) Except as otherwise provided in this section, the proceeds of  
 24 the taxes attributable to the lesser of:

25 (A) the assessed value of the property for the assessment date  
 26 with respect to which the allocation and distribution is made;

27 or

28 (B) the base assessed value;

29 shall be allocated to and, when collected, paid into the funds of  
 30 the respective taxing units. However, if the effective date of the  
 31 allocation provision of a declaratory ordinance is after March 1,  
 32 1985, and before January 1, 1986, and if an improvement to  
 33 property was partially completed on March 1, 1985, the unit may  
 34 provide in the declaratory ordinance that the taxes attributable to  
 35 the assessed value of the property as finally determined for March  
 36 1, 1984, shall be allocated to and, when collected, paid into the  
 37 funds of the respective taxing units.

38 (2) Except as otherwise provided in this section, part or all of the  
 39 property tax proceeds in excess of those described in subdivision  
 40 (1), as specified in the declaratory ordinance, shall be allocated to  
 41 the unit for the economic development district and, when  
 42 collected, paid into a special fund established by the unit for that



1 economic development district that may be used only to pay the  
 2 principal of and interest on obligations owed by the unit under  
 3 IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of  
 4 industrial development programs in, or serving, that economic  
 5 development district. The amount not paid into the special fund  
 6 shall be paid to the respective units in the manner prescribed by  
 7 subdivision (1).

8 (3) When the money in the fund is sufficient to pay all  
 9 outstanding principal of and interest (to the earliest date on which  
 10 the obligations can be redeemed) on obligations owed by the unit  
 11 under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing  
 12 of industrial development programs in, or serving, that economic  
 13 development district, money in the special fund in excess of that  
 14 amount shall be paid to the respective taxing units in the manner  
 15 prescribed by subdivision (1).

16 (b) Property tax proceeds allocable to the economic development  
 17 district under subsection (a)(2) must, subject to subsection (a)(3), be  
 18 irrevocably pledged by the unit for payment as set forth in subsection  
 19 (a)(2).

20 (c) For the purpose of allocating taxes levied by or for any taxing  
 21 unit or units, the assessed value of taxable property in a territory in the  
 22 economic development district that is annexed by any taxing unit after  
 23 the effective date of the allocation provision of the declaratory  
 24 ordinance is the lesser of:

25 (1) the assessed value of the property for the assessment date with  
 26 respect to which the allocation and distribution is made; or

27 (2) the base assessed value.

28 (d) Notwithstanding any other law, each assessor shall, upon  
 29 petition of the fiscal body, reassess the taxable property situated upon  
 30 or in, or added to, the economic development district effective on the  
 31 next assessment date after the petition.

32 (e) Notwithstanding any other law, the assessed value of all taxable  
 33 property in the economic development district, for purposes of tax  
 34 limitation, property tax replacement, and formulation of the budget, tax  
 35 rate, and tax levy for each political subdivision in which the property  
 36 is located, is the lesser of:

37 (1) the assessed value of the property as valued without regard to  
 38 this section; or

39 (2) the base assessed value.

40 (f) The state board of accounts and department of local government  
 41 finance shall make the rules and prescribe the forms and procedures  
 42 that they consider expedient for the implementation of this chapter.



1 After each reassessment of a group of parcels under a reassessment  
 2 plan prepared under IC 6-1.1-4-4.2 the department of local government  
 3 finance shall adjust the base assessed value one (1) time to neutralize  
 4 any effect of the reassessment on the property tax proceeds allocated  
 5 to the district under this section. After each annual adjustment under  
 6 IC 6-1.1-4-4.5, the department of local government finance shall adjust  
 7 the base assessed value to neutralize any effect of the annual  
 8 adjustment on the property tax proceeds allocated to the district under  
 9 this section. However, the adjustments under this subsection may not  
 10 include the effect of property tax abatements under IC 6-1.1-12.1.

11 (g) As used in this section, "property taxes" means:

- 12 (1) taxes imposed under this article on real property; and  
 13 (2) any part of the taxes imposed under this article on depreciable  
 14 personal property that the unit has by ordinance allocated to the  
 15 economic development district. However, the ordinance may not  
 16 limit the allocation to taxes on depreciable personal property with  
 17 any particular useful life or lives.

18 If a unit had, by ordinance adopted before May 8, 1987, allocated to an  
 19 economic development district property taxes imposed under IC 6-1.1  
 20 on depreciable personal property that has a useful life in excess of eight  
 21 (8) years, the ordinance continues in effect until an ordinance is  
 22 adopted by the unit under subdivision (2).

23 (h) As used in this section, "base assessed value" means, **subject to**  
 24 **subsection (i):**

- 25 (1) the net assessed value of all the property as finally determined  
 26 for the assessment date immediately preceding the effective date  
 27 of the allocation provision of the declaratory resolution, as  
 28 adjusted under subsection (f); plus  
 29 (2) to the extent that it is not included in subdivision (1), the net  
 30 assessed value of property that is assessed as residential property  
 31 under the rules of the department of local government finance, as  
 32 finally determined for any assessment date after the effective date  
 33 of the allocation provision.

34 Subdivision (2) applies only to economic development districts  
 35 established after June 30, 1997, and to additional areas established  
 36 after June 30, 1997.

37 **(i) If a fiscal body confirms, or modifies and confirms, an**  
 38 **ordinance under section 3 of this chapter and the fiscal body makes**  
 39 **either of the filings required under section 3(d) of this chapter after**  
 40 **the first anniversary of the effective date of the allocation provision**  
 41 **in the ordinance, the auditor of the county in which the unit is**  
 42 **located shall compute the base assessed value for the allocation**



1 **area using the assessment date immediately preceding the later of:**  
 2 **(1) the date on which the documents are filed with the county**  
 3 **auditor; or**  
 4 **(2) the date on which the documents are filed with the**  
 5 **department.**

6 SECTION 25. IC 6-1.1-44 IS REPEALED [EFFECTIVE  
 7 JANUARY 1, 2020]. (Deduction for Purchases of Investment Property  
 8 by Manufacturers of Recycled Components).

9 SECTION 26. IC 6-3.1-1-3, AS AMENDED BY P.L.214-2018(ss),  
 10 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JANUARY 1, 2020]: Sec. 3. (a) A taxpayer (as defined in the following  
 12 laws), pass through entity (as defined in the following laws), or  
 13 shareholder, partner, or member of a pass through entity may not be  
 14 granted more than one (1) tax credit under the following laws for the  
 15 same project:

16 (1) IC 6-3.1-10 (enterprise zone investment cost credit) (before its  
 17 expiration).

18 (2) IC 6-3.1-11 (industrial recovery tax credit).

19 (3) IC 6-3.1-19 (community revitalization enhancement district  
 20 tax credit).

21 (4) IC 6-3.1-24 (venture capital investment tax credit).

22 (5) IC 6-3.1-26 (Hoosier business investment tax credit).

23 ~~(6) IC 6-3.1-31-9 (Hoosier alternative fuel vehicle manufacturer~~  
 24 ~~tax credit):~~

25 If a taxpayer, pass through entity, or shareholder, partner, or member  
 26 of a pass through entity has been granted more than one (1) tax credit  
 27 for the same project, the taxpayer, pass through entity, or shareholder,  
 28 partner, or member of a pass through entity must elect to apply only  
 29 one (1) of the tax credits in the manner and form prescribed by the  
 30 department.

31 (b) A taxpayer (as defined in the following laws), pass through  
 32 entity (as defined in the following laws), or shareholder, partner, or  
 33 member of a pass through entity that is entitled to one (1) or more tax  
 34 credits under the following laws for a taxable year beginning after  
 35 December 31, 2016, and ending before January 1, 2018, may elect to  
 36 carry forward all or any portion of one (1) or more of those tax credits  
 37 to the taxable year beginning after December 31, 2017, and ending  
 38 before January 1, 2019:

39 (1) IC 6-3.1-10 (enterprise zone investment cost credit) (before its  
 40 expiration).

41 (2) IC 6-3.1-11 (industrial recovery tax credit).

42 (3) IC 6-3.1-19 (community revitalization enhancement district



- 1 tax credit).
- 2 (4) IC 6-3.1-24 (venture capital investment tax credit).
- 3 (5) IC 6-3.1-26 (Hoosier business investment tax credit).
- 4 ~~(6) IC 6-3.1-31.9 (Hoosier alternative fuel vehicle manufacturer~~
- 5 ~~tax credit):~~
- 6 A taxpayer, pass through entity, or shareholder, partner, or member of
- 7 a pass through entity that wishes to carry forward all or any portion of
- 8 a tax credit under this subsection must make an election to do so in the
- 9 manner and form prescribed by the department on or before the
- 10 taxpayer's due date for filing a return for the taxable year ending after
- 11 December 31, 2017. This subsection does not affect the limitation set
- 12 forth in subsection (a) for the taxable year beginning after December
- 13 31, 2017, and ending before January 1, 2019. This subsection expires
- 14 on January 1, 2023.
- 15 SECTION 27. IC 6-3.1-31.9 IS REPEALED [EFFECTIVE
- 16 JANUARY 1, 2020]. (Hoosier Alternative Fuel Vehicle Manufacturer
- 17 Tax Credit).
- 18 SECTION 28. IC 6-3.5-9 IS REPEALED [EFFECTIVE JANUARY
- 19 1, 2020]. (Local Option Hiring Incentive).
- 20 SECTION 29. IC 6-6-6.5-9, AS AMENDED BY P.L.42-2011,
- 21 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 22 JANUARY 1, 2020]: Sec. 9. (a) The provisions of this chapter
- 23 pertaining to registration and taxation shall not apply to any of the
- 24 following:
- 25 (1) An aircraft owned by and used exclusively in the service of:
- 26 (A) the United States government;
- 27 (B) a state (except Indiana), territory, or possession of the
- 28 United States;
- 29 (C) the District of Columbia; or
- 30 (D) a political subdivision of an entity listed in clause (A), (B),
- 31 or (C).
- 32 (2) An aircraft owned by a resident of another state and registered
- 33 in accordance with the laws of that state. However, the aircraft
- 34 shall not be exempt under this subdivision if a nonresident
- 35 establishes a base for the aircraft inside this state and the base is
- 36 used for a period of sixty (60) days or more.
- 37 (3) An aircraft which this state is prohibited from taxing under
- 38 this chapter by the Constitution or the laws of the United States.
- 39 (4) An aircraft owned or operated by a person who is either an air
- 40 carrier certificated under Federal Air Regulation Part 121 or a
- 41 scheduled air taxi operator certified under Federal Air Regulation
- 42 Part 135, unless such person is a corporation incorporated under



1 the laws of the state of Indiana, an individual who is a resident of  
 2 Indiana, or a **domestic** corporation ~~with Indiana corporate~~  
 3 ~~headquarters (as defined in IC 6-1.1-12.2-6)~~; **having a physical**  
 4 **presence in Indiana that results in Indiana being the regular**  
 5 **or principal place of business of its chief executive, operating,**  
 6 **and financial officers.**

7 (5) An aircraft which has been scrapped, dismantled, or  
 8 destroyed, and for which the airworthiness certificate and federal  
 9 certificate of registration have been surrendered to the Federal  
 10 Aviation Administration by the owner.

11 (6) An aircraft owned by a resident of this state that is not a dealer  
 12 and that is not based in this state at any time, if the owner files the  
 13 required form not later than thirty-one (31) days after the date of  
 14 purchase; and furnishes the department with evidence,  
 15 satisfactory to the department, verifying where the aircraft is  
 16 based during the year.

17 (7) An aircraft owned by a dealer for not more than five (5) days  
 18 if the ownership is part of an ultimate sale or transfer of an  
 19 aircraft that will not be based in this state at any time. However,  
 20 the dealer described in this subdivision is required to file a report  
 21 of the transaction within thirty-one (31) days after the ultimate  
 22 sale or transfer of ownership of the aircraft. The report is not  
 23 required to identify the seller or purchaser but must list the  
 24 aircraft's origin, destination, N number, date of each transaction,  
 25 and ultimate sales price.

26 (8) An aircraft owned by a registered nonprofit museum, if the  
 27 owner furnishes the department with evidence satisfactory to the  
 28 department not later than thirty-one (31) days after the purchase  
 29 date. The aircraft must be reported for registration, but the  
 30 department shall issue the registration without charge.

31 (b) The provisions of this chapter pertaining to taxation shall not  
 32 apply to an aircraft owned by and used exclusively in the service of  
 33 Indiana or a political subdivision of Indiana or any university or college  
 34 supported in part by state funds. That aircraft must be reported for  
 35 registration, but the department will issue the registration without  
 36 charge.

37 SECTION 30. IC 6-6-6.5-12 IS AMENDED TO READ AS  
 38 FOLLOWS [EFFECTIVE JANUARY 1, 2020]: Sec. 12. ~~(a)~~ Effective  
 39 January 1, 1976, there is hereby imposed an annual license excise tax  
 40 upon taxable aircraft, which tax shall be in lieu of the ad valorem  
 41 property tax levied for state or local purposes. No taxable aircraft shall  
 42 be assessed as personal property for the purpose of the assessment and



1 levy of personal property or shall be subject to ad valorem taxes.  
 2 beginning with taxes for the year of 1975 payable in 1976 and  
 3 thereafter.

4 (b) Eligibility of aircraft for a deduction under IC 6-1.1-12.3 does  
 5 not exempt a taxpayer from the tax imposed under this chapter on the  
 6 aircraft.

7 SECTION 31. IC 8-1.5-3-4 IS AMENDED TO READ AS  
 8 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. (a) The board has  
 9 general supervisory powers over the utilities under its control, with  
 10 responsibility for the detailed supervision of each utility to be vested in  
 11 its superintendent, who is responsible to the board for the business and  
 12 technical operation of the utility. The board shall:

- 13 (1) fix the number and compensation of employees;  
 14 (2) adopt rules governing the appointment of employees including  
 15 making proper classifications and rules to:  
 16 (A) determine the eligibility of applicants;  
 17 (B) determine by competitive examination the relative fitness  
 18 of applicants for positions;  
 19 (C) establish eligible lists arranged according to the ratings  
 20 secured;  
 21 (D) provide for the appointment of those having the highest  
 22 ratings; and  
 23 (E) provide for the promotion of employees;  
 24 (3) subject to IC 36-4-9-2, appoint a superintendent or manager  
 25 of each utility under its control who is responsible to the board for  
 26 the business and technical operation of the utility; the board shall  
 27 make the appointment on the basis of fitness to manage the  
 28 particular utility to which he is to be assigned, taking into account  
 29 his executive ability and his knowledge of the utility industry;  
 30 (4) subject to IC 36-4-9-12, hire attorneys when required for the  
 31 operation of the utility;  
 32 (5) hire professional or expert personnel when required for the  
 33 operation of the utility;  
 34 (6) submit a budget of its financial needs for the next year in the  
 35 detail required by the municipal legislative body;  
 36 (7) recommend to the legislative body reasonable and just rates  
 37 and charges for services to the patrons of each utility;  
 38 (8) appropriate, lease, rent, purchase, and hold all real and  
 39 personal property of the utility;  
 40 (9) enter upon lands for the purpose of surveying or examining  
 41 the land to determine the location of any plant or appurtenances;  
 42 (10) award contracts for:



- 1 (A) the purchase of capital equipment;  
 2 (B) the construction of capital improvements; or  
 3 (C) other property or purposes that are necessary for the full  
 4 and efficient construction, management, and operation of each  
 5 utility;
- 6 (11) adopt rules for the safe, economical, and efficient  
 7 management and protection of each utility;  
 8 (12) deposit at least weekly with the municipal fiscal officer all  
 9 money collected from each utility to be kept in a separate fund  
 10 subject to the order of the board; and  
 11 (13) make monthly reports to the fiscal officer of the receipts and  
 12 disbursements of money belonging to each utility and an annual  
 13 report of the condition of the utility.
- 14 (b) The board may purchase by contract electricity, water, gas,  
 15 power, or any other commodity or service for the purpose of furnishing  
 16 the commodity or service to the patrons of the municipally owned  
 17 utility or to the municipality itself.
- 18 (c) If the board wants to purchase the commodity or service from a  
 19 public utility and the parties cannot agree on a rate or charge to be paid  
 20 for it, either party may apply to the commission or other appropriate  
 21 state or federal regulatory agency to establish a fair and reasonable rate  
 22 or charge to be paid for the commodity or service.
- 23 (d) The board may discontinue water service by a waterworks to:  
 24 (1) a water consumer; or  
 25 (2) any property;  
 26 upon failure by the water consumer or the property owner to pay  
 27 charges legally due for sewer or sewage disposal plant service.  
 28 However, the water service may not be discontinued for nonpayment  
 29 of sewer or sewage disposal plant service charges until the charges  
 30 have been due and unpaid for at least ~~thirty (30) days~~ **the time fixed**  
 31 **by the board governing the sewer or sewage disposal plant service.**
- 32 (e) Before water service is discontinued under subsection (d), the  
 33 board must give written notice to the water consumer or property owner  
 34 of its intention to discontinue water service if the unpaid sewer or  
 35 sewage disposal plant service charges are not paid before a date  
 36 specified in the notice. The notice must be mailed not less than ten (10)  
 37 days before water service is to be discontinued and addressed to the  
 38 water consumer or the property owner at ~~his~~ **the consumer's or**  
 39 **owner's** last known address.
- 40 SECTION 32. IC 8-22-3.5-6 IS AMENDED TO READ AS  
 41 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 6. (a) After adoption of  
 42 the resolution under section 5 of this chapter, the commission shall:

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1 (1) publish notice of the adoption and substance of the resolution  
2 in accordance with IC 5-3-1; and

3 (2) file the following information with each taxing unit that has  
4 authority to levy property taxes in the geographic area where the  
5 airport development zone is located:

6 (A) A copy of the notice required by subdivision (1).

7 (B) A statement disclosing the impact of the airport  
8 development zone, including the following:

9 (i) The estimated economic benefits and costs incurred by  
10 the airport development zone, as measured by increased  
11 employment and anticipated growth of real property  
12 assessed values.

13 (ii) The anticipated impact on tax revenues of each taxing  
14 unit.

15 The notice must state the general boundaries of the area designated as  
16 an airport development zone and must state that written remonstrances  
17 may be filed with the commission until the time designated for the  
18 hearing. The notice must also name the place, date, and time when the  
19 commission will receive and hear remonstrances and objections from  
20 persons interested in or affected by the proceedings pertaining to the  
21 proposed airport development zone designation and will determine the  
22 public utility and benefit of the proposed airport development zone  
23 designation. The commission shall file the information required by  
24 subdivision (2) with the officers of the taxing unit who are authorized  
25 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten  
26 (10) days before the date of the public hearing. All persons affected in  
27 any manner by the hearing, including all taxpayers within the taxing  
28 district of the airport authority, shall be considered notified of the  
29 pendency of the hearing and of subsequent acts, hearings,  
30 adjournments, and orders of the commission affecting the airport  
31 development zone if the commission gives the notice required by this  
32 section.

33 (b) At the hearing, which may be recessed and reconvened from  
34 time to time, the commission shall hear all persons interested in the  
35 proceedings and shall consider all written remonstrances and  
36 objections that have been filed. After considering the evidence  
37 presented, the commission shall take final action determining the  
38 public utility and benefit of the proposed airport development zone  
39 designation and confirming, modifying and confirming, or rescinding  
40 the resolution. The final action taken by the commission shall be  
41 recorded and is final and conclusive, except that an appeal may be  
42 taken in the manner prescribed by section 7 of this chapter.



1 (c) If the commission confirms, or modifies and confirms, the  
 2 resolution, the commission shall file a copy of the resolution with  
 3 both the auditor of the county in which the airport development  
 4 zone is located and the department of local government finance,  
 5 together with any supporting documents that are relevant to the  
 6 computation of assessed values in the airport development zone,  
 7 within thirty (30) days after the date on which the commission  
 8 takes final action on the resolution.

9 SECTION 33. IC 8-22-3.5-9, AS AMENDED BY P.L.203-2011,  
 10 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JULY 1, 2019]: Sec. 9. (a) As used in this section, "base assessed  
 12 value" means, **subject to subsection (k):**

13 (1) the net assessed value of all the tangible property as finally  
 14 determined for the assessment date immediately preceding the  
 15 effective date of the allocation provision of the commission's  
 16 resolution adopted under section 5 or 9.5 of this chapter,  
 17 notwithstanding the date of the final action taken under section 6  
 18 of this chapter; plus

19 (2) to the extent it is not included in subdivision (1), the net  
 20 assessed value of property that is assessed as residential property  
 21 under the rules of the department of local government finance, as  
 22 finally determined for any assessment date after the effective date  
 23 of the allocation provision.

24 However, subdivision (2) applies only to an airport development zone  
 25 established after June 30, 1997, and the portion of an airport  
 26 development zone established before June 30, 1997, that is added to an  
 27 existing airport development zone.

28 (b) A resolution adopted under section 5 of this chapter and  
 29 confirmed under section 6 of this chapter must include a provision with  
 30 respect to the allocation and distribution of property taxes for the  
 31 purposes and in the manner provided in this section.

32 (c) The allocation provision must:

33 (1) apply to the entire airport development zone; and

34 (2) require that any property tax on taxable tangible property  
 35 subsequently levied by or for the benefit of any public body  
 36 entitled to a distribution of property taxes in the airport  
 37 development zone be allocated and distributed as provided in  
 38 subsections (d) and (e).

39 (d) Except as otherwise provided in this section:

40 (1) the proceeds of the taxes attributable to the lesser of:

41 (A) the assessed value of the tangible property for the  
 42 assessment date with respect to which the allocation and



- 1 distribution is made; or  
2 (B) the base assessed value;  
3 shall be allocated and, when collected, paid into the funds of the  
4 respective taxing units; and  
5 (2) the excess of the proceeds of the property taxes imposed for  
6 the assessment date with respect to which the allocation and  
7 distribution are made that are attributable to taxes imposed after  
8 being approved by the voters in a referendum or local public  
9 question conducted after April 30, 2010, not otherwise included  
10 in subdivision (1) shall be allocated to and, when collected, paid  
11 into the funds of the taxing unit for which the referendum or local  
12 public question was conducted.
- 13 (e) All of the property tax proceeds in excess of those described in  
14 subsection (d) shall be allocated to the eligible entity for the airport  
15 development zone and, when collected, paid into special funds as  
16 follows:
- 17 (1) The commission may determine that a portion of tax proceeds  
18 shall be allocated to a training grant fund to be expended by the  
19 commission without appropriation solely for the purpose of  
20 reimbursing training expenses incurred by public or private  
21 entities in the training of employees for the qualified airport  
22 development project.
- 23 (2) The commission may determine that a portion of tax proceeds  
24 shall be allocated to a debt service fund and dedicated to the  
25 payment of principal and interest on revenue bonds or a loan  
26 contract of the board of aviation commissioners or airport  
27 authority for a qualified airport development project, to the  
28 payment of leases for a qualified airport development project, or  
29 to the payment of principal and interest on bonds issued by an  
30 eligible entity to pay for qualified airport development projects in  
31 the airport development zone or serving the airport development  
32 zone.
- 33 (3) The commission may determine that a part of the tax proceeds  
34 shall be allocated to a project fund and used to pay expenses  
35 incurred by the commission for a qualified airport development  
36 project that is in the airport development zone or is serving the  
37 airport development zone.
- 38 (4) Except as provided in subsection (f), all remaining tax  
39 proceeds after allocations are made under subdivisions (1), (2),  
40 and (3) shall be allocated to a project fund and dedicated to the  
41 reimbursement of expenditures made by the commission for a  
42 qualified airport development project that is in the airport



- 1 development zone or is serving the airport development zone.  
 2 (f) Before July 15 of each year, the commission shall do the  
 3 following:  
 4 (1) Determine the amount, if any, by which tax proceeds allocated  
 5 to the project fund in subsection (e)(3) in the following year will  
 6 exceed the amount necessary to satisfy amounts required under  
 7 subsection (e).  
 8 (2) Provide a written notice to the county auditor and the officers  
 9 who are authorized to fix budgets, tax rates, and tax levies under  
 10 IC 6-1.1-17-5 for each of the other taxing units that is wholly or  
 11 partly located within the allocation area. The notice must:  
 12 (A) state the amount, if any, of excess tax proceeds that the  
 13 commission has determined may be allocated to the respective  
 14 taxing units in the manner prescribed in subsection (d)(1); or  
 15 (B) state that the commission has determined that there are no  
 16 excess tax proceeds that may be allocated to the respective  
 17 taxing units in the manner prescribed in subsection (d)(1).  
 18 The county auditor shall allocate to the respective taxing units the  
 19 amount, if any, of excess tax proceeds determined by the  
 20 commission.  
 21 (g) When money in the debt service fund and in the project fund is  
 22 sufficient to pay all outstanding principal and interest (to the earliest  
 23 date on which the obligations can be redeemed) on revenue bonds  
 24 issued by the board of aviation commissioners or airport authority for  
 25 the financing of qualified airport development projects, all lease rentals  
 26 payable on leases of qualified airport development projects, and all  
 27 costs and expenditures associated with all qualified airport  
 28 development projects, money in the debt service fund and in the project  
 29 fund in excess of those amounts shall be paid to the respective taxing  
 30 units in the manner prescribed by subsection (d)(1).  
 31 (h) Property tax proceeds allocable to the debt service fund under  
 32 subsection (e)(2) must, subject to subsection (g), be irrevocably  
 33 pledged by the eligible entity for the purpose set forth in subsection  
 34 (e)(2).  
 35 (i) Notwithstanding any other law, each assessor shall, upon petition  
 36 of the commission, reassess the taxable tangible property situated upon  
 37 or in, or added to, the airport development zone effective on the next  
 38 assessment date after the petition.  
 39 (j) Notwithstanding any other law, the assessed value of all taxable  
 40 tangible property in the airport development zone, for purposes of tax  
 41 limitation, property tax replacement, and formulation of the budget, tax  
 42 rate, and tax levy for each political subdivision in which the property



1 is located is the lesser of:

- 2 (1) the assessed value of the tangible property as valued without  
 3 regard to this section; or  
 4 (2) the base assessed value.

5 **(k) If the commission confirms, or modifies and confirms, a**  
 6 **resolution under section 6 of this chapter and the commission**  
 7 **makes either of the filings required under section 6(c) of this**  
 8 **chapter after the first anniversary of the effective date of the**  
 9 **allocation provision, the auditor of the county in which the airport**  
 10 **development zone is located shall compute the base assessed value**  
 11 **for the allocation area using the assessment date immediately**  
 12 **preceding the later of:**

13 **(1) the date on which the documents are filed with the county**  
 14 **auditor; or**

15 **(2) the date on which the documents are filed with the**  
 16 **department of local government finance.**

17 SECTION 34. IC 21-47-4-1, AS ADDED BY P.L.2-2007,  
 18 SECTION 288, IS AMENDED TO READ AS FOLLOWS  
 19 [EFFECTIVE JANUARY 1, 2020]: Sec. 1. The center for coal  
 20 technology research is established to perform the following duties:

- 21 (1) Develop technologies that can use Indiana coal in an  
 22 environmentally and economically sound manner.  
 23 (2) Investigate the reuse of clean coal technology byproducts  
 24 including fly ash and coal bed methane.  
 25 (3) Generate innovative research in the field of coal use.  
 26 (4) Develop new, efficient, and economical sorbents for effective  
 27 control of emissions.  
 28 (5) Investigate ways to increase coal combustion efficiency.  
 29 (6) Develop materials that withstand higher combustion  
 30 temperatures.  
 31 (7) Carry out any other duty concerning coal technology research,  
 32 including public education, as determined by the center.  
 33 (8) Administer the Indiana coal research grant fund under  
 34 IC 4-23-5.5-16.  
 35 (9) Investigate the use of coal bed methane in the production of  
 36 renewable or alternative fuels and renewable energy sources.  
 37 ~~(10) Determine whether a building is a qualified building for~~  
 38 ~~purposes of a property tax deduction under IC 6-1.1-12-34.5.~~

39 SECTION 35. IC 36-3-5.5 IS ADDED TO THE INDIANA CODE  
 40 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 41 JULY 1, 2019]:

42 **Chapter 5.5. Training for Clerk and Fiscal Officer**

ES 171—LS 6318/DI 58



1           **Sec. 1. As used in this chapter, "training courses" refers to**  
 2 **training courses, workshops, training institutes authorized by**  
 3 **IC 5-11-14, formal academies, special seminars, and other**  
 4 **in-service training related to the office of the:**

- 5           **(1) clerk of the consolidated city described in IC 36-3-4-8; and**  
 6           **(2) fiscal officer of the consolidated city described in**  
 7           **IC 36-3-5-2.5;**

8 **that are developed or offered under the rubric of a generally**  
 9 **accepted professional association, association of governments or a**  
 10 **state agency or department, or public university or affiliated**  
 11 **center.**

12           **Sec. 2. An individual who is appointed to or holds an office**  
 13 **described in section 1 of this chapter on or after November 5, 2019,**  
 14 **shall complete at least:**

- 15           **(1) fourteen (14) hours of training courses within one (1) year;**  
 16           **and**  
 17           **(2) thirty-six (36) hours of training courses within three (3)**  
 18           **years;**

19 **after the individual is appointed to or while the individual holds an**  
 20 **office described in section 1 of this chapter.**

21           **Sec. 3. A training course that an individual completes:**

- 22           **(1) after being appointed to an office described in this section;**  
 23           **and**  
 24           **(2) before the individual begins serving in an office described**  
 25           **in this section;**

26 **shall be counted toward the requirements under section 2 of this**  
 27 **chapter.**

28           **Sec. 4. An individual shall fulfill the training requirements**  
 29 **established by section 2 of this chapter for each four (4) year**  
 30 **period during which the individual holds an office described in**  
 31 **section 1 of this chapter.**

32           **Sec. 5. This section applies only to an individual appointed to fill**  
 33 **a vacancy in an office described in section 1 of this chapter. An**  
 34 **individual described in this section may, but is not required to, take**  
 35 **training courses required by section 2 of this chapter. If an**  
 36 **individual described in this section takes a training course required**  
 37 **by section 2 of this chapter for an office described in section 1 of**  
 38 **this chapter, the consolidated city shall pay for the training course**  
 39 **as if the individual had been appointed to an office described in**  
 40 **section 1 of this chapter.**

41           **Sec. 6. The:**

- 42           **(1) executive;**



- 1           (2) legislative body; and  
 2           (3) individual who holds an office described in section 1 of this  
 3           chapter;  
 4 shall use all reasonable means to ensure that the individual who  
 5 holds an office described in section 1 of this chapter complies with  
 6 the training requirements established by section 2 of this chapter.  
 7       Sec. 7. The individual who holds an office described in section  
 8 1 of this chapter shall maintain written documentation of the  
 9 training courses that the individual completes toward the  
 10 requirements of this chapter.  
 11       Sec. 8. If the consolidated city reorganizes under IC 36-1.5, the  
 12 individual who performs the functions of an office described in  
 13 section 1 of this chapter for the consolidated city shall comply with  
 14 the training requirements established by this chapter for the  
 15 reorganized political subdivision.  
 16       SECTION 36. IC 36-4-10-8 IS ADDED TO THE INDIANA CODE  
 17 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 18 1, 2019]: Sec. 8. (a) As used in this section, "training courses"  
 19 refers to training courses, workshops, training institutes authorized  
 20 by IC 5-11-14, formal academies, special seminars, and other  
 21 in-service training related to an office described in section 2 of this  
 22 chapter that are developed or offered under the rubric of a  
 23 generally accepted professional association, association of  
 24 governments or a state agency or department, or public university  
 25 or affiliated center.  
 26       (b) An individual elected or appointed to an office described in  
 27 section 2 of this chapter on or after November 5, 2019, shall  
 28 complete at least:  
 29           (1) fourteen (14) hours of training courses within one (1) year;  
 30           and  
 31           (2) thirty-six (36) hours of training courses within three (3)  
 32           years;  
 33 after the individual is elected or appointed to an office described in  
 34 section 2 of this chapter.  
 35       (c) A training course that an individual completes:  
 36           (1) after being elected or appointed to an office described in  
 37           section 2 of this chapter; and  
 38           (2) before the individual begins serving in an office described  
 39           in section 2 of this chapter;  
 40 shall be counted toward the requirements under subsection (b).  
 41       (d) An individual shall fulfill the training requirements  
 42 established by subsection (b) for each term to which the individual



1 is elected or appointed to an office described in section 2 of this  
2 chapter.

3 (e) This subsection applies only to an individual appointed to fill  
4 a vacancy in an office described in section 2 of this chapter. An  
5 individual described in this subsection may, but is not required to,  
6 take training courses required by subsection (b). If an individual  
7 described in this subsection takes a training course required by  
8 subsection (b) for an office described in section 2 of this chapter,  
9 the city shall pay for the training course as if the individual had  
10 been elected or appointed to an office described in section 2 of this  
11 chapter.

12 (f) The:

13 (1) city executive;

14 (2) city legislative body; and

15 (3) individual who holds the office described in section 2 of  
16 this chapter;

17 shall use all reasonable means to ensure that the individual who  
18 holds the office described in section 2 of this chapter complies with  
19 the training requirements established by this section.

20 (g) The individual who holds the office described in section 2 of  
21 this chapter shall maintain written documentation of the training  
22 courses that the individual completes toward the requirements of  
23 this section.

24 (h) If a city reorganizes under IC 36-1.5, the individual who  
25 performs the functions of an office described in section 2 of this  
26 chapter for the city shall comply with the training requirements  
27 established by this section for the reorganized political subdivision.

28 SECTION 37. IC 36-5-6-10 IS ADDED TO THE INDIANA CODE  
29 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
30 1, 2019]: Sec. 10. (a) As used in this section, "training courses"  
31 refers to training courses, workshops, training institutes authorized  
32 by IC 5-11-14, formal academies, special seminars, and other  
33 in-service training related to an office described in section 2 of this  
34 chapter that are developed or offered under the rubric of a  
35 generally accepted professional association, association of  
36 governments or a state agency or department, or public university  
37 or affiliated center.

38 (b) An individual elected to the office described in section 2 of  
39 this chapter on or after November 5, 2019, shall complete at least:

40 (1) fourteen (14) hours of training courses within one (1) year;  
41 and

42 (2) thirty-six (36) hours of training courses within three (3)



- 1           years;  
 2   **after the individual is elected to the office described in section 2 of**  
 3 **this chapter.**
- 4       **(c) A training course that an individual completes:**  
 5           **(1) after being elected to the office described in section 2 of**  
 6 **this chapter; and**  
 7           **(2) before the individual begins serving in the office described**  
 8 **in section 2 of this chapter;**  
 9 **shall be counted toward the requirements under subsection (b).**
- 10       **(d) An individual shall fulfill the training requirements**  
 11 **established by subsection (b) for each term to which the individual**  
 12 **is elected to the office described in section 2 of this chapter.**
- 13       **(e) This subsection applies only to an individual appointed to fill**  
 14 **a vacancy in the office described in section 2 of this chapter. An**  
 15 **individual described in this subsection may, but is not required to,**  
 16 **take training courses required by subsection (b). If an individual**  
 17 **described in this subsection takes a training course required by**  
 18 **subsection (b) for an individual elected to the office described in**  
 19 **section 2 of this chapter, the town shall pay for the training course**  
 20 **as if the individual had been elected to the office described in**  
 21 **section 2 of this chapter.**
- 22       **(f) The:**  
 23           **(1) town executive;**  
 24           **(2) town legislative body; and**  
 25           **(3) individual who holds the office described in section 2 of**  
 26 **this chapter;**  
 27 **shall use all reasonable means to ensure that the individual who**  
 28 **holds the office described in section 2 of this chapter complies with**  
 29 **the training requirements established by this section.**
- 30       **(g) The individual who holds the office described in section 2 of**  
 31 **this chapter shall maintain written documentation of the training**  
 32 **courses that the individual completes toward the requirements of**  
 33 **this section.**
- 34       **(h) If a town reorganizes under IC 36-1.5, the individual who**  
 35 **performs the functions of the office described in section 2 of this**  
 36 **chapter for the town shall comply with the training requirements**  
 37 **established by this section for the reorganized political subdivision.**
- 38       SECTION 38. IC 36-7-14-17, AS AMENDED BY P.L.146-2008,  
 39 SECTION 728, IS AMENDED TO READ AS FOLLOWS  
 40 [EFFECTIVE JULY 1, 2019]: Sec. 17. (a) After receipt of the written  
 41 order of approval of the plan commission and approval of the  
 42 municipal legislative body or county executive, the redevelopment



1 commission shall publish notice of the adoption and substance of the  
2 resolution in accordance with IC 5-3-1. The notice must:

3 (1) state that maps and plats have been prepared and can be  
4 inspected at the office of the department; and

5 (2) name a date when the commission will:

6 (A) receive and hear remonstrances and objections from  
7 persons interested in or affected by the proceedings pertaining  
8 to the proposed project or other actions to be taken under the  
9 resolution; and

10 (B) determine the public utility and benefit of the proposed  
11 project or other actions.

12 All persons affected in any manner by the hearing, including all  
13 taxpayers of the special taxing district, shall be considered notified of  
14 the pendency of the hearing and of subsequent acts, hearings,  
15 adjournments, and orders of the commission by the notice given under  
16 this section.

17 (b) A copy of the notice of the hearing on the resolution shall be  
18 filed in the office of the unit's plan commission, board of zoning  
19 appeals, works board, park board, and building commissioner, and any  
20 other departments, bodies, or officers of the unit having to do with unit  
21 planning, variances from zoning ordinances, land use, or the issuance  
22 of building permits. These agencies and officers shall take notice of the  
23 pendency of the hearing and, until the commission confirms, modifies  
24 and confirms, or rescinds the resolution, or the confirmation of the  
25 resolution is set aside on appeal, may not:

26 (1) authorize any construction on property or sewers in the area  
27 described in the resolution, including substantial modifications,  
28 rebuilding, conversion, enlargement, additions, and major  
29 structural improvements; or

30 (2) take any action regarding the zoning or rezoning of property,  
31 or the opening, closing, or improvement of streets, alleys, or  
32 boulevards in the area described in the resolution.

33 This subsection does not prohibit the granting of permits for ordinary  
34 maintenance or minor remodeling, or for changes necessary for the  
35 continued occupancy of buildings in the area.

36 (c) If the resolution to be considered at the hearing includes a  
37 provision establishing or amending an allocation provision under  
38 section 39 of this chapter, the redevelopment commission shall file the  
39 following information with each taxing unit that is wholly or partly  
40 located within the allocation area:

41 (1) A copy of the notice required by subsection (a).

42 (2) A statement disclosing the impact of the allocation area,



1 including the following:

2 (A) The estimated economic benefits and costs incurred by the  
3 allocation area, as measured by increased employment and  
4 anticipated growth of real property assessed values.

5 (B) The anticipated impact on tax revenues of each taxing unit.

6 The redevelopment commission shall file the information required by  
7 this subsection with the officers of the taxing unit who are authorized  
8 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten  
9 (10) days before the date of the hearing.

10 (d) At the hearing, which may be adjourned from time to time, the  
11 redevelopment commission shall hear all persons interested in the  
12 proceedings and shall consider all written remonstrances and  
13 objections that have been filed. After considering the evidence  
14 presented, the commission shall take final action determining the  
15 public utility and benefit of the proposed project or other actions to be  
16 taken under the resolution, and confirming, modifying and confirming,  
17 or rescinding the resolution. The final action taken by the commission  
18 shall be recorded and is final and conclusive, except that an appeal may  
19 be taken in the manner prescribed by section 18 of this chapter.

20 **(e) If the redevelopment commission adopts the resolution and**  
21 **the resolution includes a provision establishing or amending an**  
22 **allocation provision under section 39 of this chapter, the**  
23 **redevelopment commission shall file a copy of the resolution with**  
24 **both the auditor of the county in which the unit is located and the**  
25 **department of local government finance, together with any**  
26 **supporting documents that are relevant to the computation of**  
27 **assessed values in the allocation area, within thirty (30) days after**  
28 **the date on which the redevelopment commission takes final action**  
29 **on the resolution.**

30 SECTION 39. IC 36-7-14-39, AS AMENDED BY P.L.86-2018,  
31 SECTION 344, IS AMENDED TO READ AS FOLLOWS  
32 [EFFECTIVE JULY 1, 2019]: Sec. 39. (a) As used in this section:

33 "Allocation area" means that part of a redevelopment project area  
34 to which an allocation provision of a declaratory resolution adopted  
35 under section 15 of this chapter refers for purposes of distribution and  
36 allocation of property taxes.

37 "Base assessed value" means, **subject to subsection (j)**, the  
38 following:

39 (1) If an allocation provision is adopted after June 30, 1995, in a  
40 declaratory resolution or an amendment to a declaratory  
41 resolution establishing an economic development area:

42 (A) the net assessed value of all the property as finally



- 1 determined for the assessment date immediately preceding the  
 2 effective date of the allocation provision of the declaratory  
 3 resolution, as adjusted under subsection (h); plus  
 4 (B) to the extent that it is not included in clause (A), the net  
 5 assessed value of property that is assessed as residential  
 6 property under the rules of the department of local government  
 7 finance, as finally determined for any assessment date after the  
 8 effective date of the allocation provision.
- 9 (2) If an allocation provision is adopted after June 30, 1997, in a  
 10 declaratory resolution or an amendment to a declaratory  
 11 resolution establishing a redevelopment project area:  
 12 (A) the net assessed value of all the property as finally  
 13 determined for the assessment date immediately preceding the  
 14 effective date of the allocation provision of the declaratory  
 15 resolution, as adjusted under subsection (h); plus  
 16 (B) to the extent that it is not included in clause (A), the net  
 17 assessed value of property that is assessed as residential  
 18 property under the rules of the department of local government  
 19 finance, as finally determined for any assessment date after the  
 20 effective date of the allocation provision.
- 21 (3) If:  
 22 (A) an allocation provision adopted before June 30, 1995, in  
 23 a declaratory resolution or an amendment to a declaratory  
 24 resolution establishing a redevelopment project area expires  
 25 after June 30, 1997; and  
 26 (B) after June 30, 1997, a new allocation provision is included  
 27 in an amendment to the declaratory resolution;  
 28 the net assessed value of all the property as finally determined for  
 29 the assessment date immediately preceding the effective date of  
 30 the allocation provision adopted after June 30, 1997, as adjusted  
 31 under subsection (h).
- 32 (4) Except as provided in subdivision (5), for all other allocation  
 33 areas, the net assessed value of all the property as finally  
 34 determined for the assessment date immediately preceding the  
 35 effective date of the allocation provision of the declaratory  
 36 resolution, as adjusted under subsection (h).
- 37 (5) If an allocation area established in an economic development  
 38 area before July 1, 1995, is expanded after June 30, 1995, the  
 39 definition in subdivision (1) applies to the expanded part of the  
 40 area added after June 30, 1995.
- 41 (6) If an allocation area established in a redevelopment project  
 42 area before July 1, 1997, is expanded after June 30, 1997, the



1 definition in subdivision (2) applies to the expanded part of the  
2 area added after June 30, 1997.

3 Except as provided in section 39.3 of this chapter, "property taxes"  
4 means taxes imposed under IC 6-1.1 on real property. However, upon  
5 approval by a resolution of the redevelopment commission adopted  
6 before June 1, 1987, "property taxes" also includes taxes imposed  
7 under IC 6-1.1 on depreciable personal property. If a redevelopment  
8 commission adopted before June 1, 1987, a resolution to include within  
9 the definition of property taxes, taxes imposed under IC 6-1.1 on  
10 depreciable personal property that has a useful life in excess of eight  
11 (8) years, the commission may by resolution determine the percentage  
12 of taxes imposed under IC 6-1.1 on all depreciable personal property  
13 that will be included within the definition of property taxes. However,  
14 the percentage included must not exceed twenty-five percent (25%) of  
15 the taxes imposed under IC 6-1.1 on all depreciable personal property.

16 (b) A declaratory resolution adopted under section 15 of this chapter  
17 on or before the allocation deadline determined under subsection (i)  
18 may include a provision with respect to the allocation and distribution  
19 of property taxes for the purposes and in the manner provided in this  
20 section. A declaratory resolution previously adopted may include an  
21 allocation provision by the amendment of that declaratory resolution on  
22 or before the allocation deadline determined under subsection (i) in  
23 accordance with the procedures required for its original adoption. A  
24 declaratory resolution or amendment that establishes an allocation  
25 provision must include a specific finding of fact, supported by  
26 evidence, that the adoption of the allocation provision will result in  
27 new property taxes in the area that would not have been generated but  
28 for the adoption of the allocation provision. For an allocation area  
29 established before July 1, 1995, the expiration date of any allocation  
30 provisions for the allocation area is June 30, 2025, or the last date of  
31 any obligations that are outstanding on July 1, 2015, whichever is later.  
32 A declaratory resolution or an amendment that establishes an allocation  
33 provision after June 30, 1995, must specify an expiration date for the  
34 allocation provision. For an allocation area established before July 1,  
35 2008, the expiration date may not be more than thirty (30) years after  
36 the date on which the allocation provision is established. For an  
37 allocation area established after June 30, 2008, the expiration date may  
38 not be more than twenty-five (25) years after the date on which the first  
39 obligation was incurred to pay principal and interest on bonds or lease  
40 rentals on leases payable from tax increment revenues. However, with  
41 respect to bonds or other obligations that were issued before July 1,  
42 2008, if any of the bonds or other obligations that were scheduled when



1 issued to mature before the specified expiration date and that are  
 2 payable only from allocated tax proceeds with respect to the allocation  
 3 area remain outstanding as of the expiration date, the allocation  
 4 provision does not expire until all of the bonds or other obligations are  
 5 no longer outstanding. The allocation provision may apply to all or part  
 6 of the redevelopment project area. The allocation provision must  
 7 require that any property taxes subsequently levied by or for the benefit  
 8 of any public body entitled to a distribution of property taxes on taxable  
 9 property in the allocation area be allocated and distributed as follows:

10 (1) Except as otherwise provided in this section, the proceeds of  
 11 the taxes attributable to the lesser of:

12 (A) the assessed value of the property for the assessment date  
 13 with respect to which the allocation and distribution is made;  
 14 or

15 (B) the base assessed value;  
 16 shall be allocated to and, when collected, paid into the funds of  
 17 the respective taxing units.

18 (2) The excess of the proceeds of the property taxes imposed for  
 19 the assessment date with respect to which the allocation and  
 20 distribution is made that are attributable to taxes imposed after  
 21 being approved by the voters in a referendum or local public  
 22 question conducted after April 30, 2010, not otherwise included  
 23 in subdivision (1) shall be allocated to and, when collected, paid  
 24 into the funds of the taxing unit for which the referendum or local  
 25 public question was conducted.

26 (3) Except as otherwise provided in this section, property tax  
 27 proceeds in excess of those described in subdivisions (1) and (2)  
 28 shall be allocated to the redevelopment district and, when  
 29 collected, paid into an allocation fund for that allocation area that  
 30 may be used by the redevelopment district only to do one (1) or  
 31 more of the following:

32 (A) Pay the principal of and interest on any obligations  
 33 payable solely from allocated tax proceeds which are incurred  
 34 by the redevelopment district for the purpose of financing or  
 35 refinancing the redevelopment of that allocation area.

36 (B) Establish, augment, or restore the debt service reserve for  
 37 bonds payable solely or in part from allocated tax proceeds in  
 38 that allocation area.

39 (C) Pay the principal of and interest on bonds payable from  
 40 allocated tax proceeds in that allocation area and from the  
 41 special tax levied under section 27 of this chapter.

42 (D) Pay the principal of and interest on bonds issued by the



- 1 unit to pay for local public improvements that are physically  
 2 located in or physically connected to that allocation area.
- 3 (E) Pay premiums on the redemption before maturity of bonds  
 4 payable solely or in part from allocated tax proceeds in that  
 5 allocation area.
- 6 (F) Make payments on leases payable from allocated tax  
 7 proceeds in that allocation area under section 25.2 of this  
 8 chapter.
- 9 (G) Reimburse the unit for expenditures made by it for local  
 10 public improvements (which include buildings, parking  
 11 facilities, and other items described in section 25.1(a) of this  
 12 chapter) that are physically located in or physically connected  
 13 to that allocation area.
- 14 (H) Reimburse the unit for rentals paid by it for a building or  
 15 parking facility that is physically located in or physically  
 16 connected to that allocation area under any lease entered into  
 17 under IC 36-1-10.
- 18 (I) For property taxes first due and payable before January 1,  
 19 2009, pay all or a part of a property tax replacement credit to  
 20 taxpayers in an allocation area as determined by the  
 21 redevelopment commission. This credit equals the amount  
 22 determined under the following STEPS for each taxpayer in a  
 23 taxing district (as defined in IC 6-1.1-1-20) that contains all or  
 24 part of the allocation area:
- 25 STEP ONE: Determine that part of the sum of the amounts  
 26 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),  
 27 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and  
 28 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to  
 29 the taxing district.
- 30 STEP TWO: Divide:
- 31 (i) that part of each county's eligible property tax  
 32 replacement amount (as defined in IC 6-1.1-21-2 (before its  
 33 repeal)) for that year as determined under IC 6-1.1-21-4  
 34 (before its repeal) that is attributable to the taxing district;  
 35 by
- 36 (ii) the STEP ONE sum.
- 37 STEP THREE: Multiply:
- 38 (i) the STEP TWO quotient; times
- 39 (ii) the total amount of the taxpayer's taxes (as defined in  
 40 IC 6-1.1-21-2 (before its repeal)) levied in the taxing district  
 41 that have been allocated during that year to an allocation  
 42 fund under this section.



- 1 If not all the taxpayers in an allocation area receive the credit  
 2 in full, each taxpayer in the allocation area is entitled to  
 3 receive the same proportion of the credit. A taxpayer may not  
 4 receive a credit under this section and a credit under section  
 5 39.5 of this chapter (before its repeal) in the same year.
- 6 (J) Pay expenses incurred by the redevelopment commission  
 7 for local public improvements that are in the allocation area or  
 8 serving the allocation area. Public improvements include  
 9 buildings, parking facilities, and other items described in  
 10 section 25.1(a) of this chapter.
- 11 (K) Reimburse public and private entities for expenses  
 12 incurred in training employees of industrial facilities that are  
 13 located:
- 14 (i) in the allocation area; and
  - 15 (ii) on a parcel of real property that has been classified as  
 16 industrial property under the rules of the department of local  
 17 government finance.
- 18 However, the total amount of money spent for this purpose in  
 19 any year may not exceed the total amount of money in the  
 20 allocation fund that is attributable to property taxes paid by the  
 21 industrial facilities described in this clause. The  
 22 reimbursements under this clause must be made within three  
 23 (3) years after the date on which the investments that are the  
 24 basis for the increment financing are made.
- 25 (L) Pay the costs of carrying out an eligible efficiency project  
 26 (as defined in IC 36-9-41-1.5) within the unit that established  
 27 the redevelopment commission. However, property tax  
 28 proceeds may be used under this clause to pay the costs of  
 29 carrying out an eligible efficiency project only if those  
 30 property tax proceeds exceed the amount necessary to do the  
 31 following:
- 32 (i) Make, when due, any payments required under clauses  
 33 (A) through (K), including any payments of principal and  
 34 interest on bonds and other obligations payable under this  
 35 subdivision, any payments of premiums under this  
 36 subdivision on the redemption before maturity of bonds, and  
 37 any payments on leases payable under this subdivision.
  - 38 (ii) Make any reimbursements required under this  
 39 subdivision.
  - 40 (iii) Pay any expenses required under this subdivision.
  - 41 (iv) Establish, augment, or restore any debt service reserve  
 42 under this subdivision.



- 1 (M) Expend money and provide financial assistance as  
 2 authorized in section 12.2(a)(27) of this chapter.  
 3 The allocation fund may not be used for operating expenses of the  
 4 commission.  
 5 (4) Except as provided in subsection (g), before June 15 of each  
 6 year, the commission shall do the following:
- 7 (A) Determine the amount, if any, by which the assessed value  
 8 of the taxable property in the allocation area for the most  
 9 recent assessment date minus the base assessed value, when  
 10 multiplied by the estimated tax rate of the allocation area, will  
 11 exceed the amount of assessed value needed to produce the  
 12 property taxes necessary to make, when due, principal and  
 13 interest payments on bonds described in subdivision (3), plus  
 14 the amount necessary for other purposes described in  
 15 subdivision (3).  
 16 (B) Provide a written notice to the county auditor, the fiscal  
 17 body of the county or municipality that established the  
 18 department of redevelopment, the officers who are authorized  
 19 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for  
 20 each of the other taxing units that is wholly or partly located  
 21 within the allocation area, and (in an electronic format) the  
 22 department of local government finance. The notice must:  
 23 (i) state the amount, if any, of excess assessed value that the  
 24 commission has determined may be allocated to the  
 25 respective taxing units in the manner prescribed in  
 26 subdivision (1); or  
 27 (ii) state that the commission has determined that there is no  
 28 excess assessed value that may be allocated to the respective  
 29 taxing units in the manner prescribed in subdivision (1).  
 30 The county auditor shall allocate to the respective taxing units  
 31 the amount, if any, of excess assessed value determined by the  
 32 commission. The commission may not authorize an allocation  
 33 of assessed value to the respective taxing units under this  
 34 subdivision if to do so would endanger the interests of the  
 35 holders of bonds described in subdivision (3) or lessors under  
 36 section 25.3 of this chapter.  
 37 (C) If:  
 38 (i) the amount of excess assessed value determined by the  
 39 commission is expected to generate more than two hundred  
 40 percent (200%) of the amount of allocated tax proceeds  
 41 necessary to make, when due, principal and interest  
 42 payments on bonds described in subdivision (3); plus



- 1 (ii) the amount necessary for other purposes described in  
 2 subdivision (3);  
 3 the commission shall submit to the legislative body of the unit  
 4 its determination of the excess assessed value that the  
 5 commission proposes to allocate to the respective taxing units  
 6 in the manner prescribed in subdivision (1). The legislative  
 7 body of the unit may approve the commission's determination  
 8 or modify the amount of the excess assessed value that will be  
 9 allocated to the respective taxing units in the manner  
 10 prescribed in subdivision (1).
- 11 (c) For the purpose of allocating taxes levied by or for any taxing  
 12 unit or units, the assessed value of taxable property in a territory in the  
 13 allocation area that is annexed by any taxing unit after the effective  
 14 date of the allocation provision of the declaratory resolution is the  
 15 lesser of:  
 16 (1) the assessed value of the property for the assessment date with  
 17 respect to which the allocation and distribution is made; or  
 18 (2) the base assessed value.
- 19 (d) Property tax proceeds allocable to the redevelopment district  
 20 under subsection (b)(3) may, subject to subsection (b)(4), be  
 21 irrevocably pledged by the redevelopment district for payment as set  
 22 forth in subsection (b)(3).
- 23 (e) Notwithstanding any other law, each assessor shall, upon  
 24 petition of the redevelopment commission, reassess the taxable  
 25 property situated upon or in, or added to, the allocation area, effective  
 26 on the next assessment date after the petition.
- 27 (f) Notwithstanding any other law, the assessed value of all taxable  
 28 property in the allocation area, for purposes of tax limitation, property  
 29 tax replacement, and formulation of the budget, tax rate, and tax levy  
 30 for each political subdivision in which the property is located is the  
 31 lesser of:  
 32 (1) the assessed value of the property as valued without regard to  
 33 this section; or  
 34 (2) the base assessed value.
- 35 (g) If any part of the allocation area is located in an enterprise zone  
 36 created under IC 5-28-15, the unit that designated the allocation area  
 37 shall create funds as specified in this subsection. A unit that has  
 38 obligations, bonds, or leases payable from allocated tax proceeds under  
 39 subsection (b)(3) shall establish an allocation fund for the purposes  
 40 specified in subsection (b)(3) and a special zone fund. Such a unit  
 41 shall, until the end of the enterprise zone phase out period, deposit each  
 42 year in the special zone fund any amount in the allocation fund derived



1 from property tax proceeds in excess of those described in subsection  
 2 (b)(1) and (b)(2) from property located in the enterprise zone that  
 3 exceeds the amount sufficient for the purposes specified in subsection  
 4 (b)(3) for the year. The amount sufficient for purposes specified in  
 5 subsection (b)(3) for the year shall be determined based on the pro rata  
 6 portion of such current property tax proceeds from the part of the  
 7 enterprise zone that is within the allocation area as compared to all  
 8 such current property tax proceeds derived from the allocation area. A  
 9 unit that has no obligations, bonds, or leases payable from allocated tax  
 10 proceeds under subsection (b)(3) shall establish a special zone fund  
 11 and deposit all the property tax proceeds in excess of those described  
 12 in subsection (b)(1) and (b)(2) in the fund derived from property tax  
 13 proceeds in excess of those described in subsection (b)(1) and (b)(2)  
 14 from property located in the enterprise zone. The unit that creates the  
 15 special zone fund shall use the fund (based on the recommendations of  
 16 the urban enterprise association) for programs in job training, job  
 17 enrichment, and basic skill development that are designed to benefit  
 18 residents and employers in the enterprise zone or other purposes  
 19 specified in subsection (b)(3), except that where reference is made in  
 20 subsection (b)(3) to allocation area it shall refer for purposes of  
 21 payments from the special zone fund only to that part of the allocation  
 22 area that is also located in the enterprise zone. Those programs shall  
 23 reserve at least one-half (1/2) of their enrollment in any session for  
 24 residents of the enterprise zone.

25 (h) The state board of accounts and department of local government  
 26 finance shall make the rules and prescribe the forms and procedures  
 27 that they consider expedient for the implementation of this chapter.  
 28 After each reassessment in an area under a reassessment plan prepared  
 29 under IC 6-1.1-4-4.2, the department of local government finance shall  
 30 adjust the base assessed value one (1) time to neutralize any effect of  
 31 the reassessment of the real property in the area on the property tax  
 32 proceeds allocated to the redevelopment district under this section.  
 33 After each annual adjustment under IC 6-1.1-4-4.5, the department of  
 34 local government finance shall adjust the base assessed value one (1)  
 35 time to neutralize any effect of the annual adjustment on the property  
 36 tax proceeds allocated to the redevelopment district under this section.  
 37 However, the adjustments under this subsection:

- 38 (1) may not include the effect of phasing in assessed value due to
- 39 property tax abatements under IC 6-1.1-12.1;
- 40 (2) may not produce less property tax proceeds allocable to the
- 41 redevelopment district under subsection (b)(3) than would
- 42 otherwise have been received if the reassessment under the



1 reassessment plan or the annual adjustment had not occurred; and  
 2 (3) may decrease base assessed value only to the extent that  
 3 assessed values in the allocation area have been decreased due to  
 4 annual adjustments or the reassessment under the reassessment  
 5 plan.

6 Assessed value increases attributable to the application of an abatement  
 7 schedule under IC 6-1.1-12.1 may not be included in the base assessed  
 8 value of an allocation area. The department of local government  
 9 finance may prescribe procedures for county and township officials to  
 10 follow to assist the department in making the adjustments.

11 (i) The allocation deadline referred to in subsection (b) is  
 12 determined in the following manner:

13 (1) The initial allocation deadline is December 31, 2011.

14 (2) Subject to subdivision (3), the initial allocation deadline and  
 15 subsequent allocation deadlines are automatically extended in  
 16 increments of five (5) years, so that allocation deadlines  
 17 subsequent to the initial allocation deadline fall on December 31,  
 18 2016, and December 31 of each fifth year thereafter.

19 (3) At least one (1) year before the date of an allocation deadline  
 20 determined under subdivision (2), the general assembly may enact  
 21 a law that:

22 (A) terminates the automatic extension of allocation deadlines  
 23 under subdivision (2); and

24 (B) specifically designates a particular date as the final  
 25 allocation deadline.

26 **(j) If a redevelopment commission adopts a declaratory**  
 27 **resolution or an amendment to a declaratory resolution that**  
 28 **contains an allocation provision and the redevelopment**  
 29 **commission makes either of the filings required under section 17(e)**  
 30 **of this chapter after the first anniversary of the effective date of the**  
 31 **allocation provision, the auditor of the county in which the unit is**  
 32 **located shall compute the base assessed value for the allocation**  
 33 **area using the assessment date immediately preceding the later of:**

34 **(1) the date on which the documents are filed with the county**  
 35 **auditor; or**

36 **(2) the date on which the documents are filed with the**  
 37 **department of local government finance.**

38 SECTION 40. IC 36-7-14-39.2, AS AMENDED BY P.L.119-2012,  
 39 SECTION 207, IS AMENDED TO READ AS FOLLOWS  
 40 [EFFECTIVE JULY 1, 2019]: Sec. 39.2. (a) This section applies to a  
 41 county having a population of more than two hundred fifty thousand  
 42 (250,000) but less than two hundred seventy thousand (270,000).



1 (b) As used in this section, "designated taxpayer" means any  
 2 taxpayer designated by the commission in a declaratory resolution  
 3 adopted or amended under section 15 or 17.5 of this chapter and with  
 4 respect to which the commission finds that taxes to be derived from the  
 5 taxpayer's depreciable personal property in the allocation area, in  
 6 excess of the taxes attributable to the base assessed value of that  
 7 personal property, are reasonably expected to exceed in one (1) or more  
 8 future years the taxes to be derived from the taxpayer's real property in  
 9 the allocation area in excess of the taxes attributable to the base  
 10 assessed value of that real property.

11 (c) The allocation provision of a declaratory resolution may modify  
 12 the definition of "property taxes" under section 39(a) of this chapter to  
 13 include taxes imposed under IC 6-1.1 on the depreciable personal  
 14 property of designated taxpayers, in accordance with the procedures  
 15 and limitations set forth in this section and section 39 of this chapter.  
 16 If such a modification is included in the resolution for purposes of  
 17 section 39 of this chapter, the term "base assessed value" with respect  
 18 to the depreciable personal property of designated taxpayers means,  
 19 **subject to section 39(j) of this chapter**, the net assessed value of all  
 20 the depreciable personal property as finally determined for the  
 21 assessment date immediately preceding:

- 22 (1) the effective date of the modification, for modifications  
 23 adopted before July 1, 1995; and
- 24 (2) the adoption date of the modification for modifications  
 25 adopted after June 30, 1995;

26 as adjusted under section 39(h) of this chapter.

27 SECTION 41. IC 36-7-14-39.3, AS AMENDED BY P.L.6-2012,  
 28 SECTION 244, IS AMENDED TO READ AS FOLLOWS  
 29 [EFFECTIVE JULY 1, 2019]: Sec. 39.3. (a) As used in this section,  
 30 "depreciable personal property" refers to:

- 31 (1) all of the designated taxpayer's depreciable personal property  
 32 that is located in the allocation area; and
- 33 (2) all other depreciable property located and taxable on the  
 34 designated taxpayer's site of operations within the allocation area.

35 (b) As used in this section, "designated taxpayer" means any  
 36 taxpayer designated by the commission in a declaratory resolution  
 37 adopted or amended under section 15 or 17.5 of this chapter, and with  
 38 respect to which the commission finds that taxes to be derived from the  
 39 depreciable personal property in the allocation area, in excess of the  
 40 taxes attributable to the base assessed value of that personal property,  
 41 are needed to pay debt service or to provide security for bonds issued  
 42 under section 25.1 of this chapter or to make payments or to provide



1 security on leases payable under section 25.2 of this chapter in order to  
 2 provide local public improvements for a particular allocation area.  
 3 However, a commission may not designate a taxpayer after June 30,  
 4 1992, unless the commission also finds that:

5 (1) the taxpayer's property in the allocation area will consist  
 6 primarily of industrial, manufacturing, warehousing, research and  
 7 development, processing, distribution, or transportation related  
 8 projects or regulated amusement devices (as defined in  
 9 IC 22-12-1-19.1) and related improvements; and

10 (2) the taxpayer's property in the allocation area will not consist  
 11 primarily of retail, commercial, or residential projects, other than  
 12 an amusement park or tourism industry project.

13 (c) The allocation provision of a declaratory resolution may modify  
 14 the definition of "property taxes" under section 39(a) of this chapter to  
 15 include taxes imposed under IC 6-1.1 on the depreciable personal  
 16 property located and taxable on the site of operations of the designated  
 17 taxpayers in accordance with the procedures and limitations set forth  
 18 in this section and section 39 of this chapter. If such a modification is  
 19 included in the resolution, for purposes of section 39 of this chapter the  
 20 term "base assessed value" with respect to the depreciable personal  
 21 property means, **subject to section 39(j) of this chapter**, the net  
 22 assessed value of all the depreciable personal property as finally  
 23 determined for the assessment date immediately preceding:

24 (1) the effective date of the modification, for modifications  
 25 adopted before July 1, 1995; and

26 (2) the adoption date of the modification for modifications  
 27 adopted after June 30, 1995;

28 as adjusted under section 39(h) of this chapter.

29 (d) A declaratory resolution of a city redevelopment commission  
 30 that is adopted before March 20, 1990, is legalized and validated as if  
 31 it had been adopted under this section.

32 (e) An action taken by a redevelopment commission before  
 33 February 24, 1992, to designate a taxpayer, modify the definition of  
 34 property taxes, or establish a base assessed value as described in this  
 35 section, as in effect on February 24, 1992, is legalized and validated as  
 36 if this section, as in effect on February 24, 1992, had been in effect on  
 37 the date of the action.

38 (f) The amendment made to this section by P.L.41-1992, does not  
 39 affect actions taken pursuant to P.L.35-1990.

40 (g) A declaratory resolution or an amendment to a declaratory  
 41 resolution that was adopted by:

42 (1) a county redevelopment commission for a county; or



1 (2) a city redevelopment commission for a city;  
 2 before February 26, 1992, is legalized and validated as if the  
 3 declaratory resolution or amendment had been adopted under this  
 4 section as amended by P.L.147-1992.

5 SECTION 42. IC 36-7-14-48, AS AMENDED BY P.L.184-2016,  
 6 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 7 JULY 1, 2019]: Sec. 48. (a) Notwithstanding section 39(a) of this  
 8 chapter, with respect to the allocation and distribution of property taxes  
 9 for the accomplishment of a program adopted under section 45 of this  
 10 chapter, "base assessed value" means, **subject to section 39(j) of this**  
 11 **chapter**, the net assessed value of all of the property, other than  
 12 personal property, as finally determined for the assessment date  
 13 immediately preceding the effective date of the allocation provision, as  
 14 adjusted under section 39(h) of this chapter.

15 (b) The allocation fund established under section 39(b) of this  
 16 chapter for the allocation area for a program adopted under section 45  
 17 of this chapter may be used only for purposes related to the  
 18 accomplishment of the program, including the following:

19 (1) The construction, rehabilitation, or repair of residential units  
 20 within the allocation area.

21 (2) The construction, reconstruction, or repair of any  
 22 infrastructure (including streets, sidewalks, and sewers) within or  
 23 serving the allocation area.

24 (3) The acquisition of real property and interests in real property  
 25 within the allocation area.

26 (4) The demolition of real property within the allocation area.

27 (5) The provision of financial assistance to enable individuals and  
 28 families to purchase or lease residential units within the allocation  
 29 area. However, financial assistance may be provided only to those  
 30 individuals and families whose income is at or below the county's  
 31 median income for individuals and families, respectively.

32 (6) The provision of financial assistance to neighborhood  
 33 development corporations to permit them to provide financial  
 34 assistance for the purposes described in subdivision (5).

35 (7) For property taxes first due and payable before January 1,  
 36 2009, providing each taxpayer in the allocation area a credit for  
 37 property tax replacement as determined under subsections (c) and

38 (d). However, the commission may provide this credit only if the  
 39 municipal legislative body (in the case of a redevelopment  
 40 commission established by a municipality) or the county  
 41 executive (in the case of a redevelopment commission established  
 42 by a county) establishes the credit by ordinance adopted in the



- 1           year before the year in which the credit is provided.
- 2           (c) The maximum credit that may be provided under subsection
- 3 (b)(7) to a taxpayer in a taxing district that contains all or part of an
- 4 allocation area established for a program adopted under section 45 of
- 5 this chapter shall be determined as follows:
- 6           STEP ONE: Determine that part of the sum of the amounts
- 7 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)
- 8 through IC 6-1.1-21-2(g)(5) (before their repeal) that is
- 9 attributable to the taxing district.
- 10          STEP TWO: Divide:
- 11           (A) that part of each county's eligible property tax replacement
- 12 amount (as defined in IC 6-1.1-21-2) (before its repeal) for
- 13 that year as determined under IC 6-1.1-21-4(a)(1) (before its
- 14 repeal) that is attributable to the taxing district; by
- 15 (B) the amount determined under STEP ONE.
- 16          STEP THREE: Multiply:
- 17           (A) the STEP TWO quotient; by
- 18 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) (before
- 19 its repeal) levied in the taxing district allocated to the
- 20 allocation fund, including the amount that would have been
- 21 allocated but for the credit.
- 22          (d) The commission may determine to grant to taxpayers in an
- 23 allocation area from its allocation fund a credit under this section, as
- 24 calculated under subsection (c). Except as provided in subsection (g),
- 25 one-half (1/2) of the credit shall be applied to each installment of taxes
- 26 (as defined in IC 6-1.1-21-2) (before its repeal) that under
- 27 IC 6-1.1-22-9 are due and payable in a year. The commission must
- 28 provide for the credit annually by a resolution and must find in the
- 29 resolution the following:
- 30           (1) That the money to be collected and deposited in the allocation
- 31 fund, based upon historical collection rates, after granting the
- 32 credit will equal the amounts payable for contractual obligations
- 33 from the fund, plus ten percent (10%) of those amounts.
- 34           (2) If bonds payable from the fund are outstanding, that there is
- 35 a debt service reserve for the bonds that at least equals the amount
- 36 of the credit to be granted.
- 37           (3) If bonds of a lessor under section 25.2 of this chapter or under
- 38 IC 36-1-10 are outstanding and if lease rentals are payable from
- 39 the fund, that there is a debt service reserve for those bonds that
- 40 at least equals the amount of the credit to be granted.
- 41          If the tax increment is insufficient to grant the credit in full, the
- 42 commission may grant the credit in part, prorated among all taxpayers.



1 (e) Notwithstanding section 39(b) of this chapter, the allocation  
 2 fund established under section 39(b) of this chapter for the allocation  
 3 area for a program adopted under section 45 of this chapter may only  
 4 be used to do one (1) or more of the following:

5 (1) Accomplish one (1) or more of the actions set forth in section  
 6 39(b)(3)(A) through 39(b)(3)(H) and 39(b)(3)(J) of this chapter  
 7 for property that is residential in nature.

8 (2) Reimburse the county or municipality for expenditures made  
 9 by the county or municipality in order to accomplish the housing  
 10 program in that allocation area.

11 The allocation fund may not be used for operating expenses of the  
 12 commission.

13 (f) Notwithstanding section 39(b) of this chapter, the commission  
 14 shall, relative to the allocation fund established under section 39(b) of  
 15 this chapter for an allocation area for a program adopted under section  
 16 45 of this chapter, do the following before June 15 of each year:

17 (1) Determine the amount, if any, by which the assessed value of  
 18 the taxable property in the allocation area for the most recent  
 19 assessment date minus the base assessed value, when multiplied  
 20 by the estimated tax rate of the allocation area, will exceed the  
 21 amount of assessed value needed to produce the property taxes  
 22 necessary to:

23 (A) make the distribution required under section 39(b)(2) of  
 24 this chapter;

25 (B) make, when due, principal and interest payments on bonds  
 26 described in section 39(b)(3) of this chapter;

27 (C) pay the amount necessary for other purposes described in  
 28 section 39(b)(3) of this chapter; and

29 (D) reimburse the county or municipality for anticipated  
 30 expenditures described in subsection (e)(2).

31 (2) Provide a written notice to the county auditor, the fiscal body  
 32 of the county or municipality that established the department of  
 33 redevelopment, the officers who are authorized to fix budgets, tax  
 34 rates, and tax levies under IC 6-1.1-17-5 for each of the other  
 35 taxing units that is wholly or partly located within the allocation  
 36 area, and (in an electronic format) the department of local  
 37 government finance. The notice must:

38 (A) state the amount, if any, of excess property taxes that the  
 39 commission has determined may be paid to the respective  
 40 taxing units in the manner prescribed in section 39(b)(1) of  
 41 this chapter; or

42 (B) state that the commission has determined that there is no



1 excess assessed value that may be allocated to the respective  
 2 taxing units in the manner prescribed in subdivision (1).  
 3 The county auditor shall allocate to the respective taxing units the  
 4 amount, if any, of excess assessed value determined by the  
 5 commission.  
 6 (3) If:  
 7 (A) the amount of excess assessed value determined by the  
 8 commission is expected to generate more than two hundred  
 9 percent (200%) of the amount of allocated tax proceeds  
 10 necessary to make, when due, principal and interest payments  
 11 on bonds described in subdivision (1); plus  
 12 (B) the amount necessary for other purposes described in  
 13 subdivision (1);  
 14 the commission shall submit to the legislative body of the unit its  
 15 determination of the excess assessed value that the commission  
 16 proposes to allocate to the respective taxing units in the manner  
 17 prescribed in subdivision (2). The legislative body of the unit may  
 18 approve the commission's determination or modify the amount of  
 19 the excess assessed value that will be allocated to the respective  
 20 taxing units in the manner prescribed in subdivision (2).  
 21 (g) This subsection applies to an allocation area only to the extent  
 22 that the net assessed value of property that is assessed as residential  
 23 property under the rules of the department of local government finance  
 24 is not included in the base assessed value. If property tax installments  
 25 with respect to a homestead (as defined in IC 6-1.1-12-37) are due in  
 26 installments established by the department of local government finance  
 27 under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an  
 28 allocation area is entitled to an additional credit under subsection (d)  
 29 for the taxes (as defined in IC 6-1.1-21-2) (before its repeal) due in  
 30 installments. The credit shall be applied in the same proportion to each  
 31 installment of taxes (as defined in IC 6-1.1-21-2) (before its repeal).  
 32 SECTION 43. IC 36-7-14-52, AS AMENDED BY P.L.184-2016,  
 33 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JULY 1, 2019]: Sec. 52. (a) Notwithstanding section 39(a) of this  
 35 chapter, with respect to the allocation and distribution of property taxes  
 36 for the accomplishment of the purposes of an age-restricted housing  
 37 program adopted under section 49 of this chapter, "base assessed  
 38 value" means, **subject to section 39(j) of this chapter**, the net assessed  
 39 value of all of the property, other than personal property, as finally  
 40 determined for the assessment date immediately preceding the effective  
 41 date of the allocation provision, as adjusted under section 39(h) of this  
 42 chapter.



1 (b) The allocation fund established under section 39(b) of this  
 2 chapter for the allocation area for an age-restricted housing program  
 3 adopted under section 49 of this chapter may be used only for purposes  
 4 related to the accomplishment of the purposes of the program,  
 5 including, but not limited to, the following:

6 (1) The construction of any infrastructure (including streets,  
 7 sidewalks, and sewers) or local public improvements in, serving,  
 8 or benefiting the allocation area.

9 (2) The acquisition of real property and interests in real property  
 10 within the allocation area.

11 (3) The preparation of real property in anticipation of  
 12 development of the real property within the allocation area.

13 (4) To do any of the following:

14 (A) Pay the principal of and interest on bonds or any other  
 15 obligations payable from allocated tax proceeds in the  
 16 allocation area that are incurred by the redevelopment district  
 17 for the purpose of financing or refinancing the age-restricted  
 18 housing program established under section 49 of this chapter  
 19 for the allocation area.

20 (B) Establish, augment, or restore the debt service reserve for  
 21 bonds payable solely or in part from allocated tax proceeds in  
 22 the allocation area.

23 (C) Pay the principal of and interest on bonds payable from  
 24 allocated tax proceeds in the allocation area and from the  
 25 special tax levied under section 27 of this chapter.

26 (D) Pay the principal of and interest on bonds issued by the  
 27 unit to pay for local public improvements that are physically  
 28 located in or physically connected to the allocation area.

29 (E) Pay premiums on the redemption before maturity of bonds  
 30 payable solely or in part from allocated tax proceeds in the  
 31 allocation area.

32 (F) Make payments on leases payable from allocated tax  
 33 proceeds in the allocation area under section 25.2 of this  
 34 chapter.

35 (G) Reimburse the unit for expenditures made by the unit for  
 36 local public improvements (which include buildings, parking  
 37 facilities, and other items described in section 25.1(a) of this  
 38 chapter) that are physically located in or physically connected  
 39 to the allocation area.

40 (c) Notwithstanding section 39(b) of this chapter, the commission  
 41 shall, relative to the allocation fund established under section 39(b) of  
 42 this chapter for an allocation area for an age-restricted housing program



1 adopted under section 49 of this chapter, do the following before June  
2 15 of each year:

3 (1) Determine the amount, if any, by which the assessed value of  
4 the taxable property in the allocation area for the most recent  
5 assessment date minus the base assessed value, when multiplied  
6 by the estimated tax rate of the allocation area, will exceed the  
7 amount of assessed value needed to produce the property taxes  
8 necessary to:

9 (A) make the distribution required under section 39(b)(2) of  
10 this chapter;

11 (B) make, when due, principal and interest payments on bonds  
12 described in section 39(b)(3) of this chapter;

13 (C) pay the amount necessary for other purposes described in  
14 section 39(b)(3) of this chapter; and

15 (D) reimburse the county or municipality for anticipated  
16 expenditures described in subsection (b)(2).

17 (2) Provide a written notice to the county auditor, the fiscal body  
18 of the county or municipality that established the department of  
19 redevelopment, the officers who are authorized to fix budgets, tax  
20 rates, and tax levies under IC 6-1.1-17-5 for each of the other  
21 taxing units that is wholly or partly located within the allocation  
22 area, and (in an electronic format) the department of local  
23 government finance. The notice must:

24 (A) state the amount, if any, of excess property taxes that the  
25 commission has determined may be paid to the respective  
26 taxing units in the manner prescribed in section 39(b)(1) of  
27 this chapter; or

28 (B) state that the commission has determined that there is no  
29 excess assessed value that may be allocated to the respective  
30 taxing units in the manner prescribed in subdivision (1).

31 The county auditor shall allocate to the respective taxing units the  
32 amount, if any, of excess assessed value determined by the  
33 commission.

34 SECTION 44. IC 36-7-15.1-10, AS AMENDED BY P.L.146-2008,  
35 SECTION 747, IS AMENDED TO READ AS FOLLOWS  
36 [EFFECTIVE JULY 1, 2019]: Sec. 10. (a) After approval by the  
37 commission and the legislative body of the consolidated city under  
38 section 9 of this chapter, the commission shall publish notice of the  
39 adoption and substance of the resolution in accordance with IC 5-3-1.  
40 The notice must:

41 (1) state that maps, plats, or maps and plats have been prepared  
42 and can be inspected at the office of the department; and

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- 1 (2) name a date when the commission will:
- 2 (A) receive and hear remonstrances and other testimony from
- 3 persons interested in or affected by the proceeding pertaining
- 4 to the proposed project or other actions to be taken under the
- 5 resolution; and
- 6 (B) determine the public utility and benefit of the proposed
- 7 project or other actions.
- 8 All persons affected in any manner by the hearing, including all
- 9 taxpayers of the redevelopment district, shall be considered notified of
- 10 the pendency of the hearing and of subsequent acts, hearings,
- 11 adjournments, and orders of the commission by the notice given under
- 12 this section.
- 13 (b) A copy of the notice of the hearing on the resolution shall be
- 14 filed in the office of the commission, board of zoning appeals, works
- 15 board, park board, and any other departments, bodies, or officers of the
- 16 consolidated city having to do with planning, variances from zoning
- 17 ordinances, land use, or the issuance of building permits. These
- 18 agencies and officers shall take notice of the pendency of the hearing,
- 19 and until the commission confirms, modifies and confirms, or rescinds
- 20 the resolution, or the confirmation of the resolution is set aside on
- 21 appeal, they may not, without approval of the commission:
- 22 (1) authorize any construction on property or sewers in the area
- 23 described in the resolution, including substantial modifications,
- 24 rebuilding, conversion, enlargement, additions, and major
- 25 structural improvements; or
- 26 (2) take any action regarding the zoning or rezoning of property,
- 27 or the opening, closing, or improvement of public ways in the area
- 28 described in the resolution.
- 29 This subsection does not prohibit the granting of permits for ordinary
- 30 maintenance or minor remodeling, or for changes necessary for the
- 31 continued occupancy of buildings in the area.
- 32 (c) If the resolution to be considered at the hearing includes a
- 33 provision establishing or amending an allocation provision under
- 34 section 26 of this chapter, the commission shall file the following
- 35 information with each taxing unit that is wholly or partly located within
- 36 the allocation area:
- 37 (1) A copy of the notice required by subsection (a).
- 38 (2) A statement disclosing the impact of the allocation area,
- 39 including the following:
- 40 (A) The estimated economic benefits and costs incurred by the
- 41 allocation area, as measured by increased employment and
- 42 anticipated growth of real property assessed values.



1 (B) The anticipated impact on tax revenues of each taxing unit.  
 2 The commission shall file the information required by this subsection  
 3 with the officers of the taxing unit who are authorized to fix budgets,  
 4 tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days  
 5 before the date of the hearing.

6 (d) At the hearing, which may be adjourned from time to time, the  
 7 commission shall hear all persons interested in the proceedings and  
 8 shall consider all written remonstrances and objections that have been  
 9 filed. After considering the evidence presented, the commission shall  
 10 take final action determining the public utility and benefit of the  
 11 proposed project or other actions to be taken under the resolution, and  
 12 confirming, modifying and confirming, or rescinding the resolution.  
 13 The final action taken by the commission shall be recorded and is final  
 14 and conclusive, except that an appeal may be taken under section 11 of  
 15 this chapter.

16 (e) **If the commission adopts the resolution and the resolution**  
 17 **includes a provision establishing or amending an allocation**  
 18 **provision under section 26 of this chapter, the commission shall file**  
 19 **a copy of the resolution with both the auditor of the county in**  
 20 **which the unit is located and the department of local government**  
 21 **finance, together with any supporting documents that are relevant**  
 22 **to the computation of assessed values in the allocation area, within**  
 23 **thirty (30) days after the date on which the commission takes final**  
 24 **action on the resolution.**

25 SECTION 45. IC 36-7-15.1-26, AS AMENDED BY P.L.86-2018,  
 26 SECTION 345, IS AMENDED TO READ AS FOLLOWS  
 27 [EFFECTIVE JULY 1, 2019]: Sec. 26. (a) As used in this section:

28 "Allocation area" means that part of a redevelopment project area  
 29 to which an allocation provision of a resolution adopted under section  
 30 8 of this chapter refers for purposes of distribution and allocation of  
 31 property taxes.

32 "Base assessed value" means, **subject to subsection (j)**, the  
 33 following:

34 (1) If an allocation provision is adopted after June 30, 1995, in a  
 35 declaratory resolution or an amendment to a declaratory  
 36 resolution establishing an economic development area:

37 (A) the net assessed value of all the property as finally  
 38 determined for the assessment date immediately preceding the  
 39 effective date of the allocation provision of the declaratory  
 40 resolution, as adjusted under subsection (h); plus

41 (B) to the extent that it is not included in clause (A), the net  
 42 assessed value of property that is assessed as residential



- 1           property under the rules of the department of local government  
 2           finance, as finally determined for any assessment date after the  
 3           effective date of the allocation provision.
- 4           (2) If an allocation provision is adopted after June 30, 1997, in a  
 5           declaratory resolution or an amendment to a declaratory  
 6           resolution establishing a redevelopment project area:  
 7           (A) the net assessed value of all the property as finally  
 8           determined for the assessment date immediately preceding the  
 9           effective date of the allocation provision of the declaratory  
 10          resolution, as adjusted under subsection (h); plus  
 11          (B) to the extent that it is not included in clause (A), the net  
 12          assessed value of property that is assessed as residential  
 13          property under the rules of the department of local government  
 14          finance, as finally determined for any assessment date after the  
 15          effective date of the allocation provision.
- 16          (3) If:  
 17          (A) an allocation provision adopted before June 30, 1995, in  
 18          a declaratory resolution or an amendment to a declaratory  
 19          resolution establishing a redevelopment project area expires  
 20          after June 30, 1997; and  
 21          (B) after June 30, 1997, a new allocation provision is included  
 22          in an amendment to the declaratory resolution;  
 23          the net assessed value of all the property as finally determined for  
 24          the assessment date immediately preceding the effective date of  
 25          the allocation provision adopted after June 30, 1997, as adjusted  
 26          under subsection (h).
- 27          (4) Except as provided in subdivision (5), for all other allocation  
 28          areas, the net assessed value of all the property as finally  
 29          determined for the assessment date immediately preceding the  
 30          effective date of the allocation provision of the declaratory  
 31          resolution, as adjusted under subsection (h).
- 32          (5) If an allocation area established in an economic development  
 33          area before July 1, 1995, is expanded after June 30, 1995, the  
 34          definition in subdivision (1) applies to the expanded part of the  
 35          area added after June 30, 1995.
- 36          (6) If an allocation area established in a redevelopment project  
 37          area before July 1, 1997, is expanded after June 30, 1997, the  
 38          definition in subdivision (2) applies to the expanded part of the  
 39          area added after June 30, 1997.
- 40          Except as provided in section 26.2 of this chapter, "property taxes"  
 41          means taxes imposed under IC 6-1.1 on real property. However, upon  
 42          approval by a resolution of the redevelopment commission adopted



1 before June 1, 1987, "property taxes" also includes taxes imposed  
2 under IC 6-1.1 on depreciable personal property. If a redevelopment  
3 commission adopted before June 1, 1987, a resolution to include within  
4 the definition of property taxes, taxes imposed under IC 6-1.1 on  
5 depreciable personal property that has a useful life in excess of eight  
6 (8) years, the commission may by resolution determine the percentage  
7 of taxes imposed under IC 6-1.1 on all depreciable personal property  
8 that will be included within the definition of property taxes. However,  
9 the percentage included must not exceed twenty-five percent (25%) of  
10 the taxes imposed under IC 6-1.1 on all depreciable personal property.

11 (b) A resolution adopted under section 8 of this chapter on or before  
12 the allocation deadline determined under subsection (i) may include a  
13 provision with respect to the allocation and distribution of property  
14 taxes for the purposes and in the manner provided in this section. A  
15 resolution previously adopted may include an allocation provision by  
16 the amendment of that resolution on or before the allocation deadline  
17 determined under subsection (i) in accordance with the procedures  
18 required for its original adoption. A declaratory resolution or  
19 amendment that establishes an allocation provision must include a  
20 specific finding of fact, supported by evidence, that the adoption of the  
21 allocation provision will result in new property taxes in the area that  
22 would not have been generated but for the adoption of the allocation  
23 provision. For an allocation area established before July 1, 1995, the  
24 expiration date of any allocation provisions for the allocation area is  
25 June 30, 2025, or the last date of any obligations that are outstanding  
26 on July 1, 2015, whichever is later. However, for an allocation area  
27 identified as the Consolidated Allocation Area in the report submitted  
28 in 2013 to the fiscal body under section 36.3 of this chapter, the  
29 expiration date of any allocation provisions for the allocation area is  
30 January 1, 2051. A declaratory resolution or an amendment that  
31 establishes an allocation provision after June 30, 1995, must specify an  
32 expiration date for the allocation provision. For an allocation area  
33 established before July 1, 2008, the expiration date may not be more  
34 than thirty (30) years after the date on which the allocation provision  
35 is established. For an allocation area established after June 30, 2008,  
36 the expiration date may not be more than twenty-five (25) years after  
37 the date on which the first obligation was incurred to pay principal and  
38 interest on bonds or lease rentals on leases payable from tax increment  
39 revenues. However, with respect to bonds or other obligations that were  
40 issued before July 1, 2008, if any of the bonds or other obligations that  
41 were scheduled when issued to mature before the specified expiration  
42 date and that are payable only from allocated tax proceeds with respect



1 to the allocation area remain outstanding as of the expiration date, the  
 2 allocation provision does not expire until all of the bonds or other  
 3 obligations are no longer outstanding. The allocation provision may  
 4 apply to all or part of the redevelopment project area. The allocation  
 5 provision must require that any property taxes subsequently levied by  
 6 or for the benefit of any public body entitled to a distribution of  
 7 property taxes on taxable property in the allocation area be allocated  
 8 and distributed as follows:

9 (1) Except as otherwise provided in this section, the proceeds of  
 10 the taxes attributable to the lesser of:

11 (A) the assessed value of the property for the assessment date  
 12 with respect to which the allocation and distribution is made;

13 or

14 (B) the base assessed value;

15 shall be allocated to and, when collected, paid into the funds of  
 16 the respective taxing units.

17 (2) The excess of the proceeds of the property taxes imposed for  
 18 the assessment date with respect to which the allocation and  
 19 distribution is made that are attributable to taxes imposed after  
 20 being approved by the voters in a referendum or local public  
 21 question conducted after April 30, 2010, not otherwise included  
 22 in subdivision (1) shall be allocated to and, when collected, paid  
 23 into the funds of the taxing unit for which the referendum or local  
 24 public question was conducted.

25 (3) Except as otherwise provided in this section, property tax  
 26 proceeds in excess of those described in subdivisions (1) and (2)  
 27 shall be allocated to the redevelopment district and, when  
 28 collected, paid into a special fund for that allocation area that may  
 29 be used by the redevelopment district only to do one (1) or more  
 30 of the following:

31 (A) Pay the principal of and interest on any obligations  
 32 payable solely from allocated tax proceeds that are incurred by  
 33 the redevelopment district for the purpose of financing or  
 34 refinancing the redevelopment of that allocation area.

35 (B) Establish, augment, or restore the debt service reserve for  
 36 bonds payable solely or in part from allocated tax proceeds in  
 37 that allocation area.

38 (C) Pay the principal of and interest on bonds payable from  
 39 allocated tax proceeds in that allocation area and from the  
 40 special tax levied under section 19 of this chapter.

41 (D) Pay the principal of and interest on bonds issued by the  
 42 consolidated city to pay for local public improvements that are



- 1 physically located in or physically connected to that allocation  
 2 area.
- 3 (E) Pay premiums on the redemption before maturity of bonds  
 4 payable solely or in part from allocated tax proceeds in that  
 5 allocation area.
- 6 (F) Make payments on leases payable from allocated tax  
 7 proceeds in that allocation area under section 17.1 of this  
 8 chapter.
- 9 (G) Reimburse the consolidated city for expenditures for local  
 10 public improvements (which include buildings, parking  
 11 facilities, and other items set forth in section 17 of this  
 12 chapter) that are physically located in or physically connected  
 13 to that allocation area.
- 14 (H) Reimburse the unit for rentals paid by it for a building or  
 15 parking facility that is physically located in or physically  
 16 connected to that allocation area under any lease entered into  
 17 under IC 36-1-10.
- 18 (I) Reimburse public and private entities for expenses incurred  
 19 in training employees of industrial facilities that are located:  
 20 (i) in the allocation area; and  
 21 (ii) on a parcel of real property that has been classified as  
 22 industrial property under the rules of the department of local  
 23 government finance.
- 24 However, the total amount of money spent for this purpose in  
 25 any year may not exceed the total amount of money in the  
 26 allocation fund that is attributable to property taxes paid by the  
 27 industrial facilities described in this clause. The  
 28 reimbursements under this clause must be made within three  
 29 (3) years after the date on which the investments that are the  
 30 basis for the increment financing are made.
- 31 (J) Pay the costs of carrying out an eligible efficiency project  
 32 (as defined in IC 36-9-41-1.5) within the unit that established  
 33 the redevelopment commission. However, property tax  
 34 proceeds may be used under this clause to pay the costs of  
 35 carrying out an eligible efficiency project only if those  
 36 property tax proceeds exceed the amount necessary to do the  
 37 following:  
 38 (i) Make, when due, any payments required under clauses  
 39 (A) through (I), including any payments of principal and  
 40 interest on bonds and other obligations payable under this  
 41 subdivision, any payments of premiums under this  
 42 subdivision on the redemption before maturity of bonds, and



- 1 any payments on leases payable under this subdivision.  
 2 (ii) Make any reimbursements required under this  
 3 subdivision.  
 4 (iii) Pay any expenses required under this subdivision.  
 5 (iv) Establish, augment, or restore any debt service reserve  
 6 under this subdivision.  
 7 (K) Expend money and provide financial assistance as  
 8 authorized in section 7(a)(21) of this chapter.  
 9 The special fund may not be used for operating expenses of the  
 10 commission.  
 11 (4) Before June 15 of each year, the commission shall do the  
 12 following:  
 13 (A) Determine the amount, if any, by which the assessed value  
 14 of the taxable property in the allocation area for the most  
 15 recent assessment date minus the base assessed value, when  
 16 multiplied by the estimated tax rate of the allocation area will  
 17 exceed the amount of assessed value needed to provide the  
 18 property taxes necessary to make, when due, principal and  
 19 interest payments on bonds described in subdivision (3) plus  
 20 the amount necessary for other purposes described in  
 21 subdivision (3) and subsection (g).  
 22 (B) Provide a written notice to the county auditor, the  
 23 legislative body of the consolidated city, the officers who are  
 24 authorized to fix budgets, tax rates, and tax levies under  
 25 IC 6-1.1-17-5 for each of the other taxing units that is wholly  
 26 or partly located within the allocation area, and (in an  
 27 electronic format) the department of local government finance.  
 28 The notice must:  
 29 (i) state the amount, if any, of excess assessed value that the  
 30 commission has determined may be allocated to the  
 31 respective taxing units in the manner prescribed in  
 32 subdivision (1); or  
 33 (ii) state that the commission has determined that there is no  
 34 excess assessed value that may be allocated to the respective  
 35 taxing units in the manner prescribed in subdivision (1).  
 36 The county auditor shall allocate to the respective taxing units  
 37 the amount, if any, of excess assessed value determined by the  
 38 commission. The commission may not authorize an allocation  
 39 to the respective taxing units under this subdivision if to do so  
 40 would endanger the interests of the holders of bonds described  
 41 in subdivision (3).  
 42 (C) If:



- 1 (i) the amount of excess assessed value determined by the  
 2 commission is expected to generate more than two hundred  
 3 percent (200%) of the amount of allocated tax proceeds  
 4 necessary to make, when due, principal and interest  
 5 payments on bonds described in subdivision (3); plus  
 6 (ii) the amount necessary for other purposes described in  
 7 subdivision (3) and subsection (g);  
 8 the commission shall submit to the legislative body of the unit  
 9 the commission's determination of the excess assessed value  
 10 that the commission proposes to allocate to the respective  
 11 taxing units in the manner prescribed in subdivision (1). The  
 12 legislative body of the unit may approve the commission's  
 13 determination or modify the amount of the excess assessed  
 14 value that will be allocated to the respective taxing units in the  
 15 manner prescribed in subdivision (1).
- 16 (c) For the purpose of allocating taxes levied by or for any taxing  
 17 unit or units, the assessed value of taxable property in a territory in the  
 18 allocation area that is annexed by any taxing unit after the effective  
 19 date of the allocation provision of the resolution is the lesser of:  
 20 (1) the assessed value of the property for the assessment date with  
 21 respect to which the allocation and distribution is made; or  
 22 (2) the base assessed value.
- 23 (d) Property tax proceeds allocable to the redevelopment district  
 24 under subsection (b)(3) may, subject to subsection (b)(4), be  
 25 irrevocably pledged by the redevelopment district for payment as set  
 26 forth in subsection (b)(3).
- 27 (e) Notwithstanding any other law, each assessor shall, upon  
 28 petition of the commission, reassess the taxable property situated upon  
 29 or in, or added to, the allocation area, effective on the next assessment  
 30 date after the petition.
- 31 (f) Notwithstanding any other law, the assessed value of all taxable  
 32 property in the allocation area, for purposes of tax limitation, property  
 33 tax replacement, and formulation of the budget, tax rate, and tax levy  
 34 for each political subdivision in which the property is located is the  
 35 lesser of:  
 36 (1) the assessed value of the property as valued without regard to  
 37 this section; or  
 38 (2) the base assessed value.
- 39 (g) If any part of the allocation area is located in an enterprise zone  
 40 created under IC 5-28-15, the unit that designated the allocation area  
 41 shall create funds as specified in this subsection. A unit that has  
 42 obligations, bonds, or leases payable from allocated tax proceeds under



1 subsection (b)(3) shall establish an allocation fund for the purposes  
 2 specified in subsection (b)(3) and a special zone fund. Such a unit  
 3 shall, until the end of the enterprise zone phase out period, deposit each  
 4 year in the special zone fund the amount in the allocation fund derived  
 5 from property tax proceeds in excess of those described in subsection  
 6 (b)(1) and (b)(2) from property located in the enterprise zone that  
 7 exceeds the amount sufficient for the purposes specified in subsection  
 8 (b)(3) for the year. A unit that has no obligations, bonds, or leases  
 9 payable from allocated tax proceeds under subsection (b)(3) shall  
 10 establish a special zone fund and deposit all the property tax proceeds  
 11 in excess of those described in subsection (b)(1) and (b)(2) in the fund  
 12 derived from property tax proceeds in excess of those described in  
 13 subsection (b)(1) and (b)(2) from property located in the enterprise  
 14 zone. The unit that creates the special zone fund shall use the fund,  
 15 based on the recommendations of the urban enterprise association, for  
 16 one (1) or more of the following purposes:

17 (1) To pay for programs in job training, job enrichment, and basic  
 18 skill development designed to benefit residents and employers in  
 19 the enterprise zone. The programs must reserve at least one-half  
 20 (1/2) of the enrollment in any session for residents of the  
 21 enterprise zone.

22 (2) To make loans and grants for the purpose of stimulating  
 23 business activity in the enterprise zone or providing employment  
 24 for enterprise zone residents in the enterprise zone. These loans  
 25 and grants may be made to the following:

26 (A) Businesses operating in the enterprise zone.

27 (B) Businesses that will move their operations to the enterprise  
 28 zone if such a loan or grant is made.

29 (3) To provide funds to carry out other purposes specified in  
 30 subsection (b)(3). However, where reference is made in  
 31 subsection (b)(3) to the allocation area, the reference refers for  
 32 purposes of payments from the special zone fund only to that part  
 33 of the allocation area that is also located in the enterprise zone.

34 (h) The state board of accounts and department of local government  
 35 finance shall make the rules and prescribe the forms and procedures  
 36 that they consider expedient for the implementation of this chapter.  
 37 After each reassessment under a reassessment plan prepared under  
 38 IC 6-1.1-4-4.2, the department of local government finance shall adjust  
 39 the base assessed value one (1) time to neutralize any effect of the  
 40 reassessment of the real property in the area on the property tax  
 41 proceeds allocated to the redevelopment district under this section.  
 42 After each annual adjustment under IC 6-1.1-4-4.5, the department of



1 local government finance shall adjust the base assessed value to  
 2 neutralize any effect of the annual adjustment on the property tax  
 3 proceeds allocated to the redevelopment district under this section.  
 4 However, the adjustments under this subsection may not include the  
 5 effect of property tax abatements under IC 6-1.1-12.1, and these  
 6 adjustments may not produce less property tax proceeds allocable to  
 7 the redevelopment district under subsection (b)(3) than would  
 8 otherwise have been received if the reassessment under the  
 9 reassessment plan or annual adjustment had not occurred. The  
 10 department of local government finance may prescribe procedures for  
 11 county and township officials to follow to assist the department in  
 12 making the adjustments.

13 (i) The allocation deadline referred to in subsection (b) is  
 14 determined in the following manner:

15 (1) The initial allocation deadline is December 31, 2011.

16 (2) Subject to subdivision (3), the initial allocation deadline and  
 17 subsequent allocation deadlines are automatically extended in  
 18 increments of five (5) years, so that allocation deadlines  
 19 subsequent to the initial allocation deadline fall on December 31,  
 20 2016, and December 31 of each fifth year thereafter.

21 (3) At least one (1) year before the date of an allocation deadline  
 22 determined under subdivision (2), the general assembly may enact  
 23 a law that:

24 (A) terminates the automatic extension of allocation deadlines  
 25 under subdivision (2); and

26 (B) specifically designates a particular date as the final  
 27 allocation deadline.

28 **(j) If the commission adopts a declaratory resolution or an**  
 29 **amendment to a declaratory resolution that contains an allocation**  
 30 **provision and the commission makes either of the filings required**  
 31 **under section 10(e) of this chapter after the first anniversary of the**  
 32 **effective date of the allocation provision, the auditor of the county**  
 33 **in which the unit is located shall compute the base assessed value**  
 34 **for the allocation area using the assessment date immediately**  
 35 **preceding the later of:**

36 **(1) the date on which the documents are filed with the county**  
 37 **auditor; or**

38 **(2) the date on which the documents are filed with the**  
 39 **department of local government finance.**

40 SECTION 46. IC 36-7-15.1-26.2, AS AMENDED BY  
 41 P.L.172-2011, SECTION 153, IS AMENDED TO READ AS  
 42 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 26.2. (a) As used in this



1 section, "depreciable personal property" refers to all of the designated  
 2 taxpayer's depreciable personal property that is located in the allocation  
 3 area.

4 (b) As used in this section, "designated taxpayer" means a taxpayer  
 5 designated by the commission in a declaratory resolution adopted or  
 6 amended under section 8 or 10.5 of this chapter, and with respect to  
 7 which the commission finds that:

8 (1) taxes to be derived from the taxpayer's depreciable personal  
 9 property in the allocation area, in excess of the taxes attributable  
 10 to the base assessed value of that personal property, are needed to  
 11 pay debt service for bonds issued under section 17 of this chapter  
 12 or to make payments on leases payable under section 17.1 of this  
 13 chapter in order to provide local public improvements for a  
 14 particular allocation area;

15 (2) the taxpayer's property in the allocation area will consist  
 16 primarily of industrial, manufacturing, warehousing, research and  
 17 development, processing, distribution, transportation, or  
 18 convention center hotel related projects or regulated amusement  
 19 devices (as defined in IC 22-12-1-19.1) and related  
 20 improvements; and

21 (3) the taxpayer's property in the allocation area will not consist  
 22 primarily of retail, commercial, or residential projects, other than  
 23 an amusement park or tourism industry project.

24 For purposes of subdivision (3), a convention center hotel project is not  
 25 considered a retail, commercial, or residential project.

26 (c) The allocation provision of a declaratory resolution may modify  
 27 the definition of "property taxes" under section 26(a) of this chapter to  
 28 include taxes imposed under IC 6-1.1 on the depreciable personal  
 29 property of designated taxpayers in accordance with the procedures and  
 30 limitations set forth in this section and section 26 of this chapter. If  
 31 such a modification is included in the resolution, for purposes of  
 32 section 26 of this chapter the term "base assessed value" with respect  
 33 to the depreciable personal property of designated taxpayers means,  
 34 **subject to section 26(j) of this chapter**, the net assessed value of the  
 35 depreciable personal property as finally determined for the assessment  
 36 date immediately preceding:

37 (1) the effective date of the modification, for modifications  
 38 adopted before July 1, 1995; and

39 (2) the adoption date of the modification for modifications  
 40 adopted after June 30, 1995;

41 as adjusted under section 26(h) of this chapter.

42 SECTION 47. IC 36-7-15.1-35, AS AMENDED BY P.L.184-2016,



1 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 2 JULY 1, 2019]: Sec. 35. (a) Notwithstanding section 26(a) of this  
 3 chapter, with respect to the allocation and distribution of property taxes  
 4 for the accomplishment of a program adopted under section 32 of this  
 5 chapter, "base assessed value" means, **subject to section 26(j) of this**  
 6 **chapter**, the net assessed value of all of the land as finally determined  
 7 for the assessment date immediately preceding the effective date of the  
 8 allocation provision, as adjusted under section 26(h) of this chapter.  
 9 However, "base assessed value" does not include the value of real  
 10 property improvements to the land.

11 (b) The special fund established under section 26(b) of this chapter  
 12 for the allocation area for a program adopted under section 32 of this  
 13 chapter may be used only for purposes related to the accomplishment  
 14 of the program, including the following:

15 (1) The construction, rehabilitation, or repair of residential units  
 16 within the allocation area.

17 (2) The construction, reconstruction, or repair of infrastructure  
 18 (such as streets, sidewalks, and sewers) within or serving the  
 19 allocation area.

20 (3) The acquisition of real property and interests in real property  
 21 within the allocation area.

22 (4) The demolition of real property within the allocation area.

23 (5) To provide financial assistance to enable individuals and  
 24 families to purchase or lease residential units within the allocation  
 25 area. However, financial assistance may be provided only to those  
 26 individuals and families whose income is at or below the county's  
 27 median income for individuals and families, respectively.

28 (6) To provide financial assistance to neighborhood development  
 29 corporations to permit them to provide financial assistance for the  
 30 purposes described in subdivision (5).

31 (7) For property taxes first due and payable before 2009, to  
 32 provide each taxpayer in the allocation area a credit for property  
 33 tax replacement as determined under subsections (c) and (d).  
 34 However, this credit may be provided by the commission only if  
 35 the city-county legislative body establishes the credit by  
 36 ordinance adopted in the year before the year in which the credit  
 37 is provided.

38 (c) The maximum credit that may be provided under subsection  
 39 (b)(7) to a taxpayer in a taxing district that contains all or part of an  
 40 allocation area established for a program adopted under section 32 of  
 41 this chapter shall be determined as follows:

42 STEP ONE: Determine that part of the sum of the amounts



1 described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2)  
 2 through IC 6-1.1-21-2(g)(5) (before their repeal) that is  
 3 attributable to the taxing district.

4 STEP TWO: Divide:

5 (A) that part of each county's eligible property tax replacement  
 6 amount (as defined in IC 6-1.1-21-2 (before its repeal)) for  
 7 that year as determined under IC 6-1.1-21-4(a)(1) (before its  
 8 repeal) that is attributable to the taxing district; by

9 (B) the amount determined under STEP ONE.

10 STEP THREE: Multiply:

11 (A) the STEP TWO quotient; by

12 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its  
 13 repeal)) levied in the taxing district allocated to the allocation  
 14 fund, including the amount that would have been allocated but  
 15 for the credit.

16 (d) Except as provided in subsection (g), the commission may  
 17 determine to grant to taxpayers in an allocation area from its allocation  
 18 fund a credit under this section, as calculated under subsection (c), by  
 19 applying one-half (1/2) of the credit to each installment of taxes (as  
 20 defined in IC 6-1.1-21-2 (before its repeal)) that under IC 6-1.1-22-9  
 21 are due and payable in a year. Except as provided in subsection (g),  
 22 one-half (1/2) of the credit shall be applied to each installment of taxes  
 23 (as defined in IC 6-1.1-21-2 (before its repeal)). The commission must  
 24 provide for the credit annually by a resolution and must find in the  
 25 resolution the following:

26 (1) That the money to be collected and deposited in the allocation  
 27 fund, based upon historical collection rates, after granting the  
 28 credit will equal the amounts payable for contractual obligations  
 29 from the fund, plus ten percent (10%) of those amounts.

30 (2) If bonds payable from the fund are outstanding, that there is  
 31 a debt service reserve for the bonds that at least equals the amount  
 32 of the credit to be granted.

33 (3) If bonds of a lessor under section 17.1 of this chapter or under  
 34 IC 36-1-10 are outstanding and if lease rentals are payable from  
 35 the fund, that there is a debt service reserve for those bonds that  
 36 at least equals the amount of the credit to be granted.

37 If the tax increment is insufficient to grant the credit in full, the  
 38 commission may grant the credit in part, prorated among all taxpayers.

39 (e) Notwithstanding section 26(b) of this chapter, the special fund  
 40 established under section 26(b) of this chapter for the allocation area  
 41 for a program adopted under section 32 of this chapter may only be  
 42 used to do one (1) or more of the following:

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- 1 (1) Accomplish one (1) or more of the actions set forth in section  
 2 26(b)(3)(A) through 26(b)(3)(H) of this chapter.  
 3 (2) Reimburse the consolidated city for expenditures made by the  
 4 city in order to accomplish the housing program in that allocation  
 5 area.  
 6 The special fund may not be used for operating expenses of the  
 7 commission.  
 8 (f) Notwithstanding section 26(b) of this chapter, the commission  
 9 shall, relative to the special fund established under section 26(b) of this  
 10 chapter for an allocation area for a program adopted under section 32  
 11 of this chapter, do the following before June 15 of each year:  
 12 (1) Determine the amount, if any, by which the assessed value of  
 13 the taxable property in the allocation area, when multiplied by the  
 14 estimated tax rate of the allocation area, will exceed the amount  
 15 of assessed value needed to produce the property taxes necessary  
 16 to:  
 17 (A) make the distribution required under section 26(b)(2) of  
 18 this chapter;  
 19 (B) make, when due, principal and interest payments on bonds  
 20 described in section 26(b)(3) of this chapter;  
 21 (C) pay the amount necessary for other purposes described in  
 22 section 26(b)(3) of this chapter; and  
 23 (D) reimburse the consolidated city for anticipated  
 24 expenditures described in subsection (e)(2).  
 25 (2) Provide a written notice to the county auditor, the legislative  
 26 body of the consolidated city, the officers who are authorized to  
 27 fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each  
 28 of the other taxing units that is wholly or partly located within the  
 29 allocation area, and (in an electronic format) the department of  
 30 local government finance. The notice must:  
 31 (A) state the amount, if any, of excess assessed value that the  
 32 commission has determined may be allocated to the respective  
 33 taxing units in the manner prescribed in section 26(b)(1) of  
 34 this chapter; or  
 35 (B) state that the commission has determined that there is no  
 36 excess assessed value that may be allocated to the respective  
 37 taxing units in the manner prescribed in section 26(b)(1) of  
 38 this chapter.  
 39 The county auditor shall allocate to the respective taxing units the  
 40 amount, if any, of excess assessed value determined by the  
 41 commission.  
 42 (g) This subsection applies to an allocation area only to the extent



1 that the net assessed value of property that is assessed as residential  
 2 property under the rules of the department of local government finance  
 3 is not included in the base assessed value. If property tax installments  
 4 with respect to a homestead (as defined in IC 6-1.1-20.9-1 (before its  
 5 repeal)) are due in installments established by the department of local  
 6 government finance under IC 6-1.1-22-9.5, each taxpayer subject to  
 7 those installments in an allocation area is entitled to an additional  
 8 credit under subsection (d) for the taxes (as defined in IC 6-1.1-21-2  
 9 (before its repeal)) due in installments. The credit shall be applied in  
 10 the same proportion to each installment of taxes (as defined in  
 11 IC 6-1.1-21-2 (before its repeal)).

12 SECTION 48. IC 36-7-15.1-53, AS AMENDED BY P.L.86-2018,  
 13 SECTION 346, IS AMENDED TO READ AS FOLLOWS  
 14 [EFFECTIVE JULY 1, 2019]: Sec. 53. (a) As used in this section:

15 "Allocation area" means that part of a redevelopment project area  
 16 to which an allocation provision of a resolution adopted under section  
 17 40 of this chapter refers for purposes of distribution and allocation of  
 18 property taxes.

19 "Base assessed value" means, **subject to subsection (j):**

- 20 (1) the net assessed value of all the property as finally determined  
 21 for the assessment date immediately preceding the effective date  
 22 of the allocation provision of the declaratory resolution, as  
 23 adjusted under subsection (h); plus  
 24 (2) to the extent that it is not included in subdivision (1), the net  
 25 assessed value of property that is assessed as residential property  
 26 under the rules of the department of local government finance, as  
 27 finally determined for any assessment date after the effective date  
 28 of the allocation provision.

29 Except as provided in section 55 of this chapter, "property taxes"  
 30 means taxes imposed under IC 6-1.1 on real property.

31 (b) A resolution adopted under section 40 of this chapter on or  
 32 before the allocation deadline determined under subsection (i) may  
 33 include a provision with respect to the allocation and distribution of  
 34 property taxes for the purposes and in the manner provided in this  
 35 section. A resolution previously adopted may include an allocation  
 36 provision by the amendment of that resolution on or before the  
 37 allocation deadline determined under subsection (i) in accordance with  
 38 the procedures required for its original adoption. A declaratory  
 39 resolution or an amendment that establishes an allocation provision  
 40 must be approved by resolution of the legislative body of the excluded  
 41 city and must specify an expiration date for the allocation provision.  
 42 For an allocation area established before July 1, 2008, the expiration



1 date may not be more than thirty (30) years after the date on which the  
2 allocation provision is established. For an allocation area established  
3 after June 30, 2008, the expiration date may not be more than  
4 twenty-five (25) years after the date on which the first obligation was  
5 incurred to pay principal and interest on bonds or lease rentals on  
6 leases payable from tax increment revenues. However, with respect to  
7 bonds or other obligations that were issued before July 1, 2008, if any  
8 of the bonds or other obligations that were scheduled when issued to  
9 mature before the specified expiration date and that are payable only  
10 from allocated tax proceeds with respect to the allocation area remain  
11 outstanding as of the expiration date, the allocation provision does not  
12 expire until all of the bonds or other obligations are no longer  
13 outstanding. The allocation provision may apply to all or part of the  
14 redevelopment project area. The allocation provision must require that  
15 any property taxes subsequently levied by or for the benefit of any  
16 public body entitled to a distribution of property taxes on taxable  
17 property in the allocation area be allocated and distributed as follows:

18 (1) Except as otherwise provided in this section, the proceeds of  
19 the taxes attributable to the lesser of:

20 (A) the assessed value of the property for the assessment date  
21 with respect to which the allocation and distribution is made;  
22 or

23 (B) the base assessed value;

24 shall be allocated to and, when collected, paid into the funds of  
25 the respective taxing units.

26 (2) The excess of the proceeds of the property taxes imposed for  
27 the assessment date with respect to which the allocation and  
28 distribution is made that are attributable to taxes imposed after  
29 being approved by the voters in a referendum or local public  
30 question conducted after April 30, 2010, not otherwise included  
31 in subdivision (1) shall be allocated to and, when collected, paid  
32 into the funds of the taxing unit for which the referendum or local  
33 public question was conducted.

34 (3) Except as otherwise provided in this section, property tax  
35 proceeds in excess of those described in subdivisions (1) and (2)  
36 shall be allocated to the redevelopment district and, when  
37 collected, paid into a special fund for that allocation area that may  
38 be used by the redevelopment district only to do one (1) or more  
39 of the following:

40 (A) Pay the principal of and interest on any obligations  
41 payable solely from allocated tax proceeds that are incurred by  
42 the redevelopment district for the purpose of financing or



- 1 refinancing the redevelopment of that allocation area.  
 2 (B) Establish, augment, or restore the debt service reserve for  
 3 bonds payable solely or in part from allocated tax proceeds in  
 4 that allocation area.  
 5 (C) Pay the principal of and interest on bonds payable from  
 6 allocated tax proceeds in that allocation area and from the  
 7 special tax levied under section 50 of this chapter.  
 8 (D) Pay the principal of and interest on bonds issued by the  
 9 excluded city to pay for local public improvements that are  
 10 physically located in or physically connected to that allocation  
 11 area.  
 12 (E) Pay premiums on the redemption before maturity of bonds  
 13 payable solely or in part from allocated tax proceeds in that  
 14 allocation area.  
 15 (F) Make payments on leases payable from allocated tax  
 16 proceeds in that allocation area under section 46 of this  
 17 chapter.  
 18 (G) Reimburse the excluded city for expenditures for local  
 19 public improvements (which include buildings, park facilities,  
 20 and other items set forth in section 45 of this chapter) that are  
 21 physically located in or physically connected to that allocation  
 22 area.  
 23 (H) Reimburse the unit for rentals paid by it for a building or  
 24 parking facility that is physically located in or physically  
 25 connected to that allocation area under any lease entered into  
 26 under IC 36-1-10.  
 27 (I) Reimburse public and private entities for expenses incurred  
 28 in training employees of industrial facilities that are located:  
 29 (i) in the allocation area; and  
 30 (ii) on a parcel of real property that has been classified as  
 31 industrial property under the rules of the department of local  
 32 government finance.  
 33 However, the total amount of money spent for this purpose in  
 34 any year may not exceed the total amount of money in the  
 35 allocation fund that is attributable to property taxes paid by the  
 36 industrial facilities described in this clause. The  
 37 reimbursements under this clause must be made within three  
 38 (3) years after the date on which the investments that are the  
 39 basis for the increment financing are made.  
 40 The special fund may not be used for operating expenses of the  
 41 commission.  
 42 (4) Before June 15 of each year, the commission shall do the



- 1 following:
- 2 (A) Determine the amount, if any, by which the assessed value
- 3 of the taxable property in the allocation area for the most
- 4 recent assessment date minus the base assessed value, when
- 5 multiplied by the estimated tax rate of the allocation area, will
- 6 exceed the amount of assessed value needed to provide the
- 7 property taxes necessary to make, when due, principal and
- 8 interest payments on bonds described in subdivision (3) plus
- 9 the amount necessary for other purposes described in
- 10 subdivision (3) and subsection (g).
- 11 (B) Provide a written notice to the county auditor, the fiscal
- 12 body of the county or municipality that established the
- 13 department of redevelopment, the officers who are authorized
- 14 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for
- 15 each of the other taxing units that is wholly or partly located
- 16 within the allocation area, and (in an electronic format) the
- 17 department of local government finance. The notice must:
- 18 (i) state the amount, if any, of excess assessed value that the
- 19 commission has determined may be allocated to the
- 20 respective taxing units in the manner prescribed in
- 21 subdivision (1); or
- 22 (ii) state that the commission has determined that there is no
- 23 excess assessed value that may be allocated to the respective
- 24 taxing units in the manner prescribed in subdivision (1).
- 25 The county auditor shall allocate to the respective taxing units
- 26 the amount, if any, of excess assessed value determined by the
- 27 commission. The commission may not authorize an allocation
- 28 to the respective taxing units under this subdivision if to do so
- 29 would endanger the interests of the holders of bonds described
- 30 in subdivision (3).
- 31 (c) For the purpose of allocating taxes levied by or for any taxing
- 32 unit or units, the assessed value of taxable property in a territory in the
- 33 allocation area that is annexed by any taxing unit after the effective
- 34 date of the allocation provision of the resolution is the lesser of:
- 35 (1) the assessed value of the property for the assessment date with
- 36 respect to which the allocation and distribution is made; or
- 37 (2) the base assessed value.
- 38 (d) Property tax proceeds allocable to the redevelopment district
- 39 under subsection (b)(3) may, subject to subsection (b)(4), be
- 40 irrevocably pledged by the redevelopment district for payment as set
- 41 forth in subsection (b)(3).
- 42 (e) Notwithstanding any other law, each assessor shall, upon



1 petition of the commission, reassess the taxable property situated upon  
 2 or in, or added to, the allocation area, effective on the next assessment  
 3 date after the petition.

4 (f) Notwithstanding any other law, the assessed value of all taxable  
 5 property in the allocation area, for purposes of tax limitation, property  
 6 tax replacement, and formulation of the budget, tax rate, and tax levy  
 7 for each political subdivision in which the property is located, is the  
 8 lesser of:

9 (1) the assessed value of the property as valued without regard to  
 10 this section; or

11 (2) the base assessed value.

12 (g) If any part of the allocation area is located in an enterprise zone  
 13 created under IC 5-28-15, the unit that designated the allocation area  
 14 shall create funds as specified in this subsection. A unit that has  
 15 obligations, bonds, or leases payable from allocated tax proceeds under  
 16 subsection (b)(3) shall establish an allocation fund for the purposes  
 17 specified in subsection (b)(3) and a special zone fund. Such a unit  
 18 shall, until the end of the enterprise zone phase out period, deposit each  
 19 year in the special zone fund the amount in the allocation fund derived  
 20 from property tax proceeds in excess of those described in subsection  
 21 (b)(1) and (b)(2) from property located in the enterprise zone that  
 22 exceeds the amount sufficient for the purposes specified in subsection  
 23 (b)(3) for the year. A unit that has no obligations, bonds, or leases  
 24 payable from allocated tax proceeds under subsection (b)(3) shall  
 25 establish a special zone fund and deposit all the property tax proceeds  
 26 in excess of those described in subsection (b)(1) and (b)(2) in the fund  
 27 derived from property tax proceeds in excess of those described in  
 28 subsection (b)(1) and (b)(2) from property located in the enterprise  
 29 zone. The unit that creates the special zone fund shall use the fund,  
 30 based on the recommendations of the urban enterprise association, for  
 31 one (1) or more of the following purposes:

32 (1) To pay for programs in job training, job enrichment, and basic  
 33 skill development designed to benefit residents and employers in  
 34 the enterprise zone. The programs must reserve at least one-half  
 35 (1/2) of the enrollment in any session for residents of the  
 36 enterprise zone.

37 (2) To make loans and grants for the purpose of stimulating  
 38 business activity in the enterprise zone or providing employment  
 39 for enterprise zone residents in an enterprise zone. These loans  
 40 and grants may be made to the following:

41 (A) Businesses operating in the enterprise zone.

42 (B) Businesses that will move their operations to the enterprise



- 1           zone if such a loan or grant is made.
- 2           (3) To provide funds to carry out other purposes specified in
- 3           subsection (b)(3). However, where reference is made in
- 4           subsection (b)(3) to the allocation area, the reference refers, for
- 5           purposes of payments from the special zone fund, only to that part
- 6           of the allocation area that is also located in the enterprise zone.
- 7           (h) The state board of accounts and department of local government
- 8           finance shall make the rules and prescribe the forms and procedures
- 9           that they consider expedient for the implementation of this chapter.
- 10          After each reassessment of real property in an area under a county's
- 11          reassessment plan prepared under IC 6-1.1-4-4.2, the department of
- 12          local government finance shall adjust the base assessed value one (1)
- 13          time to neutralize any effect of the reassessment of the real property in
- 14          the area on the property tax proceeds allocated to the redevelopment
- 15          district under this section. After each annual adjustment under
- 16          IC 6-1.1-4-4.5, the department of local government finance shall adjust
- 17          the base assessed value to neutralize any effect of the annual
- 18          adjustment on the property tax proceeds allocated to the redevelopment
- 19          district under this section. However, the adjustments under this
- 20          subsection may not include the effect of property tax abatements under
- 21          IC 6-1.1-12.1, and these adjustments may not produce less property tax
- 22          proceeds allocable to the redevelopment district under subsection
- 23          (b)(3) than would otherwise have been received if the reassessment
- 24          under the county's reassessment plan or annual adjustment had not
- 25          occurred. The department of local government finance may prescribe
- 26          procedures for county and township officials to follow to assist the
- 27          department in making the adjustments.
- 28          (i) The allocation deadline referred to in subsection (b) is
- 29          determined in the following manner:
- 30                (1) The initial allocation deadline is December 31, 2011.
- 31                (2) Subject to subdivision (3), the initial allocation deadline and
- 32                subsequent allocation deadlines are automatically extended in
- 33                increments of five (5) years, so that allocation deadlines
- 34                subsequent to the initial allocation deadline fall on December 31,
- 35                2016, and December 31 of each fifth year thereafter.
- 36                (3) At least one (1) year before the date of an allocation deadline
- 37                determined under subdivision (2), the general assembly may enact
- 38                a law that:
- 39                    (A) terminates the automatic extension of allocation deadlines
- 40                    under subdivision (2); and
- 41                    (B) specifically designates a particular date as the final
- 42                    allocation deadline.



1           **(j) If the commission adopts a declaratory resolution or an**  
 2 **amendment to a declaratory resolution that contains an allocation**  
 3 **provision and the commission makes either of the filings required**  
 4 **under section 10(e) of this chapter after the first anniversary of the**  
 5 **effective date of the allocation provision, the auditor of the county**  
 6 **in which the unit is located shall compute the base assessed value**  
 7 **for the allocation area using the assessment date immediately**  
 8 **preceding the later of:**

9           **(1) the date on which the documents are filed with the county**  
 10 **auditor; or**

11           **(2) the date on which the documents are filed with the**  
 12 **department of local government finance.**

13           SECTION 49. IC 36-7-15.1-55, AS AMENDED BY P.L.172-2011,  
 14 SECTION 155, IS AMENDED TO READ AS FOLLOWS  
 15 [EFFECTIVE JULY 1, 2019]: Sec. 55. (a) As used in this section,  
 16 "depreciable personal property" refers to all of the designated  
 17 taxpayer's depreciable personal property that is located in the allocation  
 18 area.

19           (b) As used in this section, "designated taxpayer" means a taxpayer  
 20 designated by the commission in a declaratory resolution adopted or  
 21 amended under section 40(a) or 40(b) of this chapter, and with respect  
 22 to which the commission finds that:

23           (1) taxes to be derived from the taxpayer's depreciable personal  
 24 property in the allocation area, in excess of the taxes attributable  
 25 to the base assessed value of that personal property, are needed to  
 26 pay debt service for bonds issued under section 45 of this chapter  
 27 to make payments on leases payable under section 46 of this  
 28 chapter in order to provide local public improvements for a  
 29 particular allocation area;

30           (2) the taxpayer's property in the allocation area will consist  
 31 primarily of industrial, manufacturing, warehousing, research and  
 32 development, processing, distribution, or transportation related  
 33 projects or regulated amusement devices (as defined in  
 34 IC 22-12-1-19.1) and related improvements; and

35           (3) the taxpayer's property in the allocation area will not consist  
 36 primarily of retail, commercial, or residential projects, other than  
 37 an amusement park or tourism industry project.

38           (c) The allocation provision of a declaratory resolution may modify  
 39 the definition of "property taxes" under section 53(a) of this chapter to  
 40 include taxes imposed under IC 6-1.1 on the depreciable personal  
 41 property of designated taxpayers in accordance with the procedures and  
 42 limitations set forth in this section and section 53 of this chapter. If



1 such a modification is included in the resolution, for purposes of  
 2 section 53 of this chapter, the term "base assessed value" with respect  
 3 to the depreciable personal property of designated taxpayers means,  
 4 **subject to section 53(j) of this chapter**, the net assessed value of the  
 5 depreciable personal property as finally determined for the assessment  
 6 date immediately preceding the adoption date of the modification as  
 7 adjusted under section 53(h) of this chapter.

8 SECTION 50. IC 36-7-15.1-62, AS AMENDED BY P.L.184-2016,  
 9 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 10 JULY 1, 2019]: Sec. 62. (a) Notwithstanding section 26(a) of this  
 11 chapter, with respect to the allocation and distribution of property taxes  
 12 for the accomplishment of the purposes of an age-restricted housing  
 13 program adopted under section 59 of this chapter, "base assessed  
 14 value" means, **subject to section 26(j) of this chapter**, the net assessed  
 15 value of all of the property, other than personal property, as finally  
 16 determined for the assessment date immediately preceding the effective  
 17 date of the allocation provision, as adjusted under section 26(h) of this  
 18 chapter.

19 (b) The allocation fund established under section 26(b) of this  
 20 chapter for the allocation area for an age-restricted housing program  
 21 adopted under section 59 of this chapter may be used only for purposes  
 22 related to the accomplishment of the purposes of the program,  
 23 including, but not limited to, the following:

- 24 (1) The construction of any infrastructure (including streets,  
 25 sidewalks, and sewers) or local public improvements in, serving,  
 26 or benefiting the allocation area.  
 27 (2) The acquisition of real property and interests in real property  
 28 within the allocation area.  
 29 (3) The preparation of real property in anticipation of  
 30 development of the real property within the allocation area.  
 31 (4) To do any of the following:  
 32 (A) Pay the principal of and interest on bonds or any other  
 33 obligations payable from allocated tax proceeds in the  
 34 allocation area that are incurred by the redevelopment district  
 35 for the purpose of financing or refinancing the age-restricted  
 36 housing program established under section 59 of this chapter  
 37 for the allocation area.  
 38 (B) Establish, augment, or restore the debt service reserve for  
 39 bonds payable solely or in part from allocated tax proceeds in  
 40 the allocation area.  
 41 (C) Pay the principal of and interest on bonds payable from  
 42 allocated tax proceeds in the allocation area and from the



- 1 special tax levied under section 19 of this chapter.
- 2 (D) Pay the principal of and interest on bonds issued by the
- 3 unit to pay for local public improvements that are physically
- 4 located in or physically connected to the allocation area.
- 5 (E) Pay premiums on the redemption before maturity of bonds
- 6 payable solely or in part from allocated tax proceeds in the
- 7 allocation area.
- 8 (F) Make payments on leases payable from allocated tax
- 9 proceeds in the allocation area under section 17.1 of this
- 10 chapter.
- 11 (G) Reimburse the unit for expenditures made by the unit for
- 12 local public improvements (which include buildings, parking
- 13 facilities, and other items described in section 17(a) of this
- 14 chapter) that are physically located in or physically connected
- 15 to the allocation area.
- 16 (c) Notwithstanding section 26(b) of this chapter, the commission
- 17 shall, relative to the allocation fund established under section 26(b) of
- 18 this chapter for an allocation area for an age-restricted housing program
- 19 adopted under section 59 of this chapter, do the following before June
- 20 15 of each year:
- 21 (1) Determine the amount, if any, by which the assessed value of
- 22 the taxable property in the allocation area for the most recent
- 23 assessment date minus the base assessed value, when multiplied
- 24 by the estimated tax rate of the allocation area, will exceed the
- 25 amount of assessed value needed to produce the property taxes
- 26 necessary to:
- 27 (A) make the distribution required under section 26(b)(2) of
- 28 this chapter;
- 29 (B) make, when due, principal and interest payments on bonds
- 30 described in section 26(b)(3) of this chapter;
- 31 (C) pay the amount necessary for other purposes described in
- 32 section 26(b)(3) of this chapter; and
- 33 (D) reimburse the county or municipality for anticipated
- 34 expenditures described in subsection (b)(2).
- 35 (2) Provide a written notice to the county auditor, the fiscal body
- 36 of the county or municipality that established the department of
- 37 redevelopment, the officers who are authorized to fix budgets, tax
- 38 rates, and tax levies under IC 6-1.1-17-5 for each of the other
- 39 taxing units that is wholly or partly located within the allocation
- 40 area, and (in an electronic format) the department of local
- 41 government finance. The notice must:
- 42 (A) state the amount, if any, of excess property taxes that the



1 commission has determined may be paid to the respective  
 2 taxing units in the manner prescribed in section 26(b)(1) of  
 3 this chapter; or

4 (B) state that the commission has determined that there is no  
 5 excess assessed value that may be allocated to the respective  
 6 taxing units in the manner prescribed in subdivision (1).

7 The county auditor shall allocate to the respective taxing units the  
 8 amount, if any, of excess assessed value determined by the  
 9 commission.

10 SECTION 51. IC 36-7-30-12 IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 12. (a) After receipt of  
 12 all orders and approvals required under section 11 of this chapter, the  
 13 reuse authority shall publish notice of the adoption and the substance  
 14 of the resolution in accordance with IC 5-3-1. The notice must name a  
 15 date when the reuse authority will receive and hear remonstrances and  
 16 objections from persons interested in or affected by the proceedings  
 17 concerning the proposed project and will determine the public utility  
 18 and benefit of the proposed project. All persons affected in any manner  
 19 by the hearing, including all taxpayers of the special taxing district,  
 20 shall be considered notified of the pendency of the hearing and of  
 21 subsequent acts, hearings, adjournments, and orders of the reuse  
 22 authority by the notice given under this section.

23 (b) At the hearing, which may be adjourned from time to time, the  
 24 reuse authority shall hear all persons interested in the proceedings and  
 25 shall consider all written remonstrances and objections that have been  
 26 filed. After considering the evidence presented, the reuse authority  
 27 shall take final action determining the public utility and benefit of the  
 28 proposed project, and confirming, modifying and confirming, or  
 29 rescinding the resolution. The final action taken by the reuse authority  
 30 is final and conclusive, except that an appeal may be taken in the  
 31 manner prescribed by section 14 of this chapter.

32 **(c) If the reuse authority confirms, or modifies and confirms, the**  
 33 **resolution and the resolution includes a provision establishing or**  
 34 **amending an allocation provision under section 25 of this chapter,**  
 35 **the reuse authority shall file a copy of the resolution with both the**  
 36 **auditor of the county in which the proposed project is located and**  
 37 **the department of local government finance, together with any**  
 38 **supporting documents that are relevant to the computation of**  
 39 **assessed values in the allocation area, within thirty (30) days after**  
 40 **the date on which the reuse authority takes final action on the**  
 41 **resolution.**

42 SECTION 52. IC 36-7-30-13 IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 13. (a) The reuse  
 2 authority must conduct a public hearing before amending a resolution  
 3 or plan for a military base reuse area. The reuse authority shall give  
 4 notice of the hearing in accordance with IC 5-3-1. The notice must do  
 5 the following:

- 6 (1) Set forth the substance of the proposed amendment.  
 7 (2) State the time and place where written remonstrances against  
 8 the proposed amendment may be filed.  
 9 (3) Set forth the time and place of the hearing.  
 10 (4) State that the reuse authority will hear any person who has  
 11 filed a written remonstrance during the filing period set forth in  
 12 subdivision (2).

13 (b) For the purposes of this section, the consolidation of areas is not  
 14 considered the enlargement of the boundaries of an area.

15 (c) If the reuse authority proposes to amend a resolution or plan, the  
 16 military base reuse authority is not required to have evidence or make  
 17 findings that were required for the establishment of the original  
 18 military base reuse area. However, the reuse authority must make the  
 19 following findings before approving the amendment:

- 20 (1) The amendment is reasonable and appropriate when  
 21 considered in relation to the original resolution or plan and the  
 22 purposes of this chapter.  
 23 (2) The resolution or plan, with the proposed amendment,  
 24 conforms to the comprehensive plan for the unit.

25 (d) Notwithstanding subsections (a) and (c), if the resolution or plan  
 26 is proposed to be amended in a way that enlarges the original  
 27 boundaries of the area by more than twenty percent (20%), the reuse  
 28 authority must use the procedure provided for the original  
 29 establishment of areas and must comply with sections 10 through 12 of  
 30 this chapter.

31 (e) At the hearing on the amendments, the reuse authority shall  
 32 consider written remonstrances that are filed. The action of the reuse  
 33 authority on the amendment is final and conclusive, except that an  
 34 appeal of the reuse authority's action may be taken under section 14 of  
 35 this chapter.

36 **(f) If the reuse authority confirms, or modifies and confirms, the**  
 37 **resolution and the resolution includes a provision establishing or**  
 38 **amending an allocation provision under section 25 of this chapter,**  
 39 **the reuse authority shall file a copy of the resolution with both the**  
 40 **auditor of the county in which the proposed project is located and**  
 41 **the department of local government finance, together with any**  
 42 **supporting documents that are relevant to the computation of**



1 **assessed values in the allocation area, within thirty (30) days after**  
 2 **the date on which the reuse authority takes final action on the**  
 3 **resolution.**

4 SECTION 53. IC 36-7-30-25, AS AMENDED BY P.L.86-2018,  
 5 SECTION 347, IS AMENDED TO READ AS FOLLOWS  
 6 [EFFECTIVE JULY 1, 2019]: Sec. 25. (a) The following definitions  
 7 apply throughout this section:

8 (1) "Allocation area" means that part of a military base reuse area  
 9 to which an allocation provision of a declaratory resolution  
 10 adopted under section 10 of this chapter refers for purposes of  
 11 distribution and allocation of property taxes.

12 (2) "Base assessed value" means, **subject to subsection (i):**

13 (A) the net assessed value of all the property as finally  
 14 determined for the assessment date immediately preceding the  
 15 adoption date of the allocation provision of the declaratory  
 16 resolution, as adjusted under subsection (h); plus

17 (B) to the extent that it is not included in clause (A) or (C), the  
 18 net assessed value of any and all parcels or classes of parcels  
 19 identified as part of the base assessed value in the declaratory  
 20 resolution or an amendment thereto, as finally determined for  
 21 any subsequent assessment date; plus

22 (C) to the extent that it is not included in clause (A) or (B), the  
 23 net assessed value of property that is assessed as residential  
 24 property under the rules of the department of local government  
 25 finance, as finally determined for any assessment date after the  
 26 effective date of the allocation provision.

27 Clause (C) applies only to allocation areas established in a  
 28 military reuse area after June 30, 1997, and to the part of an  
 29 allocation area that was established before June 30, 1997, and that  
 30 is added to an existing allocation area after June 30, 1997.

31 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real  
 32 property.

33 (b) A declaratory resolution adopted under section 10 of this chapter  
 34 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory  
 35 resolutions adopted under IC 36-7-14-15 may include a provision with  
 36 respect to the allocation and distribution of property taxes for the  
 37 purposes and in the manner provided in this section. A declaratory  
 38 resolution previously adopted may include an allocation provision by  
 39 the amendment of that declaratory resolution in accordance with the  
 40 procedures set forth in section 13 of this chapter. The allocation  
 41 provision may apply to all or part of the military base reuse area. The  
 42 allocation provision must require that any property taxes subsequently



1 levied by or for the benefit of any public body entitled to a distribution  
 2 of property taxes on taxable property in the allocation area be allocated  
 3 and distributed as follows:

4 (1) Except as otherwise provided in this section, the proceeds of  
 5 the taxes attributable to the lesser of:

6 (A) the assessed value of the property for the assessment date  
 7 with respect to which the allocation and distribution is made;

8 or

9 (B) the base assessed value;

10 shall be allocated to and, when collected, paid into the funds of  
 11 the respective taxing units.

12 (2) The excess of the proceeds of the property taxes imposed for  
 13 the assessment date with respect to which the allocation and  
 14 distribution are made that are attributable to taxes imposed after  
 15 being approved by the voters in a referendum or local public  
 16 question conducted after April 30, 2010, not otherwise included  
 17 in subdivision (1) shall be allocated to and, when collected, paid  
 18 into the funds of the taxing unit for which the referendum or local  
 19 public question was conducted.

20 (3) Except as otherwise provided in this section, property tax  
 21 proceeds in excess of those described in subdivisions (1) and (2)  
 22 shall be allocated to the military base reuse district and, when  
 23 collected, paid into an allocation fund for that allocation area that  
 24 may be used by the military base reuse district and only to do one

25 (1) or more of the following:

26 (A) Pay the principal of and interest and redemption premium  
 27 on any obligations incurred by the military base reuse district  
 28 or any other entity for the purpose of financing or refinancing  
 29 military base reuse activities in or directly serving or  
 30 benefiting that allocation area.

31 (B) Establish, augment, or restore the debt service reserve for  
 32 bonds payable solely or in part from allocated tax proceeds in  
 33 that allocation area or from other revenues of the reuse  
 34 authority, including lease rental revenues.

35 (C) Make payments on leases payable solely or in part from  
 36 allocated tax proceeds in that allocation area.

37 (D) Reimburse any other governmental body for expenditures  
 38 made for local public improvements (or structures) in or  
 39 directly serving or benefiting that allocation area.

40 (E) Pay expenses incurred by the reuse authority, any other  
 41 department of the unit, or a department of another  
 42 governmental entity for local public improvements or



1 structures that are in the allocation area or directly serving or  
2 benefiting the allocation area, including expenses for the  
3 operation and maintenance of these local public improvements  
4 or structures if the reuse authority determines those operation  
5 and maintenance expenses are necessary or desirable to carry  
6 out the purposes of this chapter.

7 (F) Reimburse public and private entities for expenses  
8 incurred in training employees of industrial facilities that are  
9 located:

- 10 (i) in the allocation area; and
- 11 (ii) on a parcel of real property that has been classified as  
12 industrial property under the rules of the department of local  
13 government finance.

14 However, the total amount of money spent for this purpose in  
15 any year may not exceed the total amount of money in the  
16 allocation fund that is attributable to property taxes paid by the  
17 industrial facilities described in this clause. The  
18 reimbursements under this clause must be made not more than  
19 three (3) years after the date on which the investments that are  
20 the basis for the increment financing are made.

21 (G) Expend money and provide financial assistance as  
22 authorized in section 9(a)(25) of this chapter.

23 Except as provided in clause (E), the allocation fund may not be  
24 used for operating expenses of the reuse authority.

25 (4) Except as provided in subsection (g), before July 15 of each  
26 year the reuse authority shall do the following:

27 (A) Determine the amount, if any, by which property taxes  
28 payable to the allocation fund in the following year will exceed  
29 the amount of property taxes necessary to make, when due,  
30 principal and interest payments on bonds described in  
31 subdivision (3) plus the amount necessary for other purposes  
32 described in subdivision (3).

33 (B) Provide a written notice to the county auditor, the fiscal  
34 body of the unit that established the reuse authority, and the  
35 officers who are authorized to fix budgets, tax rates, and tax  
36 levies under IC 6-1.1-17-5 for each of the other taxing units  
37 that is wholly or partly located within the allocation area. The  
38 notice must:

- 39 (i) state the amount, if any, of excess property taxes that the  
40 reuse authority has determined may be paid to the respective  
41 taxing units in the manner prescribed in subdivision (1); or
- 42 (ii) state that the reuse authority has determined that there



- 1           are no excess property tax proceeds that may be allocated to  
2           the respective taxing units in the manner prescribed in  
3           subdivision (1).
- 4           The county auditor shall allocate to the respective taxing units  
5           the amount, if any, of excess property tax proceeds determined  
6           by the reuse authority. The reuse authority may not authorize  
7           a payment to the respective taxing units under this subdivision  
8           if to do so would endanger the interest of the holders of bonds  
9           described in subdivision (3) or lessors under section 19 of this  
10          chapter.
- 11          (c) For the purpose of allocating taxes levied by or for any taxing  
12          unit or units, the assessed value of taxable property in a territory in the  
13          allocation area that is annexed by a taxing unit after the effective date  
14          of the allocation provision of the declaratory resolution is the lesser of:  
15                (1) the assessed value of the property for the assessment date with  
16                respect to which the allocation and distribution is made; or  
17                (2) the base assessed value.
- 18          (d) Property tax proceeds allocable to the military base reuse district  
19          under subsection (b)(3) may, subject to subsection (b)(4), be  
20          irrevocably pledged by the military base reuse district for payment as  
21          set forth in subsection (b)(3).
- 22          (e) Notwithstanding any other law, each assessor shall, upon  
23          petition of the reuse authority, reassess the taxable property situated  
24          upon or in or added to the allocation area, effective on the next  
25          assessment date after the petition.
- 26          (f) Notwithstanding any other law, the assessed value of all taxable  
27          property in the allocation area, for purposes of tax limitation, property  
28          tax replacement, and the making of the budget, tax rate, and tax levy  
29          for each political subdivision in which the property is located is the  
30          lesser of:  
31                (1) the assessed value of the property as valued without regard to  
32                this section; or  
33                (2) the base assessed value.
- 34          (g) If any part of the allocation area is located in an enterprise zone  
35          created under IC 5-28-15, the unit that designated the allocation area  
36          shall create funds as specified in this subsection. A unit that has  
37          obligations, bonds, or leases payable from allocated tax proceeds under  
38          subsection (b)(3) shall establish an allocation fund for the purposes  
39          specified in subsection (b)(3) and a special zone fund. Such a unit  
40          shall, until the end of the enterprise zone phase out period, deposit each  
41          year in the special zone fund any amount in the allocation fund derived  
42          from property tax proceeds in excess of those described in subsection



1 (b)(1) and (b)(2) from property located in the enterprise zone that  
 2 exceeds the amount sufficient for the purposes specified in subsection  
 3 (b)(3) for the year. The amount sufficient for purposes specified in  
 4 subsection (b)(3) for the year shall be determined based on the pro rata  
 5 part of such current property tax proceeds from the part of the  
 6 enterprise zone that is within the allocation area as compared to all  
 7 such current property tax proceeds derived from the allocation area. A  
 8 unit that does not have obligations, bonds, or leases payable from  
 9 allocated tax proceeds under subsection (b)(3) shall establish a special  
 10 zone fund and deposit all the property tax proceeds in excess of those  
 11 described in subsection (b)(1) and (b)(2) that are derived from property  
 12 in the enterprise zone in the fund. The unit that creates the special zone  
 13 fund shall use the fund (based on the recommendations of the urban  
 14 enterprise association) for programs in job training, job enrichment,  
 15 and basic skill development that are designed to benefit residents and  
 16 employers in the enterprise zone or other purposes specified in  
 17 subsection (b)(3), except that where reference is made in subsection  
 18 (b)(3) to allocation area it shall refer for purposes of payments from the  
 19 special zone fund only to that part of the allocation area that is also  
 20 located in the enterprise zone. The programs shall reserve at least  
 21 one-half (1/2) of their enrollment in any session for residents of the  
 22 enterprise zone.

23 (h) After each reassessment of real property in an area under the  
 24 county's reassessment plan under IC 6-1.1-4-4.2, the department of  
 25 local government finance shall adjust the base assessed value one (1)  
 26 time to neutralize any effect of the reassessment of the real property in  
 27 the area on the property tax proceeds allocated to the military base  
 28 reuse district under this section. After each annual adjustment under  
 29 IC 6-1.1-4-4.5, the department of local government finance shall adjust  
 30 the base assessed value to neutralize any effect of the annual  
 31 adjustment on the property tax proceeds allocated to the military base  
 32 reuse district under this section. However, the adjustments under this  
 33 subsection may not include the effect of property tax abatements under  
 34 IC 6-1.1-12.1, and these adjustments may not produce less property tax  
 35 proceeds allocable to the military base reuse district under subsection  
 36 (b)(3) than would otherwise have been received if the reassessment  
 37 under the county's reassessment plan or annual adjustment had not  
 38 occurred. The department of local government finance may prescribe  
 39 procedures for county and township officials to follow to assist the  
 40 department in making the adjustments.

41 **(i) If the reuse authority adopts a declaratory resolution or an**  
 42 **amendment to a declaratory resolution that contains an allocation**



1 provision and the reuse authority makes either of the filings  
 2 required under section 12(c) or 13(f) of this chapter after the first  
 3 anniversary of the effective date of the allocation provision, the  
 4 auditor of the county in which the military base reuse district is  
 5 located shall compute the base assessed value for the allocation  
 6 area using the assessment date immediately preceding the later of:

7 (1) the date on which the documents are filed with the county  
 8 auditor; or

9 (2) the date on which the documents are filed with the  
 10 department of local government finance.

11 SECTION 54. IC 36-7-30-26 IS AMENDED TO READ AS  
 12 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 26. (a) As used in this  
 13 section, "depreciable personal property" refers to:

14 (1) all or any part of the designated taxpayer's depreciable  
 15 personal property that is located in the allocation area; and

16 (2) all or any part of the other depreciable property located and  
 17 taxable on the designated taxpayer's site of operations within the  
 18 allocation area;

19 and that is designated as depreciable personal property for purposes of  
 20 this section by the reuse authority in a declaratory resolution adopted  
 21 or amended under section 10 or 13 of this chapter.

22 (b) As used in this section, "designated taxpayer" means a taxpayer  
 23 designated by the reuse authority in a declaratory resolution adopted or  
 24 amended under section 10 or 13 of this chapter, and with respect to  
 25 which the reuse authority finds that taxes to be derived from the  
 26 depreciable personal property in the allocation area, in excess of the  
 27 taxes attributable to the base assessed value of the personal property,  
 28 are needed to pay debt service or provide security for bonds issued or  
 29 to be issued under section 18 of this chapter or make payments or  
 30 provide security on leases payable or to be payable under section 19 of  
 31 this chapter in order to provide local public improvements or structures  
 32 for a particular allocation area.

33 (c) The allocation provision of a declaratory resolution may modify  
 34 the definition of "property taxes" under section 25(a) of this chapter to  
 35 include taxes imposed under IC 6-1.1 on the depreciable personal  
 36 property located and taxable on the site of operations of the designated  
 37 taxpayers in accordance with the procedures and limitations set forth  
 38 in this section and section 25 of this chapter. If such a modification is  
 39 included in the resolution, for purposes of section 25 of this chapter,  
 40 the term "base assessed value" with respect to the depreciable personal  
 41 property means, **subject to section 25(i) of this chapter**, the net  
 42 assessed value of all the depreciable personal property as finally



1 determined for the assessment date immediately preceding the adoption  
 2 date of the modification, as adjusted under section 25(b) of this  
 3 chapter.

4 SECTION 55. IC 36-7-30.5-17, AS ADDED BY P.L.203-2005,  
 5 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 JULY 1, 2019]: Sec. 17. (a) After adoption of a resolution under  
 7 section 16 of this chapter, the development authority shall submit the  
 8 resolution and supporting data to the plan commission of an affected  
 9 unit or other body charged with the duty of developing a general plan  
 10 for the unit, if there is such a body. The plan commission may  
 11 determine whether the resolution and the development plan conform to  
 12 the plan of development for the unit and approve or disapprove the  
 13 resolution and plan proposed. The development authority may amend  
 14 or modify the resolution and proposed plan to conform to the  
 15 requirements of a plan commission. A plan commission shall issue a  
 16 written order approving or disapproving the resolution and military  
 17 base development plan, and may with the consent of the development  
 18 authority rescind or modify the order.

19 (b) The determination that a geographic area is a military base  
 20 development area must be approved by an affected unit's legislative  
 21 body.

22 (c) After receipt of all orders and approvals required under  
 23 subsections (a) and (b), the development authority shall publish notice  
 24 of the adoption and the substance of the resolution in accordance with  
 25 IC 5-3-1. The notice must name a date when the development authority  
 26 will receive and hear remonstrances and objections from persons  
 27 interested in or affected by the proceedings concerning the proposed  
 28 project and will determine the public utility and benefit of the proposed  
 29 project. All persons affected in any manner by the hearing shall be  
 30 considered notified of the pendency of the hearing and of subsequent  
 31 acts, hearings, adjournments, and orders of the development authority  
 32 by the notice given under this section.

33 (d) At the hearing under subsection (c), which may be adjourned  
 34 from time to time, the development authority shall:

- 35 (1) hear all persons interested in the proceedings; and
- 36 (2) consider all written remonstrances and objections that have  
 37 been filed.

38 After considering the evidence presented, the development authority  
 39 shall take final action determining the public utility and benefit of the  
 40 proposed project, and confirming, modifying and confirming, or  
 41 rescinding the resolution. The final action taken by the development  
 42 authority is final and conclusive, except that an appeal may be taken in



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the manner prescribed by section 19 of this chapter.

**(e) If the development authority confirms, or modifies and confirms, the resolution and the resolution includes a provision establishing or amending an allocation provision under section 30 of this chapter, the development authority shall file a copy of the resolution with both the auditor of the county in which the proposed project is located and the department of local government finance, together with any supporting documents that are relevant to the computation of assessed values in the allocation area, within thirty (30) days after the date on which the development authority takes final action on the resolution.**

SECTION 56. IC 36-7-30.5-18, AS ADDED BY P.L.203-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 18. (a) The development authority must conduct a public hearing before amending a resolution or plan for a military base development area. The development authority shall give notice of the hearing in accordance with IC 5-3-1. The notice must do the following:

- (1) Set forth the substance of the proposed amendment.
- (2) State the time and place where written remonstrances against the proposed amendment may be filed.
- (3) Set forth the date, time, and place of the hearing.
- (4) State that the development authority will hear any person who has filed a written remonstrance during the filing period set forth in subdivision (2).

(b) For the purposes of this section, the consolidation of areas is not considered the enlargement of the boundaries of an area.

(c) If the development authority proposes to amend a resolution or plan, the development authority is not required to have evidence or make findings that were required for the establishment of the original military base development area. However, the development authority must make the following findings before approving the amendment:

- (1) The amendment is reasonable and appropriate when considered in relation to the original resolution or plan and the purposes of this chapter.
- (2) The resolution or plan, with the proposed amendment, conforms to the comprehensive plan for an affected unit.

(d) Notwithstanding subsections (a) and (c), if the resolution or plan is proposed to be amended in a way that enlarges the original boundaries of the area by more than twenty percent (20%), the development authority must use the procedure provided for the original establishment of areas and must comply with sections 16 through 17 of



1 this chapter.

2 (e) At the hearing on the amendments, the development authority  
3 shall consider written remonstrances that are filed. The action of the  
4 development authority on the amendment is final and conclusive,  
5 except that an appeal of the development authority's action may be  
6 taken under section 19 of this chapter.

7 **(f) If the development authority confirms, or modifies and**  
8 **confirms, the resolution and the resolution includes a provision**  
9 **establishing or amending an allocation provision under section 30**  
10 **of this chapter, the development authority shall file a copy of the**  
11 **resolution with both the auditor of the county in which the**  
12 **proposed project is located and the department of local**  
13 **government finance, together with any supporting documents that**  
14 **are relevant to the computation of assessed values in the allocation**  
15 **area, within thirty (30) days after the date on which the**  
16 **development authority takes final action on the resolution.**

17 SECTION 57. IC 36-7-30.5-30, AS AMENDED BY P.L.86-2018,  
18 SECTION 348, IS AMENDED TO READ AS FOLLOWS  
19 [EFFECTIVE JULY 1, 2019]: Sec. 30. (a) The following definitions  
20 apply throughout this section:

21 (1) "Allocation area" means that part of a military base  
22 development area to which an allocation provision of a  
23 declaratory resolution adopted under section 16 of this chapter  
24 refers for purposes of distribution and allocation of property taxes.

25 (2) "Base assessed value" means, **subject to subsection (i):**

26 (A) the net assessed value of all the property as finally  
27 determined for the assessment date immediately preceding the  
28 adoption date of the allocation provision of the declaratory  
29 resolution, as adjusted under subsection (h); plus

30 (B) to the extent that it is not included in clause (A) or (C), the  
31 net assessed value of any and all parcels or classes of parcels  
32 identified as part of the base assessed value in the declaratory  
33 resolution or an amendment to the declaratory resolution, as  
34 finally determined for any subsequent assessment date; plus

35 (C) to the extent that it is not included in clause (A) or (B), the  
36 net assessed value of property that is assessed as residential  
37 property under the rules of the department of local government  
38 finance, as finally determined for any assessment date after the  
39 effective date of the allocation provision.

40 (3) "Property taxes" means taxes imposed under IC 6-1.1 on real  
41 property.

42 (b) A declaratory resolution adopted under section 16 of this chapter



1 before the date set forth in IC 36-7-14-39(b) pertaining to declaratory  
2 resolutions adopted under IC 36-7-14-15 may include a provision with  
3 respect to the allocation and distribution of property taxes for the  
4 purposes and in the manner provided in this section. A declaratory  
5 resolution previously adopted may include an allocation provision by  
6 the amendment of that declaratory resolution in accordance with the  
7 procedures set forth in section 18 of this chapter. The allocation  
8 provision may apply to all or part of the military base development  
9 area. The allocation provision must require that any property taxes  
10 subsequently levied by or for the benefit of any public body entitled to  
11 a distribution of property taxes on taxable property in the allocation  
12 area be allocated and distributed as follows:

13 (1) Except as otherwise provided in this section, the proceeds of  
14 the taxes attributable to the lesser of:

15 (A) the assessed value of the property for the assessment date  
16 with respect to which the allocation and distribution is made;

17 or

18 (B) the base assessed value;

19 shall be allocated to and, when collected, paid into the funds of  
20 the respective taxing units.

21 (2) The excess of the proceeds of the property taxes imposed for  
22 the assessment date with respect to which the allocation and  
23 distribution is made that are attributable to taxes imposed after  
24 being approved by the voters in a referendum or local public  
25 question conducted after April 30, 2010, not otherwise included  
26 in subdivision (1) shall be allocated to and, when collected, paid  
27 into the funds of the taxing unit for which the referendum or local  
28 public question was conducted.

29 (3) Except as otherwise provided in this section, property tax  
30 proceeds in excess of those described in subdivisions (1) and (2)  
31 shall be allocated to the development authority and, when  
32 collected, paid into an allocation fund for that allocation area that  
33 may be used by the development authority and only to do one (1)  
34 or more of the following:

35 (A) Pay the principal of and interest and redemption premium  
36 on any obligations incurred by the development authority or  
37 any other entity for the purpose of financing or refinancing  
38 military base development or reuse activities in or directly  
39 serving or benefiting that allocation area.

40 (B) Establish, augment, or restore the debt service reserve for  
41 bonds payable solely or in part from allocated tax proceeds in  
42 that allocation area or from other revenues of the development



1 authority, including lease rental revenues.  
 2 (C) Make payments on leases payable solely or in part from  
 3 allocated tax proceeds in that allocation area.  
 4 (D) Reimburse any other governmental body for expenditures  
 5 made for local public improvements (or structures) in or  
 6 directly serving or benefiting that allocation area.  
 7 (E) For property taxes first due and payable before 2009, pay  
 8 all or a part of a property tax replacement credit to taxpayers  
 9 in an allocation area as determined by the development  
 10 authority. This credit equals the amount determined under the  
 11 following STEPS for each taxpayer in a taxing district (as  
 12 defined in IC 6-1.1-1-20) that contains all or part of the  
 13 allocation area:  
 14 STEP ONE: Determine that part of the sum of the amounts  
 15 under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2),  
 16 IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and  
 17 IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to  
 18 the taxing district.  
 19 STEP TWO: Divide:  
 20 (i) that part of each county's eligible property tax  
 21 replacement amount (as defined in IC 6-1.1-21-2 (before its  
 22 repeal)) for that year as determined under IC 6-1.1-21-4  
 23 (before its repeal) that is attributable to the taxing district;  
 24 by  
 25 (ii) the STEP ONE sum.  
 26 STEP THREE: Multiply:  
 27 (i) the STEP TWO quotient; by  
 28 (ii) the total amount of the taxpayer's taxes (as defined in  
 29 IC 6-1.1-21-2 (before its repeal)) levied in the taxing district  
 30 that have been allocated during that year to an allocation  
 31 fund under this section.  
 32 If not all the taxpayers in an allocation area receive the credit  
 33 in full, each taxpayer in the allocation area is entitled to  
 34 receive the same proportion of the credit. A taxpayer may not  
 35 receive a credit under this section and a credit under section  
 36 32 of this chapter (before its repeal) in the same year.  
 37 (F) Pay expenses incurred by the development authority for  
 38 local public improvements or structures that were in the  
 39 allocation area or directly serving or benefiting the allocation  
 40 area.  
 41 (G) Reimburse public and private entities for expenses  
 42 incurred in training employees of industrial facilities that are



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located:  
(i) in the allocation area; and  
(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made not more than three (3) years after the date on which the investments that are the basis for the increment financing are made.

(H) Expend money and provide financial assistance as authorized in section 15(26) of this chapter.

The allocation fund may not be used for operating expenses of the development authority.

(4) Except as provided in subsection (g), before July 15 of each year the development authority shall do the following:

(A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivisions (2) and (3).

(B) Provide a written notice to the appropriate county auditors and the fiscal bodies and other officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:

(i) state the amount, if any, of the excess property taxes that the development authority has determined may be paid to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the development authority has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditors shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the development authority. The development authority may not authorize a payment to the respective taxing units under this subdivision if to do so would endanger the interest of the



1 holders of bonds described in subdivision (3) or lessors under  
 2 section 24 of this chapter. Property taxes received by a taxing  
 3 unit under this subdivision before 2009 are eligible for the  
 4 property tax replacement credit provided under IC 6-1.1-21  
 5 (before its repeal).

6 (c) For the purpose of allocating taxes levied by or for any taxing  
 7 unit or units, the assessed value of taxable property in a territory in the  
 8 allocation area that is annexed by a taxing unit after the effective date  
 9 of the allocation provision of the declaratory resolution is the lesser of:

- 10 (1) the assessed value of the property for the assessment date with  
 11 respect to which the allocation and distribution is made; or  
 12 (2) the base assessed value.

13 (d) Property tax proceeds allocable to the military base development  
 14 district under subsection (b)(3) may, subject to subsection (b)(4), be  
 15 irrevocably pledged by the military base development district for  
 16 payment as set forth in subsection (b)(3).

17 (e) Notwithstanding any other law, each assessor shall, upon  
 18 petition of the development authority, reassess the taxable property  
 19 situated upon or in or added to the allocation area, effective on the next  
 20 assessment date after the petition.

21 (f) Notwithstanding any other law, the assessed value of all taxable  
 22 property in the allocation area, for purposes of tax limitation, property  
 23 tax replacement, and the making of the budget, tax rate, and tax levy  
 24 for each political subdivision in which the property is located is the  
 25 lesser of:

- 26 (1) the assessed value of the property as valued without regard to  
 27 this section; or  
 28 (2) the base assessed value.

29 (g) If any part of the allocation area is located in an enterprise zone  
 30 created under IC 5-28-15, the development authority shall create funds  
 31 as specified in this subsection. A development authority that has  
 32 obligations, bonds, or leases payable from allocated tax proceeds under  
 33 subsection (b)(3) shall establish an allocation fund for the purposes  
 34 specified in subsection (b)(3) and a special zone fund. The  
 35 development authority shall, until the end of the enterprise zone phase  
 36 out period, deposit each year in the special zone fund any amount in the  
 37 allocation fund derived from property tax proceeds in excess of those  
 38 described in subsection (b)(1) and (b)(2) from property located in the  
 39 enterprise zone that exceeds the amount sufficient for the purposes  
 40 specified in subsection (b)(3) for the year. The amount sufficient for  
 41 purposes specified in subsection (b)(3) for the year shall be determined  
 42 based on the pro rata part of such current property tax proceeds from



1 the part of the enterprise zone that is within the allocation area as  
 2 compared to all such current property tax proceeds derived from the  
 3 allocation area. A development authority that does not have  
 4 obligations, bonds, or leases payable from allocated tax proceeds under  
 5 subsection (b)(3) shall establish a special zone fund and deposit all the  
 6 property tax proceeds in excess of those described in subsection (b)(1)  
 7 and (b)(2) that are derived from property in the enterprise zone in the  
 8 fund. The development authority that creates the special zone fund  
 9 shall use the fund (based on the recommendations of the urban  
 10 enterprise association) for programs in job training, job enrichment,  
 11 and basic skill development that are designed to benefit residents and  
 12 employers in the enterprise zone or for other purposes specified in  
 13 subsection (b)(3), except that where reference is made in subsection  
 14 (b)(3) to an allocation area it shall refer for purposes of payments from  
 15 the special zone fund only to that part of the allocation area that is also  
 16 located in the enterprise zone. The programs shall reserve at least  
 17 one-half (1/2) of their enrollment in any session for residents of the  
 18 enterprise zone.

19 (h) After each reassessment of real property in an area under a  
 20 reassessment plan prepared under IC 6-1.1-4-4.2, the department of  
 21 local government finance shall adjust the base assessed value one (1)  
 22 time to neutralize any effect of the reassessment of the real property in  
 23 the area on the property tax proceeds allocated to the military base  
 24 development district under this section. After each annual adjustment  
 25 under IC 6-1.1-4-4.5, the department of local government finance shall  
 26 adjust the base assessed value to neutralize any effect of the annual  
 27 adjustment on the property tax proceeds allocated to the military base  
 28 development district under this section. However, the adjustments  
 29 under this subsection may not include the effect of property tax  
 30 abatements under IC 6-1.1-12.1, and these adjustments may not  
 31 produce less property tax proceeds allocable to the military base  
 32 development district under subsection (b)(3) than would otherwise  
 33 have been received if the reassessment under the county's reassessment  
 34 plan or annual adjustment had not occurred. The department of local  
 35 government finance may prescribe procedures for county and township  
 36 officials to follow to assist the department in making the adjustments.

37 **(i) If the development authority adopts a declaratory resolution**  
 38 **or an amendment to a declaratory resolution that contains an**  
 39 **allocation provision and the development authority makes either**  
 40 **of the filings required under section 17(e) or 18(f) of this chapter**  
 41 **after the first anniversary of the effective date of the allocation**  
 42 **provision, the auditor of the county in which the military base**



1 development district is located shall compute the base assessed  
 2 value for the allocation area using the assessment date immediately  
 3 preceding the later of:

4 (1) the date on which the documents are filed with the county  
 5 auditor; or

6 (2) the date on which the documents are filed with the  
 7 department of local government finance.

8 SECTION 58. IC 36-7-30.5-31, AS ADDED BY P.L.203-2005,  
 9 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 10 JULY 1, 2019]: Sec. 31. (a) As used in this section, "depreciable  
 11 personal property" refers to:

12 (1) all or any part of the designated taxpayer's depreciable  
 13 personal property that is located in the allocation area; and

14 (2) all or any part of the other depreciable property located and  
 15 taxable on the designated taxpayer's site of operations within the  
 16 allocation area;

17 that is designated as depreciable personal property for purposes of this  
 18 section by the development authority in a declaratory resolution  
 19 adopted or amended under section 16 or 18 of this chapter.

20 (b) As used in this section, "designated taxpayer" means a taxpayer  
 21 designated by the development authority in a declaratory resolution  
 22 adopted or amended under section 16 or 18 of this chapter, and with  
 23 respect to which the development authority finds that taxes to be  
 24 derived from the depreciable personal property in the allocation area,  
 25 in excess of the taxes attributable to the base assessed value of the  
 26 personal property, are needed to pay debt service or provide security  
 27 for bonds issued or to be issued under section 23 of this chapter or  
 28 make payments or provide security on leases payable or to be payable  
 29 under section 24 of this chapter in order to provide local public  
 30 improvements or structures for a particular allocation area.

31 (c) The allocation provision of a declaratory resolution may modify  
 32 the definition of "property taxes" under section 30(a) of this chapter to  
 33 include taxes imposed under IC 6-1.1 on the depreciable personal  
 34 property located and taxable on the site of operations of the designated  
 35 taxpayers in accordance with the procedures and limitations set forth  
 36 in this section and section 30 of this chapter. If a modification is  
 37 included in the resolution, for purposes of section 30 of this chapter,  
 38 the term "base assessed value" with respect to the depreciable personal  
 39 property means, **subject to section 30(i) of this chapter**, the net  
 40 assessed value of all the depreciable personal property as finally  
 41 determined for the assessment date immediately preceding the adoption  
 42 date of the modification, as adjusted under section 30(b) of this



1 chapter.

2 SECTION 59. IC 36-7-32-4 IS AMENDED TO READ AS

3 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. (a) As used in this

4 chapter, "base assessed value" means, **subject to subsection (b):**

5 (1) the net assessed value of all the taxable property located in a

6 certified technology park as finally determined for the assessment

7 date immediately preceding the effective date of the allocation

8 provision of a resolution adopted under section 15 of this chapter;

9 plus

10 (2) to the extent it is not included in subdivision (1), the net

11 assessed value of property that is assessed as residential property

12 under the rules of the department of local government finance, as

13 finally determined for any assessment date after the effective date

14 of the allocation provision.

15 **(b) If a redevelopment commission adopts a resolution**

16 **designating a certified technology park as an allocation area and**

17 **the redevelopment commission makes either of the filings required**

18 **under section 15(d) of this chapter after the first anniversary of the**

19 **effective date of the allocation provision, the auditor of the county**

20 **in which the unit is located shall compute the base assessed value**

21 **for the allocation area using the assessment date immediately**

22 **preceding the later of:**

23 **(1) the date on which the documents are filed with the county**

24 **auditor; or**

25 **(2) the date on which the documents are filed with the**

26 **department of local government finance.**

27 SECTION 60. IC 36-7-32-15 IS AMENDED TO READ AS

28 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 15. (a) Subject to the

29 approval of the legislative body of the unit that established the

30 redevelopment commission, the redevelopment commission may adopt

31 a resolution designating a certified technology park as an allocation

32 area for purposes of the allocation and distribution of property taxes.

33 (b) After adoption of the resolution under subsection (a), the

34 redevelopment commission shall:

35 (1) publish notice of the adoption and substance of the resolution

36 in accordance with IC 5-3-1; and

37 (2) file the following information with each taxing unit that has

38 authority to levy property taxes in the geographic area where the

39 certified technology park is located:

40 (A) A copy of the notice required by subdivision (1).

41 (B) A statement disclosing the impact of the certified

42 technology park, including the following:



1 (i) The estimated economic benefits and costs incurred by  
 2 the certified technology park, as measured by increased  
 3 employment and anticipated growth of real property  
 4 assessed values.

5 (ii) The anticipated impact on tax revenues of each taxing  
 6 unit.

7 The notice must state the general boundaries of the certified technology  
 8 park and must state that written remonstrances may be filed with the  
 9 redevelopment commission until the time designated for the hearing.  
 10 The notice must also name the place, date, and time when the  
 11 redevelopment commission will receive and hear remonstrances and  
 12 objections from persons interested in or affected by the proceedings  
 13 pertaining to the proposed allocation area and will determine the public  
 14 utility and benefit of the proposed allocation area. The commission  
 15 shall file the information required by subdivision (2) with the officers  
 16 of the taxing unit who are authorized to fix budgets, tax rates, and tax  
 17 levies under IC 6-1.1-17-5 at least ten (10) days before the date of the  
 18 public hearing. All persons affected in any manner by the hearing,  
 19 including all taxpayers within the taxing district of the redevelopment  
 20 commission, shall be considered notified of the pendency of the  
 21 hearing and of subsequent acts, hearings, adjournments, and orders of  
 22 the redevelopment commission affecting the allocation area if the  
 23 redevelopment commission gives the notice required by this section.

24 (c) At the hearing, which may be recessed and reconvened  
 25 periodically, the redevelopment commission shall hear all persons  
 26 interested in the proceedings and shall consider all written  
 27 remonstrances and objections that have been filed. After considering  
 28 the evidence presented, the redevelopment commission shall take final  
 29 action determining the public utility and benefit of the proposed  
 30 allocation area confirming, modifying and confirming, or rescinding  
 31 the resolution. The final action taken by the redevelopment commission  
 32 shall be recorded and is final and conclusive, except that an appeal may  
 33 be taken in the manner prescribed by section 16 of this chapter.

34 **(d) If the redevelopment commission confirms, or modifies and**  
 35 **confirms, the resolution, the redevelopment commission shall file**  
 36 **a copy of the resolution with both the auditor of the county in**  
 37 **which the certified technology park is located and the department**  
 38 **of local government finance, together with any supporting**  
 39 **documents that are relevant to the computation of assessed values**  
 40 **in the allocation area, within thirty (30) days after the date on**  
 41 **which the redevelopment commission takes final action on the**  
 42 **resolution.**



1 SECTION 61. IC 36-9-25-11, AS AMENDED BY P.L.196-2014,  
2 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2019]: Sec. 11. (a) In connection with its duties, the board  
4 may fix fees for the treatment and disposal of sewage and other waste  
5 discharged into the sewerage system, collect the fees, and establish and  
6 enforce rules governing the furnishing of and payment for sewage  
7 treatment and disposal service. The fees must be just and equitable and  
8 shall be paid by any user of the sewage works and, except as otherwise  
9 provided in an ordinance provision described in subsection (l), the  
10 owner of every lot, parcel of real property, or building that is connected  
11 with and uses the sewage works of the district by or through any part  
12 of the sewerage system. This section applies to owners of property that  
13 is partially or wholly exempt from taxation, as well as owners of  
14 property subject to full taxation.

15 (b) The board may change fees from time to time. The fees, together  
16 with the taxes levied under this chapter, must at all times be sufficient  
17 to produce revenues sufficient to pay operation, maintenance, and  
18 administrative expenses, to pay the principal and interest on bonds as  
19 they become due and payable, and to provide money for the revolving  
20 fund authorized by this chapter.

21 (c) Fees may not be established until a public hearing has been held  
22 at which all the users of the sewage works and owners of property  
23 served or to be served by the works, including interested parties, have  
24 had an opportunity to be heard concerning the proposed fees. After  
25 introduction of the resolution fixing fees, and before they are finally  
26 adopted, notice of the hearing setting forth the proposed schedule of  
27 fees shall be given by publication in accordance with IC 5-3-1. After  
28 the hearing the resolution establishing fees, either as originally  
29 introduced or as amended, shall be passed and put into effect.  
30 However, fees related to property that is subject to full taxation do not  
31 take effect until they have been approved by ordinance of the municipal  
32 legislative body or, in the case of a district described in section 3(b)(2)  
33 of this chapter, under section 11.3 of this chapter.

34 (d) A copy of the schedule of the fees shall be kept on file in the  
35 office of the board and must be open to inspection by all interested  
36 parties. The fees established for any class of users or property served  
37 shall be extended to cover any additional premises thereafter served  
38 that fall within the same class, without the necessity of hearing or  
39 notice.

40 (e) A change of fees may be made in the same manner as fees were  
41 originally established. However, if a change is made substantially pro  
42 rata for all classes of service, hearing or notice is not required, but



1 approval of the change by ordinance of the municipal legislative body  
 2 is required, and, in the case of a district described in section 3(b)(2) of  
 3 this chapter, approval under section 11.3 of this chapter is required.

4 (f) If a fee established is not paid within ~~thirty (30) days after it is~~  
 5 ~~due; the time fixed by the board~~, the board may recover, in a civil  
 6 action in the name of the municipality, the amount, together with a  
 7 penalty of ten percent (10%) and a reasonable attorney's fee from:

- 8 (1) the delinquent user; or
- 9 (2) the owner of the property;

10 subject to any ordinance described in subsection (l).

11 (g) Except as otherwise provided in subsection (h) or in an  
 12 ordinance provision described in subsection (l), fees assessed against  
 13 real property under this section also constitute a lien against the  
 14 property assessed. The lien attaches at the time of the filing of the  
 15 notice of lien in the county recorder's office. The lien is superior to all  
 16 other liens except tax liens, and shall be enforced and foreclosed in the  
 17 same manner as is provided for liens under IC 36-9-23-33 and  
 18 IC 36-9-23-34.

19 (h) A fee assessed against real property under this section  
 20 constitutes a lien against the property assessed only when the fee is  
 21 delinquent for no more than three (3) years from the day after the fee  
 22 is due.

23 (i) In addition to the:

- 24 (1) penalties under subsections (f) and (g); or
- 25 (2) alternative penalty available under section 11.5 of this  
 26 chapter;

27 a delinquent user may not discharge water into the public sewers and  
 28 may have the property disconnected from the public sewers.

29 (j) The authority to establish a user fee under this section includes  
 30 fees to recover the cost of construction of sewage works from industrial  
 31 users as defined and required under federal statute or rule. Any  
 32 industrial users' cost recovery fees may become a lien upon the real  
 33 property and shall be collected in the manner provided by law. In  
 34 addition, the imposition of the fees, the use of the amounts collected,  
 35 and the criteria for the fees must be consistent with the regulations of  
 36 the federal Environmental Protection Agency.

37 (k) The authority to establish a user fee under this section includes  
 38 fees to recover the costs associated with providing financial assistance  
 39 under section 42 of this chapter. A fee that is:

- 40 (1) established under this subsection or any other law; and
- 41 (2) used to provide financial assistance under section 42 of this  
 42 chapter;



1 is considered just and equitable if the project for which the financial  
 2 assistance is provided otherwise complies with the requirements of this  
 3 chapter.

4 (l) For purposes of this subsection, "municipal legislative body"  
 5 refers to the legislative body of each municipality in the district, in the  
 6 case of a district described in section 3(b)(2) of this chapter. This  
 7 subsection does not apply to a conservancy district established under  
 8 IC 14-33 for the collection, treatment, and disposal of sewage and other  
 9 liquid wastes. In an ordinance adopted under this chapter, the  
 10 municipal legislative body may include one (1) or more of the  
 11 following provisions with respect to property occupied by someone  
 12 other than the owner of the property:

13 (1) That fees for the services rendered by the sewerage system to  
 14 the property are payable by the person occupying the property. At  
 15 the option of the municipal legislative body, the ordinance may  
 16 include any:

17 (A) requirement for a deposit to ensure payment of the fees by  
 18 the person occupying the property; or

19 (B) other requirement to ensure the creditworthiness of the  
 20 person occupying the property as the account holder or  
 21 customer with respect to the property;

22 that the municipal legislative body may lawfully impose.

23 (2) That the fees for the services rendered by the sewerage system  
 24 to the property are payable by the person occupying the property  
 25 if one (1) of the following conditions is satisfied:

26 (A) Either the property owner or the person occupying the  
 27 property gives to the board written notice that indicates that  
 28 the person occupying the property is responsible for paying the  
 29 fees with respect to the property and requests that the account  
 30 or other customer or billing records maintained for the  
 31 property be in the name of the person occupying the property.

32 At the option of the municipal legislative body, the ordinance  
 33 may provide that a document that:

34 (i) is executed by the property owner and the person  
 35 occupying the property;

36 (ii) identifies the person occupying the property by name;  
 37 and

38 (iii) indicates that the person occupying the property is  
 39 responsible for paying the fees assessed by the board with  
 40 respect to the property;

41 serves as written notice for purposes of this clause.

42 (B) The account or other customer or billing records



- 1 maintained by the board for the property otherwise indicate
- 2 that:
- 3 (i) the property is occupied by someone other than the
- 4 owner; and
- 5 (ii) the person occupying the property is responsible for
- 6 paying the fees.
- 7 (C) The property owner or the person occupying the property
- 8 satisfies any other requirements or conditions that the
- 9 municipal legislative body includes in the ordinance.
- 10 (3) That fees assessed against the property for the services
- 11 rendered by the sewerage system to the property do not constitute
- 12 a lien against the property, notwithstanding subsection (g), and
- 13 subject to any requirements or conditions set forth in the
- 14 ordinance.

15 This subsection may not be construed to prohibit a municipal  
 16 legislative body from including in an ordinance adopted under this  
 17 chapter any other provision that the municipal legislative body  
 18 considers appropriate.

19 SECTION 62. IC 36-9-25-11.2 IS AMENDED TO READ AS  
 20 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 11.2. If a fee  
 21 established under section 11 of this chapter is not paid within ~~thirty~~  
 22 ~~(30) days after it is due, the time fixed by the board,~~ a copy of any  
 23 notice of delinquency sent to a delinquent user who is a tenant must be  
 24 sent to the owner of the property occupied by the tenant at the latest  
 25 address of the owner as shown on the property tax records of the county  
 26 in which the property is located.

27 SECTION 63. IC 36-9-25-11.5 IS AMENDED TO READ AS  
 28 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 11.5. (a) As an  
 29 alternative to the penalties provided in section 11 of this chapter, the  
 30 board may require that the water utility providing water service to a  
 31 delinquent user discontinue service until payment of all overdue user  
 32 fees, together with any penalties provided in this section, are received  
 33 by the municipality.

34 (b) If a fee established is not paid within ~~one (1) monthly billing~~  
 35 ~~cycle after it is due, the time fixed by the board,~~ the board or its  
 36 designee shall send notice to the delinquent user stating:

- 37 (1) the delinquent amount due, together with any penalty;
- 38 (2) that water service may be disconnected if the user continues
- 39 not to pay the delinquency and any penalty; and
- 40 (3) the procedure for resolving disputed bills.

41 The municipality shall provide by ordinance a procedure for resolving  
 42 disputed bills that includes an opportunity for a delinquent user to meet



1 informally with designated personnel empowered to correct incorrect  
 2 charges. Payment of a disputed bill and penalties by a user does not  
 3 constitute a waiver of rights to subsequently claim and recover from the  
 4 municipality sums improperly charged to the user.

5 (c) If the user fails to pay the delinquent amount or otherwise  
 6 resolve the charges as specified in subsection (a), the board or its  
 7 designee shall give written notice to the water utility serving the user  
 8 to discontinue water service to the premises designated in the notice  
 9 until notified otherwise. The notice must identify the delinquent sewer  
 10 user in enough detail to enable the water utility to identify the water  
 11 service connection that is to be terminated. Upon receipt of the notice,  
 12 the water utility shall disconnect water service to the user.

13 (d) Water service may not be shut off under this section if a local  
 14 board of health has found and certified to the municipality that the  
 15 termination of water service will endanger the health of the user and  
 16 others in the municipality.

17 (e) The water utility that discontinues water service in accordance  
 18 with an order from the board or its designee does not incur any liability  
 19 except to the extent of its own negligence or improper conduct.

20 (f) If the water utility does not discontinue service within ~~thirty (30)~~  
 21 **days the time fixed by the board** after receiving notice from the  
 22 municipality, the utility is liable for any user fees incurred ~~thirty (30)~~  
 23 **days** after receipt of notice to discontinue water service and that are not  
 24 collected from the user.

25 SECTION 64. [EFFECTIVE JULY 1, 2019] **(a) The legislative**  
 26 **council is urged to assign the following topics to an appropriate**  
 27 **interim study committee during the 2019 interim:**

28 **(1) The advisability of eliminating the mortgage deduction**  
 29 **under IC 6-1.1-12-1.**

30 **(2) The advisability of increasing the homestead standard**  
 31 **deduction under IC 6-1.1-12-37.**

32 **(b) The legislative council is urged to assign the topic of**  
 33 **automatic enrollment of political subdivision employees hired after**  
 34 **June 30, 2020, into the political subdivision's deferred**  
 35 **compensation plan, if the employee does not reject enrollment**  
 36 **within a specified time period, to the interim study commission on**  
 37 **pension management oversight for study during the 2019 interim.**

38 **(c) The legislative council is urged to assign the topic of allowing**  
 39 **municipalities to make deposits of a certain minimum or maximum**  
 40 **amount, or both, to a vendor or service provider to ensure the**  
 41 **municipality's performance of a contract for the purchase of:**

42 **(1) personal property having a cost of more than a certain**



1           **recommended threshold; or**  
2           **(2) the services of a performer or performers that the**  
3           **municipality contracts with for performing at an**  
4           **entertainment, cultural, or recreational event or activity**  
5           **having a cost of more than a certain recommended threshold;**  
6           **to the audit subcommittee for study during the 2019 interim.**  
7           **(d) This SECTION expires January 1, 2020.**



## COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 171, 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 171 as introduced.)

HOLDMAN, Chairperson

Committee Vote: Yeas 14, Nays 0

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 SENATE MOTION

Madam President: I move that Senate Bill 171 be amended to read as follows:

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

"SECTION 1. IC 2-5-3.2-1, AS AMENDED BY P.L.36-2015, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) As used in this section, "tax incentive" means a benefit provided through a state or local tax that is intended to alter, reward, or subsidize a particular action or behavior by the tax incentive recipient, including a benefit intended to encourage economic development. The term includes the following:

(1) An exemption, deduction, credit, preferential rate, or other tax benefit that:

(A) reduces the amount of a tax that would otherwise be due to the state;

(B) results in a tax refund in excess of any tax due; or

(C) reduces the amount of property taxes that would otherwise be due to a political subdivision of the state.

(2) The dedication of revenue by a political subdivision to provide improvements or to retire bonds issued to pay for improvements in an economic or sports development area, a community revitalization area, an enterprise zone, a tax increment financing district, or any other similar area or district.

(b) The general assembly intends that each tax incentive effectuate the purposes for which it was enacted and that the cost of tax incentives should be included more readily in the biennial budgeting process. To provide the general assembly with the information it needs to make

**ES 171—LS 6318/DI 58**



informed policy choices about the efficacy of each tax incentive, the legislative services agency shall conduct a regular review, analysis, and evaluation of all tax incentives according to a schedule developed by the legislative services agency.

(c) The legislative services agency shall conduct a systematic and comprehensive review, analysis, and evaluation of each tax incentive scheduled for review. The review, analysis, and evaluation must include information about each tax incentive that is NECESSARY to achieve the goals described in subsection (b), which may include any of the following:

- (1) The basic attributes and policy goals of the tax incentive, including the statutory and programmatic goals of the tax incentive, the economic parameters of the tax incentive, the original scope and purpose of the tax incentive, and how the scope or purpose has changed over time.
- (2) The tax incentive's equity, simplicity, competitiveness, public purpose, adequacy, and extent of conformance with the original purposes of the legislation enacting the tax incentive.
- (3) The types of activities on which the tax incentive is based and how effective the tax incentive has been in promoting these targeted activities and in assisting recipients of the tax incentive.
- (4) The count of the following:
  - (A) Applicants for the tax incentive.
  - (B) Applicants that qualify for the tax incentive.
  - (C) Qualified applicants that, if applicable, are approved to receive the tax incentive.
  - (D) Taxpayers that actually claim the tax incentive.
  - (E) Taxpayers that actually receive the tax incentive.
- (5) The dollar amount of the tax incentive benefits that has been actually claimed by all taxpayers over time, including the following:
  - (A) The dollar amount of the tax incentive, listed by the North American Industrial Classification System (NAICS) Code associated with the tax incentive recipients, if an NAICS Code is available.
  - (B) The dollar amount of income tax credits that can be carried forward for the next five (5) state fiscal years.
- (6) An estimate of the economic impact of the tax incentive, including the following:
  - (A) A return on investment calculation for the tax incentive. For purposes of this clause, "return on investment calculation" means analyzing the cost to the state or political subdivision of



providing the tax incentive, analyzing the benefits realized by the state or political subdivision from providing the tax incentive.

(B) A cost-benefit comparison of the state and local revenue foregone and property taxes shifted to other taxpayers as a result of allowing the tax incentive, compared to tax revenue generated by the taxpayer receiving the incentive, including direct taxes applied to the taxpayer and taxes applied to the taxpayer's employees.

(C) An estimate of the number of jobs that were the direct result of the tax incentive.

(D) For any tax incentive that is reviewed or approved by the Indiana economic development corporation, a statement by the chief executive officer of the Indiana economic development corporation as to whether the statutory and programmatic goals of the tax incentive are being met, with obstacles to these goals identified, if possible.

(7) The methodology and assumptions used in carrying out the reviews, analyses, and evaluations required under this subsection.

(8) The estimated cost to the state to administer the tax incentive.

(9) An estimate of the extent to which benefits of the tax incentive remained in Indiana or flowed outside Indiana.

(10) Whether the effectiveness of the tax incentive could be determined more definitively if the general assembly were to clarify or modify the tax incentive's goals and intended purpose.

(11) Whether measuring the economic impact is significantly limited due to data constraints and whether any changes in statute would facilitate data collection in a way that would allow for better review, analysis, or evaluation.

(12) An estimate of the indirect economic benefit or activity stimulated by the tax incentive.

(13) Any additional review, analysis, or evaluation that the legislative services agency considers advisable, including comparisons with tax incentives offered by other states if those comparisons would add value to the review, analysis, and evaluation.

The legislative services agency may request a state or local official or a state agency, a political subdivision, a body corporate and politic, or a county or municipal redevelopment commission to furnish information necessary to complete the tax incentive review, analysis, and evaluation required by this section. An official or entity presented with a request from the legislative services agency under this



subsection shall cooperate with the legislative services agency in providing the requested information. An official or entity may require that the legislative services agency adhere to the provider's rules, if any, that concern the confidential nature of the information.

(d) The legislative services agency shall, before October 1 of each year, submit a report to the legislative council, in an electronic format under IC 5-14-6, and to the interim study committee on fiscal policy established by IC 2-5-1.3-4 containing the results of the legislative services agency's review, analysis, and evaluation. The report must include at least the following:

- (1) A detailed description of the review, analysis, and evaluation for each tax incentive reviewed.
- (2) Information to be used by the general assembly to determine whether a reviewed tax incentive should be continued, modified, or terminated, the basis for the recommendation, and the expected impact of the recommendation on the state's economy.
- (3) Information to be used by the general assembly to better align a reviewed tax incentive with the original intent of the legislation that enacted the tax incentive.

The report required by this subsection must not disclose any proprietary or otherwise confidential taxpayer information.

(e) The interim study committee on fiscal policy shall do the following:

- (1) Hold at least one (1) public hearing after September 30 and before November 1 of each year at which:
  - (A) the legislative services agency presents the review, analysis, and evaluation of tax incentives; and
  - (B) the interim study committee receives information concerning tax incentives.
- (2) Submit to the legislative council, in an electronic format under IC 5-14-6, any recommendations made by the interim study committee that are related to the legislative services agency's review, analysis, and evaluation of tax incentives prepared under this section.

(f) The general assembly shall use the legislative services agency's report under this section and the interim study committee on fiscal policy's recommendations under this section to determine whether a particular tax incentive:

- (1) is successful;
- (2) is provided at a cost that can be accommodated by the state's biennial budget; and
- (3) should be continued, amended, or repealed.



(g) The legislative services agency shall establish and maintain a system for making available to the public information about the amount and effectiveness of tax incentives.

(h) The legislative services agency shall develop and publish on the general assembly's Internet web site a multi-year schedule that lists all tax incentives and indicates the year when the report will be published for each tax incentive reviewed. The legislative services agency may revise the schedule as long as the legislative services agency provides for a systematic review, analysis, and evaluation of all tax incentives and that each tax incentive is reviewed at least once every ~~five (5)~~ **seven (7)** years.

(i) This section expires December 31, ~~2023~~ **2025**."

Renumber all SECTIONS consecutively.

(Reference is to SB 171 as printed February 6, 2019.)

HOLDMAN

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#### COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 171, 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:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Page 7, between lines 22 and 23, begin a new paragraph and insert:

"SECTION 4. IC 6-1.1-12-2, AS AMENDED BY P.L.81-2010, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, for a person to qualify for the deduction provided by section 1 of this chapter a statement must be filed under subsection (b) or (c). Regardless of the manner in which a statement is filed, the mortgage, contract, or memorandum (including a home equity line of credit) must be recorded with the county recorder's office to qualify for a deduction under section 1 of this chapter.

(b) Subject to subsection (c), to apply for the deduction under section 1 of this chapter with respect to real property, the person

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recording the mortgage, home equity line of credit, contract, or memorandum of the contract with the county recorder may file a written statement with the county recorder containing the information described in subsection (e)(1), (e)(2), (e)(3), (e)(4), (e)(6), (e)(7), and (e)(8). The statement must be prepared on the form prescribed by the department of local government finance and be signed by the property owner or contract purchaser under the penalties of perjury. The form must have a place for the county recorder to insert the record number and page where the mortgage, home equity line of credit, contract, or memorandum of the contract is recorded. Upon receipt of the form and the recording of the mortgage, home equity line of credit, contract, or memorandum of the contract, the county recorder shall insert on the form the record number and page where the mortgage, home equity line of credit, contract, or memorandum of the contract is recorded and forward the completed form to the county auditor. The county recorder may not impose a charge for the county recorder's duties under this subsection. The statement must be completed and dated in the calendar year for which the person wishes to obtain the deduction and filed with the county recorder on or before January 5 of the immediately succeeding calendar year.

(c) With respect to:

- (1) real property as an alternative to a filing under subsection (b);
- or
- (2) a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property;

to apply for a deduction under section 1 of this chapter, a person who desires to claim the deduction may file a statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. ~~With respect to real property~~ **To obtain the deduction for a desired calendar year in which property taxes are first due and payable**, the statement must be completed and dated in the **immediately preceding** calendar year ~~for which the person wishes to obtain the deduction~~ and filed with the county auditor on or before January 5 of the ~~immediately succeeding~~ calendar year ~~With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction.~~ **in which the property taxes are first due and payable.** The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the



last day for filing. In addition to the statement required by this subsection, a contract buyer who desires to claim the deduction must submit a copy of the recorded contract or recorded memorandum of the contract, which must contain a legal description sufficient to meet the requirements of IC 6-1.1-5, with the first statement that the buyer files under this section with respect to a particular parcel of real property.

(d) Upon receipt of:

- (1) the statement under subsection (b); or
- (2) the statement under subsection (c) and the recorded contract or recorded memorandum of the contract;

the county auditor shall assign a separate description and identification number to the parcel of real property being sold under the contract.

(e) The statement referred to in subsections (b) and (c) must be verified under penalties for perjury. The statement must contain the following information:

- (1) The balance of the person's mortgage, home equity line of credit, or contract indebtedness that is recorded in the county recorder's office on the assessment date of the year for which the deduction is claimed.
- (2) The assessed value of the real property, mobile home, or manufactured home.
- (3) The full name and complete residence address of the person and of the mortgagee or contract seller.
- (4) The name and residence of any assignee or bona fide owner or holder of the mortgage, home equity line of credit, or contract, if known, and if not known, the person shall state that fact.
- (5) The record number and page where the mortgage, contract, or memorandum of the contract is recorded.
- (6) A brief description of the real property, mobile home, or manufactured home which is encumbered by the mortgage or home equity line of credit or sold under the contract.
- (7) If the person is not the sole legal or equitable owner of the real property, mobile home, or manufactured home, the exact share of the person's interest in it.
- (8) The name of any other county in which the person has applied for a deduction under this section and the amount of deduction claimed in that application.

(f) The authority for signing a deduction application filed under this section may not be delegated by the real property, mobile home, or manufactured home owner or contract buyer to any person except upon an executed power of attorney. The power of attorney may be contained in the recorded mortgage, contract, or memorandum of the contract, or



in a separate instrument.

(g) A closing agent (as defined in section 43(a)(2) of this chapter) is not liable for any damages claimed by the property owner or contract purchaser because of:

- (1) the closing agent's failure to provide the written statement described in subsection (b);
- (2) the closing agent's failure to file the written statement described in subsection (b);
- (3) any omission or inaccuracy in the written statement described in subsection (b) that is filed with the county recorder by the closing agent; or
- (4) any determination made with respect to a property owner's or contract purchaser's eligibility for the deduction under section 1 of this chapter.

(h) The county recorder may not refuse to record a mortgage, contract, or memorandum because the written statement described in subsection (b):

- (1) is not included with the mortgage, home equity line of credit, contract, or memorandum of the contract;
- (2) does not contain the signatures required by subsection (b);
- (3) does not contain the information described in subsection (e); or
- (4) is otherwise incomplete or inaccurate.

(i) The form prescribed by the department of local government finance under subsection (b) and the instructions for the form must both include a statement:

- (1) that explains that a person is not entitled to a deduction under section 1 of this chapter unless the person has a balance on the person's mortgage or contract indebtedness that is recorded in the county recorder's office (including any home equity line of credit that is recorded in the county recorder's office) that is the basis for the deduction; and
- (2) that specifies the penalties for perjury.

(j) The department of local government finance shall develop a notice:

- (1) that must be displayed in a place accessible to the public in the office of each county auditor;
- (2) that includes the information described in subsection (i); and
- (3) that explains that the form prescribed by the department of local government finance to claim the deduction under section 1 of this chapter must be signed by the property owner or contract purchaser under the penalties of perjury.



SECTION 5. IC 6-1.1-12-10.1, AS AMENDED BY P.L.183-2014, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 10.1. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is located. ~~With respect to real property,~~ **To obtain the deduction for a desired calendar year in which property taxes are first due and payable,** the statement must be completed and dated in the **immediately preceding** calendar year ~~for which the individual wishes to obtain the deduction~~ and filed with the county auditor on or before January 5 of the ~~immediately succeeding~~ calendar year ~~With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property,~~ the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. **in which the property taxes are first due and payable.** The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property, a mobile home, or a manufactured home subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) the source and exact amount of gross income received by the individual and the individual's spouse during the preceding calendar year;
- (2) the description and assessed value of the real property, mobile home, or manufactured home;
- (3) the individual's full name and complete residence address;
- (4) the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on contract; and
- (5) any additional information which the department of local government finance may require.

(c) In order to substantiate the deduction statement, the applicant shall submit for inspection by the county auditor a copy of the applicant's and a copy of the applicant's spouse's income tax returns ~~for~~



**the preceding that were originally due in the calendar year immediately preceding the desired calendar year in which the property taxes are first due and payable and for which the applicant and the applicant's spouse desire to claim the deduction.** If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction statement.

SECTION 6. IC 6-1.1-12-12, AS AMENDED BY P.L.183-2014, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 12. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. ~~With respect to real property,~~ **To obtain the deduction for a desired calendar year in which property taxes are first due and payable,** the application must be completed and dated in the **immediately preceding** calendar year for which the person wishes to obtain the deduction and filed with the county auditor on or before January 5 of the **immediately succeeding** calendar year ~~With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property,~~ the application must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction: **in which the property taxes are first due and payable.** The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

- (1) the records of the division of family resources or the division of disability and rehabilitative services; or
- (2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home.

SECTION 7. IC 6-1.1-12-15, AS AMENDED BY P.L.183-2014, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 15. (a) Except as provided in section 17.8 of this



chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section 13 or 14 of this chapter must file a statement with the auditor of the county in which the individual resides. ~~With respect to real property, To obtain the deduction for a desired calendar year in which property taxes are first due and payable, the statement must be completed and dated in the immediately preceding calendar year for which the individual wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year~~ ~~With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction.~~ **in which the property taxes are first due and payable.** The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the individual is entitled to the deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

- (1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;
- (2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or
- (3) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section. If a deceased veteran's surviving spouse is claiming the deduction, the surviving spouse shall provide the documentation necessary to establish that at the time of death the deceased veteran satisfied the requirements of section 13(a)(1) through 13(a)(4) of this chapter or section 14(a)(1) through 14(a)(4) of this chapter, whichever applies.

(d) If the individual claiming a deduction under section 13 or 14 of this chapter is buying real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property under a contract that provides that the individual is to pay property taxes for the real estate, mobile home, or manufactured home, the statement required by this section must contain the record number and page



where the contract or memorandum of the contract is recorded.

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

- (1) a sworn statement that the surviving spouse is entitled to the deduction; and
- (2) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property on a contract that provides that the individual is to pay property taxes on the real property.

In addition to the statement, the surviving spouse shall submit to the county auditor for the auditor's inspection a letter or certificate from the United States Department of Veterans Affairs establishing the service of the deceased spouse in the military or naval forces of the United States before November 12, 1918.

SECTION 9. IC 6-1.1-12-17.5 IS REPEALED [EFFECTIVE JULY 1, 2019]. ~~Sec. 17.5: (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter (before its expiration) must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is assessed. With respect to real property, the veteran must complete and date the statement in the calendar year for which the veteran wishes to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year. With~~



respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property; the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a contract, real property in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) a description and the assessed value of the real property, mobile home, or manufactured home;
- (2) the veteran's full name and complete residence address;
- (3) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home; and
- (4) any additional information that the department of local government finance may require.

SECTION 10. IC 6-1.1-12-27.1, AS AMENDED BY P.L.183-2014, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 27.1. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 26 or 26.1 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, manufactured home, or solar power device is subject to assessment. ~~With respect to real property or a solar power device that is assessed as distributable property under IC 6-1.1-8 or as personal property; To obtain the deduction for a desired calendar year in which property taxes are first due and payable,~~ the person must complete and date the certified statement in the **immediately preceding** calendar year for which the person wishes to obtain the deduction and file the certified statement with the county auditor on or before January 5 of the **immediately succeeding** calendar year. ~~Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter; with respect to a mobile home which is not assessed as real property; the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. in~~



**which the property taxes are first due and payable.** The person must:

- (1) own the real property, mobile home, or manufactured home or own the solar power device;
- (2) be buying the real property, mobile home, manufactured home, or solar power device under contract; or
- (3) be leasing the real property from the real property owner and be subject to assessment and property taxation with respect to the solar power device;

on the date the statement is filed under this section. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the real property, mobile home, manufactured home, or solar power device is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

SECTION 11. IC 6-1.1-12-30, AS AMENDED BY P.L.183-2014, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 30. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 29 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. ~~With respect to real property;~~ **To obtain the deduction for a desired calendar year in which property taxes are first due and payable,** the person must complete and date the statement in the **immediately preceding** calendar year ~~for which the person desires to obtain the deduction~~ and file the statement with the county auditor on or before January 5 of the ~~immediately succeeding~~ calendar year ~~With respect to a mobile home which is not assessed as real property;~~ **the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction: in which the property taxes are first due and payable.** The person must:

- (1) own the real property, mobile home, or manufactured home; or
- (2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under this section. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, or the county assessor if there



is no township assessor for the township, the county auditor shall allow the deduction."

Page 8, delete lines 22 through 42, begin a new paragraph and insert:

"SECTION 14. IC 6-1.1-12-35.5, AS AMENDED BY P.L.183-2014, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020]: Sec. 35.5. (a) Except as provided in section 36 or 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section ~~31, 33 or 34 or 34.5~~ of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance and proof of certification under subsection (b) ~~or~~ (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. ~~Except as provided in subsection (c); with respect to property that is not assessed under IC 6-1.1-7;~~ **To obtain the deduction for a desired calendar year in which property taxes are first due and payable**, the person must complete and date the certified statement in the **immediately preceding** calendar year for which the person wishes to obtain the ~~deduction~~ and file the certified statement with the county auditor on or before January 5 of the ~~immediately succeeding~~ calendar year ~~With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction:~~ **in which the property taxes are first due and payable**. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

(b) ~~This subsection does not apply to an application for a deduction under section 34.5 of this chapter.~~ The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section ~~31, 33 or 34~~ of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) ~~This subsection does not apply to an application for a deduction under section 34.5 of this chapter.~~ If the department of environmental



management receives an application for certification, the department shall determine whether the system or device qualifies for a deduction. If the department fails to make a determination under this subsection before December 31 of the year in which the application is received, the system or device is considered certified.

(d) A denial of a deduction claimed under section ~~31~~, 33 or 34 or ~~34.5~~ of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor county property tax assessment board of appeals, or department of local government finance.

(e) ~~A person who timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year and who desires to claim the deduction provided in section 31 of this chapter for property that is not assessed under IC 6-1.1-7 must file the statement described in subsection (a) during the year in which the personal property return is filed.~~

(f) ~~This subsection applies only to an application for a deduction under section 34.5 of this chapter. The center for coal technology research established by IC 21-47-4-1, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall prescribe the form and procedure for certification of buildings under this subsection. If the center receives an application for certification of a building under section 34.5 of this chapter:~~

- ~~(1) the center shall determine whether the building qualifies for a deduction; and~~
- ~~(2) if the center fails to make a determination before December 31 of the year in which the application is received, the building is considered certified."~~

Delete page 9.

Page 10, delete lines 1 through 4.

Page 10, between lines 23 and 24, begin a new paragraph and insert:  
 "SECTION 16. IC 6-1.1-12-37, AS AMENDED BY P.L.255-2017, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 37. (a) The following definitions apply throughout this section:

- (1) "Dwelling" means any of the following:
  - (A) Residential real property improvements that an individual uses as the individual's residence, including a house or garage.



- (B) A mobile home that is not assessed as real property that an individual uses as the individual's residence.
  - (C) A manufactured home that is not assessed as real property that an individual uses as the individual's residence.
- (2) "Homestead" means an individual's principal place of residence:
- (A) that is located in Indiana;
  - (B) that:
    - (i) the individual owns;
    - (ii) the individual is buying under a contract recorded in the county recorder's office, or evidenced by a memorandum of contract recorded in the county recorder's office under IC 36-2-11-20, that provides that the individual is to pay the property taxes on the residence, and that obligates the owner to convey title to the individual upon completion of all of the individual's contract obligations;
    - (iii) the individual is entitled to occupy as a tenant-stockholder (as defined in 26 U.S.C. 216) of a cooperative housing corporation (as defined in 26 U.S.C. 216); or
    - (iv) is a residence described in section 17.9 of this chapter that is owned by a trust if the individual is an individual described in section 17.9 of this chapter; and
  - (C) that consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

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

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

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

If more than one (1) individual or entity qualifies property as a homestead under subsection (a)(2)(B) for an assessment date, only one (1) standard deduction from the assessed value of the homestead may



be applied for the assessment date. Subject to subsection (c), the auditor of the county shall record and make the deduction for the individual or entity qualifying for the deduction.

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

- (1) sixty percent (60%) of the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property; or
- (2) forty-five thousand dollars (\$45,000).

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

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

- (1) the parcel number or key number of the property and the name of the city, town, or township in which the property is located;
- (2) the name of any other location in which the applicant or the applicant's spouse owns, is buying, or has a beneficial interest in residential real property;
- (3) the names of:
  - (A) the applicant and the applicant's spouse (if any):
    - (i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or
    - (ii) that they use as their legal names when they sign their names on legal documents;
 if the applicant is an individual; or
  - (B) each individual who qualifies property as a homestead under subsection (a)(2)(B) and the individual's spouse (if any):
    - (i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security



- number; or
- (ii) that they use as their legal names when they sign their names on legal documents;
- if the applicant is not an individual; and
- (4) either:
- (A) the last five (5) digits of the applicant's Social Security number and the last five (5) digits of the Social Security number of the applicant's spouse (if any); or
- (B) if the applicant or the applicant's spouse (if any) does not have a Social Security number, any of the following for that individual:
- (i) The last five (5) digits of the individual's driver's license number.
- (ii) The last five (5) digits of the individual's state identification card number.
- (iii) The last five (5) digits of a preparer tax identification number that is obtained by the individual through the Internal Revenue Service of the United States.
- (iv) If the individual does not have a driver's license, a state identification card, or an Internal Revenue Service preparer tax identification number, the last five (5) digits of a control number that is on a document issued to the individual by the United States government.

If a form or statement provided to the county auditor under this section, IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or part or all of the Social Security number of a party or other number described in subdivision (4)(B) of a party, the telephone number and the Social Security number or other number described in subdivision (4)(B) included are confidential. The statement may be filed in person or by mail. If the statement is mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the deduction is allowed. ~~With respect to real property;~~ **To obtain the deduction for a desired calendar year in which property taxes are first due and payable,** the statement must be completed and dated in the **immediately preceding** calendar year ~~for which the person desires to obtain the deduction~~ and filed with the county auditor on or before January 5 of the ~~immediately succeeding~~ calendar year ~~With respect to a mobile home that is not assessed as real property;~~ **the person must file the statement during the twelve (12) months before March 31 of the year for which the person desires to obtain the deduction: in which the property taxes are first due and payable.**



(f) Except as provided in subsection (n), if a person who is receiving, or seeks to receive, the deduction provided by this section in the person's name:

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

(2) is not eligible for a deduction under this section because the person is already receiving:

(A) a deduction under this section in the person's name as an individual or a spouse; or

(B) a deduction under the law of another state that is equivalent to the deduction provided by this section;

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

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

(h) This subsection does not apply to property in the first year for which a deduction is claimed under this section if the sole reason that a deduction is claimed on other property is that the individual or married couple maintained a principal residence at the other property on the assessment date in the same year in which an application for a deduction is filed under this section or, if the application is for a homestead that is assessed as personal property, on the assessment date in the immediately preceding year and the individual or married couple is moving the individual's or married couple's principal residence to the property that is the subject of the application. Except as provided in subsection (n), the county auditor may not grant an individual or a



married couple a deduction under this section if:

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

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

(i) The department of local government finance shall provide secure access to county auditors to a homestead property data base that includes access to the homestead owner's name and the numbers required from the homestead owner under subsection (e)(4) for the sole purpose of verifying whether an owner is wrongly claiming a deduction under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or IC 6-3.6-5 (after December 31, 2016).

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

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

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

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

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

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

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

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

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

(2) first due and payable in 2010;

on the grounds that the property is not owned by an entity described in



subsection (a)(2)(B), the county auditor shall reinstate the deduction if the taxpayer provides proof that the property is eligible for the deduction in accordance with subsection (k) and that the individual residing on the property is not claiming the deduction for any other property.

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

- (1) a deck or patio;
- (2) a gazebo; or
- (3) another residential yard structure, as defined in rules adopted by the department of local government finance (other than a swimming pool);

that is assessed as real property and attached to the dwelling.

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

- (1) The names of the county and state in which the individual's spouse claims a deduction substantially similar to the deduction allowed by this section.
- (2) A statement made under penalty of perjury that the following are true:
  - (A) That the individual and the individual's spouse maintain separate principal places of residence.
  - (B) That neither the individual nor the individual's spouse has an ownership interest in the other's principal place of residence.
  - (C) That neither the individual nor the individual's spouse has, for that same year, claimed a standard or substantially similar deduction for any property other than the property maintained as a principal place of residence by the respective individuals.

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

(o) If:

- (1) a property owner files a statement under subsection (e) to



claim the deduction provided by this section for a particular property; and

(2) the county auditor receiving the filed statement determines that the property owner's property is not eligible for the deduction; the county auditor shall inform the property owner of the county auditor's determination in writing. If a property owner's property is not eligible for the deduction because the county auditor has determined that the property is not the property owner's principal place of residence, the property owner may appeal the county auditor's determination to the county property tax assessment board of appeals as provided in IC 6-1.1-15. The county auditor shall inform the property owner of the owner's right to appeal to the county property tax assessment board of appeals when the county auditor informs the property owner of the county auditor's determination under this subsection.

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

(1) either:

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

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

(2) on the assessment date:

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

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

(3) either:

(A) the individual files the certified statement required by subsection (e); or

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

An individual who satisfies the requirements of subdivisions (1) through (3) is entitled to the deduction under this section for the homestead for the assessment date, even if on the assessment date the property on which the homestead is currently located was vacant land or the construction of the dwelling that constitutes the homestead was



not completed. The county auditor shall apply the deduction for the assessment date and for the assessment date in any later year in which the homestead remains eligible for the deduction. A homestead that qualifies for the deduction under this section as provided in this subsection is considered a homestead for purposes of section 37.5 of this chapter and IC 6-1.1-20.6.

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

(r) This subsection:

(1) applies to an application for the deduction provided by this section that is filed for an assessment date occurring after December 31, 2013; and

(2) does not apply to an individual described in subsection (q).

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

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

(1) is serving on active duty in any branch of the armed forces of the United States;

(2) was ordered to transfer to a location outside Indiana; and

(3) was otherwise eligible, without regard to this subsection, for the deduction under this section for the property for the assessment date immediately preceding the transfer date specified in the order described in subdivision (2).

For property to qualify under this subsection for the deduction provided by this section, the individual described in subdivisions (1) through (3) must submit to the county auditor a copy of the individual's transfer orders or other information sufficient to show that the individual was ordered to transfer to a location outside Indiana. The property continues to qualify for the deduction provided by this section until the individual ceases to be on active duty, the property is sold, or the individual's ownership interest is otherwise terminated, whichever occurs first. Notwithstanding subsection (a)(2), the property remains a homestead



regardless of whether the property continues to be the individual's principal place of residence after the individual transfers to a location outside Indiana. The property continues to qualify as a homestead under this subsection if the property is leased while the individual is away from Indiana and is serving on active duty, if the individual has lived at the property at any time during the past ten (10) years. Otherwise, the property ceases to qualify as a homestead under this subsection if the property is leased while the individual is away from Indiana. Property that qualifies as a homestead under this subsection shall also be construed as a homestead for purposes of section 37.5 of this chapter."

Page 12, between lines 33 and 34, begin a new paragraph and insert:

"SECTION 18. IC 6-1.1-12-45, AS AMENDED BY P.L.255-2017, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 45. (a) Subject to subsections (b) and (c), a deduction under this chapter applies for an assessment date and for the property taxes due and payable based on the assessment for that assessment date, regardless of whether with respect to the real property or mobile home or manufactured home not assessed as real property:

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

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

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

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

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

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

file a statement under this chapter to claim the deduction.

(c) A deduction applies under subsection (a) for only one (1) year. The requirements of this chapter for filing a statement to apply for a deduction under this chapter apply to subsequent years. A person who fails to apply for a deduction or credit under this article by the deadlines prescribed by this article may not apply for the deduction or credit retroactively.

(d) If:

**(1) a taxpayer wishes to claim a deduction under this chapter for a desired calendar year in which property taxes are first due and payable;**

**(+ (2) the taxpayer files a statement is filed under this chapter on or before January 5 of a the calendar year to claim a deduction under this chapter with respect to real property; in which the property taxes are first due and payable; and**

**(- (3) the eligibility criteria for the deduction are met;**



the deduction applies for the assessment date in the preceding calendar year and for the **desired calendar year in which the** property taxes **are first** due and payable. based on the assessment for that assessment date.

(e) If:

(1) a statement is filed under this chapter in a twelve (12) month filing period designated under this chapter to claim a deduction under this chapter with respect to a mobile home or a manufactured home not assessed as real property; and

(2) the eligibility criteria for the deduction are met;

the deduction applies for the assessment date in that twelve (12) month period and for the property taxes due and payable based on the assessment for that assessment date.

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

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

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

Page 12, between lines 37 and 38, begin a new paragraph and insert:

"SECTION 21. IC 6-1.1-23.5-9, AS ADDED BY P.L.235-2017, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 9. (a) At least sixty (60) days after the date on which the written demands are issued by a county treasurer under section 5 of this chapter, the county treasurer shall prepare a notice in accordance with this section that declares the county treasurer's intention to sell the mobile homes on the tentative auction list under section 4 of this chapter.

(b) The notice required by subsection (a) must contain the



following:

- (1) A list of mobile homes eligible for sale under this chapter.
- (2) A statement that the mobile homes included in the list will be sold at public auction to the highest bidder.
- (3) A statement, for informational purposes only, of the last known location of each mobile home by street address, if any, and lot number, if any.
- (4) A statement that the county does not warrant the accuracy of the street address and lot number at which the mobile home was last known to be located.
- (5) A statement indicating:
  - (A) the name of the owner of each mobile home with a single owner; or
  - (B) the name of at least one (1) of the owners of each mobile home with multiple owners.
- (6) A statement of the procedure to be followed for obtaining or objecting to a judgment and order of sale, which must include the following:
  - (A) A statement that the county treasurer will apply on or after a date designated in the notice for a court judgment against the mobile homes for an amount that is **not less than the amount of the delinquent personal property taxes, penalties, and set by the county executive and includes** collection expenses attributable to the mobile homes, and for an order to sell the mobile homes at public auction to the highest bidder.
  - (B) A statement that any defense to the application for judgment must be:
    - (i) filed with the court; and
    - (ii) served on the county treasurer;
 before the date designated as the earliest date on which the application for judgment may be filed.
  - (C) A statement that the county treasurer is entitled to receive all pleadings, motions, petitions, and other filings related to the defense to the application for judgment.
  - (D) A statement that the court will set a date for a hearing at least seven (7) days before the advertised public auction date and that the court will determine any defenses to the application for judgment at the hearing.
- (7) A statement that the sale will be conducted at a place designated in the notice and that the sale will continue until all mobile homes have been offered for sale.
- (8) A statement that the sale will take place at the times and dates



designated in the notice. Whenever the public auction is to be conducted as an electronic sale, the notice must include a statement indicating that the public auction will be conducted as an electronic sale and a description of the procedures that must be followed to participate in the electronic sale.

(9) A statement that if the mobile home is sold for an amount that exceeds the sum of the delinquent personal property taxes, penalties, and collection expenses attributable to the mobile home, the owner of record of the mobile home who is divested of ownership at the time the mobile home is sold may have a right to the amount of the sales price minus the amount remaining after the delinquent property taxes, penalties, and collection expenses are paid.

SECTION 22. IC 6-1.1-23.5-18, AS ADDED BY P.L.235-2017, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 18. (a) Whenever:

- (1) a mobile home assessed as personal property is offered for sale under this chapter; and
- (2) no bid is received;

the county auditor shall prepare a certified statement of the actual collection costs incurred by the county.

(b) The county auditor shall place the amount specified in the certified statement prepared under subsection (a) on the tax duplicate of the mobile home assessed as personal property that is offered but not sold at the sale. The amount shall be collected as personal property taxes are collected and paid into the county general fund.

**(c) The taxpayer who is delinquent in the payment of taxes causing the tax sale maintains ownership of the mobile home and liability for the delinquent taxes.**

SECTION 23. IC 6-1.1-39-3, AS AMENDED BY P.L.4-2005, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. (a) The fiscal body shall publish notice of the adoption and substance of the ordinance in accordance with IC 5-3-1 after:

- (1) the adoption of the ordinance under section 2 of this chapter; and
- (2) the fiscal body receives preliminary certification from the Indiana economic development corporation under section 2.5 of this chapter that the proposed industrial development project qualifies as a qualified industrial development project and that there is a reasonable likelihood that a loan from the industrial development fund will be approved under IC 5-28-9-12.



The notice must state the general boundaries of the area designated as an economic development district and must state that written remonstrances may be filed with the fiscal body until the time designated for the hearing. The notice must also name the place, date, and time when the fiscal body will receive and hear remonstrances and objections from persons interested in or affected by the proceedings pertaining to the proposed economic development district designation and will determine the public utility and benefit of the proposed economic development district designation. All persons affected in any manner by the hearing, including all taxpayers of the economic development district, shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, adjournments, and orders of the fiscal body affecting the economic development district if the fiscal body gives the notice required by this section.

(b) A copy of the notice of the hearing shall be filed with the office of the unit's plan commission, board of zoning appeals, works board, park board, building commissioner, and any other departments, bodies, or officers of the unit having to do with unit planning, variances from zoning ordinances, land use, or the issuance of building permits.

(c) At the hearing, which may be recessed and reconvened from time to time, the fiscal body shall hear all persons interested in the proceedings and shall consider all written remonstrances and objections that have been filed. After considering the evidence presented, the fiscal body shall take final action determining the public utility and benefit of the proposed economic development district designation and confirming, modifying and confirming, or rescinding the ordinance. The final action taken by the fiscal body shall be recorded and is final and conclusive, except that an appeal may be taken in the manner prescribed by section 4 of this chapter.

**(d) If the fiscal body confirms, or modifies and confirms, the ordinance, the fiscal body shall file a copy of the ordinance with both the auditor of the county in which the unit is located and the department, together with any supporting documents that are relevant to the computation of assessed values in the allocation area, within thirty (30) days after the date on which the fiscal body takes final action on the ordinance.**

SECTION 24. IC 6-1.1-39-5, AS AMENDED BY P.L.86-2018, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) A declaratory ordinance adopted under section 2 of this chapter and confirmed under section 3 of this chapter must include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this



section. The allocation provision must apply to the entire economic development district. The allocation provisions must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the economic development district be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;

or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units. However, if the effective date of the allocation provision of a declaratory ordinance is after March 1, 1985, and before January 1, 1986, and if an improvement to property was partially completed on March 1, 1985, the unit may provide in the declaratory ordinance that the taxes attributable to the assessed value of the property as finally determined for March 1, 1984, shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, part or all of the property tax proceeds in excess of those described in subdivision (1), as specified in the declaratory ordinance, shall be allocated to the unit for the economic development district and, when collected, paid into a special fund established by the unit for that economic development district that may be used only to pay the principal of and interest on obligations owed by the unit under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of industrial development programs in, or serving, that economic development district. The amount not paid into the special fund shall be paid to the respective units in the manner prescribed by subdivision (1).

(3) When the money in the fund is sufficient to pay all outstanding principal of and interest (to the earliest date on which the obligations can be redeemed) on obligations owed by the unit under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of industrial development programs in, or serving, that economic development district, money in the special fund in excess of that amount shall be paid to the respective taxing units in the manner prescribed by subdivision (1).

(b) Property tax proceeds allocable to the economic development



district under subsection (a)(2) must, subject to subsection (a)(3), be irrevocably pledged by the unit for payment as set forth in subsection (a)(2).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the economic development district that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory ordinance is the lesser of:

- (1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
- (2) the base assessed value.

(d) Notwithstanding any other law, each assessor shall, upon petition of the fiscal body, reassess the taxable property situated upon or in, or added to, the economic development district effective on the next assessment date after the petition.

(e) Notwithstanding any other law, the assessed value of all taxable property in the economic development district, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located, is the lesser of:

- (1) the assessed value of the property as valued without regard to this section; or
- (2) the base assessed value.

(f) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each reassessment of a group of parcels under a reassessment plan prepared under IC 6-1.1-4-4.2 the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment on the property tax proceeds allocated to the district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1.

(g) As used in this section, "property taxes" means:

- (1) taxes imposed under this article on real property; and
- (2) any part of the taxes imposed under this article on depreciable personal property that the unit has by ordinance allocated to the economic development district. However, the ordinance may not limit the allocation to taxes on depreciable personal property with



any particular useful life or lives.

If a unit had, by ordinance adopted before May 8, 1987, allocated to an economic development district property taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the ordinance continues in effect until an ordinance is adopted by the unit under subdivision (2).

(h) As used in this section, "base assessed value" means, **subject to subsection (i):**

(1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (f); plus

(2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Subdivision (2) applies only to economic development districts established after June 30, 1997, and to additional areas established after June 30, 1997.

**(i) If a fiscal body confirms, or modifies and confirms, an ordinance under section 3 of this chapter and the fiscal body makes either of the filings required under section 3(d) of this chapter after the first anniversary of the effective date of the allocation provision in the ordinance, the auditor of the county in which the unit is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:**

**(1) the date on which the documents are filed with the county auditor; or**

**(2) the date on which the documents are filed with the department."**

Page 15, between lines 38 and 39, begin a new paragraph and insert:

"SECTION 42. IC 8-1.5-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. (a) The board has general supervisory powers over the utilities under its control, with responsibility for the detailed supervision of each utility to be vested in its superintendent, who is responsible to the board for the business and technical operation of the utility. The board shall:

(1) fix the number and compensation of employees;

(2) adopt rules governing the appointment of employees including making proper classifications and rules to:

(A) determine the eligibility of applicants;



- (B) determine by competitive examination the relative fitness of applicants for positions;
  - (C) establish eligible lists arranged according to the ratings secured;
  - (D) provide for the appointment of those having the highest ratings; and
  - (E) provide for the promotion of employees;
- (3) subject to IC 36-4-9-2, appoint a superintendent or manager of each utility under its control who is responsible to the board for the business and technical operation of the utility; the board shall make the appointment on the basis of fitness to manage the particular utility to which he is to be assigned, taking into account his executive ability and his knowledge of the utility industry;
  - (4) subject to IC 36-4-9-12, hire attorneys when required for the operation of the utility;
  - (5) hire professional or expert personnel when required for the operation of the utility;
  - (6) submit a budget of its financial needs for the next year in the detail required by the municipal legislative body;
  - (7) recommend to the legislative body reasonable and just rates and charges for services to the patrons of each utility;
  - (8) appropriate, lease, rent, purchase, and hold all real and personal property of the utility;
  - (9) enter upon lands for the purpose of surveying or examining the land to determine the location of any plant or appurtenances;
  - (10) award contracts for:
    - (A) the purchase of capital equipment;
    - (B) the construction of capital improvements; or
    - (C) other property or purposes that are necessary for the full and efficient construction, management, and operation of each utility;
  - (11) adopt rules for the safe, economical, and efficient management and protection of each utility;
  - (12) deposit at least weekly with the municipal fiscal officer all money collected from each utility to be kept in a separate fund subject to the order of the board; and
  - (13) make monthly reports to the fiscal officer of the receipts and disbursements of money belonging to each utility and an annual report of the condition of the utility.
- (b) The board may purchase by contract electricity, water, gas, power, or any other commodity or service for the purpose of furnishing the commodity or service to the patrons of the municipally owned



utility or to the municipality itself.

(c) If the board wants to purchase the commodity or service from a public utility and the parties cannot agree on a rate or charge to be paid for it, either party may apply to the commission or other appropriate state or federal regulatory agency to establish a fair and reasonable rate or charge to be paid for the commodity or service.

(d) The board may discontinue water service by a waterworks to:

- (1) a water consumer; or
- (2) any property;

upon failure by the water consumer or the property owner to pay charges legally due for sewer or sewage disposal plant service. However, the water service may not be discontinued for nonpayment of sewer or sewage disposal plant service charges until the charges have been due and unpaid for at least ~~thirty (30) days~~: **the time fixed by the board governing the sewer or sewage disposal plant service.**

(e) Before water service is discontinued under subsection (d), the board must give written notice to the water consumer or property owner of its intention to discontinue water service if the unpaid sewer or sewage disposal plant service charges are not paid before a date specified in the notice. The notice must be mailed not less than ten (10) days before water service is to be discontinued and addressed to the water consumer or the property owner at ~~his~~ **the consumer's or owner's** last known address.

SECTION 43. IC 8-22-3.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 6. (a) After adoption of the resolution under section 5 of this chapter, the commission shall:

- (1) publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1; and
- (2) file the following information with each taxing unit that has authority to levy property taxes in the geographic area where the airport development zone is located:
  - (A) A copy of the notice required by subdivision (1).
  - (B) A statement disclosing the impact of the airport development zone, including the following:
    - (i) The estimated economic benefits and costs incurred by the airport development zone, as measured by increased employment and anticipated growth of real property assessed values.
    - (ii) The anticipated impact on tax revenues of each taxing unit.

The notice must state the general boundaries of the area designated as an airport development zone and must state that written remonstrances



may be filed with the commission until the time designated for the hearing. The notice must also name the place, date, and time when the commission will receive and hear remonstrances and objections from persons interested in or affected by the proceedings pertaining to the proposed airport development zone designation and will determine the public utility and benefit of the proposed airport development zone designation. The commission shall file the information required by subdivision (2) with the officers of the taxing unit who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date of the public hearing. All persons affected in any manner by the hearing, including all taxpayers within the taxing district of the airport authority, shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, adjournments, and orders of the commission affecting the airport development zone if the commission gives the notice required by this section.

(b) At the hearing, which may be recessed and reconvened from time to time, the commission shall hear all persons interested in the proceedings and shall consider all written remonstrances and objections that have been filed. After considering the evidence presented, the commission shall take final action determining the public utility and benefit of the proposed airport development zone designation and confirming, modifying and confirming, or rescinding the resolution. The final action taken by the commission shall be recorded and is final and conclusive, except that an appeal may be taken in the manner prescribed by section 7 of this chapter.

**(c) If the commission confirms, or modifies and confirms, the resolution, the commission shall file a copy of the resolution with both the auditor of the county in which the airport development zone is located and the department of local government finance, together with any supporting documents that are relevant to the computation of assessed values in the airport development zone, within thirty (30) days after the date on which the commission takes final action on the resolution.**

SECTION 44. IC 8-22-3.5-9, AS AMENDED BY P.L.203-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 9. (a) As used in this section, "base assessed value" means, **subject to subsection (k):**

(1) the net assessed value of all the tangible property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the commission's resolution adopted under section 5 or 9.5 of this chapter,



notwithstanding the date of the final action taken under section 6 of this chapter; plus

(2) to the extent it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

However, subdivision (2) applies only to an airport development zone established after June 30, 1997, and the portion of an airport development zone established before June 30, 1997, that is added to an existing airport development zone.

(b) A resolution adopted under section 5 of this chapter and confirmed under section 6 of this chapter must include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section.

(c) The allocation provision must:

(1) apply to the entire airport development zone; and

(2) require that any property tax on taxable tangible property subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes in the airport development zone be allocated and distributed as provided in subsections (d) and (e).

(d) Except as otherwise provided in this section:

(1) the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the tangible property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated and, when collected, paid into the funds of the respective taxing units; and

(2) the excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution are made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(e) All of the property tax proceeds in excess of those described in subsection (d) shall be allocated to the eligible entity for the airport development zone and, when collected, paid into special funds as follows:



- (1) The commission may determine that a portion of tax proceeds shall be allocated to a training grant fund to be expended by the commission without appropriation solely for the purpose of reimbursing training expenses incurred by public or private entities in the training of employees for the qualified airport development project.
  - (2) The commission may determine that a portion of tax proceeds shall be allocated to a debt service fund and dedicated to the payment of principal and interest on revenue bonds or a loan contract of the board of aviation commissioners or airport authority for a qualified airport development project, to the payment of leases for a qualified airport development project, or to the payment of principal and interest on bonds issued by an eligible entity to pay for qualified airport development projects in the airport development zone or serving the airport development zone.
  - (3) The commission may determine that a part of the tax proceeds shall be allocated to a project fund and used to pay expenses incurred by the commission for a qualified airport development project that is in the airport development zone or is serving the airport development zone.
  - (4) Except as provided in subsection (f), all remaining tax proceeds after allocations are made under subdivisions (1), (2), and (3) shall be allocated to a project fund and dedicated to the reimbursement of expenditures made by the commission for a qualified airport development project that is in the airport development zone or is serving the airport development zone.
- (f) Before July 15 of each year, the commission shall do the following:
- (1) Determine the amount, if any, by which tax proceeds allocated to the project fund in subsection (e)(3) in the following year will exceed the amount necessary to satisfy amounts required under subsection (e).
  - (2) Provide a written notice to the county auditor and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:
    - (A) state the amount, if any, of excess tax proceeds that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subsection (d)(1); or
    - (B) state that the commission has determined that there are no excess tax proceeds that may be allocated to the respective



taxing units in the manner prescribed in subsection (d)(1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess tax proceeds determined by the commission.

(g) When money in the debt service fund and in the project fund is sufficient to pay all outstanding principal and interest (to the earliest date on which the obligations can be redeemed) on revenue bonds issued by the board of aviation commissioners or airport authority for the financing of qualified airport development projects, all lease rentals payable on leases of qualified airport development projects, and all costs and expenditures associated with all qualified airport development projects, money in the debt service fund and in the project fund in excess of those amounts shall be paid to the respective taxing units in the manner prescribed by subsection (d)(1).

(h) Property tax proceeds allocable to the debt service fund under subsection (e)(2) must, subject to subsection (g), be irrevocably pledged by the eligible entity for the purpose set forth in subsection (e)(2).

(i) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable tangible property situated upon or in, or added to, the airport development zone effective on the next assessment date after the petition.

(j) Notwithstanding any other law, the assessed value of all taxable tangible property in the airport development zone, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the tangible property as valued without regard to this section; or
- (2) the base assessed value.

**(k) If the commission confirms, or modifies and confirms, a resolution under section 6 of this chapter and the commission makes either of the filings required under section 6(c) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the airport development zone is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:**

- (1) the date on which the documents are filed with the county auditor; or**
- (2) the date on which the documents are filed with the department of local government finance."**



Page 16, after line 18, begin a new paragraph and insert:

"SECTION 48. IC 36-3-5.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

**Chapter 5.5. Training for Clerk and Fiscal Officer**

**Sec. 1. As used in this chapter, "training courses" refers to training courses, workshops, training institutes authorized by IC 5-11-14, formal academies, special seminars, and other in-service training related to the office of the:**

- (1) clerk of the consolidated city described in IC 36-3-4-8; and**
- (2) fiscal officer of the consolidated city described in IC 36-3-5-2.5;**

**that are developed or offered under the rubric of a generally accepted professional association, association of governments or a state agency or department, or public university or affiliated center.**

**Sec. 2. An individual who is appointed to or holds an office described in section 1 of this chapter on or after November 5, 2019, shall complete at least:**

- (1) fourteen (14) hours of training courses within one (1) year; and**
- (2) thirty-six (36) hours of training courses within three (3) years;**

**after the individual is appointed to or while the individual holds an office described in section 1 of this chapter.**

**Sec. 3. A training course that an individual completes:**

- (1) after being appointed to an office described in this section; and**
- (2) before the individual begins serving in an office described in this section;**

**shall be counted toward the requirements under section 2 of this chapter.**

**Sec. 4. An individual shall fulfill the training requirements established by section 2 of this chapter for each four (4) year period during which the individual holds an office described in section 1 of this chapter.**

**Sec. 5. This section applies only to an individual appointed to fill a vacancy in an office described in section 1 of this chapter. An individual described in this section may, but is not required to, take training courses required by section 2 of this chapter. If an individual described in this section takes a training course required by section 2 of this chapter for an office described in section 1 of**



this chapter, the consolidated city shall pay for the training course as if the individual had been appointed to an office described in section 1 of this chapter.

**Sec. 6. The:**

- (1) executive;
- (2) legislative body; and
- (3) individual who holds an office described in section 1 of this chapter;

shall use all reasonable means to ensure that the individual who holds an office described in section 1 of this chapter complies with the training requirements established by section 2 of this chapter.

**Sec. 7. The individual who holds an office described in section 1 of this chapter shall maintain written documentation of the training courses that the individual completes toward the requirements of this chapter.**

**Sec. 8. If the consolidated city reorganizes under IC 36-1.5, the individual who performs the functions of an office described in section 1 of this chapter for the consolidated city shall comply with the training requirements established by this chapter for the reorganized political subdivision.**

SECTION 49. IC 36-4-10-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 8. (a) As used in this section, "training courses" refers to training courses, workshops, training institutes authorized by IC 5-11-14, formal academies, special seminars, and other in-service training related to an office described in section 2 of this chapter that are developed or offered under the rubric of a generally accepted professional association, association of governments or a state agency or department, or public university or affiliated center.**

**(b) An individual elected or appointed to an office described in section 2 of this chapter on or after November 5, 2019, shall complete at least:**

- (1) fourteen (14) hours of training courses within one (1) year; and
- (2) thirty-six (36) hours of training courses within three (3) years;

**after the individual is elected or appointed to an office described in section 2 of this chapter.**

**(c) A training course that an individual completes:**

- (1) after being elected or appointed to an office described in section 2 of this chapter; and



(2) before the individual begins serving in an office described in section 2 of this chapter;  
shall be counted toward the requirements under subsection (b).

(d) An individual shall fulfill the training requirements established by subsection (b) for each term to which the individual is elected or appointed to an office described in section 2 of this chapter.

(e) This subsection applies only to an individual appointed to fill a vacancy in an office described in section 2 of this chapter. An individual described in this subsection may, but is not required to, take training courses required by subsection (b). If an individual described in this subsection takes a training course required by subsection (b) for an office described in section 2 of this chapter, the city shall pay for the training course as if the individual had been elected or appointed to an office described in section 2 of this chapter.

(f) The:

- (1) city executive;
- (2) city legislative body; and
- (3) individual who holds the office described in section 2 of this chapter;

shall use all reasonable means to ensure that the individual who holds the office described in section 2 of this chapter complies with the training requirements established by this section.

(g) The individual who holds the office described in section 2 of this chapter shall maintain written documentation of the training courses that the individual completes toward the requirements of this section.

(h) If a city reorganizes under IC 36-1.5, the individual who performs the functions of an office described in section 2 of this chapter for the city shall comply with the training requirements established by this section for the reorganized political subdivision.

SECTION 50. IC 36-5-6-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 10. (a)** As used in this section, "training courses" refers to training courses, workshops, training institutes authorized by IC 5-11-14, formal academies, special seminars, and other in-service training related to an office described in section 2 of this chapter that are developed or offered under the rubric of a generally accepted professional association, association of governments or a state agency or department, or public university or affiliated center.



**(b) An individual elected to the office described in section 2 of this chapter on or after November 5, 2019, shall complete at least:**

- (1) fourteen (14) hours of training courses within one (1) year; and**
- (2) thirty-six (36) hours of training courses within three (3) years;**

**after the individual is elected to the office described in section 2 of this chapter.**

**(c) A training course that an individual completes:**

- (1) after being elected to the office described in section 2 of this chapter; and**
- (2) before the individual begins serving in the office described in section 2 of this chapter;**

**shall be counted toward the requirements under subsection (b).**

**(d) An individual shall fulfill the training requirements established by subsection (b) for each term to which the individual is elected to the office described in section 2 of this chapter.**

**(e) This subsection applies only to an individual appointed to fill a vacancy in the office described in section 2 of this chapter. An individual described in this subsection may, but is not required to, take training courses required by subsection (b). If an individual described in this subsection takes a training course required by subsection (b) for an individual elected to the office described in section 2 of this chapter, the town shall pay for the training course as if the individual had been elected to the office described in section 2 of this chapter.**

**(f) The:**

- (1) town executive;**
- (2) town legislative body; and**
- (3) individual who holds the office described in section 2 of this chapter;**

**shall use all reasonable means to ensure that the individual who holds the office described in section 2 of this chapter complies with the training requirements established by this section.**

**(g) The individual who holds the office described in section 2 of this chapter shall maintain written documentation of the training courses that the individual completes toward the requirements of this section.**

**(h) If a town reorganizes under IC 36-1.5, the individual who performs the functions of the office described in section 2 of this chapter for the town shall comply with the training requirements established by this section for the reorganized political subdivision.**



SECTION 51. IC 36-7-14-17, AS AMENDED BY P.L.146-2008, SECTION 728, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 17. (a) After receipt of the written order of approval of the plan commission and approval of the municipal legislative body or county executive, the redevelopment commission shall publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1. The notice must:

- (1) state that maps and plats have been prepared and can be inspected at the office of the department; and
- (2) name a date when the commission will:
  - (A) receive and hear remonstrances and objections from persons interested in or affected by the proceedings pertaining to the proposed project or other actions to be taken under the resolution; and
  - (B) determine the public utility and benefit of the proposed project or other actions.

All persons affected in any manner by the hearing, including all taxpayers of the special taxing district, shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, adjournments, and orders of the commission by the notice given under this section.

(b) A copy of the notice of the hearing on the resolution shall be filed in the office of the unit's plan commission, board of zoning appeals, works board, park board, and building commissioner, and any other departments, bodies, or officers of the unit having to do with unit planning, variances from zoning ordinances, land use, or the issuance of building permits. These agencies and officers shall take notice of the pendency of the hearing and, until the commission confirms, modifies and confirms, or rescinds the resolution, or the confirmation of the resolution is set aside on appeal, may not:

- (1) authorize any construction on property or sewers in the area described in the resolution, including substantial modifications, rebuilding, conversion, enlargement, additions, and major structural improvements; or
- (2) take any action regarding the zoning or rezoning of property, or the opening, closing, or improvement of streets, alleys, or boulevards in the area described in the resolution.

This subsection does not prohibit the granting of permits for ordinary maintenance or minor remodeling, or for changes necessary for the continued occupancy of buildings in the area.

(c) If the resolution to be considered at the hearing includes a provision establishing or amending an allocation provision under



section 39 of this chapter, the redevelopment commission shall file the following information with each taxing unit that is wholly or partly located within the allocation area:

- (1) A copy of the notice required by subsection (a).
- (2) A statement disclosing the impact of the allocation area, including the following:
  - (A) The estimated economic benefits and costs incurred by the allocation area, as measured by increased employment and anticipated growth of real property assessed values.
  - (B) The anticipated impact on tax revenues of each taxing unit.

The redevelopment commission shall file the information required by this subsection with the officers of the taxing unit who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date of the hearing.

(d) At the hearing, which may be adjourned from time to time, the redevelopment commission shall hear all persons interested in the proceedings and shall consider all written remonstrances and objections that have been filed. After considering the evidence presented, the commission shall take final action determining the public utility and benefit of the proposed project or other actions to be taken under the resolution, and confirming, modifying and confirming, or rescinding the resolution. The final action taken by the commission shall be recorded and is final and conclusive, except that an appeal may be taken in the manner prescribed by section 18 of this chapter.

**(e) If the redevelopment commission adopts the resolution and the resolution includes a provision establishing or amending an allocation provision under section 39 of this chapter, the redevelopment commission shall file a copy of the resolution with both the auditor of the county in which the unit is located and the department of local government finance, together with any supporting documents that are relevant to the computation of assessed values in the allocation area, within thirty (30) days after the date on which the redevelopment commission takes final action on the resolution.**

SECTION 52. IC 36-7-14-39, AS AMENDED BY P.L.86-2018, SECTION 344, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 39. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a declaratory resolution adopted under section 15 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means, **subject to subsection (j)**, the



following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development



area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

Except as provided in section 39.3 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes, taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A declaratory resolution adopted under section 15 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or amendment that establishes an allocation provision must include a specific finding of fact, supported by evidence, that the adoption of the allocation provision will result in new property taxes in the area that would not have been generated but for the adoption of the allocation provision. For an allocation area established before July 1, 1995, the expiration date of any allocation provisions for the allocation area is June 30, 2025, or the last date of any obligations that are outstanding on July 1, 2015, whichever is later. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision. For an allocation area established before July 1, 2008, the expiration date may not be more than thirty (30) years after the date on which the allocation provision is established. For an allocation area established after June 30, 2008, the expiration date may



not be more than twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;

or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the redevelopment district and, when collected, paid into an allocation fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds which are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in



that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 27 of this chapter.

(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 25.2 of this chapter.

(G) Reimburse the unit for expenditures made by it for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this chapter) that are physically located in or physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) For property taxes first due and payable before January 1, 2009, pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the redevelopment commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

- (i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its repeal)) for that year as determined under IC 6-1.1-21-4 (before its repeal) that is attributable to the taxing district; by
- (ii) the STEP ONE sum.

STEP THREE: Multiply:



- (i) the STEP TWO quotient; times
- (ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 39.5 of this chapter (before its repeal) in the same year.

(J) Pay expenses incurred by the redevelopment commission for local public improvements that are in the allocation area or serving the allocation area. Public improvements include buildings, parking facilities, and other items described in section 25.1(a) of this chapter.

(K) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

- (i) in the allocation area; and
- (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(L) Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the unit that established the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:

- (i) Make, when due, any payments required under clauses (A) through (K), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.



(ii) Make any reimbursements required under this subdivision.

(iii) Pay any expenses required under this subdivision.

(iv) Establish, augment, or restore any debt service reserve under this subdivision.

(M) Expend money and provide financial assistance as authorized in section 12.2(a)(27) of this chapter.

The allocation fund may not be used for operating expenses of the commission.

(4) Except as provided in subsection (g), before June 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3), plus the amount necessary for other purposes described in subdivision (3).

(B) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, and (in an electronic format) the department of local government finance. The notice must:

(i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3) or lessors under section 25.3 of this chapter.

(C) If:



- (i) the amount of excess assessed value determined by the commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision (3); plus
- (ii) the amount necessary for other purposes described in subdivision (3);

the commission shall submit to the legislative body of the unit its determination of the excess assessed value that the commission proposes to allocate to the respective taxing units in the manner prescribed in subdivision (1). The legislative body of the unit may approve the commission's determination or modify the amount of the excess assessed value that will be allocated to the respective taxing units in the manner prescribed in subdivision (1).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

- (1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
- (2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the redevelopment commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the property as valued without regard to this section; or
- (2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has



obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. The amount sufficient for purposes specified in subsection (b)(3) for the year shall be determined based on the pro rata portion of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(3), except that where reference is made in subsection (b)(3) to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. Those programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each reassessment in an area under a reassessment plan prepared under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection:

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- (1) may not include the effect of phasing in assessed value due to property tax abatements under IC 6-1.1-12.1;
- (2) may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the reassessment under the reassessment plan or the annual adjustment had not occurred; and
- (3) may decrease base assessed value only to the extent that assessed values in the allocation area have been decreased due to annual adjustments or the reassessment under the reassessment plan.

Assessed value increases attributable to the application of an abatement schedule under IC 6-1.1-12.1 may not be included in the base assessed value of an allocation area. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

- (1) The initial allocation deadline is December 31, 2011.
- (2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.
- (3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:
  - (A) terminates the automatic extension of allocation deadlines under subdivision (2); and
  - (B) specifically designates a particular date as the final allocation deadline.

**(j) If a redevelopment commission adopts a declaratory resolution or an amendment to a declaratory resolution that contains an allocation provision and the redevelopment commission makes either of the filings required under section 17(e) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the unit is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:**

- (1) the date on which the documents are filed with the county auditor; or**
- (2) the date on which the documents are filed with the department of local government finance.**



SECTION 53. IC 36-7-14-39.2, AS AMENDED BY P.L.119-2012, SECTION 207, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 39.2. (a) This section applies to a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000).

(b) As used in this section, "designated taxpayer" means any taxpayer designated by the commission in a declaratory resolution adopted or amended under section 15 or 17.5 of this chapter and with respect to which the commission finds that taxes to be derived from the taxpayer's depreciable personal property in the allocation area, in excess of the taxes attributable to the base assessed value of that personal property, are reasonably expected to exceed in one (1) or more future years the taxes to be derived from the taxpayer's real property in the allocation area in excess of the taxes attributable to the base assessed value of that real property.

(c) The allocation provision of a declaratory resolution may modify the definition of "property taxes" under section 39(a) of this chapter to include taxes imposed under IC 6-1.1 on the depreciable personal property of designated taxpayers, in accordance with the procedures and limitations set forth in this section and section 39 of this chapter. If such a modification is included in the resolution for purposes of section 39 of this chapter, the term "base assessed value" with respect to the depreciable personal property of designated taxpayers means, **subject to section 39(j) of this chapter**, the net assessed value of all the depreciable personal property as finally determined for the assessment date immediately preceding:

- (1) the effective date of the modification, for modifications adopted before July 1, 1995; and
- (2) the adoption date of the modification for modifications adopted after June 30, 1995;

as adjusted under section 39(h) of this chapter.

SECTION 54. IC 36-7-14-39.3, AS AMENDED BY P.L.6-2012, SECTION 244, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 39.3. (a) As used in this section, "depreciable personal property" refers to:

- (1) all of the designated taxpayer's depreciable personal property that is located in the allocation area; and
- (2) all other depreciable property located and taxable on the designated taxpayer's site of operations within the allocation area.

(b) As used in this section, "designated taxpayer" means any taxpayer designated by the commission in a declaratory resolution adopted or amended under section 15 or 17.5 of this chapter, and with



respect to which the commission finds that taxes to be derived from the depreciable personal property in the allocation area, in excess of the taxes attributable to the base assessed value of that personal property, are needed to pay debt service or to provide security for bonds issued under section 25.1 of this chapter or to make payments or to provide security on leases payable under section 25.2 of this chapter in order to provide local public improvements for a particular allocation area. However, a commission may not designate a taxpayer after June 30, 1992, unless the commission also finds that:

- (1) the taxpayer's property in the allocation area will consist primarily of industrial, manufacturing, warehousing, research and development, processing, distribution, or transportation related projects or regulated amusement devices (as defined in IC 22-12-1-19.1) and related improvements; and
- (2) the taxpayer's property in the allocation area will not consist primarily of retail, commercial, or residential projects, other than an amusement park or tourism industry project.

(c) The allocation provision of a declaratory resolution may modify the definition of "property taxes" under section 39(a) of this chapter to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of the designated taxpayers in accordance with the procedures and limitations set forth in this section and section 39 of this chapter. If such a modification is included in the resolution, for purposes of section 39 of this chapter the term "base assessed value" with respect to the depreciable personal property means, **subject to section 39(j) of this chapter**, the net assessed value of all the depreciable personal property as finally determined for the assessment date immediately preceding:

- (1) the effective date of the modification, for modifications adopted before July 1, 1995; and
- (2) the adoption date of the modification for modifications adopted after June 30, 1995;

as adjusted under section 39(h) of this chapter.

(d) A declaratory resolution of a city redevelopment commission that is adopted before March 20, 1990, is legalized and validated as if it had been adopted under this section.

(e) An action taken by a redevelopment commission before February 24, 1992, to designate a taxpayer, modify the definition of property taxes, or establish a base assessed value as described in this section, as in effect on February 24, 1992, is legalized and validated as if this section, as in effect on February 24, 1992, had been in effect on the date of the action.



(f) The amendment made to this section by P.L.41-1992, does not affect actions taken pursuant to P.L.35-1990.

(g) A declaratory resolution or an amendment to a declaratory resolution that was adopted by:

- (1) a county redevelopment commission for a county; or
- (2) a city redevelopment commission for a city;

before February 26, 1992, is legalized and validated as if the declaratory resolution or amendment had been adopted under this section as amended by P.L.147-1992.

SECTION 55. IC 36-7-14-48, AS AMENDED BY P.L.184-2016, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 48. (a) Notwithstanding section 39(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of a program adopted under section 45 of this chapter, "base assessed value" means, **subject to section 39(j) of this chapter**, the net assessed value of all of the property, other than personal property, as finally determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section 39(h) of this chapter.

(b) The allocation fund established under section 39(b) of this chapter for the allocation area for a program adopted under section 45 of this chapter may be used only for purposes related to the accomplishment of the program, including the following:

- (1) The construction, rehabilitation, or repair of residential units within the allocation area.
- (2) The construction, reconstruction, or repair of any infrastructure (including streets, sidewalks, and sewers) within or serving the allocation area.
- (3) The acquisition of real property and interests in real property within the allocation area.
- (4) The demolition of real property within the allocation area.
- (5) The provision of financial assistance to enable individuals and families to purchase or lease residential units within the allocation area. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.
- (6) The provision of financial assistance to neighborhood development corporations to permit them to provide financial assistance for the purposes described in subdivision (5).
- (7) For property taxes first due and payable before January 1, 2009, providing each taxpayer in the allocation area a credit for property tax replacement as determined under subsections (c) and



(d). However, the commission may provide this credit only if the municipal legislative body (in the case of a redevelopment commission established by a municipality) or the county executive (in the case of a redevelopment commission established by a county) establishes the credit by ordinance adopted in the year before the year in which the credit is provided.

(c) The maximum credit that may be provided under subsection (b)(7) to a taxpayer in a taxing district that contains all or part of an allocation area established for a program adopted under section 45 of this chapter shall be determined as follows:

STEP ONE: Determine that part of the sum of the amounts described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) (before its repeal) for that year as determined under IC 6-1.1-21-4(a)(1) (before its repeal) that is attributable to the taxing district; by

(B) the amount determined under STEP ONE.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) (before its repeal) levied in the taxing district allocated to the allocation fund, including the amount that would have been allocated but for the credit.

(d) The commission may determine to grant to taxpayers in an allocation area from its allocation fund a credit under this section, as calculated under subsection (c). Except as provided in subsection (g), one-half (1/2) of the credit shall be applied to each installment of taxes (as defined in IC 6-1.1-21-2) (before its repeal) that under IC 6-1.1-22-9 are due and payable in a year. The commission must provide for the credit annually by a resolution and must find in the resolution the following:

(1) That the money to be collected and deposited in the allocation fund, based upon historical collection rates, after granting the credit will equal the amounts payable for contractual obligations from the fund, plus ten percent (10%) of those amounts.

(2) If bonds payable from the fund are outstanding, that there is a debt service reserve for the bonds that at least equals the amount of the credit to be granted.

(3) If bonds of a lessor under section 25.2 of this chapter or under



IC 36-1-10 are outstanding and if lease rentals are payable from the fund, that there is a debt service reserve for those bonds that at least equals the amount of the credit to be granted.

If the tax increment is insufficient to grant the credit in full, the commission may grant the credit in part, prorated among all taxpayers.

(e) Notwithstanding section 39(b) of this chapter, the allocation fund established under section 39(b) of this chapter for the allocation area for a program adopted under section 45 of this chapter may only be used to do one (1) or more of the following:

(1) Accomplish one (1) or more of the actions set forth in section 39(b)(3)(A) through 39(b)(3)(H) and 39(b)(3)(J) of this chapter for property that is residential in nature.

(2) Reimburse the county or municipality for expenditures made by the county or municipality in order to accomplish the housing program in that allocation area.

The allocation fund may not be used for operating expenses of the commission.

(f) Notwithstanding section 39(b) of this chapter, the commission shall, relative to the allocation fund established under section 39(b) of this chapter for an allocation area for a program adopted under section 45 of this chapter, do the following before June 15 of each year:

(1) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to:

(A) make the distribution required under section 39(b)(2) of this chapter;

(B) make, when due, principal and interest payments on bonds described in section 39(b)(3) of this chapter;

(C) pay the amount necessary for other purposes described in section 39(b)(3) of this chapter; and

(D) reimburse the county or municipality for anticipated expenditures described in subsection (e)(2).

(2) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, and (in an electronic format) the department of local government finance. The notice must:



(A) state the amount, if any, of excess property taxes that the commission has determined may be paid to the respective taxing units in the manner prescribed in section 39(b)(1) of this chapter; or

(B) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission.

(3) If:

(A) the amount of excess assessed value determined by the commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision (1); plus

(B) the amount necessary for other purposes described in subdivision (1);

the commission shall submit to the legislative body of the unit its determination of the excess assessed value that the commission proposes to allocate to the respective taxing units in the manner prescribed in subdivision (2). The legislative body of the unit may approve the commission's determination or modify the amount of the excess assessed value that will be allocated to the respective taxing units in the manner prescribed in subdivision (2).

(g) This subsection applies to an allocation area only to the extent that the net assessed value of property that is assessed as residential property under the rules of the department of local government finance is not included in the base assessed value. If property tax installments with respect to a homestead (as defined in IC 6-1.1-12-37) are due in installments established by the department of local government finance under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an allocation area is entitled to an additional credit under subsection (d) for the taxes (as defined in IC 6-1.1-21-2) (before its repeal) due in installments. The credit shall be applied in the same proportion to each installment of taxes (as defined in IC 6-1.1-21-2) (before its repeal).

SECTION 56. IC 36-7-14-52, AS AMENDED BY P.L.184-2016, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 52. (a) Notwithstanding section 39(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of the purposes of an age-restricted housing program adopted under section 49 of this chapter, "base assessed



value" means, **subject to section 39(j) of this chapter**, the net assessed value of all of the property, other than personal property, as finally determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section 39(h) of this chapter.

(b) The allocation fund established under section 39(b) of this chapter for the allocation area for an age-restricted housing program adopted under section 49 of this chapter may be used only for purposes related to the accomplishment of the purposes of the program, including, but not limited to, the following:

- (1) The construction of any infrastructure (including streets, sidewalks, and sewers) or local public improvements in, serving, or benefiting the allocation area.
- (2) The acquisition of real property and interests in real property within the allocation area.
- (3) The preparation of real property in anticipation of development of the real property within the allocation area.
- (4) To do any of the following:
  - (A) Pay the principal of and interest on bonds or any other obligations payable from allocated tax proceeds in the allocation area that are incurred by the redevelopment district for the purpose of financing or refinancing the age-restricted housing program established under section 49 of this chapter for the allocation area.
  - (B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in the allocation area.
  - (C) Pay the principal of and interest on bonds payable from allocated tax proceeds in the allocation area and from the special tax levied under section 27 of this chapter.
  - (D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements that are physically located in or physically connected to the allocation area.
  - (E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in the allocation area.
  - (F) Make payments on leases payable from allocated tax proceeds in the allocation area under section 25.2 of this chapter.
  - (G) Reimburse the unit for expenditures made by the unit for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this



chapter) that are physically located in or physically connected to the allocation area.

(c) Notwithstanding section 39(b) of this chapter, the commission shall, relative to the allocation fund established under section 39(b) of this chapter for an allocation area for an age-restricted housing program adopted under section 49 of this chapter, do the following before June 15 of each year:

(1) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to:

(A) make the distribution required under section 39(b)(2) of this chapter;

(B) make, when due, principal and interest payments on bonds described in section 39(b)(3) of this chapter;

(C) pay the amount necessary for other purposes described in section 39(b)(3) of this chapter; and

(D) reimburse the county or municipality for anticipated expenditures described in subsection (b)(2).

(2) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, and (in an electronic format) the department of local government finance. The notice must:

(A) state the amount, if any, of excess property taxes that the commission has determined may be paid to the respective taxing units in the manner prescribed in section 39(b)(1) of this chapter; or

(B) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission.

SECTION 57. IC 36-7-15.1-10, AS AMENDED BY P.L.146-2008, SECTION 747, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 10. (a) After approval by the commission and the legislative body of the consolidated city under



section 9 of this chapter, the commission shall publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1. The notice must:

- (1) state that maps, plats, or maps and plats have been prepared and can be inspected at the office of the department; and
- (2) name a date when the commission will:
  - (A) receive and hear remonstrances and other testimony from persons interested in or affected by the proceeding pertaining to the proposed project or other actions to be taken under the resolution; and
  - (B) determine the public utility and benefit of the proposed project or other actions.

All persons affected in any manner by the hearing, including all taxpayers of the redevelopment district, shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, adjournments, and orders of the commission by the notice given under this section.

(b) A copy of the notice of the hearing on the resolution shall be filed in the office of the commission, board of zoning appeals, works board, park board, and any other departments, bodies, or officers of the consolidated city having to do with planning, variances from zoning ordinances, land use, or the issuance of building permits. These agencies and officers shall take notice of the pendency of the hearing, and until the commission confirms, modifies and confirms, or rescinds the resolution, or the confirmation of the resolution is set aside on appeal, they may not, without approval of the commission:

- (1) authorize any construction on property or sewers in the area described in the resolution, including substantial modifications, rebuilding, conversion, enlargement, additions, and major structural improvements; or
- (2) take any action regarding the zoning or rezoning of property, or the opening, closing, or improvement of public ways in the area described in the resolution.

This subsection does not prohibit the granting of permits for ordinary maintenance or minor remodeling, or for changes necessary for the continued occupancy of buildings in the area.

(c) If the resolution to be considered at the hearing includes a provision establishing or amending an allocation provision under section 26 of this chapter, the commission shall file the following information with each taxing unit that is wholly or partly located within the allocation area:

- (1) A copy of the notice required by subsection (a).



(2) A statement disclosing the impact of the allocation area, including the following:

(A) The estimated economic benefits and costs incurred by the allocation area, as measured by increased employment and anticipated growth of real property assessed values.

(B) The anticipated impact on tax revenues of each taxing unit.

The commission shall file the information required by this subsection with the officers of the taxing unit who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date of the hearing.

(d) At the hearing, which may be adjourned from time to time, the commission shall hear all persons interested in the proceedings and shall consider all written remonstrances and objections that have been filed. After considering the evidence presented, the commission shall take final action determining the public utility and benefit of the proposed project or other actions to be taken under the resolution, and confirming, modifying and confirming, or rescinding the resolution. The final action taken by the commission shall be recorded and is final and conclusive, except that an appeal may be taken under section 11 of this chapter.

**(e) If the commission adopts the resolution and the resolution includes a provision establishing or amending an allocation provision under section 26 of this chapter, the commission shall file a copy of the resolution with both the auditor of the county in which the unit is located and the department of local government finance, together with any supporting documents that are relevant to the computation of assessed values in the allocation area, within thirty (30) days after the date on which the commission takes final action on the resolution.**

SECTION 58. IC 36-7-15.1-26, AS AMENDED BY P.L.86-2018, SECTION 345, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 26. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 8 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means, **subject to subsection (j)**, the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally



determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus  
 (B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus  
 (B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project area before July 1, 1997, is expanded after June 30, 1997, the



definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

Except as provided in section 26.2 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes, taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A resolution adopted under section 8 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or amendment that establishes an allocation provision must include a specific finding of fact, supported by evidence, that the adoption of the allocation provision will result in new property taxes in the area that would not have been generated but for the adoption of the allocation provision. For an allocation area established before July 1, 1995, the expiration date of any allocation provisions for the allocation area is June 30, 2025, or the last date of any obligations that are outstanding on July 1, 2015, whichever is later. However, for an allocation area identified as the Consolidated Allocation Area in the report submitted in 2013 to the fiscal body under section 36.3 of this chapter, the expiration date of any allocation provisions for the allocation area is January 1, 2051. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision. For an allocation area established before July 1, 2008, the expiration date may not be more than thirty (30) years after the date on which the allocation provision is established. For an allocation area established after June 30, 2008, the expiration date may not be more than twenty-five (25) years after the date on which the first obligation was incurred to pay principal and



interest on bonds or lease rentals on leases payable from tax increment revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;

or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.



(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 19 of this chapter.

(D) Pay the principal of and interest on bonds issued by the consolidated city to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 17.1 of this chapter.

(G) Reimburse the consolidated city for expenditures for local public improvements (which include buildings, parking facilities, and other items set forth in section 17 of this chapter) that are physically located in or physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

- (i) in the allocation area; and
- (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(J) Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the unit that established the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:



(i) Make, when due, any payments required under clauses (A) through (I), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.

(ii) Make any reimbursements required under this subdivision.

(iii) Pay any expenses required under this subdivision.

(iv) Establish, augment, or restore any debt service reserve under this subdivision.

(K) Expend money and provide financial assistance as authorized in section 7(a)(21) of this chapter.

The special fund may not be used for operating expenses of the commission.

(4) Before June 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection (g).

(B) Provide a written notice to the county auditor, the legislative body of the consolidated city, the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, and (in an electronic format) the department of local government finance.

The notice must:

(i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the



commission. The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3).

(C) If:

(i) the amount of excess assessed value determined by the commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision (3); plus

(ii) the amount necessary for other purposes described in subdivision (3) and subsection (g);

the commission shall submit to the legislative body of the unit the commission's determination of the excess assessed value that the commission proposes to allocate to the respective taxing units in the manner prescribed in subdivision (1). The legislative body of the unit may approve the commission's determination or modify the amount of the excess assessed value that will be allocated to the respective taxing units in the manner prescribed in subdivision (1).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or



(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(3). However, where reference is made in subsection (b)(3) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each reassessment under a reassessment plan prepared under



IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the reassessment under the reassessment plan or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

- (1) The initial allocation deadline is December 31, 2011.
- (2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.
- (3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:
  - (A) terminates the automatic extension of allocation deadlines under subdivision (2); and
  - (B) specifically designates a particular date as the final allocation deadline.

**(j) If the commission adopts a declaratory resolution or an amendment to a declaratory resolution that contains an allocation provision and the commission makes either of the filings required under section 10(e) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the unit is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:**

- (1) the date on which the documents are filed with the county auditor; or**



**(2) the date on which the documents are filed with the department of local government finance.**

SECTION 59. IC 36-7-15.1-26.2, AS AMENDED BY P.L.172-2011, SECTION 153, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 26.2. (a) As used in this section, "depreciable personal property" refers to all of the designated taxpayer's depreciable personal property that is located in the allocation area.

(b) As used in this section, "designated taxpayer" means a taxpayer designated by the commission in a declaratory resolution adopted or amended under section 8 or 10.5 of this chapter, and with respect to which the commission finds that:

(1) taxes to be derived from the taxpayer's depreciable personal property in the allocation area, in excess of the taxes attributable to the base assessed value of that personal property, are needed to pay debt service for bonds issued under section 17 of this chapter or to make payments on leases payable under section 17.1 of this chapter in order to provide local public improvements for a particular allocation area;

(2) the taxpayer's property in the allocation area will consist primarily of industrial, manufacturing, warehousing, research and development, processing, distribution, transportation, or convention center hotel related projects or regulated amusement devices (as defined in IC 22-12-1-19.1) and related improvements; and

(3) the taxpayer's property in the allocation area will not consist primarily of retail, commercial, or residential projects, other than an amusement park or tourism industry project.

For purposes of subdivision (3), a convention center hotel project is not considered a retail, commercial, or residential project.

(c) The allocation provision of a declaratory resolution may modify the definition of "property taxes" under section 26(a) of this chapter to include taxes imposed under IC 6-1.1 on the depreciable personal property of designated taxpayers in accordance with the procedures and limitations set forth in this section and section 26 of this chapter. If such a modification is included in the resolution, for purposes of section 26 of this chapter the term "base assessed value" with respect to the depreciable personal property of designated taxpayers means, **subject to section 26(j) of this chapter**, the net assessed value of the depreciable personal property as finally determined for the assessment date immediately preceding:

(1) the effective date of the modification, for modifications



adopted before July 1, 1995; and

(2) the adoption date of the modification for modifications adopted after June 30, 1995;

as adjusted under section 26(h) of this chapter.

SECTION 60. IC 36-7-15.1-35, AS AMENDED BY P.L.184-2016, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 35. (a) Notwithstanding section 26(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of a program adopted under section 32 of this chapter, "base assessed value" means, **subject to section 26(j) of this chapter**, the net assessed value of all of the land as finally determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section 26(h) of this chapter. However, "base assessed value" does not include the value of real property improvements to the land.

(b) The special fund established under section 26(b) of this chapter for the allocation area for a program adopted under section 32 of this chapter may be used only for purposes related to the accomplishment of the program, including the following:

- (1) The construction, rehabilitation, or repair of residential units within the allocation area.
- (2) The construction, reconstruction, or repair of infrastructure (such as streets, sidewalks, and sewers) within or serving the allocation area.
- (3) The acquisition of real property and interests in real property within the allocation area.
- (4) The demolition of real property within the allocation area.
- (5) To provide financial assistance to enable individuals and families to purchase or lease residential units within the allocation area. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.
- (6) To provide financial assistance to neighborhood development corporations to permit them to provide financial assistance for the purposes described in subdivision (5).
- (7) For property taxes first due and payable before 2009, to provide each taxpayer in the allocation area a credit for property tax replacement as determined under subsections (c) and (d). However, this credit may be provided by the commission only if the city-county legislative body establishes the credit by ordinance adopted in the year before the year in which the credit is provided.



(c) The maximum credit that may be provided under subsection (b)(7) to a taxpayer in a taxing district that contains all or part of an allocation area established for a program adopted under section 32 of this chapter shall be determined as follows:

STEP ONE: Determine that part of the sum of the amounts described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its repeal)) for that year as determined under IC 6-1.1-21-4(a)(1) (before its repeal) that is attributable to the taxing district; by

(B) the amount determined under STEP ONE.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district allocated to the allocation fund, including the amount that would have been allocated but for the credit.

(d) Except as provided in subsection (g), the commission may determine to grant to taxpayers in an allocation area from its allocation fund a credit under this section, as calculated under subsection (c), by applying one-half (1/2) of the credit to each installment of taxes (as defined in IC 6-1.1-21-2 (before its repeal)) that under IC 6-1.1-22-9 are due and payable in a year. Except as provided in subsection (g), one-half (1/2) of the credit shall be applied to each installment of taxes (as defined in IC 6-1.1-21-2 (before its repeal)). The commission must provide for the credit annually by a resolution and must find in the resolution the following:

(1) That the money to be collected and deposited in the allocation fund, based upon historical collection rates, after granting the credit will equal the amounts payable for contractual obligations from the fund, plus ten percent (10%) of those amounts.

(2) If bonds payable from the fund are outstanding, that there is a debt service reserve for the bonds that at least equals the amount of the credit to be granted.

(3) If bonds of a lessor under section 17.1 of this chapter or under IC 36-1-10 are outstanding and if lease rentals are payable from the fund, that there is a debt service reserve for those bonds that at least equals the amount of the credit to be granted.

If the tax increment is insufficient to grant the credit in full, the



commission may grant the credit in part, prorated among all taxpayers.

(e) Notwithstanding section 26(b) of this chapter, the special fund established under section 26(b) of this chapter for the allocation area for a program adopted under section 32 of this chapter may only be used to do one (1) or more of the following:

- (1) Accomplish one (1) or more of the actions set forth in section 26(b)(3)(A) through 26(b)(3)(H) of this chapter.
- (2) Reimburse the consolidated city for expenditures made by the city in order to accomplish the housing program in that allocation area.

The special fund may not be used for operating expenses of the commission.

(f) Notwithstanding section 26(b) of this chapter, the commission shall, relative to the special fund established under section 26(b) of this chapter for an allocation area for a program adopted under section 32 of this chapter, do the following before June 15 of each year:

- (1) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to:
  - (A) make the distribution required under section 26(b)(2) of this chapter;
  - (B) make, when due, principal and interest payments on bonds described in section 26(b)(3) of this chapter;
  - (C) pay the amount necessary for other purposes described in section 26(b)(3) of this chapter; and
  - (D) reimburse the consolidated city for anticipated expenditures described in subsection (e)(2).
- (2) Provide a written notice to the county auditor, the legislative body of the consolidated city, the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, and (in an electronic format) the department of local government finance. The notice must:
  - (A) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in section 26(b)(1) of this chapter; or
  - (B) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in section 26(b)(1) of



this chapter.

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission.

(g) This subsection applies to an allocation area only to the extent that the net assessed value of property that is assessed as residential property under the rules of the department of local government finance is not included in the base assessed value. If property tax installments with respect to a homestead (as defined in IC 6-1.1-20.9-1 (before its repeal)) are due in installments established by the department of local government finance under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an allocation area is entitled to an additional credit under subsection (d) for the taxes (as defined in IC 6-1.1-21-2 (before its repeal)) due in installments. The credit shall be applied in the same proportion to each installment of taxes (as defined in IC 6-1.1-21-2 (before its repeal)).

SECTION 61. IC 36-7-15.1-53, AS AMENDED BY P.L.86-2018, SECTION 346, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 53. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 40 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means, **subject to subsection (j)**:

(1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Except as provided in section 55 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A resolution adopted under section 40 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution on or before the allocation deadline determined under subsection (i) in accordance with



the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision must be approved by resolution of the legislative body of the excluded city and must specify an expiration date for the allocation provision. For an allocation area established before July 1, 2008, the expiration date may not be more than thirty (30) years after the date on which the allocation provision is established. For an allocation area established after June 30, 2008, the expiration date may not be more than twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;

or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may



be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 50 of this chapter.

(D) Pay the principal of and interest on bonds issued by the excluded city to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 46 of this chapter.

(G) Reimburse the excluded city for expenditures for local public improvements (which include buildings, park facilities, and other items set forth in section 45 of this chapter) that are physically located in or physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three



(3) years after the date on which the investments that are the basis for the increment financing are made.

The special fund may not be used for operating expenses of the commission.

(4) Before June 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection (g).

(B) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, and (in an electronic format) the department of local government finance. The notice must:

(i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.



(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located, is the lesser of:

- (1) the assessed value of the property as valued without regard to this section; or
- (2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

- (1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.
- (2) To make loans and grants for the purpose of stimulating



business activity in the enterprise zone or providing employment for enterprise zone residents in an enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(3). However, where reference is made in subsection (b)(3) to the allocation area, the reference refers, for purposes of payments from the special zone fund, only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each reassessment of real property in an area under a county's reassessment plan prepared under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the reassessment under the county's reassessment plan or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact



a law that:

- (A) terminates the automatic extension of allocation deadlines under subdivision (2); and
- (B) specifically designates a particular date as the final allocation deadline.

**(j) If the commission adopts a declaratory resolution or an amendment to a declaratory resolution that contains an allocation provision and the commission makes either of the filings required under section 10(e) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the unit is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:**

- (1) the date on which the documents are filed with the county auditor; or**
- (2) the date on which the documents are filed with the department of local government finance.**

SECTION 62. IC 36-7-15.1-55, AS AMENDED BY P.L.172-2011, SECTION 155, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 55. (a) As used in this section, "depreciable personal property" refers to all of the designated taxpayer's depreciable personal property that is located in the allocation area.

(b) As used in this section, "designated taxpayer" means a taxpayer designated by the commission in a declaratory resolution adopted or amended under section 40(a) or 40(b) of this chapter, and with respect to which the commission finds that:

- (1) taxes to be derived from the taxpayer's depreciable personal property in the allocation area, in excess of the taxes attributable to the base assessed value of that personal property, are needed to pay debt service for bonds issued under section 45 of this chapter to make payments on leases payable under section 46 of this chapter in order to provide local public improvements for a particular allocation area;
- (2) the taxpayer's property in the allocation area will consist primarily of industrial, manufacturing, warehousing, research and development, processing, distribution, or transportation related projects or regulated amusement devices (as defined in IC 22-12-1-19.1) and related improvements; and
- (3) the taxpayer's property in the allocation area will not consist primarily of retail, commercial, or residential projects, other than an amusement park or tourism industry project.



(c) The allocation provision of a declaratory resolution may modify the definition of "property taxes" under section 53(a) of this chapter to include taxes imposed under IC 6-1.1 on the depreciable personal property of designated taxpayers in accordance with the procedures and limitations set forth in this section and section 53 of this chapter. If such a modification is included in the resolution, for purposes of section 53 of this chapter, the term "base assessed value" with respect to the depreciable personal property of designated taxpayers means, **subject to section 53(j) of this chapter**, the net assessed value of the depreciable personal property as finally determined for the assessment date immediately preceding the adoption date of the modification as adjusted under section 53(h) of this chapter.

SECTION 63. IC 36-7-15.1-62, AS AMENDED BY P.L.184-2016, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 62. (a) Notwithstanding section 26(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of the purposes of an age-restricted housing program adopted under section 59 of this chapter, "base assessed value" means, **subject to section 26(j) of this chapter**, the net assessed value of all of the property, other than personal property, as finally determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section 26(h) of this chapter.

(b) The allocation fund established under section 26(b) of this chapter for the allocation area for an age-restricted housing program adopted under section 59 of this chapter may be used only for purposes related to the accomplishment of the purposes of the program, including, but not limited to, the following:

- (1) The construction of any infrastructure (including streets, sidewalks, and sewers) or local public improvements in, serving, or benefiting the allocation area.
- (2) The acquisition of real property and interests in real property within the allocation area.
- (3) The preparation of real property in anticipation of development of the real property within the allocation area.
- (4) To do any of the following:
  - (A) Pay the principal of and interest on bonds or any other obligations payable from allocated tax proceeds in the allocation area that are incurred by the redevelopment district for the purpose of financing or refinancing the age-restricted housing program established under section 59 of this chapter for the allocation area.



(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in the allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in the allocation area and from the special tax levied under section 19 of this chapter.

(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements that are physically located in or physically connected to the allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in the allocation area.

(F) Make payments on leases payable from allocated tax proceeds in the allocation area under section 17.1 of this chapter.

(G) Reimburse the unit for expenditures made by the unit for local public improvements (which include buildings, parking facilities, and other items described in section 17(a) of this chapter) that are physically located in or physically connected to the allocation area.

(c) Notwithstanding section 26(b) of this chapter, the commission shall, relative to the allocation fund established under section 26(b) of this chapter for an allocation area for an age-restricted housing program adopted under section 59 of this chapter, do the following before June 15 of each year:

(1) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to:

(A) make the distribution required under section 26(b)(2) of this chapter;

(B) make, when due, principal and interest payments on bonds described in section 26(b)(3) of this chapter;

(C) pay the amount necessary for other purposes described in section 26(b)(3) of this chapter; and

(D) reimburse the county or municipality for anticipated expenditures described in subsection (b)(2).

(2) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, the officers who are authorized to fix budgets, tax



rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, and (in an electronic format) the department of local government finance. The notice must:

(A) state the amount, if any, of excess property taxes that the commission has determined may be paid to the respective taxing units in the manner prescribed in section 26(b)(1) of this chapter; or

(B) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission.

SECTION 64. IC 36-7-30-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 12. (a) After receipt of all orders and approvals required under section 11 of this chapter, the reuse authority shall publish notice of the adoption and the substance of the resolution in accordance with IC 5-3-1. The notice must name a date when the reuse authority will receive and hear remonstrances and objections from persons interested in or affected by the proceedings concerning the proposed project and will determine the public utility and benefit of the proposed project. All persons affected in any manner by the hearing, including all taxpayers of the special taxing district, shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, adjournments, and orders of the reuse authority by the notice given under this section.

(b) At the hearing, which may be adjourned from time to time, the reuse authority shall hear all persons interested in the proceedings and shall consider all written remonstrances and objections that have been filed. After considering the evidence presented, the reuse authority shall take final action determining the public utility and benefit of the proposed project, and confirming, modifying and confirming, or rescinding the resolution. The final action taken by the reuse authority is final and conclusive, except that an appeal may be taken in the manner prescribed by section 14 of this chapter.

**(c) If the reuse authority confirms, or modifies and confirms, the resolution and the resolution includes a provision establishing or amending an allocation provision under section 25 of this chapter, the reuse authority shall file a copy of the resolution with both the auditor of the county in which the proposed project is located and the department of local government finance, together with any**



**supporting documents that are relevant to the computation of assessed values in the allocation area, within thirty (30) days after the date on which the reuse authority takes final action on the resolution.**

SECTION 65. IC 36-7-30-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 13. (a) The reuse authority must conduct a public hearing before amending a resolution or plan for a military base reuse area. The reuse authority shall give notice of the hearing in accordance with IC 5-3-1. The notice must do the following:

- (1) Set forth the substance of the proposed amendment.
- (2) State the time and place where written remonstrances against the proposed amendment may be filed.
- (3) Set forth the time and place of the hearing.
- (4) State that the reuse authority will hear any person who has filed a written remonstrance during the filing period set forth in subdivision (2).

(b) For the purposes of this section, the consolidation of areas is not considered the enlargement of the boundaries of an area.

(c) If the reuse authority proposes to amend a resolution or plan, the military base reuse authority is not required to have evidence or make findings that were required for the establishment of the original military base reuse area. However, the reuse authority must make the following findings before approving the amendment:

- (1) The amendment is reasonable and appropriate when considered in relation to the original resolution or plan and the purposes of this chapter.
- (2) The resolution or plan, with the proposed amendment, conforms to the comprehensive plan for the unit.

(d) Notwithstanding subsections (a) and (c), if the resolution or plan is proposed to be amended in a way that enlarges the original boundaries of the area by more than twenty percent (20%), the reuse authority must use the procedure provided for the original establishment of areas and must comply with sections 10 through 12 of this chapter.

(e) At the hearing on the amendments, the reuse authority shall consider written remonstrances that are filed. The action of the reuse authority on the amendment is final and conclusive, except that an appeal of the reuse authority's action may be taken under section 14 of this chapter.

**(f) If the reuse authority confirms, or modifies and confirms, the resolution and the resolution includes a provision establishing or**



**amending an allocation provision under section 25 of this chapter, the reuse authority shall file a copy of the resolution with both the auditor of the county in which the proposed project is located and the department of local government finance, together with any supporting documents that are relevant to the computation of assessed values in the allocation area, within thirty (30) days after the date on which the reuse authority takes final action on the resolution.**

SECTION 66. IC 36-7-30-25, AS AMENDED BY P.L.86-2018, SECTION 347, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 25. (a) The following definitions apply throughout this section:

(1) "Allocation area" means that part of a military base reuse area to which an allocation provision of a declaratory resolution adopted under section 10 of this chapter refers for purposes of distribution and allocation of property taxes.

(2) "Base assessed value" means, **subject to subsection (i):**

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the adoption date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A) or (C), the net assessed value of any and all parcels or classes of parcels identified as part of the base assessed value in the declaratory resolution or an amendment thereto, as finally determined for any subsequent assessment date; plus

(C) to the extent that it is not included in clause (A) or (B), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Clause (C) applies only to allocation areas established in a military reuse area after June 30, 1997, and to the part of an allocation area that was established before June 30, 1997, and that is added to an existing allocation area after June 30, 1997.

(3) "Property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A declaratory resolution adopted under section 10 of this chapter before the date set forth in IC 36-7-14-39(b) pertaining to declaratory resolutions adopted under IC 36-7-14-15 may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory



resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution in accordance with the procedures set forth in section 13 of this chapter. The allocation provision may apply to all or part of the military base reuse area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;

or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution are made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the military base reuse district and, when collected, paid into an allocation fund for that allocation area that may be used by the military base reuse district and only to do one

(1) or more of the following:

(A) Pay the principal of and interest and redemption premium on any obligations incurred by the military base reuse district or any other entity for the purpose of financing or refinancing military base reuse activities in or directly serving or benefiting that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the reuse authority, including lease rental revenues.

(C) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(D) Reimburse any other governmental body for expenditures



made for local public improvements (or structures) in or directly serving or benefiting that allocation area.

(E) Pay expenses incurred by the reuse authority, any other department of the unit, or a department of another governmental entity for local public improvements or structures that are in the allocation area or directly serving or benefiting the allocation area, including expenses for the operation and maintenance of these local public improvements or structures if the reuse authority determines those operation and maintenance expenses are necessary or desirable to carry out the purposes of this chapter.

(F) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

- (i) in the allocation area; and
- (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made not more than three (3) years after the date on which the investments that are the basis for the increment financing are made.

(G) Expend money and provide financial assistance as authorized in section 9(a)(25) of this chapter.

Except as provided in clause (E), the allocation fund may not be used for operating expenses of the reuse authority.

(4) Except as provided in subsection (g), before July 15 of each year the reuse authority shall do the following:

(A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3).

(B) Provide a written notice to the county auditor, the fiscal body of the unit that established the reuse authority, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The



notice must:

- (i) state the amount, if any, of excess property taxes that the reuse authority has determined may be paid to the respective taxing units in the manner prescribed in subdivision (1); or
- (ii) state that the reuse authority has determined that there are no excess property tax proceeds that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess property tax proceeds determined by the reuse authority. The reuse authority may not authorize a payment to the respective taxing units under this subdivision if to do so would endanger the interest of the holders of bonds described in subdivision (3) or lessors under section 19 of this chapter.

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by a taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

- (1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
- (2) the base assessed value.

(d) Property tax proceeds allocable to the military base reuse district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the military base reuse district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the reuse authority, reassess the taxable property situated upon or in or added to the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and the making of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the property as valued without regard to this section; or
- (2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under



subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. The amount sufficient for purposes specified in subsection (b)(3) for the year shall be determined based on the pro rata part of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that does not have obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) that are derived from property in the enterprise zone in the fund. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(3), except that where reference is made in subsection (b)(3) to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. The programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) After each reassessment of real property in an area under the county's reassessment plan under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the military base reuse district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the military base reuse district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the military base reuse district under subsection (b)(3) than would otherwise have been received if the reassessment under the county's reassessment plan or annual adjustment had not



occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

**(i) If the reuse authority adopts a declaratory resolution or an amendment to a declaratory resolution that contains an allocation provision and the reuse authority makes either of the filings required under section 12(c) or 13(f) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the military base reuse district is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:**

**(1) the date on which the documents are filed with the county auditor; or**

**(2) the date on which the documents are filed with the department of local government finance.**

SECTION 67. IC 36-7-30-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 26. (a) As used in this section, "depreciable personal property" refers to:

(1) all or any part of the designated taxpayer's depreciable personal property that is located in the allocation area; and

(2) all or any part of the other depreciable property located and taxable on the designated taxpayer's site of operations within the allocation area;

and that is designated as depreciable personal property for purposes of this section by the reuse authority in a declaratory resolution adopted or amended under section 10 or 13 of this chapter.

(b) As used in this section, "designated taxpayer" means a taxpayer designated by the reuse authority in a declaratory resolution adopted or amended under section 10 or 13 of this chapter, and with respect to which the reuse authority finds that taxes to be derived from the depreciable personal property in the allocation area, in excess of the taxes attributable to the base assessed value of the personal property, are needed to pay debt service or provide security for bonds issued or to be issued under section 18 of this chapter or make payments or provide security on leases payable or to be payable under section 19 of this chapter in order to provide local public improvements or structures for a particular allocation area.

(c) The allocation provision of a declaratory resolution may modify the definition of "property taxes" under section 25(a) of this chapter to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of the designated taxpayers in accordance with the procedures and limitations set forth



in this section and section 25 of this chapter. If such a modification is included in the resolution, for purposes of section 25 of this chapter, the term "base assessed value" with respect to the depreciable personal property means, **subject to section 25(i) of this chapter**, the net assessed value of all the depreciable personal property as finally determined for the assessment date immediately preceding the adoption date of the modification, as adjusted under section 25(b) of this chapter.

SECTION 68. IC 36-7-30.5-17, AS ADDED BY P.L.203-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 17. (a) After adoption of a resolution under section 16 of this chapter, the development authority shall submit the resolution and supporting data to the plan commission of an affected unit or other body charged with the duty of developing a general plan for the unit, if there is such a body. The plan commission may determine whether the resolution and the development plan conform to the plan of development for the unit and approve or disapprove the resolution and plan proposed. The development authority may amend or modify the resolution and proposed plan to conform to the requirements of a plan commission. A plan commission shall issue a written order approving or disapproving the resolution and military base development plan, and may with the consent of the development authority rescind or modify the order.

(b) The determination that a geographic area is a military base development area must be approved by an affected unit's legislative body.

(c) After receipt of all orders and approvals required under subsections (a) and (b), the development authority shall publish notice of the adoption and the substance of the resolution in accordance with IC 5-3-1. The notice must name a date when the development authority will receive and hear remonstrances and objections from persons interested in or affected by the proceedings concerning the proposed project and will determine the public utility and benefit of the proposed project. All persons affected in any manner by the hearing shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, adjournments, and orders of the development authority by the notice given under this section.

(d) At the hearing under subsection (c), which may be adjourned from time to time, the development authority shall:

- (1) hear all persons interested in the proceedings; and
- (2) consider all written remonstrances and objections that have been filed.



After considering the evidence presented, the development authority shall take final action determining the public utility and benefit of the proposed project, and confirming, modifying and confirming, or rescinding the resolution. The final action taken by the development authority is final and conclusive, except that an appeal may be taken in the manner prescribed by section 19 of this chapter.

**(e) If the development authority confirms, or modifies and confirms, the resolution and the resolution includes a provision establishing or amending an allocation provision under section 30 of this chapter, the development authority shall file a copy of the resolution with both the auditor of the county in which the proposed project is located and the department of local government finance, together with any supporting documents that are relevant to the computation of assessed values in the allocation area, within thirty (30) days after the date on which the development authority takes final action on the resolution.**

SECTION 69. IC 36-7-30.5-18, AS ADDED BY P.L.203-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 18. (a) The development authority must conduct a public hearing before amending a resolution or plan for a military base development area. The development authority shall give notice of the hearing in accordance with IC 5-3-1. The notice must do the following:

- (1) Set forth the substance of the proposed amendment.
- (2) State the time and place where written remonstrances against the proposed amendment may be filed.
- (3) Set forth the date, time, and place of the hearing.
- (4) State that the development authority will hear any person who has filed a written remonstrance during the filing period set forth in subdivision (2).

(b) For the purposes of this section, the consolidation of areas is not considered the enlargement of the boundaries of an area.

(c) If the development authority proposes to amend a resolution or plan, the development authority is not required to have evidence or make findings that were required for the establishment of the original military base development area. However, the development authority must make the following findings before approving the amendment:

- (1) The amendment is reasonable and appropriate when considered in relation to the original resolution or plan and the purposes of this chapter.
- (2) The resolution or plan, with the proposed amendment, conforms to the comprehensive plan for an affected unit.



(d) Notwithstanding subsections (a) and (c), if the resolution or plan is proposed to be amended in a way that enlarges the original boundaries of the area by more than twenty percent (20%), the development authority must use the procedure provided for the original establishment of areas and must comply with sections 16 through 17 of this chapter.

(e) At the hearing on the amendments, the development authority shall consider written remonstrances that are filed. The action of the development authority on the amendment is final and conclusive, except that an appeal of the development authority's action may be taken under section 19 of this chapter.

**(f) If the development authority confirms, or modifies and confirms, the resolution and the resolution includes a provision establishing or amending an allocation provision under section 30 of this chapter, the development authority shall file a copy of the resolution with both the auditor of the county in which the proposed project is located and the department of local government finance, together with any supporting documents that are relevant to the computation of assessed values in the allocation area, within thirty (30) days after the date on which the development authority takes final action on the resolution.**

SECTION 70. IC 36-7-30.5-30, AS AMENDED BY P.L.86-2018, SECTION 348, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 30. (a) The following definitions apply throughout this section:

(1) "Allocation area" means that part of a military base development area to which an allocation provision of a declaratory resolution adopted under section 16 of this chapter refers for purposes of distribution and allocation of property taxes.

(2) "Base assessed value" means, **subject to subsection (i):**

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the adoption date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A) or (C), the net assessed value of any and all parcels or classes of parcels identified as part of the base assessed value in the declaratory resolution or an amendment to the declaratory resolution, as finally determined for any subsequent assessment date; plus

(C) to the extent that it is not included in clause (A) or (B), the net assessed value of property that is assessed as residential property under the rules of the department of local government



finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) "Property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A declaratory resolution adopted under section 16 of this chapter before the date set forth in IC 36-7-14-39(b) pertaining to declaratory resolutions adopted under IC 36-7-14-15 may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution in accordance with the procedures set forth in section 18 of this chapter. The allocation provision may apply to all or part of the military base development area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;  
or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the development authority and, when collected, paid into an allocation fund for that allocation area that may be used by the development authority and only to do one (1) or more of the following:

(A) Pay the principal of and interest and redemption premium on any obligations incurred by the development authority or any other entity for the purpose of financing or refinancing



military base development or reuse activities in or directly serving or benefiting that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the development authority, including lease rental revenues.

(C) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(D) Reimburse any other governmental body for expenditures made for local public improvements (or structures) in or directly serving or benefiting that allocation area.

(E) For property taxes first due and payable before 2009, pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the development authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

(i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its repeal)) for that year as determined under IC 6-1.1-21-4 (before its repeal) that is attributable to the taxing district; by

(ii) the STEP ONE sum.

STEP THREE: Multiply:

(i) the STEP TWO quotient; by

(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 32 of this chapter (before its repeal) in the same year.

(F) Pay expenses incurred by the development authority for



local public improvements or structures that were in the allocation area or directly serving or benefiting the allocation area.

(G) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

- (i) in the allocation area; and
- (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made not more than three (3) years after the date on which the investments that are the basis for the increment financing are made.

(H) Expend money and provide financial assistance as authorized in section 15(26) of this chapter.

The allocation fund may not be used for operating expenses of the development authority.

(4) Except as provided in subsection (g), before July 15 of each year the development authority shall do the following:

(A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivisions (2) and (3).

(B) Provide a written notice to the appropriate county auditors and the fiscal bodies and other officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:

- (i) state the amount, if any, of the excess property taxes that the development authority has determined may be paid to the respective taxing units in the manner prescribed in subdivision (1); or
- (ii) state that the development authority has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).



The county auditors shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the development authority. The development authority may not authorize a payment to the respective taxing units under this subdivision if to do so would endanger the interest of the holders of bonds described in subdivision (3) or lessors under section 24 of this chapter. Property taxes received by a taxing unit under this subdivision before 2009 are eligible for the property tax replacement credit provided under IC 6-1.1-21 (before its repeal).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by a taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

- (1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
- (2) the base assessed value.

(d) Property tax proceeds allocable to the military base development district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the military base development district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the development authority, reassess the taxable property situated upon or in or added to the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and the making of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the property as valued without regard to this section; or
- (2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the development authority shall create funds as specified in this subsection. A development authority that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. The development authority shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those



described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. The amount sufficient for purposes specified in subsection (b)(3) for the year shall be determined based on the pro rata part of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A development authority that does not have obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) that are derived from property in the enterprise zone in the fund. The development authority that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or for other purposes specified in subsection (b)(3), except that where reference is made in subsection (b)(3) to an allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. The programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) After each reassessment of real property in an area under a reassessment plan prepared under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the military base development district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the military base development district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the military base development district under subsection (b)(3) than would otherwise have been received if the reassessment under the county's reassessment plan or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

**(i) If the development authority adopts a declaratory resolution**



**or an amendment to a declaratory resolution that contains an allocation provision and the development authority makes either of the filings required under section 17(e) or 18(f) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the military base development district is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:**

- (1) the date on which the documents are filed with the county auditor; or**
- (2) the date on which the documents are filed with the department of local government finance.**

SECTION 71. IC 36-7-30.5-31, AS ADDED BY P.L.203-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 31. (a) As used in this section, "depreciable personal property" refers to:

- (1) all or any part of the designated taxpayer's depreciable personal property that is located in the allocation area; and
- (2) all or any part of the other depreciable property located and taxable on the designated taxpayer's site of operations within the allocation area;

that is designated as depreciable personal property for purposes of this section by the development authority in a declaratory resolution adopted or amended under section 16 or 18 of this chapter.

(b) As used in this section, "designated taxpayer" means a taxpayer designated by the development authority in a declaratory resolution adopted or amended under section 16 or 18 of this chapter, and with respect to which the development authority finds that taxes to be derived from the depreciable personal property in the allocation area, in excess of the taxes attributable to the base assessed value of the personal property, are needed to pay debt service or provide security for bonds issued or to be issued under section 23 of this chapter or make payments or provide security on leases payable or to be payable under section 24 of this chapter in order to provide local public improvements or structures for a particular allocation area.

(c) The allocation provision of a declaratory resolution may modify the definition of "property taxes" under section 30(a) of this chapter to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of the designated taxpayers in accordance with the procedures and limitations set forth in this section and section 30 of this chapter. If a modification is included in the resolution, for purposes of section 30 of this chapter,



the term "base assessed value" with respect to the depreciable personal property means, **subject to section 30(i) of this chapter**, the net assessed value of all the depreciable personal property as finally determined for the assessment date immediately preceding the adoption date of the modification, as adjusted under section 30(b) of this chapter.

SECTION 72. IC 36-7-32-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4. **(a)** As used in this chapter, "base assessed value" means, **subject to subsection (b):**

- (1) the net assessed value of all the taxable property located in a certified technology park as finally determined for the assessment date immediately preceding the effective date of the allocation provision of a resolution adopted under section 15 of this chapter; plus
- (2) to the extent it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

**(b) If a redevelopment commission adopts a resolution designating a certified technology park as an allocation area and the redevelopment commission makes either of the filings required under section 15(d) of this chapter after the first anniversary of the effective date of the allocation provision, the auditor of the county in which the unit is located shall compute the base assessed value for the allocation area using the assessment date immediately preceding the later of:**

- (1) the date on which the documents are filed with the county auditor; or**
- (2) the date on which the documents are filed with the department of local government finance.**

SECTION 73. IC 36-7-32-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 15. (a) Subject to the approval of the legislative body of the unit that established the redevelopment commission, the redevelopment commission may adopt a resolution designating a certified technology park as an allocation area for purposes of the allocation and distribution of property taxes.

(b) After adoption of the resolution under subsection (a), the redevelopment commission shall:

- (1) publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1; and
- (2) file the following information with each taxing unit that has



authority to levy property taxes in the geographic area where the certified technology park is located:

- (A) A copy of the notice required by subdivision (1).
- (B) A statement disclosing the impact of the certified technology park, including the following:
  - (i) The estimated economic benefits and costs incurred by the certified technology park, as measured by increased employment and anticipated growth of real property assessed values.
  - (ii) The anticipated impact on tax revenues of each taxing unit.

The notice must state the general boundaries of the certified technology park and must state that written remonstrances may be filed with the redevelopment commission until the time designated for the hearing. The notice must also name the place, date, and time when the redevelopment commission will receive and hear remonstrances and objections from persons interested in or affected by the proceedings pertaining to the proposed allocation area and will determine the public utility and benefit of the proposed allocation area. The commission shall file the information required by subdivision (2) with the officers of the taxing unit who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date of the public hearing. All persons affected in any manner by the hearing, including all taxpayers within the taxing district of the redevelopment commission, shall be considered notified of the pendency of the hearing and of subsequent acts, hearings, adjournments, and orders of the redevelopment commission affecting the allocation area if the redevelopment commission gives the notice required by this section.

(c) At the hearing, which may be recessed and reconvened periodically, the redevelopment commission shall hear all persons interested in the proceedings and shall consider all written remonstrances and objections that have been filed. After considering the evidence presented, the redevelopment commission shall take final action determining the public utility and benefit of the proposed allocation area confirming, modifying and confirming, or rescinding the resolution. The final action taken by the redevelopment commission shall be recorded and is final and conclusive, except that an appeal may be taken in the manner prescribed by section 16 of this chapter.

**(d) If the redevelopment commission confirms, or modifies and confirms, the resolution, the redevelopment commission shall file a copy of the resolution with both the auditor of the county in which the certified technology park is located and the department**



**of local government finance, together with any supporting documents that are relevant to the computation of assessed values in the allocation area, within thirty (30) days after the date on which the redevelopment commission takes final action on the resolution.**

SECTION 74. IC 36-9-25-11, AS AMENDED BY P.L.196-2014, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 11. (a) In connection with its duties, the board may fix fees for the treatment and disposal of sewage and other waste discharged into the sewerage system, collect the fees, and establish and enforce rules governing the furnishing of and payment for sewage treatment and disposal service. The fees must be just and equitable and shall be paid by any user of the sewage works and, except as otherwise provided in an ordinance provision described in subsection (l), the owner of every lot, parcel of real property, or building that is connected with and uses the sewage works of the district by or through any part of the sewerage system. This section applies to owners of property that is partially or wholly exempt from taxation, as well as owners of property subject to full taxation.

(b) The board may change fees from time to time. The fees, together with the taxes levied under this chapter, must at all times be sufficient to produce revenues sufficient to pay operation, maintenance, and administrative expenses, to pay the principal and interest on bonds as they become due and payable, and to provide money for the revolving fund authorized by this chapter.

(c) Fees may not be established until a public hearing has been held at which all the users of the sewage works and owners of property served or to be served by the works, including interested parties, have had an opportunity to be heard concerning the proposed fees. After introduction of the resolution fixing fees, and before they are finally adopted, notice of the hearing setting forth the proposed schedule of fees shall be given by publication in accordance with IC 5-3-1. After the hearing the resolution establishing fees, either as originally introduced or as amended, shall be passed and put into effect. However, fees related to property that is subject to full taxation do not take effect until they have been approved by ordinance of the municipal legislative body or, in the case of a district described in section 3(b)(2) of this chapter, under section 11.3 of this chapter.

(d) A copy of the schedule of the fees shall be kept on file in the office of the board and must be open to inspection by all interested parties. The fees established for any class of users or property served shall be extended to cover any additional premises thereafter served



that fall within the same class, without the necessity of hearing or notice.

(e) A change of fees may be made in the same manner as fees were originally established. However, if a change is made substantially pro rata for all classes of service, hearing or notice is not required, but approval of the change by ordinance of the municipal legislative body is required, and, in the case of a district described in section 3(b)(2) of this chapter, approval under section 11.3 of this chapter is required.

(f) If a fee established is not paid within ~~thirty (30) days after it is due~~; **the time fixed by the board**, the board may recover, in a civil action in the name of the municipality, the amount, together with a penalty of ten percent (10%) and a reasonable attorney's fee from:

- (1) the delinquent user; or
- (2) the owner of the property;

subject to any ordinance described in subsection (l).

(g) Except as otherwise provided in subsection (h) or in an ordinance provision described in subsection (l), fees assessed against real property under this section also constitute a lien against the property assessed. The lien attaches at the time of the filing of the notice of lien in the county recorder's office. The lien is superior to all other liens except tax liens, and shall be enforced and foreclosed in the same manner as is provided for liens under IC 36-9-23-33 and IC 36-9-23-34.

(h) A fee assessed against real property under this section constitutes a lien against the property assessed only when the fee is delinquent for no more than three (3) years from the day after the fee is due.

(i) In addition to the:

- (1) penalties under subsections (f) and (g); or
- (2) alternative penalty available under section 11.5 of this chapter;

a delinquent user may not discharge water into the public sewers and may have the property disconnected from the public sewers.

(j) The authority to establish a user fee under this section includes fees to recover the cost of construction of sewage works from industrial users as defined and required under federal statute or rule. Any industrial users' cost recovery fees may become a lien upon the real property and shall be collected in the manner provided by law. In addition, the imposition of the fees, the use of the amounts collected, and the criteria for the fees must be consistent with the regulations of the federal Environmental Protection Agency.

(k) The authority to establish a user fee under this section includes



fees to recover the costs associated with providing financial assistance under section 42 of this chapter. A fee that is:

- (1) established under this subsection or any other law; and
- (2) used to provide financial assistance under section 42 of this chapter;

is considered just and equitable if the project for which the financial assistance is provided otherwise complies with the requirements of this chapter.

(l) For purposes of this subsection, "municipal legislative body" refers to the legislative body of each municipality in the district, in the case of a district described in section 3(b)(2) of this chapter. This subsection does not apply to a conservancy district established under IC 14-33 for the collection, treatment, and disposal of sewage and other liquid wastes. In an ordinance adopted under this chapter, the municipal legislative body may include one (1) or more of the following provisions with respect to property occupied by someone other than the owner of the property:

- (1) That fees for the services rendered by the sewerage system to the property are payable by the person occupying the property. At the option of the municipal legislative body, the ordinance may include any:
  - (A) requirement for a deposit to ensure payment of the fees by the person occupying the property; or
  - (B) other requirement to ensure the creditworthiness of the person occupying the property as the account holder or customer with respect to the property;

that the municipal legislative body may lawfully impose.

- (2) That the fees for the services rendered by the sewerage system to the property are payable by the person occupying the property if one (1) of the following conditions is satisfied:

(A) Either the property owner or the person occupying the property gives to the board written notice that indicates that the person occupying the property is responsible for paying the fees with respect to the property and requests that the account or other customer or billing records maintained for the property be in the name of the person occupying the property. At the option of the municipal legislative body, the ordinance may provide that a document that:

- (i) is executed by the property owner and the person occupying the property;
  - (ii) identifies the person occupying the property by name;
- and



(iii) indicates that the person occupying the property is responsible for paying the fees assessed by the board with respect to the property;

serves as written notice for purposes of this clause.

(B) The account or other customer or billing records maintained by the board for the property otherwise indicate that:

(i) the property is occupied by someone other than the owner; and

(ii) the person occupying the property is responsible for paying the fees.

(C) The property owner or the person occupying the property satisfies any other requirements or conditions that the municipal legislative body includes in the ordinance.

(3) That fees assessed against the property for the services rendered by the sewerage system to the property do not constitute a lien against the property, notwithstanding subsection (g), and subject to any requirements or conditions set forth in the ordinance.

This subsection may not be construed to prohibit a municipal legislative body from including in an ordinance adopted under this chapter any other provision that the municipal legislative body considers appropriate.

SECTION 75. IC 36-9-25-11.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 11.2. If a fee established under section 11 of this chapter is not paid within ~~thirty (30) days after it is due~~, **the time fixed by the board**, a copy of any notice of delinquency sent to a delinquent user who is a tenant must be sent to the owner of the property occupied by the tenant at the latest address of the owner as shown on the property tax records of the county in which the property is located.

SECTION 76. IC 36-9-25-11.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 11.5. (a) As an alternative to the penalties provided in section 11 of this chapter, the board may require that the water utility providing water service to a delinquent user discontinue service until payment of all overdue user fees, together with any penalties provided in this section, are received by the municipality.

(b) If a fee established is not paid within ~~one (1) monthly billing cycle after it is due~~, **the time fixed by the board**, the board or its designee shall send notice to the delinquent user stating:

(1) the delinquent amount due, together with any penalty;



- (2) that water service may be disconnected if the user continues not to pay the delinquency and any penalty; and
- (3) the procedure for resolving disputed bills.

The municipality shall provide by ordinance a procedure for resolving disputed bills that includes an opportunity for a delinquent user to meet informally with designated personnel empowered to correct incorrect charges. Payment of a disputed bill and penalties by a user does not constitute a waiver of rights to subsequently claim and recover from the municipality sums improperly charged to the user.

(c) If the user fails to pay the delinquent amount or otherwise resolve the charges as specified in subsection (a), the board or its designee shall give written notice to the water utility serving the user to discontinue water service to the premises designated in the notice until notified otherwise. The notice must identify the delinquent sewer user in enough detail to enable the water utility to identify the water service connection that is to be terminated. Upon receipt of the notice, the water utility shall disconnect water service to the user.

(d) Water service may not be shut off under this section if a local board of health has found and certified to the municipality that the termination of water service will endanger the health of the user and others in the municipality.

(e) The water utility that discontinues water service in accordance with an order from the board or its designee does not incur any liability except to the extent of its own negligence or improper conduct.

(f) If the water utility does not discontinue service within ~~thirty (30) days~~ **the time fixed by the board** after receiving notice from the municipality, the utility is liable for any user fees incurred ~~thirty (30) days~~ after receipt of notice to discontinue water service and that are not collected from the user.

**SECTION 77. [EFFECTIVE JULY 1, 2019] (a) The legislative council is urged to assign the following topics to an appropriate interim study committee during the 2019 interim:**

- (1) The advisability of eliminating the mortgage deduction under IC 6-1.1-12-1.**
- (2) The advisability of increasing the homestead standard deduction under IC 6-1.1-12-37.**

**(b) The legislative council is urged to assign the topic of automatic enrollment of political subdivision employees hired after June 30, 2020, into the political subdivision's deferred compensation plan, if the employee does not reject enrollment within a specified time period, to the interim study commission on pension management oversight for study during the 2019 interim.**



**(c) The legislative council is urged to assign the topic of allowing municipalities to make deposits of a certain minimum or maximum amount, or both, to a vendor or service provider to ensure the municipality's performance of a contract for the purchase of:**

**(1) personal property having a cost of more than a certain recommended threshold; or**

**(2) the services of a performer or performers that the municipality contracts with for performing at an entertainment, cultural, or recreational event or activity having a cost of more than a certain recommended threshold;**

**to the audit subcommittee for study during the 2019 interim.**

**(d) This SECTION expires January 1, 2020."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 171 as reprinted February 12, 2019.)

HUSTON

Committee Vote: yeas 23, nays 0.

