

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

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

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

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2020 Regular Session of the General Assembly.

SENATE ENROLLED ACT No. 336

AN ACT to amend the Indiana Code concerning taxation.

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

SECTION 1. IC 6-1.1-3-7.2, AS AMENDED BY P.L.273-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]: Sec. 7.2. (a) This section applies to assessment dates occurring after December 31, 2015.

(b) As used in this section, "affiliate" means an entity that effectively controls or is controlled by a taxpayer or is associated with a taxpayer under common ownership or control, whether by shareholdings or other means.

(c) As used in this section, "business personal property" means personal property that:

- (1) is otherwise subject to assessment and taxation under this article;
- (2) is used in a trade or business or otherwise held, used, or consumed in connection with the production of income; and
- (3) was:
 - (A) acquired by the taxpayer in an arms length transaction from an entity that is not an affiliate of the taxpayer, if the personal property has been previously used in Indiana before being placed in service in the county; or
 - (B) acquired in any manner, if the personal property has never been previously used in Indiana before being placed in service in the county.



The term does not include mobile homes assessed under IC 6-1.1-7, personal property held as an investment, or personal property that is assessed under IC 6-1.1-8 and is owned by a public utility subject to regulation by the Indiana utility regulatory commission. However, the term does include the personal property of a telephone company or a communications service provider if that personal property meets the requirements of subdivisions (1) through (3), regardless of whether that personal property is assessed under IC 6-1.1-8 and regardless of whether the telephone company or communications service provider is subject to regulation by the Indiana utility regulatory commission.

(d) Notwithstanding section 7 of this chapter, if the acquisition cost of a taxpayer's total business personal property in a county is less than ~~forty thousand dollars (\$40,000)~~ **eighty thousand dollars (\$80,000)** for that assessment date, the taxpayer's business personal property in the county for that assessment date is exempt from taxation.

(e) A taxpayer that is eligible for the exemption under this section for an assessment date shall include the following information on the taxpayer's personal property tax return:

- (1) A declaration that the taxpayer's business personal property in the county is exempt from property taxation.
- (2) Whether the taxpayer's business personal property within the county is in one (1) location or multiple locations.
- (3) An address for the location of the property.

If the business personal property is in multiple locations within a county, the taxpayer shall provide an address for the location where the sum of acquisition costs for business personal property is greatest. If two (2) or more addresses contain the greatest equivalent sum of acquisition costs for business personal property within a given county, the taxpayer shall choose only one (1) address to list on the return.

SECTION 2. IC 6-1.1-37-7, AS AMENDED BY P.L.273-2019, SECTION 5, AND AS AMENDED BY P.L.257-2019, SECTION 66, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]: Sec. 7. (a) If a person fails to file a required personal property return on or before the due date, the county auditor shall add a penalty of twenty-five dollars (\$25) to the person's next property tax installment. The county auditor shall also add an additional penalty to the taxes payable by the person if the person fails to file the personal property return within thirty (30) days after the due date. The amount of the additional penalty is twenty percent (20%) of the taxes finally determined to be due with respect to the personal property which should have been reported on the return.

(b) For purposes of this section, a personal property return is not due



until the expiration of any extension period granted by the township or county assessor under IC 6-1.1-3-7(b).

(c) The penalties prescribed under this section do not apply to an individual or the individual's dependents if the individual:

(1) is in the military or naval forces of the United States on the assessment date; and

(2) is covered by the federal Servicemembers Civil Relief Act (50 U.S.C. App. 501 et seq.) or IC 10-16-20.

(d) If a person subject to IC 6-1.1-3-7(c) fails to include on a personal property return the information, if any, that the department of local government finance requires under IC 6-1.1-3-9 or IC 6-1.1-5-13, the county auditor shall add a penalty to the property tax installment next due for the return. The amount of the penalty is twenty-five dollars (\$25).

(e) If the total assessed value that a person reports on a personal property return is less than the total assessed value that the person is required by law to report and if the amount of the undervaluation exceeds five percent (5%) of the value that should have been reported on the return, then the county auditor shall add a penalty of twenty percent (20%) of the additional taxes finally determined to be due as a result of the undervaluation. The penalty shall be added to the property tax installment next due for the return on which the property was undervalued. If a person has complied with all of the requirements for claiming a deduction, an exemption, or an adjustment for abnormal obsolescence, then the increase in assessed value that results from a denial of the deduction, exemption, or adjustment for abnormal obsolescence is not considered to result from an undervaluation for purposes of this subsection.

(f) If a person required by IC 6-1.1-3-7.2(e) to *indicate declare* on the taxpayer's personal property tax return ~~or, for purposes of the January 1, 2016, assessment date, on the taxpayer's certification under IC 6-1.1-3-7.2(f)~~ that the taxpayer's business personal property is exempt fails to timely file ~~either~~ the taxpayer's personal property tax return with the ~~indication or, for purposes of the January 1, 2016, assessment date, the certification, declaration,~~ the county auditor shall impose a penalty of twenty-five dollars (\$25) that must be paid by the person with the next property tax installment that is collected. *A county shall include the penalty on a property tax bill associated with the tax district in which the majority value of the taxpayer's business personal property within the county is located, as determined by the county assessor.*

(g) A penalty is due with an installment under subsection (a), (d),



(e), or (f) whether or not an appeal is filed under IC 6-1.1-15-5 with respect to the tax due on that installment.



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

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