



Reprinted
February 4, 2014

SENATE BILL No. 367

DIGEST OF SB 367 (Updated February 3, 2014 4:21 pm - DI 73)

Citations Affected: IC 5-3; IC 5-28; IC 6-1.1; IC 6-2.5; IC 6-3; IC 6-3.1; IC 6-7; IC 7.1-4; IC 8-22; IC 27-6; IC 27-8; IC 36-4; IC 36-5; noncode.

Synopsis: Various tax matters. Changes the schedule of maximum property tax rates that may be imposed by an airport authority. Specifies that the maximum tax rate decreases as the assessed value within an airport authority reaches certain thresholds, but not to the extent required by current law. Specifies a maximum tax rate calculation that provides that the tax rate is not decreased to a level where the airport authority would initially lose tax revenue as the assessed value increases.

Provides a three year time limit on refunds related to a petition to correct a property tax error. Makes the 2012 maximum property tax levy for Fairfield Township in Tippecanoe County permanent. For projects that are not school projects, specifies, in determining the ceiling under the controlled project law, that only the amount from bond proceeds are to be counted. Provides for purposes of the property tax circuit breaker credit that a commercial hotel, motel, inn, tourist camp, or tourist cabin is not residential property. Specifies for purposes of the property tax circuit breaker credit that a single family residence under construction is residential property. Provides that public utility property tax returns shall be filed in the manner prescribed by the department of local government finance (DLGF). Allows a railroad car
(Continued next page)

Effective: Upon passage; January 1, 2014 (retroactive); July 1, 2014; January 1, 2015.

Hershman, Kenley

January 14, 2014, read first time and referred to Committee on Appropriations.
January 30, 2014, amended, reported favorably — Do Pass.
February 3, 2014, read second time, amended, ordered engrossed.

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company to file its return by June 1 (rather than May 1). Authorizes a public utility company to file an amended return. Provides that the penalty assessed on a public utility company for filing a late return may not exceed \$1,000. Provides that if the DLGF assesses the property of a public utility company because the public utility company does not file a return, the public utility company may file a return with the DLGF and the DLGF may amend its assessment. Provides that if, after an assessment date, an exempt property is transferred or its use is changed resulting in its ineligibility for an exemption, the county assessor shall terminate the exemption for that assessment date. Specifies that if the property remains eligible for an exemption following the transfer or change in use, the exemption shall be left in place for that assessment date. Provides that for the following assessment date, the person that obtained the exemption or the current owner of the property shall file an application with the county assessor. Requires applications for certain property tax deductions to be completed and dated in the calendar year for which the taxpayer wishes to obtain the deduction and to be filed with the county auditor on or before January 5 of the immediately succeeding calendar year. Requires a political subdivision to submit to the DLGF information concerning the adoption of budgets and tax levies using the DLGF's computer gateway. Requires the DLGF to make this information available to taxpayers through its computer gateway and provide a telephone number through which taxpayers may request copies of a political subdivision's information. Specifies that for taxes due and payable in 2015 and 2016, each county shall publish a notice stating the Internet address at which the budget information is available and the telephone number through which taxpayers may request copies of a political subdivision's budget information. Allows counties to seek reimbursement from the political subdivisions in the county for the cost of the notice. Provides that publication requirements in current law continue through 2015 (along with the new requirements added in the bill concerning submission of budget and levy information to the DLGF's computer gateway). Provides that if a political subdivision timely submits budget information to the DLGF but subsequently discovers the information contains a typographical error, the political subdivision may request permission from the DLGF to submit amended information. Specifies the conditions under which the DLGF shall increase a political subdivision's tax levy to an amount that exceeds the amount originally advertised or adopted by the political subdivision. Provides that certain income tax credits (which were reviewed by the commission on state tax and financing policy in 2012) may not be granted for taxable years beginning after December 31, 2016. Provides that certain income tax credits (which were reviewed by the commission on state tax and financing policy in 2013) may not be granted for taxable years beginning after December 31, 2017. Specifies that for the income tax credit for economic development for a growing economy that the Indiana economic development corporation may not approve an agreement after December 31, 2016. Specifies that contributions to organizations that provide services to individuals who are ex-offenders are eligible for the neighborhood assistance credit. Provides that beginning in 2015, the office of community and rural affairs administers the historic rehabilitation income tax credit. Authorizes a shareholder, partner, or member of a pass through entity to claim the industrial recovery tax credit. Makes changes to the income tax credit for property taxes paid on homesteads in Lake County. Adjusts the sales tax rate for a vehicle purchased in Indiana from the Indiana rate to the sales tax rate of the state of a purchaser if the seller and purchaser confirm that the purchaser will immediately register, license, and title the motor vehicle for use in another state. Extends the sales and use tax exemption for aircraft repair and maintenance. Provides a sales tax exemption for labels and signs that

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Digest Continued

are required to be affixed to or displayed with the other tangible personal property for the purpose of complying with any state or federal statute, regulation, or standard. Requires electronic filings for cigarette and alcoholic beverage taxes.

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Reprinted
February 4, 2014

Second Regular Session 118th General Assembly (2014)

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

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

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

SENATE BILL No. 367

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

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

- 1 SECTION 1. IC 5-3-1-2, AS AMENDED BY P.L.141-2009,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2014]: Sec. 2. (a) This section applies only when notice of an
4 event is required to be given by publication in accordance with this
5 chapter.
6 (b) If the event is a public hearing or meeting concerning any matter
7 not specifically mentioned in subsection (c), (d), (e), (f), (g), or (h)
8 notice shall be published one (1) time, at least ten (10) days before the
9 date of the hearing or meeting.
10 (c) If the event is an election, notice shall be published one (1) time,
11 at least ten (10) days before the date of the election.
12 (d) If the event is a sale of bonds, notes, or warrants, notice shall be
13 published two (2) times, at least one (1) week apart, with:
14 (1) the first publication made at least fifteen (15) days before the

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- 1 date of the sale; and
2 (2) the second publication made at least three (3) days before the
3 date of the sale.
- 4 (e) If the event is the receiving of bids, notice shall be published two
5 (2) times, at least one (1) week apart, with the second publication made
6 at least seven (7) days before the date the bids will be received.
- 7 (f) If the event is the establishment of a cumulative or sinking fund,
8 notice of the proposal and of the public hearing that is required to be
9 held by the political subdivision shall be published two (2) times, at
10 least one (1) week apart, with the second publication made at least
11 three (3) days before the date of the hearing.
- 12 (g) If the event is the submission of a proposal adopted by a political
13 subdivision for a cumulative or sinking fund for the approval of the
14 department of local government finance, the notice of the submission
15 shall be published one (1) time. The political subdivision shall publish
16 the notice when directed to do so by the department of local
17 government finance.
- 18 (h) If the event is the required publication of an ordinance, notice of
19 the passage of the ordinance shall be published one (1) time within
20 thirty (30) days after the passage of the ordinance.
- 21 (i) If the event is one about which notice is required to be published
22 after the event, notice shall be published one (1) time within thirty (30)
23 days after the date of the event.
- 24 (j) If the event is anything else, notice shall be published two (2)
25 times, at least one (1) week apart, with the second publication made at
26 least three (3) days before the event.
- 27 (k) If any officer charged with the duty of publishing any notice
28 required by law is unable to procure advertisement:
29 (1) at the price fixed by law;
30 (2) because the newspaper refuses to publish the advertisement;
31 or
32 (3) because the newspaper refuses to post the advertisement on
33 the newspaper's Internet web site (if required under section 1.5 of
34 this chapter);
35 it is sufficient for the officer to post printed notices in three (3)
36 prominent places in the political subdivision, instead of publication of
37 the notice in newspapers and on an Internet web site (if required under
38 section 1.5 of this chapter).
- 39 (l) If a notice of budget estimates for a political subdivision is
40 published as required in IC 6-1.1-17-3, and the published notice
41 contains an error due to the fault of a newspaper, the notice as
42 presented for publication is a valid notice under this chapter. **This**



1 **subsection expires January 1, 2016.**

2 (m) Notwithstanding subsection (j), if a notice of budget estimates
3 for a political subdivision is published as required in IC 6-1.1-17-3, and
4 if the notice is not published at least ten (10) days before the date fixed
5 for the public hearing on the budget estimate due to the fault of a
6 newspaper, the notice is a valid notice under this chapter if it is
7 published one (1) time at least three (3) days before the hearing. **This**
8 **subsection expires January 1, 2016.**

9 SECTION 2. IC 5-3-1-2.3, AS AMENDED BY P.L.169-2006,
10 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2014]: Sec. 2.3. (a) A notice published in accordance with this
12 chapter or any other Indiana statute is valid even though the notice
13 contains errors or omissions, as long as:

- 14 (1) a reasonable person would not be misled by the error or
15 omission; and
16 (2) the notice is in substantial compliance with the time and
17 publication requirements applicable under this chapter or any
18 other Indiana statute under which the notice is published.

19 (b) This subsection applies if:

- 20 (1) a county auditor publishes a notice concerning a tax rate, tax
21 levy, or budget of a political subdivision in the county;
22 (2) the notice contains an error or omission that causes the notice
23 to inaccurately reflect the tax rate, tax levy, or budget actually
24 proposed or fixed by the political subdivision; and
25 (3) the county auditor is responsible for the error or omission
26 described in subdivision (2).

27 Notwithstanding any other law, the department of local government
28 finance may correct an error or omission described in subdivision (2)
29 at any time. If an error or omission described in subdivision (2) occurs,
30 the county auditor must publish, at the county's expense, a notice
31 containing the correct tax rate, tax levy, or budget as proposed or fixed
32 by the political subdivision. **This subsection expires January 1, 2016.**

33 SECTION 3. IC 5-28-15-14, AS ADDED BY P.L.4-2005,
34 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2014]: Sec. 14. (a) A U.E.A. shall do the following:

- 36 (1) Coordinate zone development activities.
37 (2) Serve as a catalyst for zone development.
38 (3) Promote the zone to outside groups and individuals.
39 (4) Establish a formal line of communication with residents and
40 businesses in the zone.
41 (5) Act as a liaison between residents, businesses, the
42 municipality, and the board for any development activity that may



1 affect the zone or zone residents.

2 (b) A U.E.A. may do the following:

3 (1) Initiate and coordinate any community development activities
 4 that aid in the employment of zone residents, improve the
 5 physical environment, or encourage the turnover or retention of
 6 capital in the zone. These additional activities include but are not
 7 limited to recommending to the municipality the manner and
 8 purpose of expenditure of funds generated under
 9 ~~IC 36-7-14-39(g)~~ **IC 36-7-14-39(i)** or ~~IC 36-7-15.1-26(g)~~.
 10 **IC 36-7-15.1-26(i)**.

11 (2) Recommend that the board modify a zone boundary or
 12 disqualify a zone business from eligibility for one (1) or more
 13 benefits or incentives available to zone businesses.

14 (3) Incorporate as a nonprofit corporation. Such a corporation
 15 may continue after the expiration of the zone in accordance with
 16 the general principles established by this chapter. A U.E.A. that
 17 incorporates as a nonprofit corporation under this subdivision
 18 may purchase or receive real property from a redevelopment
 19 commission under IC 36-7-14-22.2 or IC 36-7-15.1-15.2.

20 (c) The U.E.A. may request, by majority vote, that the legislative
 21 body of the municipality in which the zone is located modify or waive
 22 any municipal ordinance or regulation that is in effect in the zone. The
 23 legislative body may, by ordinance, waive or modify the operation of
 24 the ordinance or regulation, if the ordinance or regulation does not
 25 affect health (including environmental health), safety, civil rights, or
 26 employment rights.

27 (d) The U.E.A. may request, by majority vote, that the board waive
 28 or modify any state rule that is in effect in the zone. The board shall
 29 review the request and may approve, modify, or reject the request.
 30 Approval or modification by the board shall take place after review by
 31 the appropriate state agency. A modification may include but is not
 32 limited to establishing different compliance or reporting requirements,
 33 timetables, or exemptions in the zone for a business or an individual,
 34 to the extent that the modification does not adversely affect health
 35 (including environment health), safety, employment rights, or civil
 36 rights. An approval or a modification of a state rule by the board takes
 37 effect upon the approval of the governor. In no case are the provisions
 38 of IC 22-2-2 and IC 22-7-1-2 mitigated by this chapter.

39 SECTION 4. IC 6-1.1-8-19 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 19. (a) Each year a
 41 public utility company shall file a statement concerning the value and
 42 description of the property which is either owned or used by the



1 company on the assessment date of that year. The company shall file
 2 this statement with the department of local government finance ~~on the~~
 3 **form in the manner** prescribed by the department. The department of
 4 local government finance may extend the due date for a statement.
 5 Unless the department of local government finance grants an extension,
 6 a public utility company shall file its statement for a year:

7 (1) on or before March 1st of that year unless the company is a
 8 railroad car company; or

9 (2) on or before ~~May~~ **June** 1st of that year if the company is a
 10 railroad car company.

11 **If the department grants an extension to a railroad car company,**
 12 **the extension may not exceed thirty (30) days.**

13 **(b) A public utility company may, not later than sixty (60) days**
 14 **after filing a valid and timely statement under subsection (a), file**
 15 **an amended statement:**

16 **(1) for distribution purposes;**

17 **(2) to correct errors; or**

18 **(3) for any other reason, except:**

19 **(A) obsolescence; or**

20 **(B) the credit to the electric rail service fund established by**
 21 **IC 8-3-1.5-20.6.**

22 SECTION 5. IC 6-1.1-8-20 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 20. (a) If a public utility
 24 company does not file a statement with the department of local
 25 government finance on or before the date prescribed under section 19
 26 of this chapter, the company shall pay a penalty of one hundred dollars
 27 (\$100) per day for each day that the statement is late. **However, a**
 28 **penalty under this subsection may not exceed one thousand dollars**
 29 **(\$1,000).**

30 (b) The department of local government finance shall notify the
 31 attorney general if a public utility company fails to file a statement on
 32 or before the due date. The attorney general shall then bring an action
 33 in the name of this state to collect the penalty due under this section.

34 (c) The state auditor shall deposit amounts collected under this
 35 section in the state treasury for credit to the state general fund.

36 SECTION 6. IC 6-1.1-8-22 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. (a) The department
 38 of local government finance shall assess the property of a public utility
 39 company based upon the information available to the department if the
 40 company:

41 (1) does not file a statement which is required under section 19 of
 42 this chapter;



- 1 (2) does not permit the department to examine the company's
 2 property, books, or records; or
 3 (3) does not comply with a summons issued by the department.
 4 ~~An assessment which is made by the department of local government~~
 5 ~~finance under this section is final unless the company establishes that~~
 6 ~~the department committed actual fraud in making the assessment.~~
 7 **(b) A public utility company may provide the department with**
 8 **a statement under section 19 of this chapter not later than one (1)**
 9 **year after the department makes the department's assessment**
 10 **under this section. If a public utility company does so, the**
 11 **department may amend the assessment it makes under this section**
 12 **in reliance on the public utility company's statement filed under**
 13 **this subsection.**
 14 SECTION 7. IC 6-1.1-11-4, AS AMENDED BY P.L.173-2011,
 15 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2014]: Sec. 4. (a) The exemption application referred to in
 17 section 3 of this chapter is not required if the exempt property is owned
 18 by the United States, the state, an agency of this state, or a political
 19 subdivision (as defined in IC 36-1-2-13). However, this subsection
 20 applies only when the property is used, and in the case of real property
 21 occupied, by the owner.
 22 (b) The exemption application referred to in section 3 of this chapter
 23 is not required if the exempt property is a cemetery:
 24 (1) described by IC 6-1.1-2-7; or
 25 (2) maintained by a township executive under IC 23-14-68.
 26 (c) The exemption application referred to in section 3 of this chapter
 27 is not required if the exempt property is owned by the bureau of motor
 28 vehicles commission established under IC 9-15-1.
 29 (d) The exemption application referred to in section 3 or 3.5 of this
 30 chapter is not required if:
 31 (1) the exempt property is:
 32 (A) tangible property used for religious purposes described in
 33 IC 6-1.1-10-21;
 34 (B) tangible property owned by a church or religious society
 35 used for educational purposes described in IC 6-1.1-10-16;
 36 (C) other tangible property owned, occupied, and used by a
 37 person for educational, literary, scientific, religious, or
 38 charitable purposes described in IC 6-1.1-10-16; or
 39 (D) other tangible property owned by a fraternity or sorority
 40 (as defined in IC 6-1.1-10-24).
 41 (2) the exemption application referred to in section 3 or 3.5 of this
 42 chapter was filed properly at least once for a religious use under



1 IC 6-1.1-10-21, an educational, literary, scientific, religious, or
 2 charitable use under IC 6-1.1-10-16, or use by a fraternity or
 3 sorority under IC 6-1.1-10-24; and

4 (3) the property continues to meet the requirements for an
 5 exemption under IC 6-1.1-10-16, IC 6-1.1-10-21, or
 6 IC 6-1.1-10-24.

7 A change in ownership of property does not terminate an exemption of
 8 the property if after the change in ownership the property continues to
 9 meet the requirements for an exemption under IC 6-1.1-10-16,
 10 IC 6-1.1-10-21, or IC 6-1.1-10-24. However, if title to any of the real
 11 property subject to the exemption changes or any of the tangible
 12 property subject to the exemption is used for a nonexempt purpose after
 13 the date of the last properly filed exemption application, the person that
 14 obtained the exemption or the current owner of the property shall notify
 15 the county assessor for the county where the tangible property is
 16 located of the change in the year that the change occurs. The notice
 17 must be in the form prescribed by the department of local government
 18 finance. If the county assessor discovers that title to property granted
 19 an exemption described in IC 6-1.1-10-16, IC 6-1.1-10-21, or
 20 IC 6-1.1-10-24 has changed, the county assessor shall notify the
 21 persons entitled to a tax statement under IC 6-1.1-22-8.1 for the
 22 property of the change in title and indicate that the county auditor will
 23 suspend the exemption for the property until the persons provide the
 24 county assessor with an affidavit, signed under penalties of perjury, that
 25 identifies the new owners of the property and indicates that the
 26 property continues to meet the requirements for an exemption under
 27 IC 6-1.1-10-21, IC 6-1.1-10-16, or IC 6-1.1-10-24. Upon receipt of the
 28 affidavit, the county assessor shall reinstate the exemption for the years
 29 for which the exemption was suspended and each year thereafter that
 30 the property continues to meet the requirements for an exemption under
 31 IC 6-1.1-10-21, IC 6-1.1-10-16, or IC 6-1.1-10-24.

32 (e) If, after an assessment date, an exempt property is
 33 transferred or its use is changed resulting in its ineligibility for an
 34 exemption under IC 6-1.1-10, the county assessor shall terminate
 35 the exemption for that assessment date. However, if the property
 36 remains eligible for an exemption under IC 6-1.1-10 following the
 37 transfer or change in use, the exemption shall be left in place for
 38 that assessment date. For the following assessment date, the person
 39 that obtained the exemption or the current owner of the property,
 40 as applicable, shall, under section 3 of this chapter and except as
 41 provided under section 4 of this chapter, file a certified application
 42 in duplicate with the county assessor of the county in which the



1 property that is the subject of the exemption is located. In all cases,
 2 the person that obtained the exemption or the current owner of the
 3 property shall notify the county assessor for the county where the
 4 tangible property is located of the change in ownership or use in
 5 the year that the change occurs. The notice must be in the form
 6 prescribed by the department of local government finance.

7 (f) If the county assessor discovers that title to or use of
 8 property granted an exemption under IC 6-1.1-10 has changed, the
 9 county assessor shall notify the persons entitled to a tax statement
 10 under IC 6-1.1-22-8.1 for the property of the change in title or use
 11 and indicate that the county auditor will suspend the exemption for
 12 the property until the persons provide the county assessor with an
 13 affidavit, signed under penalties of perjury, that identifies the new
 14 owners or use of the property and indicates whether the property
 15 continues to meet the requirements for an exemption under
 16 IC 6-1.1-10. Upon receipt of the affidavit, the county assessor shall
 17 reinstate the exemption under IC 6-1.1-15-12. However, a claim
 18 under IC 6-1.1-26-1 for a refund of all or a part of a tax installment
 19 paid and any correction of error under IC 6-1.1-15-12 must be filed
 20 not later than three (3) years after the taxes are first due.

21 SECTION 8. IC 6-1.1-12-10.1, AS AMENDED BY P.L.144-2008,
 22 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2014]: Sec. 10.1. (a) Except as provided in section 17.8 of this
 24 chapter and subject to section 45 of this chapter, an individual who
 25 desires to claim the deduction provided by section 9 of this chapter
 26 must file a sworn statement, on forms prescribed by the department of
 27 local government finance, with the auditor of the county in which the
 28 real property, mobile home, or manufactured home is located. With
 29 respect to real property, the statement must be filed during the year for
 30 which the individual wishes to obtain the deduction: **completed and**
 31 **dated in the calendar year for which the individual wishes to obtain**
 32 **the deduction and filed with the county auditor on or before**
 33 **January 5 of the immediately succeeding calendar year.** With
 34 respect to a mobile home that is not assessed as real property or a
 35 manufactured home that is not assessed as real property, the statement
 36 must be filed during the twelve (12) months before March 31 of each
 37 year for which the individual wishes to obtain the deduction. The
 38 statement may be filed in person or by mail. If mailed, the mailing must
 39 be postmarked on or before the last day for filing.

40 (b) The statement referred to in subsection (a) shall be in affidavit
 41 form or require verification under penalties of perjury. The statement
 42 must be filed in duplicate if the applicant owns, or is buying under a



1 contract, real property, a mobile home, or a manufactured home subject
 2 to assessment in more than one (1) county or in more than one (1)
 3 taxing district in the same county. The statement shall contain:

4 (1) the source and exact amount of gross income received by the
 5 individual and the individual's spouse during the preceding
 6 calendar year;

7 (2) the description and assessed value of the real property, mobile
 8 home, or manufactured home;

9 (3) the individual's full name and complete residence address;

10 (4) the record number and page where the contract or
 11 memorandum of the contract is recorded if the individual is
 12 buying the real property, mobile home, or manufactured home on
 13 contract; and

14 (5) any additional information which the department of local
 15 government finance may require.

16 (c) In order to substantiate the deduction statement, the applicant
 17 shall submit for inspection by the county auditor a copy of the
 18 applicant's and a copy of the applicant's spouse's income tax returns for
 19 the preceding calendar year. If either was not required to file an income
 20 tax return, the applicant shall subscribe to that fact in the deduction
 21 statement.

22 SECTION 9. IC 6-1.1-12-12, AS AMENDED BY P.L.1-2009,
 23 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2014]: Sec. 12. (a) Except as provided in section 17.8 of this
 25 chapter and subject to section 45 of this chapter, a person who desires
 26 to claim the deduction provided in section 11 of this chapter must file
 27 an application, on forms prescribed by the department of local
 28 government finance, with the auditor of the county in which the real
 29 property, mobile home not assessed as real property, or manufactured
 30 home not assessed as real property is located. With respect to real
 31 property, the application must be ~~filed during the year for which the~~
 32 ~~individual wishes to obtain the deduction.~~ **completed and dated in the**
 33 **calendar year for which the person wishes to obtain the deduction**
 34 **and filed with the county auditor on or before January 5 of the**
 35 **immediately succeeding calendar year.** With respect to a mobile
 36 home that is not assessed as real property or a manufactured home that
 37 is not assessed as real property, the application must be filed during the
 38 twelve (12) months before March 31 of each year for which the
 39 individual wishes to obtain the deduction. The application may be filed
 40 in person or by mail. If mailed, the mailing must be postmarked on or
 41 before the last day for filing.

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



1 (1) the records of the division of family resources or the division
2 of disability and rehabilitative services; or

3 (2) the written statement of a physician who is licensed by this
4 state and skilled in the diseases of the eye or of a licensed
5 optometrist.

6 (c) The application required by this section must contain the record
7 number and page where the contract or memorandum of the contract
8 is recorded if the individual is buying the real property, mobile home,
9 or manufactured home on a contract that provides that the individual
10 is to pay property taxes on the real property, mobile home, or
11 manufactured home.

12 SECTION 10. IC 6-1.1-12-15, AS AMENDED BY
13 P.L.293-2013(ts), SECTION 3, IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) Except as
15 provided in section 17.8 of this chapter and subject to section 45 of this
16 chapter, an individual who desires to claim the deduction provided by
17 section 13 or 14 of this chapter must file a statement with the auditor
18 of the county in which the individual resides. With respect to real
19 property, the statement must be ~~filed during the year for which the~~
20 ~~individual wishes to obtain the deduction:~~ **completed and dated in the**
21 **calendar year for which the individual wishes to obtain the**
22 **deduction and filed with the county auditor on or before January**
23 **5 of the immediately succeeding calendar year.** With respect to a
24 mobile home that is not assessed as real property or a manufactured
25 home that is not assessed as real property, the statement must be filed
26 during the twelve (12) months before March 31 of each year for which
27 the individual wishes to obtain the deduction. The statement may be
28 filed in person or by mail. If mailed, the mailing must be postmarked
29 on or before the last day for filing. The statement shall contain a sworn
30 declaration that the individual is entitled to the deduction.

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

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

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

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



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

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

15 SECTION 11. IC 6-1.1-12-17, AS AMENDED BY P.L.144-2008,
 16 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2014]: Sec. 17. Except as provided in section 17.8 of this
 18 chapter and subject to section 45 of this chapter, a surviving spouse
 19 who desires to claim the deduction provided by section 16 of this
 20 chapter must file a statement with the auditor of the county in which
 21 the surviving spouse resides. With respect to real property, the
 22 statement must be ~~filed during the year for which the surviving spouse~~
 23 ~~wishes to obtain the deduction:~~ **completed and dated in the calendar**
 24 **year for which the person wishes to obtain the deduction and filed**
 25 **with the county auditor on or before January 5 of the immediately**
 26 **succeeding calendar year.** With respect to a mobile home that is not
 27 assessed as real property or a manufactured home that is not assessed
 28 as real property, the statement must be filed during the twelve (12)
 29 months before March 31 of each year for which the individual wishes
 30 to obtain the deduction. The statement may be filed in person or by
 31 mail. If mailed, the mailing must be postmarked on or before the last
 32 day for filing. The statement shall contain:

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

35 (2) the record number and page where the contract or
 36 memorandum of the contract is recorded, if the individual is
 37 buying the real property on a contract that provides that the
 38 individual is to pay property taxes on the real property.

39 In addition to the statement, the surviving spouse shall submit to the
 40 county auditor for the auditor's inspection a letter or certificate from the
 41 United States Department of Veterans Affairs establishing the service
 42 of the deceased spouse in the military or naval forces of the United



1 States before November 12, 1918.

2 SECTION 12. IC 6-1.1-12-17.5, AS AMENDED BY P.L.144-2008,
 3 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2014]: Sec. 17.5. (a) Except as provided in section 17.8 of this
 5 chapter and subject to section 45 of this chapter, a veteran who desires
 6 to claim the deduction provided in section 17.4 of this chapter must file
 7 a sworn statement, on forms prescribed by the department of local
 8 government finance, with the auditor of the county in which the real
 9 property, mobile home, or manufactured home is assessed. With
 10 respect to real property, the veteran must ~~file the statement during the~~
 11 ~~year for which the veteran wishes to obtain the deduction: complete~~
 12 **and date the statement in the calendar year for which the veteran**
 13 **wishes to obtain the deduction and file the statement with the**
 14 **county auditor on or before January 5 of the immediately**
 15 **succeeding calendar year.** With respect to a mobile home that is not
 16 assessed as real property or a manufactured home that is not assessed
 17 as real property, the statement must be filed during the twelve (12)
 18 months before March 31 of each year for which the individual wishes
 19 to obtain the deduction. The statement may be filed in person or by
 20 mail. If mailed, the mailing must be postmarked on or before the last
 21 day for filing.

22 (b) The statement required under this section shall be in affidavit
 23 form or require verification under penalties of perjury. The statement
 24 shall be filed in duplicate if the veteran has, or is buying under a
 25 contract, real property in more than one (1) county or in more than one
 26 (1) taxing district in the same county. The statement shall contain:

- 27 (1) a description and the assessed value of the real property,
 28 mobile home, or manufactured home;
- 29 (2) the veteran's full name and complete residence address;
- 30 (3) the record number and page where the contract or
 31 memorandum of the contract is recorded, if the individual is
 32 buying the real property, mobile home, or manufactured home on
 33 a contract that provides that the individual is to pay property taxes
 34 on the real property, mobile home, or manufactured home; and
- 35 (4) any additional information which the department of local
 36 government finance may require.

37 SECTION 13. IC 6-1.1-12-27.1, AS AMENDED BY P.L.137-2012,
 38 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2014]: Sec. 27.1. Except as provided in sections 36 and 44 of
 40 this chapter and subject to section 45 of this chapter, a person who
 41 desires to claim the deduction provided by section 26 or 26.1 of this
 42 chapter must file a certified statement in duplicate, on forms prescribed



1 by the department of local government finance, with the auditor of the
 2 county in which the real property, mobile home, manufactured home,
 3 or solar power device is subject to assessment. With respect to real
 4 property or a solar power device that is assessed as distributable
 5 property under IC 6-1.1-8 or as personal property, the person must ~~file~~
 6 ~~the statement during the year for which the person desires to obtain the~~
 7 ~~deduction:~~ **complete and date the certified statement in the calendar**
 8 **year for which the person wishes to obtain the deduction and file**
 9 **the certified statement with the county auditor on or before**
 10 **January 5 of the immediately succeeding calendar year.** Except as
 11 provided in sections 36 and 44 of this chapter and subject to section 45
 12 of this chapter, with respect to a mobile home which is not assessed as
 13 real property, the person must file the statement during the twelve (12)
 14 months before March 31 of each year for which the person desires to
 15 obtain the deduction. The person must:

- 16 (1) own the real property, mobile home, or manufactured home or
 17 own the solar power device;
 18 (2) be buying the real property, mobile home, manufactured
 19 home, or solar power device under contract; or
 20 (3) be leasing the real property from the real property owner and
 21 be subject to assessment and property taxation with respect to the
 22 solar power device;

23 on the date the statement is filed under this section. The statement may
 24 be filed in person or by mail. If mailed, the mailing must be postmarked
 25 on or before the last day for filing. On verification of the statement by
 26 the assessor of the township in which the real property, mobile home,
 27 manufactured home, or solar power device is subject to assessment, or
 28 the county assessor if there is no township assessor for the township,
 29 the county auditor shall allow the deduction.

30 SECTION 14. IC 6-1.1-12-30, AS AMENDED BY P.L.1-2009,
 31 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2014]: Sec. 30. Except as provided in sections 36 and 44 of
 33 this chapter and subject to section 45 of this chapter, a person who
 34 desires to claim the deduction provided by section 29 of this chapter
 35 must file a certified statement in duplicate, on forms prescribed by the
 36 department of local government finance, with the auditor of the county
 37 in which the real property or mobile home is subject to assessment.
 38 With respect to real property, the person must ~~file the statement during~~
 39 ~~the year for which the person desires to obtain the deduction:~~ **complete**
 40 **and date the statement in the calendar year for which the person**
 41 **desires to obtain the deduction and file the statement with the**
 42 **county auditor on or before January 5 of the immediately**



1 **succeeding calendar year.** With respect to a mobile home which is not
 2 assessed as real property, the person must file the statement during the
 3 twelve (12) months before March 31 of each year for which the person
 4 desires to obtain the deduction. The person must:

- 5 (1) own the real property, mobile home, or manufactured home;
 6 or
 7 (2) be buying the real property, mobile home, or manufactured
 8 home under contract;

9 on the date the statement is filed under this section. On verification of
 10 the statement by the assessor of the township in which the real property
 11 or mobile home is subject to assessment, or the county assessor if there
 12 is no township assessor for the township, the county auditor shall allow
 13 the deduction.

14 SECTION 15. IC 6-1.1-12-35.5, AS AMENDED BY P.L.1-2009,
 15 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2014]: Sec. 35.5. (a) Except as provided in section 36 or 44
 17 of this chapter and subject to section 45 of this chapter, a person who
 18 desires to claim the deduction provided by section 31, 33, 34, or 34.5
 19 of this chapter must file a certified statement in duplicate, on forms
 20 prescribed by the department of local government finance and proof of
 21 certification under subsection (b) or (f) with the auditor of the county
 22 in which the property for which the deduction is claimed is subject to
 23 assessment. Except as provided in subsection (e), with respect to
 24 property that is not assessed under IC 6-1.1-7, the person must ~~file the~~
 25 ~~statement during the year for which the person wishes to obtain the~~
 26 ~~deduction. The person must file the statement in each year for which~~
 27 ~~the person desires to obtain the deduction.~~ **complete and date the**
 28 **certified statement in the calendar year for which the person**
 29 **wishes to obtain the deduction and file the certified statement with**
 30 **the county auditor on or before January 5 of the immediately**
 31 **succeeding calendar year.** With respect to a property which is
 32 assessed under IC 6-1.1-7, the person must file the statement during the
 33 twelve (12) months before March 31 of each year for which the person
 34 desires to obtain the deduction. The statement may be filed in person
 35 or by mail. If mailed, the mailing must be postmarked on or before the
 36 last day for filing. On verification of the statement by the assessor of
 37 the township in which the property for which the deduction is claimed
 38 is subject to assessment, or the county assessor if there is no township
 39 assessor for the township, the county auditor shall allow the deduction.

40 (b) This subsection does not apply to an application for a deduction
 41 under section 34.5 of this chapter. The department of environmental
 42 management, upon application by a property owner, shall determine



1 whether a system or device qualifies for a deduction provided by
 2 section 31, 33, or 34 of this chapter. If the department determines that
 3 a system or device qualifies for a deduction, it shall certify the system
 4 or device and provide proof of the certification to the property owner.
 5 The department shall prescribe the form and manner of the certification
 6 process required by this subsection.

7 (c) This subsection does not apply to an application for a deduction
 8 under section 34.5 of this chapter. If the department of environmental
 9 management receives an application for certification, the department
 10 shall determine whether the system or device qualifies for a deduction.
 11 If the department fails to make a determination under this subsection
 12 before December 31 of the year in which the application is received,
 13 the system or device is considered certified.

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

19 (e) A person who timely files a personal property return under
 20 IC 6-1.1-3-7(a) for an assessment year and who desires to claim the
 21 deduction provided in section 31 of this chapter for property that is not
 22 assessed under IC 6-1.1-7 must file the statement described in
 23 subsection (a) during the year in which the personal property return is
 24 filed.

25 (f) This subsection applies only to an application for a deduction
 26 under section 34.5 of this chapter. The center for coal technology
 27 research established by IC 21-47-4-1, upon receiving an application
 28 from the owner of a building, shall determine whether the building
 29 qualifies for a deduction under section 34.5 of this chapter. If the center
 30 determines that a building qualifies for a deduction, the center shall
 31 certify the building and provide proof of the certification to the owner
 32 of the building. The center shall prescribe the form and procedure for
 33 certification of buildings under this subsection. If the center receives
 34 an application for certification of a building under section 34.5 of this
 35 chapter:

36 (1) the center shall determine whether the building qualifies for
 37 a deduction; and

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

41 SECTION 16. IC 6-1.1-12-37, AS AMENDED BY P.L.288-2013,
 42 SECTION 3, AND AS AMENDED BY P.L.203-2013, SECTION 4, IS

SB 367—LS 6939/DI 58



1 CORRECTED AND AMENDED TO READ AS FOLLOWS
 2 [EFFECTIVE JULY 1, 2014]: Sec. 37. (a) The following definitions
 3 apply throughout this section:

4 (1) "Dwelling" means any of the following:

5 (A) Residential real property improvements that an individual
 6 uses as the individual's residence, including a house or garage.

7 (B) A mobile home that is not assessed as real property that an
 8 individual uses as the individual's residence.

9 (C) A manufactured home that is not assessed as real property
 10 that an individual uses as the individual's residence.

11 (2) "Homestead" means an individual's principal place of
 12 residence:

13 (A) that is located in Indiana;

14 (B) that:

15 (i) the individual owns;

16 (ii) the individual is buying under a contract; recorded in the
 17 county recorder's office, that provides that the individual is
 18 to pay the property taxes on the residence;

19 (iii) the individual is entitled to occupy as a
 20 tenant-stockholder (as defined in 26 U.S.C. 216) of a
 21 cooperative housing corporation (as defined in 26 U.S.C.
 22 216); or

23 (iv) is a residence described in section 17.9 of this chapter
 24 that is owned by a trust if the individual is an individual
 25 described in section 17.9 of this chapter; and

26 (C) that consists of a dwelling and the real estate, not
 27 exceeding one (1) acre, that immediately surrounds that
 28 dwelling.

29 Except as provided in subsection (k), the term does not include
 30 property owned by a corporation, partnership, limited liability
 31 company, or other entity not described in this subdivision.

32 (b) Each year a homestead is eligible for a standard deduction from
 33 the assessed value of the homestead for an assessment date. *Except as*
 34 *provided in subsection (p)*, the deduction provided by this section
 35 applies to property taxes first due and payable for an assessment date
 36 only if an individual has an interest in the homestead described in
 37 subsection (a)(2)(B) on:

38 (1) the assessment date; or

39 (2) any date in the same year after an assessment date that a
 40 statement is filed under subsection (e) or section 44 of this
 41 chapter, if the property consists of real property.

42 Subject to subsection (c), the auditor of the county shall record and



1 make the deduction for the individual or entity qualifying for the
2 deduction.

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

6 (1) sixty percent (60%) of the assessed value of the real property,
7 mobile home not assessed as real property, or manufactured home
8 not assessed as real property; or

9 (2) forty-five thousand dollars (\$45,000).

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

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

23 (1) the parcel number or key number of the property and the name
24 of the city, town, or township in which the property is located;

25 (2) the name of any other location in which the applicant or the
26 applicant's spouse owns, is buying, or has a beneficial interest in
27 residential real property;

28 (3) the names of:

29 (A) the applicant and the applicant's spouse (if any):

30 (i) as the names appear in the records of the United States
31 Social Security Administration for the purposes of the
32 issuance of a Social Security card and Social Security
33 number; or

34 (ii) that they use as their legal names when they sign their
35 names on legal documents;

36 if the applicant is an individual; or

37 (B) each individual who qualifies property as a homestead
38 under subsection (a)(2)(B) and the individual's spouse (if any):

39 (i) as the names appear in the records of the United States
40 Social Security Administration for the purposes of the
41 issuance of a Social Security card and Social Security
42 number; or



- 1 (ii) that they use as their legal names when they sign their
- 2 names on legal documents;
- 3 if the applicant is not an individual; and
- 4 (4) either:
 - 5 (A) the last five (5) digits of the applicant's Social Security
 - 6 number and the last five (5) digits of the Social Security
 - 7 number of the applicant's spouse (if any); or
 - 8 (B) if the applicant or the applicant's spouse (if any) ~~do~~ **does**
 - 9 not have a Social Security number, any of the following for
 - 10 that individual:
 - 11 (i) The last five (5) digits of the individual's driver's license
 - 12 number.
 - 13 (ii) The last five (5) digits of the individual's state
 - 14 identification card number.
 - 15 (iii) If the individual does not have a driver's license or a
 - 16 state identification card, the last five (5) digits of a control
 - 17 number that is on a document issued to the individual by the
 - 18 federal government and determined by the department of
 - 19 local government finance to be acceptable.
- 20 If a form or statement provided to the county auditor under this section,
- 21 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
- 22 part or all of the Social Security number of a party or other number
- 23 described in subdivision (4)(B) of a party, the telephone number and
- 24 the Social Security number or other number described in subdivision
- 25 (4)(B) included are confidential. The statement may be filed in person
- 26 or by mail. If the statement is mailed, the mailing must be postmarked
- 27 on or before the last day for filing. The statement applies for that first
- 28 year and any succeeding year for which the deduction is allowed. With
- 29 respect to real property, the statement must be completed and dated in
- 30 the calendar year for which the person desires to obtain the deduction
- 31 and filed with the county auditor on or before January 5 of the
- 32 immediately succeeding calendar year. With respect to a mobile home
- 33 that is not assessed as real property, the person must file the statement
- 34 during the twelve (12) months before March 31 of the year for which
- 35 the person desires to obtain the deduction.
- 36 (f) If an individual who is receiving the deduction provided by this
- 37 section or who otherwise qualifies property for a deduction under this
- 38 section:
 - 39 (1) changes the use of the individual's property so that part or all
 - 40 of the property no longer qualifies for the deduction under this
 - 41 section; or
 - 42 (2) is no longer eligible for a deduction under this section on



- 1 another parcel of property because:
- 2 (A) the individual would otherwise receive the benefit of more
- 3 than one (1) deduction under this chapter; or
- 4 (B) the individual maintains the individual's principal place of
- 5 residence with another individual who receives a deduction
- 6 under this section;
- 7 the individual must file a certified statement with the auditor of the
- 8 county, notifying the auditor of the change of use, not more than sixty
- 9 (60) days after the date of that change. An individual who fails to file
- 10 the statement required by this subsection is liable for any additional
- 11 taxes that would have been due on the property if the individual had
- 12 filed the statement as required by this subsection plus a civil penalty
- 13 equal to ten percent (10%) of the additional taxes due. The civil penalty
- 14 imposed under this subsection is in addition to any interest and
- 15 penalties for a delinquent payment that might otherwise be due. One
- 16 percent (1%) of the total civil penalty collected under this subsection
- 17 shall be transferred by the county to the department of local
- 18 government finance for use by the department in establishing and
- 19 maintaining the homestead property data base under subsection (i) and,
- 20 to the extent there is money remaining, for any other purposes of the
- 21 department. This amount becomes part of the property tax liability for
- 22 purposes of this article.
- 23 (g) The department of local government finance shall adopt rules or
- 24 guidelines concerning the application for a deduction under this
- 25 section.
- 26 (h) This subsection does not apply to property in the first year for
- 27 which a deduction is claimed under this section if the sole reason that
- 28 a deduction is claimed on other property is that the individual or
- 29 married couple maintained a principal residence at the other property
- 30 on March 1 in the same year in which an application for a deduction is
- 31 filed under this section or, if the application is for a homestead that is
- 32 assessed as personal property, on March 1 in the immediately
- 33 preceding year and the individual or married couple is moving the
- 34 individual's or married couple's principal residence to the property that
- 35 is the subject of the application. Except as provided in subsection (n),
- 36 the county auditor may not grant an individual or a married couple a
- 37 deduction under this section if:
- 38 (1) the individual or married couple, for the same year, claims the
- 39 deduction on two (2) or more different applications for the
- 40 deduction; and
- 41 (2) the applications claim the deduction for different property.
- 42 (i) The department of local government finance shall provide secure



1 access to county auditors to a homestead property data base that
 2 includes access to the homestead owner's name and the numbers
 3 required from the homestead owner under subsection (e)(4) for the sole
 4 purpose of verifying whether an owner is wrongly claiming a deduction
 5 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or
 6 IC 6-3.5.

7 (j) A county auditor may require an individual to provide evidence
 8 proving that the individual's residence is the individual's principal place
 9 of residence as claimed in the certified statement filed under subsection
 10 (e). The county auditor may limit the evidence that an individual is
 11 required to submit to a state income tax return, a valid driver's license,
 12 or a valid voter registration card showing that the residence for which
 13 the deduction is claimed is the individual's principal place of residence.
 14 The department of local government finance shall work with county
 15 auditors to develop procedures to determine whether a property owner
 16 that is claiming a standard deduction or homestead credit is not eligible
 17 for the standard deduction or homestead credit because the property
 18 owner's principal place of residence is outside Indiana.

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

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

24 (2) The property is the principal place of residence of an
 25 individual.

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

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

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

32 (l) If a county auditor terminates a deduction for property described
 33 in subsection (k) with respect to property taxes that are:

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

35 (2) first due and payable in 2010;

36 on the grounds that the property is not owned by an entity described in
 37 subsection (a)(2)(B), the county auditor shall reinstate the deduction if
 38 the taxpayer provides proof that the property is eligible for the
 39 deduction in accordance with subsection (k) and that the individual
 40 residing on the property is not claiming the deduction for any other
 41 property.

42 (m) For ~~assessments~~ *assessment* dates after 2009, the term



- 1 "homestead" includes:
 2 (1) a deck or patio;
 3 (2) a gazebo; or
 4 (3) another residential yard structure, as defined in rules adopted
 5 by the department of local government finance (other than a
 6 swimming pool);
 7 that is assessed as real property and attached to the dwelling.
 8 (n) A county auditor shall grant an individual a deduction under this
 9 section regardless of whether the individual and the individual's spouse
 10 claim a deduction on two (2) different applications and each
 11 application claims a deduction for different property if the property
 12 owned by the individual's spouse is located outside Indiana and the
 13 individual files an affidavit with the county auditor containing the
 14 following information:
 15 (1) The names of the county and state in which the individual's
 16 spouse claims a deduction substantially similar to the deduction
 17 allowed by this section.
 18 (2) A statement made under penalty of perjury that the following
 19 are true:
 20 (A) That the individual and the individual's spouse maintain
 21 separate principal places of residence.
 22 (B) That neither the individual nor the individual's spouse has
 23 an ownership interest in the other's principal place of
 24 residence.
 25 (C) That neither the individual nor the individual's spouse has,
 26 for that same year, claimed a standard or substantially similar
 27 deduction for any property other than the property maintained
 28 as a principal place of residence by the respective individuals.
 29 A county auditor may require an individual or an individual's spouse to
 30 provide evidence of the accuracy of the information contained in an
 31 affidavit submitted under this subsection. The evidence required of the
 32 individual or the individual's spouse may include state income tax
 33 returns, excise tax payment information, property tax payment
 34 information, driver license information, and voter registration
 35 information.
 36 (o) If:
 37 (1) a property owner files a statement under subsection (e) to
 38 claim the deduction provided by this section for a particular
 39 property; and
 40 (2) the county auditor receiving the filed statement determines
 41 that the property owner's property is not eligible for the deduction;
 42 the county auditor shall inform the property owner of the county



1 auditor's determination in writing. If a property owner's property is not
 2 eligible for the deduction because the county auditor has determined
 3 that the property is not the property owner's principal place of
 4 residence, the property owner may appeal the county auditor's
 5 determination to the county property tax assessment board of appeals
 6 as provided in IC 6-1.1-15. The county auditor shall inform the
 7 property owner of the owner's right to appeal to the county property tax
 8 assessment board of appeals when the county auditor informs the
 9 property owner of the county auditor's determination under this
 10 subsection.

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

13 *(1) either:*

14 *(A) the individual's interest in the homestead as described in*
 15 *subsection (a)(2)(B) is conveyed to the individual after the*
 16 *assessment date, but within the calendar year in which the*
 17 *assessment date occurs; or*

18 *(B) the individual contracts to purchase the homestead after*
 19 *the assessment date, but within the calendar year in which the*
 20 *assessment date occurs;*

21 *(2) on the assessment date:*

22 *(A) the property on which the homestead is currently located*
 23 *was vacant land; or*

24 *(B) the construction of the dwelling that constitutes the*
 25 *homestead was not completed;*

26 *(3) either:*

27 *(A) the individual ~~files~~ **completes** the certified statement*
 28 *required by subsection (e) on or before December 31 of the*
 29 *calendar year in which the assessment date occurs ~~to claim~~*
 30 *~~the deduction under this section;~~ **and files the certified***
 31 ***statement with the county auditor on or before January 5***
 32 ***of the immediately succeeding calendar year; or***

33 *(B) a sales disclosure form that meets the requirements of*
 34 *section 44 of this chapter is submitted to the county assessor*
 35 *on or before ~~December 31~~ **January 5** of the calendar year ~~for~~*
 36 ***immediately succeeding** the individual's purchase of the*
 37 *homestead; and*

38 *(4) the individual files with the county auditor on or before*
 39 *~~December 31~~ **January 5** of the calendar year **immediately***
 40 ***succeeding the calendar year** in which the assessment date*
 41 *occurs a statement that:*

42 *(A) lists any other property for which the individual would*



1 otherwise receive a deduction under this section for the
2 assessment date; and

3 (B) cancels the deduction described in clause (A) for that
4 property.

5 An individual who satisfies the requirements of subdivisions (1)
6 through (4) is entitled to the deduction under this section for the
7 homestead for the assessment date, even if on the assessment date the
8 property on which the homestead is currently located was vacant land
9 or the construction of the dwelling that constitutes the homestead was
10 not completed. The county auditor shall apply the deduction for the
11 assessment date and for the assessment date in any later year in which
12 the homestead remains eligible for the deduction. A homestead that
13 qualifies for the deduction under this section as provided in this
14 subsection is considered a homestead for purposes of section 37.5 of
15 this chapter and IC 6-1.1-20.6. The county auditor shall cancel the
16 deduction under this section for any property that is located in the
17 county and is listed on the statement filed by the individual under
18 subdivision (4). If the property listed on the statement filed under
19 subdivision (4) is located in another county, the county auditor who
20 receives the statement shall forward the statement to the county
21 auditor of that other county, and the county auditor of that other
22 county shall cancel the deduction under this section for that property.

23 ~~(p)~~ (q) This subsection applies to an application for the deduction
24 provided by this section that is filed for an assessment date occurring
25 after December 31, 2013. Notwithstanding any other provision of this
26 section, an individual buying a mobile home that is not assessed as
27 real property or a manufactured home that is not assessed as real
28 property under a contract providing that the individual is to pay the
29 property taxes on the mobile home or manufactured home is not
30 entitled to the deduction provided by this section unless the parties to
31 the contract comply with IC 9-17-6-17.

32 ~~(q)~~ (r) This subsection:

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

36 (2) does not apply to an individual described in subsection ~~(p)~~-
37 (q).

38 The owner of a mobile home that is not assessed as real property or a
39 manufactured home that is not assessed as real property must attach
40 a copy of the owner's title to the mobile home or manufactured home
41 to the application for the deduction provided by this section.

42 SECTION 17. IC 6-1.1-12-38, AS AMENDED BY P.L.1-2009,



1 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2014]: Sec. 38. (a) A person is entitled to a deduction from the
3 assessed value of the person's property in an amount equal to the
4 difference between:

5 (1) the assessed value of the person's property, including the
6 assessed value of the improvements made to comply with the
7 fertilizer storage rules adopted by the state chemist under
8 IC 15-16-2-44 and the pesticide storage rules adopted by the state
9 chemist under IC 15-16-4-52; minus

10 (2) the assessed value of the person's property, excluding the
11 assessed value of the improvements made to comply with the
12 fertilizer storage rules adopted by the state chemist under
13 IC 15-16-2-44 and the pesticide storage rules adopted by the state
14 chemist under IC 15-16-4-52.

15 (b) To obtain the deduction under this section, a person must file a
16 certified statement in duplicate, on forms prescribed by the department
17 of local government finance, with the auditor of the county in which the
18 property is subject to assessment. In addition to the certified statement,
19 the person must file a certification by the state chemist listing the
20 improvements that were made to comply with the fertilizer storage
21 rules adopted under IC 15-16-2-44 and the pesticide storage rules
22 adopted by the state chemist under IC 15-16-4-52. Subject to section
23 45 of this chapter, the statement and certification ~~must be filed during~~
24 ~~the year preceding the year the deduction will first be applied.~~ **must be**
25 **completed and dated in the calendar year for which the person**
26 **wishes to obtain the deduction, and the statement and certification**
27 **must be filed with the county auditor on or before January 5 of the**
28 **immediately succeeding calendar year.** Upon the verification of the
29 statement and certification by the assessor of the township in which the
30 property is subject to assessment, or the county assessor if there is no
31 township assessor for the township, the county auditor shall allow the
32 deduction.

33 (c) The deduction provided by this section applies only if the
34 person:

35 (1) owns the property; or

36 (2) is buying the property under contract;

37 on the assessment date for which the deduction applies.

38 SECTION 18. IC 6-1.1-12-45, AS ADDED BY P.L.144-2008,
39 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JULY 1, 2014]: Sec. 45. (a) Subject to subsections (b) and (c), a
41 deduction under this chapter applies for an assessment date and for the
42 property taxes due and payable based on the assessment for that

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1 assessment date, regardless of whether with respect to the real property
2 or mobile home or manufactured home not assessed as real property:

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

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

5 after that assessment date and on or before the next succeeding
6 assessment date.

7 (b) Subsection (a) applies:

8 (1) only if the title holder or the contract buyer on that next
9 succeeding assessment date is eligible for the deduction for that
10 next succeeding assessment date; and

11 (2) regardless of whether:

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

13 or

14 (B) one (1) or more contract purchasers under subsection

15 (a)(2);

16 files a statement under this chapter to claim the deduction.

17 (c) A deduction applies under subsection (a) for only one (1) year.

18 The requirements of this chapter for filing a statement to apply for a
19 deduction under this chapter apply to subsequent years.

20 (d) If:

21 (1) a statement is filed under this chapter ~~in~~ **on or before**
22 **January 5 of** a calendar year to claim a deduction under this
23 chapter with respect to real property; and

24 (2) the eligibility criteria for the deduction are met;

25 the deduction applies for the assessment date in ~~that~~ **the preceding**
26 calendar year and for the property taxes due and payable based on the
27 assessment for that assessment date.

28 (e) If:

29 (1) a statement is filed under this chapter in a twelve (12) month
30 filing period designated under this chapter to claim a deduction
31 under this chapter with respect to a mobile home or a
32 manufactured home not assessed as real property; and

33 (2) the eligibility criteria for the deduction are met;

34 the deduction applies for the assessment date in that twelve (12) month
35 period and for the property taxes due and payable based on the
36 assessment for that assessment date.

37 SECTION 19. IC 6-1.1-12.6-3, AS ADDED BY P.L.70-2008,
38 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JULY 1, 2014]: Sec. 3. (a) A property owner that qualifies for the
40 deduction under this chapter **and that desires to receive the**
41 **deduction** must ~~file a statement containing the information required by~~
42 ~~subsection (b) with the county auditor to claim the deduction for each~~



1 assessment date for which the property owner wishes to receive the
 2 ~~deduction complete and date a statement containing the~~
 3 **information required by subsection (b) in the calendar year for**
 4 **which the person desires to obtain the deduction and file the**
 5 **statement with the county auditor on or before January 5 of the**
 6 **immediately succeeding calendar year**, in the manner prescribed in
 7 rules adopted under section 9 of this chapter. The township assessor
 8 shall verify each statement filed under this section, and the county
 9 auditor shall:

10 (1) make the deductions; and

11 (2) notify the county property tax assessment board of appeals of
 12 all deductions approved;

13 under this section.

14 (b) The statement referred to in subsection (a) must be verified
 15 under penalties for perjury and must contain the following information:

16 (1) The assessed value of the real property for which the person
 17 is claiming the deduction.

18 (2) The full name and complete business address of the person
 19 claiming the deduction.

20 (3) The complete address and a brief description of the real
 21 property for which the person is claiming the deduction.

22 (4) The name of any other county in which the person has applied
 23 for a deduction under this chapter for that assessment date.

24 (5) The complete address and a brief description of any other real
 25 property for which the person has applied for a deduction under
 26 this chapter for that assessment date.

27 SECTION 20. IC 6-1.1-12.8-4, AS ADDED BY P.L.175-2011,
 28 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2014]: Sec. 4. (a) A property owner that qualifies for the
 30 deduction under this chapter **and that desires to receive the**
 31 **deduction** must file a statement containing the information required by
 32 subsection (b) with the county auditor to claim the deduction for each
 33 assessment date for which the property owner wishes to receive the
 34 ~~deduction complete and date a statement containing the~~
 35 **information required by subsection (b) in the calendar year for**
 36 **which the person desires to obtain the deduction and file the**
 37 **statement with the county auditor on or before January 5 of the**
 38 **immediately succeeding calendar year**, in the manner prescribed in
 39 rules adopted under section 8 of this chapter. The township assessor,
 40 or the county assessor if there is no township assessor for the township,
 41 shall verify each statement filed under this section, and the county
 42 auditor shall:



- 1 (1) make the deductions; and
 2 (2) notify the county property tax assessment board of appeals of
 3 all deductions approved;
 4 under this section.
- 5 (b) The statement referred to in subsection (a) must be verified
 6 under penalties for perjury and must contain the following information:
- 7 (1) The assessed value of the real property for which the person
 8 is claiming the deduction.
 9 (2) The full name and complete business address of the person
 10 claiming the deduction.
 11 (3) The complete address and a brief description of the real
 12 property for which the person is claiming the deduction.
 13 (4) The name of any other county in which the person has applied
 14 for a deduction under this chapter for that assessment date.
 15 (5) The complete address and a brief description of any other real
 16 property for which the person has applied for a deduction under
 17 this chapter for that assessment date.
 18 (6) An affirmation by the owner that the owner is receiving not
 19 more than three (3) deductions under this chapter, including the
 20 deduction being applied for by the owner, either:
 21 (A) as the owner of the residence in inventory; or
 22 (B) as an owner that is part of an affiliated group.
 23 (7) An affirmation that the real property has not been leased and
 24 will not be leased for any purpose during the term of the
 25 deduction.
- 26 SECTION 21. IC 6-1.1-15-12, AS AMENDED BY P.L.172-2011,
 27 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 UPON PASSAGE]: Sec. 12. (a) Subject to the limitations contained in
 29 subsections (c) and (d), a county auditor shall correct errors which are
 30 discovered in the tax duplicate for any one (1) or more of the following
 31 reasons:
- 32 (1) The description of the real property was in error.
 33 (2) The assessment was against the wrong person.
 34 (3) Taxes on the same property were charged more than one (1)
 35 time in the same year.
 36 (4) There was a mathematical error in computing the taxes or
 37 penalties on the taxes.
 38 (5) There was an error in carrying delinquent taxes forward from
 39 one (1) tax duplicate to another.
 40 (6) The taxes, as a matter of law, were illegal.
 41 (7) There was a mathematical error in computing an assessment.
 42 (8) Through an error of omission by any state or county officer,



- 1 the taxpayer was not given:
- 2 (A) the proper credit under IC 6-1.1-20.6-7.5 for property
- 3 taxes imposed for an assessment date after January 15, 2011;
- 4 (B) any other credit permitted by law;
- 5 (C) an exemption permitted by law; or
- 6 (D) a deduction permitted by law.
- 7 (b) The county auditor shall correct an error described under
- 8 subsection (a)(1), (a)(2), (a)(3), (a)(4), or (a)(5) when the county
- 9 auditor finds that the error exists.
- 10 (c) If the tax is based on an assessment made or determined by the
- 11 department of local government finance, the county auditor shall not
- 12 correct an error described under subsection (a)(6), (a)(7), or (a)(8) until
- 13 after the correction is either approved by the department of local
- 14 government finance or ordered by the tax court.
- 15 (d) If the tax is not based on an assessment made or determined by
- 16 the department of local government finance, the county auditor shall
- 17 correct an error described under subsection (a)(6), (a)(7), or (a)(8) only
- 18 if the correction is first approved by at least two (2) of the following
- 19 officials:
- 20 (1) The township assessor (if any).
- 21 (2) The county auditor.
- 22 (3) The county assessor.
- 23 If two (2) of these officials do not approve such a correction, the county
- 24 auditor shall refer the matter to the county board for determination. The
- 25 county board shall provide a copy of the determination to the taxpayer
- 26 and to the county auditor.
- 27 (e) A taxpayer may appeal a determination of the county board to
- 28 the Indiana board for a final administrative determination. An appeal
- 29 under this section shall be conducted in the same manner as appeals
- 30 under sections 4 through 8 of this chapter. The Indiana board shall send
- 31 the final administrative determination to the taxpayer, the county
- 32 auditor, the county assessor, and the township assessor (if any).
- 33 (f) If a correction or change is made in the tax duplicate after it is
- 34 delivered to the county treasurer, the county auditor shall transmit a
- 35 certificate of correction to the county treasurer. The county treasurer
- 36 shall keep the certificate as the voucher for settlement with the county
- 37 auditor.
- 38 (g) A taxpayer that files a personal property tax return under
- 39 IC 6-1.1-3 may not petition under this section for the correction of an
- 40 error made by the taxpayer on the taxpayer's personal property tax
- 41 return. If the taxpayer wishes to correct an error made by the taxpayer
- 42 on the taxpayer's personal property tax return, the taxpayer must



1 instead file an amended personal property tax return under
2 IC 6-1.1-3-7.5.

3 (h) A taxpayer that files a statement under IC 6-1.1-8-19 may not
4 petition under this section for the correction of an error made by the
5 taxpayer on the taxpayer's statement. If the taxpayer wishes to correct
6 an error made by the taxpayer on the taxpayer's statement, the taxpayer
7 must instead initiate an objection under IC 6-1.1-8-28 or an appeal
8 under IC 6-1.1-8-30.

9 **(i) IC 6-1.1-26-1 applies to a tax refund based on a correction of**
10 **error under this section.**

11 SECTION 22. IC 6-1.1-17-3, AS AMENDED BY P.L.137-2012,
12 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2014]: Sec. 3. (a) The proper officers of a political subdivision
14 shall formulate its estimated budget and its proposed tax rate and tax
15 levy on the form prescribed by the department of local government
16 finance and approved by the state board of accounts. The political
17 subdivision or appropriate fiscal body, if the political subdivision is
18 subject to section 20 of this chapter, shall **(before January 1, 2016)**
19 give notice by publication to taxpayers of:

- 20 (1) the estimated budget;
21 (2) the estimated maximum permissible levy;
22 (3) the current and proposed tax levies of each fund; and
23 (4) the amounts of excessive levy appeals to be requested.

24 The political subdivision or appropriate fiscal body shall also state the
25 time and place at which the political subdivision or appropriate fiscal
26 body will hold a public hearing on these items. The political
27 subdivision or appropriate fiscal body shall **(before January 1, 2016)**
28 publish the notice twice in accordance with IC 5-3-1 with the first
29 publication at least ten (10) days before the date fixed for the public
30 hearing. The first publication must be before September 14, and the
31 second publication must be before September 21 of the year. The
32 political subdivision shall pay for the publishing of the notice. **The**
33 **political subdivision shall submit this information to the**
34 **department's computer gateway before September 14 of each year**
35 **in the manner prescribed by the department. The department shall**
36 **make this information available to taxpayers through its computer**
37 **gateway and provide a telephone number through which taxpayers**
38 **may request copies of a political subdivision's information under**
39 **this subsection. The department's computer gateway must allow a**
40 **taxpayer to search for the information under this subsection by the**
41 **taxpayer's address.**

42 (b) For taxes due and payable in 2015 and 2016, each county



1 shall also publish a notice in accordance with IC 5-3-1 in two (2)
 2 newspapers published in the county stating the Internet address at
 3 which the information under subsection (a) is available and the
 4 telephone number through which taxpayers may request copies of
 5 a political subdivision's information under subsection (a). If only
 6 one (1) newspaper is published in the county, publication in that
 7 newspaper is sufficient. The department of local government
 8 finance shall prescribe the notice. Notice under this subsection
 9 shall be published before September 14. Counties may seek
 10 reimbursement from the political subdivisions within their legal
 11 boundaries for the cost of the notice required under this
 12 subsection. The actions under this subsection shall be completed in
 13 the manner prescribed by the department.

14 ~~(b)~~ (c) The board of directors of a solid waste management district
 15 established under IC 13-21 or IC 13-9.5-2 (before its repeal) may
 16 conduct the public hearing required under subsection (a):

- 17 (1) in any county of the solid waste management district; and
- 18 (2) in accordance with the annual notice of meetings published
 19 under IC 13-21-5-2.

20 ~~(c)~~ (d) The trustee of each township in the county shall estimate the
 21 amount necessary to meet the cost of township assistance in the
 22 township for the ensuing calendar year. The township board shall adopt
 23 with the township budget a tax rate sufficient to meet the estimated cost
 24 of township assistance. The taxes collected as a result of the tax rate
 25 adopted under this subsection are credited to the township assistance
 26 fund.

27 (e) A political subdivision for which any of the information
 28 under subsection (a) is not (before January 1, 2016) published and
 29 is not submitted to the department's computer gateway in the
 30 manner prescribed by the department shall have its most recent
 31 annual appropriations and annual tax levy continued for the
 32 ensuing budget year.

33 (f) If a political subdivision or appropriate fiscal body timely
 34 publishes (before January 1, 2016) and timely submits the
 35 information under subsection (a) but subsequently discovers the
 36 information contains a typographical error, the political
 37 subdivision or appropriate fiscal body may request permission
 38 from the department to submit amended information to the
 39 department's computer gateway and (before January 1, 2016) to
 40 publish the amended information. However, such a request must
 41 occur not later than seven (7) days before the public hearing held
 42 under subsection (a). Acknowledgment of the correction of an



1 **error shall be posted on the department's computer gateway and**
 2 **communicated by the political subdivision or appropriate fiscal**
 3 **body to the fiscal body of the county in which the political**
 4 **subdivision and appropriate fiscal body are located.**

5 SECTION 23. IC 6-1.1-17-16, AS AMENDED BY P.L.218-2013,
 6 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2014]: Sec. 16. (a) Subject to the limitations and requirements
 8 prescribed in this section, the department of local government finance
 9 may revise, reduce, or increase a political subdivision's budget by fund,
 10 tax rate, or tax levy which the department reviews under section 8 or
 11 10 of this chapter.

12 (b) Subject to the limitations and requirements prescribed in this
 13 section, the department of local government finance may review,
 14 revise, reduce, or increase the budget by fund, tax rate, or tax levy of
 15 any of the political subdivisions whose tax rates compose the aggregate
 16 tax rate within a political subdivision whose budget, tax rate, or tax
 17 levy is the subject of an appeal initiated under this chapter.

18 (c) Except as provided in section 16.1 of this chapter, the
 19 department of local government finance is not required to hold a public
 20 hearing before the department of local government finance reviews,
 21 revises, reduces, or increases a political subdivision's budget by fund,
 22 tax rate, or tax levy under this section.

23 (d) Except as provided in subsection (i), IC 20-46, or IC 6-1.1-18.5,
 24 the department of local government finance may not increase a political
 25 subdivision's budget by fund, tax rate, or tax levy to an amount which
 26 exceeds the amount originally fixed by the political subdivision.
 27 However, if the department of local government finance determines
 28 that IC 5-3-1-2.3(b) applies to the tax rate, tax levy, or budget of the
 29 political subdivision, the maximum amount by which the department
 30 may increase the tax rate, tax levy, or budget is the amount originally
 31 fixed by the political subdivision, and not the amount that was
 32 incorrectly published or omitted in the notice described in
 33 IC 5-3-1-2.3(b). The department of local government finance shall give
 34 the political subdivision notification electronically in the manner
 35 prescribed by the department of local government finance specifying
 36 any revision, reduction, or increase the department proposes in a
 37 political subdivision's tax levy or tax rate. The political subdivision has
 38 ten (10) calendar days from the date the political subdivision receives
 39 the notice to provide a response electronically in the manner prescribed
 40 by the department of local government finance. The response may
 41 include budget reductions, reallocation of levies, a revision in the
 42 amount of miscellaneous revenues, and further review of any other



1 item about which, in the view of the political subdivision, the
 2 department is in error. The department of local government finance
 3 shall consider the adjustments as specified in the political subdivision's
 4 response if the response is provided as required by this subsection and
 5 shall deliver a final decision to the political subdivision.

6 (e) The department of local government finance may not approve a
 7 levy for lease payments by a city, town, county, library, or school
 8 corporation if the lease payments are payable to a building corporation
 9 for use by the building corporation for debt service on bonds and if:

- 10 (1) no bonds of the building corporation are outstanding; or
 11 (2) the building corporation has enough legally available funds on
 12 hand to redeem all outstanding bonds payable from the particular
 13 lease rental levy requested.

14 (f) The department of local government finance shall certify its
 15 action to:

- 16 (1) the county auditor;
 17 (2) the political subdivision if the department acts pursuant to an
 18 appeal initiated by the political subdivision;
 19 (3) the taxpayer that initiated an appeal under section 13 of this
 20 chapter, or, if the appeal was initiated by multiple taxpayers, the
 21 first ten (10) taxpayers whose names appear on the statement filed
 22 to initiate the appeal; and
 23 (4) a taxpayer that owns property that represents at least ten
 24 percent (10%) of the taxable assessed valuation in the political
 25 subdivision.

26 (g) The following may petition for judicial review of the final
 27 determination of the department of local government finance under
 28 subsection (f):

- 29 (1) If the department acts under an appeal initiated by a political
 30 subdivision, the political subdivision.
 31 (2) If the department:
 32 (A) acts under an appeal initiated by one (1) or more taxpayers
 33 under section 13 of this chapter; or
 34 (B) fails to act on the appeal before the department certifies its
 35 action under subsection (f);
 36 a taxpayer who signed the statement filed to initiate the appeal.
 37 (3) If the department acts under an appeal initiated by the county
 38 auditor under section 14 of this chapter, the county auditor.
 39 (4) A taxpayer that owns property that represents at least ten
 40 percent (10%) of the taxable assessed valuation in the political
 41 subdivision.

42 The petition must be filed in the tax court not more than forty-five (45)



1 days after the department certifies its action under subsection (f).

2 (h) The department of local government finance is expressly
3 directed to complete the duties assigned to it under this section not later
4 than February 15 of each year for taxes to be collected during that year.

5 (i) Subject to the provisions of all applicable statutes, the
6 department of local government finance ~~may~~ **shall, unless the**
7 **department finds extenuating circumstances**, increase a political
8 subdivision's tax levy to an amount that exceeds the amount originally
9 ~~fixed advertised or adopted~~ by the political subdivision if:

10 (1) the increase is ~~(1)~~ requested in writing by the officers of the
11 political subdivision;

12 (2) ~~either: the requested increase is published on the~~
13 **department's advertising Internet web site and (before**
14 **January 1, 2016) is published by the political subdivision**
15 **according to a notice provided by the department; and**

16 ~~(A) based on information first obtained by the political~~
17 ~~subdivision after the public hearing under section 3 of this~~
18 ~~chapter; or~~

19 ~~(B) results from an inadvertent mathematical error made in~~
20 ~~determining the levy; and~~

21 (3) ~~published by the political subdivision according to a notice~~
22 ~~provided by the department. notice is given to the county fiscal~~
23 **body of the error and the department's correction.**

24 **If the department increases an adopted levy beyond what was**
25 **advertised or adopted under this subsection, it shall, unless the**
26 **department finds extenuating circumstances, reduce the adopted**
27 **levy for each fund affected below the maximum allowable levy by**
28 **the lesser of five percent (5%) of the difference between the**
29 **advertised or adopted levy and the increased levy, or one hundred**
30 **thousand dollars (\$100,000).**

31 (j) The department of local government finance shall annually
32 review the budget by fund of each school corporation not later than
33 April 1. The department of local government finance shall give the
34 school corporation written notification specifying any revision,
35 reduction, or increase the department proposes in the school
36 corporation's budget by fund. A public hearing is not required in
37 connection with this review of the budget.

38 SECTION 24. IC 6-1.1-18.5-13.7, AS ADDED BY P.L.172-2011,
39 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JULY 1, 2014]: Sec. 13.7. (a) Notwithstanding any other provision of
41 this chapter, Fairfield Township in Tippecanoe County may request
42 that the department of local government finance make an adjustment



1 to the township's maximum permissible property tax levy. ~~The request~~
 2 ~~by the township under this section must be filed before September 1,~~
 3 ~~2011.~~

4 (b) The amount of the requested adjustment may not exceed one
 5 hundred thirty thousand dollars (\$130,000) for each year.

6 (c) ~~If the~~ **For a** township ~~makes that made~~ a request for an
 7 adjustment in an amount not exceeding the limit prescribed by
 8 subsection (b), the department of local government finance shall make
 9 the adjustment ~~each year (beginning with property taxes first due and~~
 10 ~~payable in 2012)~~ **a permanent adjustment** to the township's maximum
 11 permissible ad valorem property tax levy. ~~for the number of years~~
 12 ~~requested by the township (but not to exceed a total of four (4) years).~~

13 ~~(d) This section expires July 1, 2016.~~

14 SECTION 25. IC 6-1.1-20-3.5, AS AMENDED BY P.L.218-2013,
 15 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2014]: Sec. 3.5. (a) This section applies only to a controlled
 17 project that meets the following conditions:

18 (1) The controlled project is described in one (1) of the following
 19 categories:

20 (A) An elementary school building, middle school building,
 21 high school building, or other school building for academic
 22 instruction that:

23 (i) will be used for any combination of kindergarten through
 24 grade 12; and

25 (ii) will cost more than ten million dollars (\$10,000,000).

26 (B) Any other controlled project that:

27 (i) is not a controlled project described in clause (A); and

28 (ii) ~~will the cost of which paid by~~ the political subdivision
 29 ~~more than from bond proceeds will not exceed~~ the lesser
 30 of twelve million dollars (\$12,000,000) or an amount equal
 31 to one percent (1%) of the total gross assessed value of
 32 property within the political subdivision on the last
 33 assessment date (if that amount is at least one million dollars
 34 (\$1,000,000)).

35 (2) The proper officers of the political subdivision make a
 36 preliminary determination after June 30, 2008, in the manner
 37 described in subsection (b) to issue bonds or enter into a lease for
 38 the controlled project.

39 (b) A political subdivision may not impose property taxes to pay
 40 debt service on bonds or lease rentals on a lease for a controlled project
 41 without completing the following procedures:

42 (1) The proper officers of a political subdivision shall publish



1 notice in accordance with IC 5-3-1 and send notice by first class
 2 mail to the circuit court clerk and to any organization that delivers
 3 to the officers, before January 1 of that year, an annual written
 4 request for notices of any meeting to consider the adoption of an
 5 ordinance or a resolution making a preliminary determination to
 6 issue bonds or enter into a lease and shall conduct a public
 7 hearing on the preliminary determination before adoption of the
 8 ordinance or resolution. The political subdivision must make the
 9 following information available to the public at the public hearing
 10 on the preliminary determination, in addition to any other
 11 information required by law:

12 (A) The result of the political subdivision's current and
 13 projected annual debt service payments divided by the net
 14 assessed value of taxable property within the political
 15 subdivision.

16 (B) The result of:

17 (i) the sum of the political subdivision's outstanding long
 18 term debt plus the outstanding long term debt of other taxing
 19 units that include any of the territory of the political
 20 subdivision; divided by

21 (ii) the net assessed value of taxable property within the
 22 political subdivision.

23 (C) The information specified in subdivision (3)(A) through
 24 (3)(G).

25 (2) If the proper officers of a political subdivision make a
 26 preliminary determination to issue bonds or enter into a lease, the
 27 officers shall give notice of the preliminary determination by:

28 (A) publication in accordance with IC 5-3-1; and

29 (B) first class mail to the circuit court clerk and to the
 30 organizations described in subdivision (1).

31 (3) A notice under subdivision (2) of the preliminary
 32 determination of the political subdivision to issue bonds or enter
 33 into a lease must include the following information:

34 (A) The maximum term of the bonds or lease.

35 (B) The maximum principal amount of the bonds or the
 36 maximum lease rental for the lease.

37 (C) The estimated interest rates that will be paid and the total
 38 interest costs associated with the bonds or lease.

39 (D) The purpose of the bonds or lease.

40 (E) A statement that the proposed debt service or lease
 41 payments must be approved in an election on a local public
 42 question held under section 3.6 of this chapter.



- 1 (F) With respect to bonds issued or a lease entered into to
 2 open:
 3 (i) a new school facility; or
 4 (ii) an existing facility that has not been used for at least
 5 three (3) years and that is being reopened to provide
 6 additional classroom space;
 7 the estimated costs the school corporation expects to annually
 8 incur to operate the facility.
 9 (G) The political subdivision's current debt service levy and
 10 rate and the estimated increase to the political subdivision's
 11 debt service levy and rate that will result if the political
 12 subdivision issues the bonds or enters into the lease.
 13 (H) The information specified in subdivision (1)(A) through
 14 (1)(B).
- 15 (4) After notice is given, a petition requesting the application of
 16 the local public question process under section 3.6 of this chapter
 17 may be filed by the lesser of:
 18 (A) one hundred (100) persons who are either owners of
 19 property within the political subdivision or registered voters
 20 residing within the political subdivision; or
 21 (B) five percent (5%) of the registered voters residing within
 22 the political subdivision.
- 23 (5) The state board of accounts shall design and, upon request by
 24 the county voter registration office, deliver to the county voter
 25 registration office or the county voter registration office's
 26 designated printer the petition forms to be used solely in the
 27 petition process described in this section. The county voter
 28 registration office shall issue to an owner or owners of property
 29 within the political subdivision or a registered voter residing
 30 within the political subdivision the number of petition forms
 31 requested by the owner or owners or the registered voter. Each
 32 form must be accompanied by instructions detailing the
 33 requirements that:
 34 (A) the carrier and signers must be owners of property or
 35 registered voters;
 36 (B) the carrier must be a signatory on at least one (1) petition;
 37 (C) after the signatures have been collected, the carrier must
 38 swear or affirm before a notary public that the carrier
 39 witnessed each signature; and
 40 (D) govern the closing date for the petition period.
 41 Persons requesting forms may be required to identify themselves
 42 as owners of property or registered voters and may be allowed to



1 pick up additional copies to distribute to other owners of property
 2 or registered voters. Each person signing a petition must indicate
 3 whether the person is signing the petition as a registered voter
 4 within the political subdivision or is signing the petition as the
 5 owner of property within the political subdivision. A person who
 6 signs a petition as a registered voter must indicate the address at
 7 which the person is registered to vote. A person who signs a
 8 petition as an owner of property must indicate the address of the
 9 property owned by the person in the political subdivision.

10 (6) Each petition must be verified under oath by at least one (1)
 11 qualified petitioner in a manner prescribed by the state board of
 12 accounts before the petition is filed with the county voter
 13 registration office under subdivision (7).

14 (7) Each petition must be filed with the county voter registration
 15 office not more than thirty (30) days after publication under
 16 subdivision (2) of the notice of the preliminary determination.

17 (8) The county voter registration office shall determine whether
 18 each person who signed the petition is a registered voter.
 19 However, after the county voter registration office has determined
 20 that at least one hundred twenty-five (125) persons who signed
 21 the petition are registered voters within the political subdivision,
 22 the county voter registration office is not required to verify
 23 whether the remaining persons who signed the petition are
 24 registered voters. If the county voter registration office does not
 25 determine that at least one hundred twenty-five (125) persons who
 26 signed the petition are registered voters, the county voter
 27 registration office, not more than fifteen (15) business days after
 28 receiving a petition, shall forward a copy of the petition to the
 29 county auditor. Not more than ten (10) business days after
 30 receiving the copy of the petition, the county auditor shall provide
 31 to the county voter registration office a statement verifying:

32 (A) whether a person who signed the petition as a registered
 33 voter but is not a registered voter, as determined by the county
 34 voter registration office, is the owner of property in the
 35 political subdivision; and

36 (B) whether a person who signed the petition as an owner of
 37 property within the political subdivision does in fact own
 38 property within the political subdivision.

39 (9) The county voter registration office, not more than ten (10)
 40 business days after determining that at least one hundred
 41 twenty-five (125) persons who signed the petition are registered
 42 voters or after receiving the statement from the county auditor



1 under subdivision (8) (as applicable), shall make the final
 2 determination of whether a sufficient number of persons have
 3 signed the petition. Whenever the name of an individual who
 4 signs a petition form as a registered voter contains a minor
 5 variation from the name of the registered voter as set forth in the
 6 records of the county voter registration office, the signature is
 7 presumed to be valid, and there is a presumption that the
 8 individual is entitled to sign the petition under this section. Except
 9 as otherwise provided in this chapter, in determining whether an
 10 individual is a registered voter, the county voter registration office
 11 shall apply the requirements and procedures used under IC 3 to
 12 determine whether a person is a registered voter for purposes of
 13 voting in an election governed by IC 3. However, an individual is
 14 not required to comply with the provisions concerning providing
 15 proof of identification to be considered a registered voter for
 16 purposes of this chapter. A person is entitled to sign a petition
 17 only one (1) time in a particular referendum process under this
 18 chapter, regardless of whether the person owns more than one (1)
 19 parcel of real property, mobile home assessed as personal
 20 property, or manufactured home assessed as personal property or
 21 a combination of those types of property within the political
 22 subdivision and regardless of whether the person is both a
 23 registered voter in the political subdivision and the owner of
 24 property within the political subdivision. Notwithstanding any
 25 other provision of this section, if a petition is presented to the
 26 county voter registration office within forty-five (45) days before
 27 an election, the county voter registration office may defer acting
 28 on the petition, and the time requirements under this section for
 29 action by the county voter registration office do not begin to run
 30 until five (5) days after the date of the election.

31 (10) The county voter registration office must file a certificate and
 32 each petition with:

33 (A) the township trustee, if the political subdivision is a
 34 township, who shall present the petition or petitions to the
 35 township board; or

36 (B) the body that has the authority to authorize the issuance of
 37 the bonds or the execution of a lease, if the political
 38 subdivision is not a township;

39 within thirty-five (35) business days of the filing of the petition
 40 requesting the referendum process. The certificate must state the
 41 number of petitioners who are owners of property within the
 42 political subdivision and the number of petitioners who are



1 registered voters residing within the political subdivision.

2 (11) If a sufficient petition requesting the local public question
3 process is not filed by owners of property or registered voters as
4 set forth in this section, the political subdivision may issue bonds
5 or enter into a lease by following the provisions of law relating to
6 the bonds to be issued or lease to be entered into.

7 (c) If the proper officers of a political subdivision make a
8 preliminary determination to issue bonds or enter into a lease, the
9 officers shall provide to the county auditor:

10 (1) a copy of the notice required by subsection (b)(2); and

11 (2) any other information the county auditor requires to fulfill the
12 county auditor's duties under section 3.6 of this chapter.

13 SECTION 26. IC 6-1.1-20.6-4, AS AMENDED BY P.L.288-2013,
14 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JANUARY 1, 2014 (RETROACTIVE)]: Sec. 4. As used in this
16 chapter, "residential property" refers to real property that consists of
17 any of the following:

18 (1) A single family dwelling that is not part of a homestead and
19 the land, not exceeding one (1) acre, on which the dwelling is
20 located.

21 (2) Real property that consists of:

22 (A) a building that includes two (2) or more dwelling units;

23 (B) any common areas shared by the dwelling units (including
24 any land that is a common area, as described in section
25 1.2(b)(2) of this chapter); and

26 (C) the land on which the building is located.

27 (3) Land rented or leased for the placement of a manufactured
28 home or mobile home, including any common areas shared by the
29 manufactured homes or mobile homes.

30 **The term includes a single family dwelling that is under**
31 **construction and the land, not exceeding one (1) acre, on which the**
32 **dwelling will be located. The term does not include real property**
33 **that consists of a commercial hotel, motel, inn, tourist camp, or**
34 **tourist cabin.**

35 SECTION 27. IC 6-2.5-2-3 IS ADDED TO THE INDIANA CODE
36 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
37 1, 2014]: Sec. 3. (a) As used in this section, "motor vehicle" means
38 a vehicle that would be subject to the annual license excise tax
39 imposed under IC 6-6-5 if the vehicle were to be used in Indiana.

40 (b) Notwithstanding section 2 of this chapter, the state gross
41 retail tax rate on a motor vehicle that a purchaser intends to
42 immediately register, license, and title in another state is the rate



1 **of that state as certified by the seller and purchaser in an affidavit**
 2 **containing the information prescribed by the department of state**
 3 **revenue.**

4 SECTION 28. IC 6-2.5-5-46, AS AMENDED BY P.L.288-2013,
 5 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2014]: Sec. 46. (a) Transactions involving tangible personal
 7 property (including materials, parts, equipment, and engines) are
 8 exempt from the state gross retail tax, if the property is:

- 9 (1) used;
 10 (2) consumed; or
 11 (3) installed;

12 in furtherance of, or in, the repair, maintenance, refurbishment,
 13 remodeling, or remanufacturing of an aircraft or an avionics system of
 14 an aircraft.

15 (b) The exemption provided by this section applies to a transaction
 16 only if:

- 17 (1) the retail merchant, at the time of the transaction, possesses a
 18 valid repair station certificate issued by the Federal Aviation
 19 Administration under 14 CFR 145 et seq. or other applicable law
 20 or regulation; or

21 (2) the:

22 (A) retail merchant has leased a facility at a public use
 23 airport for the maintenance of aircraft and meets the
 24 public use airport owner's minimum standards for an
 25 aircraft maintenance facility; and

26 (B) work is performed by a mechanic who is certified by
 27 the Federal Aviation Administration.

28 (c) The owner of a public use airport shall annually provide to
 29 the department the names of retail merchants that have a lease
 30 with the public use airport and that perform aircraft maintenance
 31 at the public use airport.

32 SECTION 29. IC 6-2.5-5-50 IS ADDED TO THE INDIANA CODE
 33 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 34 UPON PASSAGE]: Sec. 50. Sales of tangible personal property are
 35 exempt from the state gross retail tax if:

36 (1) the property constitutes a label that will be affixed to or a
 37 sign that will be displayed with other tangible personal
 38 property being sold to a retail merchant that will be selling
 39 the other tangible personal property at retail; and

40 (2) the person acquiring the label or sign and selling the other
 41 tangible personal property to a retail merchant is required to
 42 affix the label to or provide the sign to display with the other



1 **tangible personal property for the purpose of complying with**
 2 **any state or federal statute, regulation, or standard.**

3 SECTION 30. IC 6-3-3-5.1, AS AMENDED BY P.L.2-2007,
 4 SECTION 122, IS AMENDED TO READ AS FOLLOWS
 5 [EFFECTIVE JULY 1, 2014]: Sec. 5.1. (a) At the election of the
 6 taxpayer, a credit against the adjusted gross income tax imposed by
 7 IC 6-3-1 through IC 6-3-7 for the taxable year, is permitted in an
 8 amount (subject to the applicable limitations provided by this section)
 9 equal to fifty percent (50%) of the aggregate amount of contributions
 10 made by the taxpayer during the taxable year to the twenty-first century
 11 scholars program support fund established under IC 21-12-7-1.

12 (b) In the case of a taxpayer other than a corporation, the amount
 13 allowable as a credit under this section for any taxable year may not
 14 exceed:

- 15 (1) one hundred dollars (\$100) in the case of a single return; or
- 16 (2) two hundred dollars (\$200) in the case of a joint return.

17 (c) In the case of a taxpayer that is a corporation, the amount
 18 allowable as a credit under this section for any taxable year may not
 19 exceed the lesser of the following amounts:

- 20 (1) Ten percent (10%) of the corporation's total adjusted gross
 21 income tax under IC 6-3-1 through IC 6-3-7 for the taxable year
 22 (as determined without regard to any credits against that tax).
- 23 (2) One thousand dollars (\$1,000).

24 (d) The credit permitted under this section may not exceed the
 25 amount of the adjusted gross income tax imposed by IC 6-3-1 through
 26 IC 6-3-7 for the taxable year, reduced by the sum of all credits (as
 27 determined without regard to this section) allowed by IC 6-3-1 through
 28 IC 6-3-7.

29 **(e) A taxpayer is not entitled to a credit under this section for a**
 30 **contribution made in a taxable year beginning after December 31,**
 31 **2017.**

32 **(f) This section expires January 1, 2019.**

33 SECTION 31. IC 6-3-3-9 IS AMENDED TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) The credit provided by this
 35 section shall be known as the unified tax credit for the elderly.

36 (b) As used in this section, unless the context clearly indicates
 37 otherwise:

- 38 (1) "Household federal adjusted gross income" means the total
 39 adjusted gross income, as defined in Section 62 of the Internal
 40 Revenue Code, of an individual, or of an individual and his **or**
 41 **her** spouse if they reside together for the taxable year for which
 42 the credit provided by this section is claimed.



1 (2) "Household" means a claimant or, if applicable, a claimant
 2 and his or her spouse if the spouse resides with the claimant and
 3 "household income" means the income of the claimant or, if
 4 applicable, the combined income of the claimant and his or her
 5 spouse if the spouse resides with the claimant.

6 (3) "Claimant" means an individual, other than an individual
 7 described in subsection (c) of this section, who:

8 (A) has filed a claim under this section;

9 (B) was a resident of this state for at least six (6) months
 10 during the taxable year for which he or she has filed a claim
 11 under this section; and

12 (C) was sixty-five (65) years of age during some portion of the
 13 taxable year for which ~~he~~ **the individual** has filed a claim
 14 under this section or whose spouse was either sixty-five (65)
 15 years of age or over during the taxable year.

16 (c) The credit provided under this section shall not apply to an
 17 individual who, for a period of at least one hundred eighty (180) days
 18 during the taxable year for which ~~he~~ **the individual** has filed a claim
 19 under this section, was incarcerated in a local, state, or federal
 20 correctional institution.

21 (d) The right to file a claim under this section shall be personal to
 22 the claimant and shall not survive ~~his~~ **the claimant's** death, except that
 23 a surviving spouse of a claimant is entitled to claim the credit provided
 24 by this section. For purposes of determining the amount of the credit a
 25 surviving spouse is entitled to claim under this section, the deceased
 26 spouse shall be treated as having been alive on the last day of the
 27 taxable year in which the deceased spouse died. When a claimant dies
 28 after having filed a timely claim, the amount thereof shall be disbursed
 29 to another member of the household as determined by the
 30 commissioner. If the claimant was the only member of ~~his~~ **the**
 31 **claimant's** household, the claim may be paid to ~~his~~ **the claimant's**
 32 executor or administrator, but if neither is appointed and qualified
 33 within two (2) years of the filing of the claim, the amount of the claim
 34 shall escheat to the state.

35 (e) For each taxable year, subject to the limitations provided in this
 36 section, one (1) claimant per household may claim, as a credit against
 37 Indiana adjusted gross income taxes otherwise due, the credit provided
 38 by this section. If the allowable amount of the claim exceeds the
 39 income taxes otherwise due on the claimant's household income or if
 40 there are no Indiana income taxes due on such income, the amount of
 41 the claim not used as an offset against income taxes after audit by the
 42 department, at the taxpayer's option, shall be refunded to the claimant



1 or taken as a credit against such taxpayer's income tax liability
 2 subsequently due.

3 (f) No claim filed pursuant to this section shall be allowed unless
 4 filed within six (6) months following the close of claimant's taxable
 5 year or within the extension period if an extension of time for filing the
 6 return has been granted under IC 6-8.1-6-1, whichever is later.

7 (g) The amount of any claim otherwise payable under this section
 8 may be applied by the department against any liability outstanding on
 9 the books of the department against the claimant, or against any other
 10 individual who was a member of **his the claimant's** household in the
 11 taxable year to which the claim relates.

12 (h) The amount of a claim filed pursuant to this section by a
 13 claimant that either (i) does not reside with **his the claimant's** spouse
 14 during the taxable year, or (ii) resides with **his the claimant's** spouse
 15 during the taxable year and only one (1) of them is sixty-five (65) years
 16 of age or older at the end of the taxable year, shall be determined in
 17 accordance with the following schedule:

18	HOUSEHOLD FEDERAL	
19	ADJUSTED GROSS INCOME	
20	FOR TAXABLE YEAR	CREDIT
21	less than \$1,000	\$100
22	at least \$1,000, but less than \$3,000	\$ 50
23	at least \$3,000, but less than \$10,000	\$ 40

24 (i) The amount of a claim filed pursuant to this section by a claimant
 25 that resides with **his the claimant's** spouse during **his the claimant's**
 26 taxable year shall be determined in accordance with the following
 27 schedule if both the claimant and spouse are sixty-five (65) years of age
 28 or older at the end of the taxable year:

29	HOUSEHOLD FEDERAL	
30	ADJUSTED GROSS INCOME	
31	FOR TAXABLE YEAR	CREDIT
32	less than \$1,000	\$140
33	at least \$1,000, but less than \$3,000	\$ 90
34	at least \$3,000, but less than \$10,000	\$ 80

35 (j) The department may promulgate reasonable rules under
 36 IC 4-22-2 for the administration of this section.

37 (k) Every claimant under this section shall supply to the department
 38 on forms provided under IC 6-8.1-3-4, in support of **his the claimant's**
 39 claim, reasonable proof of household income and age.

40 (l) Whenever on the audit of any claim filed under this section the
 41 department finds that the amount of the claim has been incorrectly
 42 determined, the department shall redetermine the claim and notify the



1 claimant of the redetermination and the reasons therefor. The
2 redetermination shall be final.

3 (m) In any case in which it is determined that a claim is or was
4 excessive and was filed with fraudulent intent, the claim shall be
5 disallowed in full, and, if the claim has been paid or a credit has been
6 allowed against income taxes otherwise payable, the credit shall be
7 canceled and the amount paid shall be recovered by assessment as
8 income taxes are assessed and such assessment shall bear interest from
9 the date of payment or credit of the claim, until refunded or paid at the
10 rate determined under IC 6-8.1-10-1. The claimant in such a case
11 commits a Class A misdemeanor. In any case in which it is determined
12 that a claim is or was excessive and was negligently prepared, ten
13 percent (10%) of the corrected claim shall be disallowed and, if the
14 claim has been paid or credited against income taxes otherwise
15 payable, the credit shall be reduced or canceled, and the proper portion
16 of any amount paid shall be similarly recovered by assessment as
17 income taxes are assessed, and such assessment shall bear interest at
18 the rate determined under IC 6-8.1-10-1 from the date of payment until
19 refunded or paid.

20 **(n) A taxpayer is not entitled to a credit under this section for a**
21 **taxable year beginning after December 31, 2017.**

22 **(o) This section expires January 1, 2019.**

23 SECTION 32. IC 6-3-3-10, AS AMENDED BY P.L.182-2009(ss),
24 SECTION 197, IS AMENDED TO READ AS FOLLOWS
25 [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) As used in this section:

26 "Base period wages" means the following:

27 (1) In the case of a taxpayer other than a pass through entity,
28 wages paid or payable by a taxpayer to its employees during the
29 year that ends on the last day of the month that immediately
30 precedes the month in which an enterprise zone is established, to
31 the extent that the wages would have been qualified wages if the
32 enterprise zone had been in effect for that year. If the taxpayer did
33 not engage in an active trade or business during that year in the
34 area that is later designated as an enterprise zone, then the base
35 period wages equal zero (0). If the taxpayer engaged in an active
36 trade or business during only part of that year in an area that is
37 later designated as an enterprise zone, then the department shall
38 determine the amount of base period wages.

39 (2) In the case of a taxpayer that is a pass through entity, base
40 period wages equal zero (0).

41 "Enterprise zone" means an enterprise zone created under
42 IC 5-28-15.



1 "Enterprise zone adjusted gross income" means adjusted gross
 2 income of a taxpayer that is derived from sources within an enterprise
 3 zone. Sources of adjusted gross income shall be determined with
 4 respect to an enterprise zone, to the extent possible, in the same manner
 5 that sources of adjusted gross income are determined with respect to
 6 the state of Indiana under IC 6-3-2-2.

7 "Enterprise zone gross income" means gross income of a taxpayer
 8 that is derived from sources within an enterprise zone.

9 "Enterprise zone insurance premiums" means insurance premiums
 10 derived from sources within an enterprise zone.

11 "Monthly base period wages" means base period wages divided by
 12 twelve (12).

13 "Qualified employee" means an individual who is employed by a
 14 taxpayer and who:

15 (1) has the individual's principal place of residence in the
 16 enterprise zone in which the individual is employed;

17 (2) performs services for the taxpayer, ninety percent (90%) of
 18 which are directly related to the conduct of the taxpayer's trade or
 19 business that is located in an enterprise zone;

20 (3) performs at least fifty percent (50%) of the individual's
 21 services for the taxpayer during the taxable year in the enterprise
 22 zone; and

23 (4) in the case of an individual who is employed by a taxpayer
 24 that is a pass through entity, was first employed by the taxpayer
 25 after December 31, 1998.

26 "Qualified increased employment expenditures" means the
 27 following:

28 (1) For a taxpayer's taxable year other than the taxpayer's taxable
 29 year in which the enterprise zone is established, the amount by
 30 which qualified wages paid or payable by the taxpayer during the
 31 taxable year to qualified employees exceeds the taxpayer's base
 32 period wages.

33 (2) For the taxpayer's taxable year in which the enterprise zone is
 34 established, the amount by which qualified wages paid or payable
 35 by the taxpayer during all of the full calendar months in the
 36 taxpayer's taxable year that succeed the date on which the
 37 enterprise zone was established exceed the taxpayer's monthly
 38 base period wages multiplied by that same number of full
 39 calendar months.

40 "Qualified state tax liability" means a taxpayer's total income tax
 41 liability incurred under:

42 (1) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax) with



1 respect to enterprise zone adjusted gross income;
 2 (2) IC 27-1-18-2 (insurance premiums tax) with respect to
 3 enterprise zone insurance premiums; and
 4 (3) IC 6-5.5 (the financial institutions tax);
 5 as computed after the application of the credits that, under
 6 IC 6-3.1-1-2, are to be applied before the credit provided by this
 7 section.

8 "Qualified wages" means the wages paid or payable to qualified
 9 employees during a taxable year.

10 "Taxpayer" includes a pass through entity.

11 (b) A taxpayer is entitled to a credit against the taxpayer's qualified
 12 state tax liability for a taxable year in the amount of the lesser of:

13 (1) the product of ten percent (10%) multiplied by the qualified
 14 increased employment expenditures of the taxpayer for the
 15 taxable year; or

16 (2) one thousand five hundred dollars (\$1,500) multiplied by the
 17 number of qualified employees employed by the taxpayer during
 18 the taxable year.

19 (c) The amount of the credit provided by this section that a taxpayer
 20 uses during a particular taxable year may not exceed the taxpayer's
 21 qualified state tax liability for the taxable year. If the credit provided by
 22 this section exceeds the amount of that tax liability for the taxable year
 23 it is first claimed, then the excess may be carried back to preceding
 24 taxable years or carried over to succeeding taxable years and used as
 25 a credit against the taxpayer's qualified state tax liability for those
 26 taxable years. Each time that the credit is carried back to a preceding
 27 taxable year or carried over to a succeeding taxable year, the amount
 28 of the carryover is reduced by the amount used as a credit for that
 29 taxable year. Except as provided in subsection (e), the credit provided
 30 by this section may be carried forward and applied in the ten (10)
 31 taxable years that succeed the taxable year in which the credit accrues.
 32 The credit provided by this section may be carried back and applied in
 33 the three (3) taxable years that precede the taxable year in which the
 34 credit accrues.

35 (d) A credit earned by a taxpayer in a particular taxable year shall
 36 be applied against the taxpayer's qualified state tax liability for that
 37 taxable year before any credit carryover or carryback is applied against
 38 that liability under subsection (c).

39 (e) Notwithstanding subsection (c), if a credit under this section
 40 results from wages paid in a particular enterprise zone, and if that
 41 enterprise zone terminates in a taxable year that succeeds the last
 42 taxable year in which a taxpayer is entitled to use the credit carryover



1 that results from those wages under subsection (c), then the taxpayer
 2 may use the credit carryover for any taxable year up to and including
 3 the taxable year in which the enterprise zone terminates.

4 (f) A taxpayer is not entitled to a refund of any unused credit.

5 (g) A taxpayer that:

6 (1) does not own, rent, or lease real property outside of an
 7 enterprise zone that is an integral part of its trade or business; and

8 (2) is not owned or controlled directly or indirectly by a taxpayer
 9 that owns, rents, or leases real property outside of an enterprise
 10 zone;

11 is exempt from the allocation and apportionment provisions of this
 12 section.

13 (h) If a pass through entity is entitled to a credit under subsection (b)
 14 but does not have state tax liability against which the tax credit may be
 15 applied, an individual who is a shareholder, partner, beneficiary, or
 16 member of the pass through entity is entitled to a tax credit equal to:

17 (1) the tax credit determined for the pass through entity for the
 18 taxable year; multiplied by

19 (2) the percentage of the pass through entity's distributive income
 20 to which the shareholder, partner, beneficiary, or member is
 21 entitled.

22 The credit provided under this subsection is in addition to a tax credit
 23 to which a shareholder, partner, beneficiary, or member of a pass
 24 through entity is entitled. However, a pass through entity and an
 25 individual who is a shareholder, partner, beneficiary, or member of a
 26 pass through entity may not claim more than one (1) credit for the
 27 qualified expenditure.

28 **(i) A taxpayer is not entitled to a credit under this chapter for:**

29 **(1) employment expenditures made; or**

30 **(2) qualified employees who are employed;**

31 **in a taxable year beginning after December 31, 2016.**

32 **(j) This chapter expires January 1, 2026.**

33 SECTION 33. IC 6-3-3-12, AS AMENDED BY P.L.182-2009(ss),
 34 SECTION 198, IS AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE JULY 1, 2014]: Sec. 12. (a) As used in this section,
 36 "account" has the meaning set forth in IC 21-9-2-2.

37 (b) As used in this section, "account beneficiary" has the meaning
 38 set forth in IC 21-9-2-3.

39 (c) As used in this section, "account owner" has the meaning set
 40 forth in IC 21-9-2-4.

41 (d) As used in this section, "college choice 529 education savings
 42 plan" refers to a college choice 529 investment plan established under



1 IC 21-9.

2 (e) As used in this section, "contribution" means the amount of
3 money directly provided to a college choice 529 education savings plan
4 account by a taxpayer. A contribution does not include any of the
5 following:

6 (1) Money credited to an account as a result of bonus points or
7 other forms of consideration earned by the taxpayer that result in
8 a transfer of money to the account.

9 (2) Money transferred from any other qualified tuition program
10 under Section 529 of the Internal Revenue Code or from any other
11 similar plan.

12 (f) As used in this section, "nonqualified withdrawal" means a
13 withdrawal or distribution from a college choice 529 education savings
14 plan that is not a qualified withdrawal.

15 (g) As used in this section, "qualified higher education expenses"
16 has the meaning set forth in IC 21-9-2-19.5.

17 (h) As used in this section, "qualified withdrawal" means a
18 withdrawal or distribution from a college choice 529 education savings
19 plan that is made:

20 (1) to pay for qualified higher education expenses, excluding any
21 withdrawals or distributions used to pay for qualified higher
22 education expenses if the withdrawals or distributions are made
23 from an account of a college choice 529 education savings plan
24 that is terminated within twelve (12) months after the account is
25 opened;

26 (2) as a result of the death or disability of an account beneficiary;

27 (3) because an account beneficiary received a scholarship that
28 paid for all or part of the qualified higher education expenses of
29 the account beneficiary, to the extent that the withdrawal or
30 distribution does not exceed the amount of the scholarship; or

31 (4) by a college choice 529 education savings plan as the result of
32 a transfer of funds by a college choice 529 education savings plan
33 from one (1) third party custodian to another.

34 A qualified withdrawal does not include a rollover distribution or
35 transfer of assets from a college choice 529 education savings plan to
36 any other qualified tuition program under Section 529 of the Internal
37 Revenue Code or to any other similar plan.

38 (i) As used in this section, "taxpayer" means:

39 (1) an individual filing a single return; or

40 (2) a married couple filing a joint return.

41 (j) A taxpayer is entitled to a credit against the taxpayer's adjusted
42 gross income tax imposed by IC 6-3-1 through IC 6-3-7 for a taxable



- 1 year equal to the least of the following:
- 2 (1) Twenty percent (20%) of the amount of the total contributions
- 3 made by the taxpayer to an account or accounts of a college
- 4 choice 529 education savings plan during the taxable year.
- 5 (2) One thousand dollars (\$1,000).
- 6 (3) The amount of the taxpayer's adjusted gross income tax
- 7 imposed by IC 6-3-1 through IC 6-3-7 for the taxable year,
- 8 reduced by the sum of all credits (as determined without regard to
- 9 this section) allowed by IC 6-3-1 through IC 6-3-7.
- 10 (k) A taxpayer is not entitled to a carryback, carryover, or refund of
- 11 an unused credit.
- 12 (l) A taxpayer may not sell, assign, convey, or otherwise transfer the
- 13 tax credit provided by this section.
- 14 (m) To receive the credit provided by this section, a taxpayer must
- 15 claim the credit on the taxpayer's annual state tax return or returns in
- 16 the manner prescribed by the department. The taxpayer shall submit to
- 17 the department all information that the department determines is
- 18 necessary for the calculation of the credit provided by this section.
- 19 (n) An account owner of an account of a college choice 529
- 20 education savings plan must repay all or a part of the credit in a taxable
- 21 year in which any nonqualified withdrawal is made from the account.
- 22 The amount the taxpayer must repay is equal to the lesser of:
- 23 (1) twenty percent (20%) of the total amount of nonqualified
- 24 withdrawals made during the taxable year from the account; or
- 25 (2) the excess of:
- 26 (A) the cumulative amount of all credits provided by this
- 27 section that are claimed by any taxpayer with respect to the
- 28 taxpayer's contributions to the account for all prior taxable
- 29 years beginning on or after January 1, 2007; over
- 30 (B) the cumulative amount of repayments paid by the account
- 31 owner under this subsection for all prior taxable years
- 32 beginning on or after January 1, 2008.
- 33 (o) Any required repayment under subsection (o) shall be reported
- 34 by the account owner on the account owner's annual state income tax
- 35 return for any taxable year in which a nonqualified withdrawal is made.
- 36 (p) A nonresident account owner who is not required to file an
- 37 annual income tax return for a taxable year in which a nonqualified
- 38 withdrawal is made shall make any required repayment on the form
- 39 required under IC 6-3-4-1(2). If the nonresident account owner does
- 40 not make the required repayment, the department shall issue a demand
- 41 notice in accordance with IC 6-8.1-5-1.
- 42 (q) The executive director of the Indiana education savings authority



1 shall submit or cause to be submitted to the department a copy of all
 2 information returns or statements issued to account owners, account
 3 beneficiaries, and other taxpayers for each taxable year with respect to:

- 4 (1) nonqualified withdrawals made from accounts of a college
 5 choice 529 education savings plan for the taxable year; or
 6 (2) account closings for the taxable year.

7 **(r) A taxpayer is not entitled to a credit under this section for a**
 8 **contribution made in a taxable year beginning after December 31,**
 9 **2017.**

10 **(s) This section expires January 1, 2019.**

11 SECTION 34. IC 6-3.1-2-2 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. **(a)** Subject to the
 13 limitation established in sections 4 and 5 of this chapter, a taxpayer that
 14 employs an eligible teacher in a qualified position during a school
 15 summer recess is entitled to a tax credit against ~~his~~ **the taxpayer's** state
 16 income tax liability as provided for under section 3 of this chapter.

17 **(b) A taxpayer is not entitled to a credit under this chapter for**
 18 **employing an eligible teacher in a qualified position in a taxable**
 19 **year beginning after December 31, 2017.**

20 **(c) This chapter expires January 1, 2019.**

21 SECTION 35. IC 6-3.1-4-3, AS ADDED BY P.L.197-2005,
 22 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2014]: Sec. 3. (a) The amount of the credit provided by this
 24 chapter that a taxpayer uses during a particular taxable year may not
 25 exceed the sum of the taxes imposed by IC 6-3 for the taxable year after
 26 the application of all credits that under IC 6-3.1-1-2 are to be applied
 27 before the credit provided by this chapter. If the credit provided by this
 28 chapter exceeds that sum for the taxable year for which the credit is
 29 first claimed, then the excess may be carried over to succeeding taxable
 30 years and used as a credit against the tax otherwise due and payable by
 31 the taxpayer under IC 6-3 during those taxable years. Each time that the
 32 credit is carried over to a succeeding taxable year, it is to be reduced by
 33 the amount which was used as a credit during the immediately
 34 preceding taxable year. The credit provided by this chapter may be
 35 carried forward and applied to succeeding taxable years for ten (10)
 36 taxable years following the unused credit year.

37 (b) A credit earned by a taxpayer in a particular taxable year shall
 38 be applied against the taxpayer's tax liability for that taxable year
 39 before any credit carryover is applied against that liability under
 40 subsection (a).

41 (c) A taxpayer is not entitled to any carryback or refund of any
 42 unused credit.



1 **(d) A taxpayer is not entitled to a credit under this chapter for**
 2 **research expenses incurred in a taxable year beginning after**
 3 **December 31, 2017.**

4 **(e) This chapter expires January 1, 2025.**

5 SECTION 36. IC 6-3.1-6-2 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) A taxpayer who
 7 enters into an agreement is entitled to receive an income tax credit for
 8 a taxable year equal to:

9 (1) the taxpayer's state income tax liability for the taxable year;

10 (2) an amount equal to the sum of:

11 (A) fifty percent (50%) of any investment in qualified property
 12 made by the taxpayer during the taxable year as part of the
 13 agreement; plus

14 (B) twenty-five percent (25%) of the wages paid to inmates
 15 during the taxable year as part of the agreement; or

16 (3) one hundred thousand dollars (\$100,000);

17 whichever is least.

18 (b) A tax credit shall be allowed under this chapter only for the
 19 taxable year of the taxpayer during which:

20 (1) the investment in qualified property is made in accordance
 21 with Section 38 of the Internal Revenue Code; or

22 (2) the wages are paid to inmates;

23 as part of an agreement.

24 **(c) A taxpayer is not entitled to a credit under this chapter for**
 25 **investments made or wages paid in a taxable year after December**
 26 **31, 2017.**

27 **(d) This chapter expires January 1, 2019.**

28 SECTION 37. IC 6-3.1-7-3 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) If the amount
 30 determined under section 2(b) of this chapter for a particular taxpayer
 31 and a particular taxable year exceeds the taxpayer's state tax liability
 32 for that taxable year, then the taxpayer may carry the excess over to the
 33 immediately succeeding taxable years. Except as provided in
 34 subsection (b), the credit carryover may not be used for any taxable
 35 year that begins more than ten (10) years after the date on which the
 36 qualified loan from which the credit results is made. The amount of the
 37 credit carryover from a taxable year shall be reduced to the extent that
 38 the carryover is used by the taxpayer to obtain a credit under this
 39 chapter for any subsequent taxable year.

40 (b) Notwithstanding subsection (a), if a loan is a qualified loan as
 41 the result of the use of the loan proceeds in a particular enterprise zone,
 42 and if the phase-out period of that enterprise zone terminates in a



1 taxable year that succeeds the last taxable year in which a taxpayer is
 2 entitled to use credit carryover that results from that loan under
 3 subsection (a), then the taxpayer may use the credit carryover for any
 4 taxable year up to and including the taxable year in which the
 5 phase-out period of the enterprise zone terminates.

6 **(c) A taxpayer is not entitled to a credit under this chapter for**
 7 **qualified loan interest received in a taxable year beginning after**
 8 **December 31, 2016.**

9 **(d) This chapter expires January 1, 2026.**

10 SECTION 38. IC 6-3.1-9-1, AS AMENDED BY P.L.1-2007,
 11 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2014]: Sec. 1. (a) As used in this chapter, "authority" means
 13 the Indiana housing and community development authority established
 14 by IC 5-20-1-3.

15 (b) As used in this chapter, "business firm" means any business
 16 entity authorized to do business in the state of Indiana that has state tax
 17 liability.

18 (c) As used in this chapter, "community services" means any type
 19 of:

- 20 (1) counseling and advice;
- 21 (2) emergency assistance;
- 22 (3) medical care;
- 23 (4) recreational facilities;
- 24 (5) housing facilities; or
- 25 (6) economic development assistance;

26 provided to individuals, economically disadvantaged households,
 27 groups, or neighborhood organizations in an economically
 28 disadvantaged area **or provided to individuals who are ex-offenders**
 29 **who have completed the individuals' criminal sentences or are**
 30 **servng a term of probation or parole.**

31 (d) As used in this chapter, "crime prevention" means any activity
 32 which aids in the reduction of crime in an economically disadvantaged
 33 area or an economically disadvantaged household.

34 (e) As used in this chapter, "economically disadvantaged area"
 35 means an enterprise zone, or any other federally or locally designated
 36 economically disadvantaged area in Indiana. The certification shall be
 37 made on the basis of current indices of social and economic conditions,
 38 which shall include but not be limited to the median per capita income
 39 of the area in relation to the median per capita income of the state or
 40 standard metropolitan statistical area in which the area is located.

41 (f) As used in this chapter, "economically disadvantaged household"
 42 means a household with an annual income that is at or below eighty



1 percent (80%) of the area median income or any other federally
2 designated target population.

3 (g) As used in this chapter, "education" means any type of scholastic
4 instruction or scholarship assistance to an individual who:

5 (1) resides in an economically disadvantaged area; **or**

6 (2) **is an ex-offender who has completed the individual's**
7 **criminal sentence or is serving a term of probation or parole;**
8 that enables the individual to prepare for better life opportunities.

9 (h) As used in this chapter, "enterprise zone" means an enterprise
10 zone created under IC 5-28-15.

11 (i) As used in this chapter, "job training" means any type of
12 instruction to an individual who:

13 (1) resides in:

14 (1) (A) an economically disadvantaged area; or

15 (2) (B) an economically disadvantaged household; **or**

16 (2) **is an ex-offender who has completed the individual's**
17 **criminal sentence or is serving a term of probation or parole;**
18 that enables the individual to acquire vocational skills so that the
19 individual can become employable or be able to seek a higher grade of
20 employment.

21 (j) As used in this chapter, "neighborhood assistance" means either:

22 (1) furnishing financial assistance, labor, material, and technical
23 advice to aid in the physical or economic improvement of any part
24 or all of an economically disadvantaged area; or

25 (2) furnishing technical advice to promote higher employment in
26 any neighborhood in Indiana.

27 (k) As used in this chapter, "neighborhood organization" means any
28 organization, including but not limited to a nonprofit development
29 corporation doing both of the following:

30 (1) Performing community services:

31 (A) in an economically disadvantaged area; **or**

32 (B) for an economically disadvantaged household; **or**

33 (C) **for individuals who are ex-offenders who have**
34 **completed the individuals' criminal sentences or are**
35 **serving a term of probation or parole.**

36 (2) Holding a ruling:

37 (A) from the Internal Revenue Service of the United States
38 Department of the Treasury that the organization is exempt
39 from income taxation under the provisions of the Internal
40 Revenue Code; and

41 (B) from the department of state revenue that the organization
42 is exempt from income taxation under IC 6-2.5-5-21.



1 (l) As used in this chapter, "person" means any individual subject
2 to Indiana gross or adjusted gross income tax.

3 (m) As used in this chapter, "state fiscal year" means a twelve (12)
4 month period beginning on July 1 and ending on June 30.

5 (n) As used in this chapter, "state tax liability" means the taxpayer's
6 total tax liability that is incurred under:

7 (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax); and

8 (2) IC 6-5.5 (the financial institutions tax);

9 as computed after the application of the credits that, under
10 IC 6-3.1-1-2, are to be applied before the credit provided by this
11 chapter.

12 (o) As used in this chapter, "tax credit" means a deduction from any
13 tax otherwise due and payable under IC 6-3 or IC 6-5.5.

14 SECTION 39. IC 6-3.1-9-2, AS AMENDED BY P.L.1-2007,
15 SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2014]: Sec. 2. (a) A business firm or a person who contributes
17 to a neighborhood organization that engages in the activities of
18 providing:

19 (1) neighborhood assistance, job training, or education for
20 individuals not employed by the business firm or person; ~~or for~~

21 (2) community services or crime prevention in an economically
22 disadvantaged area; ~~or~~

23 (3) **community services, education, or job training services to**
24 **individuals who are ex-offenders who have completed the**
25 **individuals' criminal sentences or are serving a term of**
26 **probation or parole;**

27 shall receive a tax credit as provided in section 3 of this chapter if the
28 authority approves the proposal of the business firm or person, setting
29 forth the program to be conducted, the area selected, the estimated
30 amount to be invested in the program, and the plans for implementing
31 the program.

32 (b) The authority, after consultation with the community services
33 agency and the commissioner of revenue, may adopt rules for the
34 approval or disapproval of these proposals.

35 SECTION 40. IC 6-3.1-9-6 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. (a) A tax credit shall
37 be allowable under this chapter only for the taxable year of the taxpayer
38 in which the contribution qualifying for the credit is paid or
39 permanently set aside in a special account for the approved program or
40 purpose.

41 (b) **A taxpayer is not entitled to a credit under this chapter for**
42 **contributions made or permanently set aside in a taxable year**



1 **beginning after December 31, 2017.**

2 **(c) This chapter expires January 1, 2019.**

3 SECTION 41. IC 6-3.1-10-7 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) If the amount
5 determined under section 6(b) of this chapter for a taxpayer in a taxable
6 year exceeds the taxpayer's state tax liability for that taxable year, the
7 taxpayer may carry the excess over to the following taxable years. The
8 amount of the credit carryover from a taxable year shall be reduced to
9 the extent that the carryover is used by the taxpayer to obtain a credit
10 under this chapter for any subsequent taxable year.

11 (b) A taxpayer is not entitled to a carryback or refund of any unused
12 credit.

13 **(c) A taxpayer is not entitled to a credit under this chapter for**
14 **qualified investments made in a taxable year beginning after**
15 **December 31, 2016.**

16 **(d) This chapter expires January 1, 2026.**

17 SECTION 42. IC 6-3.1-11-7.2 IS ADDED TO THE INDIANA
18 CODE AS A NEW SECTION TO READ AS FOLLOWS
19 [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 7.2. As**
20 **used in this chapter, "pass through entity" has the meaning set**
21 **forth in IC 6-3-1-35.**

22 SECTION 43. IC 6-3.1-11-17 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) If the amount
24 determined under section 16(b) of this chapter for a taxable year
25 exceeds the taxpayer's state tax liability for that taxable year, the
26 taxpayer may carry the excess over to the immediately following
27 taxable years. The amount of the credit carryover from a taxable year
28 shall be reduced to the extent that the carryover is used by the taxpayer
29 to obtain a credit under this chapter for any subsequent taxable year.

30 (b) A taxpayer is not entitled to a carryback or refund of any unused
31 credit.

32 **(c) A taxpayer is not entitled to a credit under this chapter for**
33 **qualified investments made in a taxable year beginning after**
34 **December 31, 2016.**

35 **(d) This chapter expires January 1, 2026.**

36 SECTION 44. IC 6-3.1-11-24 IS ADDED TO THE INDIANA
37 CODE AS A NEW SECTION TO READ AS FOLLOWS
38 [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 24. (a) If**
39 **a pass through entity does not have state income tax liability**
40 **against which the tax credit provided by this chapter may be**
41 **applied, a shareholder, partner, or member of the pass through**
42 **entity is entitled to a tax credit equal to:**



1 (1) the tax credit determined for the pass through entity for
2 the taxable year; multiplied by

3 (2) the percentage of the pass through entity's distributive
4 income to which the shareholder, partner, or member is
5 entitled.

6 (b) The credit provided under subsection (a) is in addition to a
7 tax credit to which a shareholder, partner, or member of a pass
8 through entity is otherwise entitled under this chapter.

9 SECTION 45. IC 6-3.1-13-13, AS AMENDED BY P.L.4-2005,
10 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2014]: Sec. 13. (a) The corporation may make credit awards
12 under this chapter to foster job creation in Indiana or, as provided in
13 section 15.5 of this chapter, job retention in Indiana.

14 (b) The credit shall be claimed for the taxable years specified in the
15 taxpayer's tax credit agreement.

16 (c) The corporation may not, after December 31, 2016, approve
17 a credit agreement specifying that a taxpayer may claim a credit
18 under this chapter.

19 (d) This chapter expires January 1, 2026.

20 SECTION 46. IC 6-3.1-16-1 IS REPEALED [EFFECTIVE
21 JANUARY 1, 2015]. Sec. 1. The definitions set forth in:

22 (1) IC 14-8-2 that apply to IC 14-21-1; and

23 (2) IC 14-21-1;

24 apply throughout this chapter.

25 SECTION 47. IC 6-3.1-16-2 IS AMENDED TO READ AS
26 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 2. As used in this
27 chapter, "division" "office" means the division of historic preservation
28 and archaeology of the department of natural resources: office of
29 community and rural affairs established by IC 4-4-9.7-4.

30 SECTION 48. IC 6-3.1-16-7 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 7. (a) Subject to
32 section 14 of this chapter, a taxpayer is entitled to a credit against the
33 taxpayer's state tax liability in the taxable year in which the taxpayer
34 completes the preservation or rehabilitation of historic property and
35 obtains the certifications required under section 8 of this chapter.

36 (b) The amount of the credit is equal to twenty percent (20%) of the
37 qualified expenditures that:

38 (1) the taxpayer makes for the preservation or rehabilitation of
39 historic property; and

40 (2) are approved by the ~~division~~: office.

41 (c) In the case of a husband and wife who:

42 (1) own and rehabilitate a historic property jointly; and



1 (2) file separate tax returns;
 2 the husband and wife may take the credit in equal shares or one (1)
 3 spouse may take the whole credit.

4 SECTION 49. IC 6-3.1-16-8 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 8. A taxpayer
 6 qualifies for a credit under section 7 of this chapter if all of the
 7 following conditions are met:

8 (1) The historic property is:

9 (A) located in Indiana;

10 (B) at least fifty (50) years old; and

11 (C) except as provided in section 7(c) of this chapter, owned
 12 by the taxpayer.

13 (2) The ~~division~~ **office** certifies that the historic property is listed
 14 in the register of Indiana historic sites and historic structures.

15 (3) The ~~division~~ **office** certifies that the taxpayer submitted a
 16 proposed preservation or rehabilitation plan to the ~~division~~ **office**
 17 that complies with the standards of the ~~division~~ **office**.

18 (4) The ~~division~~ **office** certifies that the preservation or
 19 rehabilitation work that is the subject of the credit substantially
 20 complies with the proposed plan referred to in subdivision (3).

21 (5) The preservation or rehabilitation work is completed in not
 22 more than:

23 (A) two (2) years; or

24 (B) five (5) years if the preservation or rehabilitation plan
 25 indicates that the preservation or rehabilitation is initially
 26 planned for completion in phases.

27 The time in which work must be completed begins when the
 28 physical work of construction or destruction in preparation for
 29 construction begins.

30 (6) The historic property is:

31 (A) actively used in a trade or business;

32 (B) held for the production of income; or

33 (C) held for the rental or other use in the ordinary course of the
 34 taxpayer's trade or business.

35 (7) The qualified expenditures for preservation or rehabilitation
 36 of the historic property exceed ten thousand dollars (\$10,000).

37 SECTION 50. IC 6-3.1-16-9 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 9. (a) The
 39 ~~division~~ **office** shall provide the certifications referred to in section 8(3)
 40 and 8(4) of this chapter if a taxpayer's proposed preservation or
 41 rehabilitation plan complies with the standards of the ~~division~~ **office**
 42 and the taxpayer's preservation or rehabilitation work complies with the



1 plan.

2 (b) The taxpayer may appeal a ~~decision~~ **final determination** by the
3 ~~division office~~ under this chapter to the ~~review board~~ **tax court**.

4 SECTION 51. IC 6-3.1-16-10 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 10. To obtain a
6 credit under this chapter, a taxpayer must claim the credit on the
7 taxpayer's annual state tax return or returns in the manner prescribed
8 by the department of state revenue. The taxpayer shall submit to the
9 department of state revenue the certifications by the ~~division office~~
10 required under section 8 of this chapter and all information that the
11 department of state revenue determines is necessary for the calculation
12 of the credit provided by this chapter.

13 SECTION 52. IC 6-3.1-16-12 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 12. (a) A credit
15 claimed under this chapter shall be recaptured from the taxpayer if:

16 (1) the property is transferred less than five (5) years after
17 completion of the certified preservation or rehabilitation work; or
18 (2) less than five (5) years after completion of the certified
19 preservation or rehabilitation, additional modifications to the
20 property are undertaken that do not meet the standards of the
21 ~~division office~~ **office**.

22 (b) If the recapture of a credit is required under this section, an
23 amount equal to the credit recaptured shall be added to the tax liability
24 of the taxpayer for the taxable year during which the credit is
25 recaptured.

26 SECTION 53. IC 6-3.1-16-13 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) If the credit
28 provided by this chapter exceeds a taxpayer's state tax liability for the
29 taxable year for which the credit is first claimed, the excess may be
30 carried over to succeeding taxable years and used as a credit against the
31 tax otherwise due and payable by the taxpayer under IC 6-3 during
32 those taxable years. Each time that the credit is carried over to a
33 succeeding taxable year, the credit is to be reduced by the amount that
34 was used as a credit during the immediately preceding taxable year.
35 The credit provided by this chapter may be carried forward and applied
36 to succeeding taxable years for fifteen (15) taxable years following the
37 unused credit year.

38 (b) A credit earned by a taxpayer in a particular taxable year shall
39 be applied against the taxpayer's tax liability for that taxable year
40 before any credit carryover is applied against that liability under
41 subsection (a).

42 (c) A taxpayer is not entitled to any carryback or refund of any



1 unused credit.

2 **(d) A taxpayer may not claim a credit under this chapter for**
 3 **qualified expenditures approved in a taxable year beginning after**
 4 **December 31, 2017.**

5 SECTION 54. IC 6-3.1-16-15 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 15. (a) The
 7 following may adopt rules under IC 4-22-2 to carry out this chapter:

8 (1) The department of state revenue.

9 (2) The ~~division~~ office.

10 **(b) The following apply to any rules adopted by the division of**
 11 **historic preservation and archaeology of the department of natural**
 12 **resources under this chapter before January 1, 2015:**

13 **(1) The rules are transferred to the office on January 1, 2015,**
 14 **and are considered, after December 31, 2014, to be rules of**
 15 **the office.**

16 **(2) After December 31, 2014, the rules are treated as if they**
 17 **had been adopted by the office.**

18 SECTION 55. IC 6-3.1-18-11 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) A tax credit
 20 shall be allowable under this chapter only for the taxable year of the
 21 taxpayer in which the contribution qualifying for the credit is paid.

22 **(b) A taxpayer is not entitled to a credit under this chapter for**
 23 **a contribution made in a taxable year beginning after December**
 24 **31, 2017.**

25 **(c) This chapter expires January 1, 2019.**

26 SECTION 56. IC 6-3.1-19-3, AS AMENDED BY P.L.172-2011,
 27 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2014]: Sec. 3. (a) Except as provided in section 5 of this
 29 chapter, a taxpayer is entitled to a credit against the taxpayer's state and
 30 local tax liability for a taxable year if the taxpayer makes a qualified
 31 investment in that year.

32 (b) The amount of the credit to which a taxpayer is entitled is the
 33 qualified investment made by the taxpayer during the taxable year
 34 multiplied by twenty-five percent (25%).

35 (c) A taxpayer may assign any part of the credit to which the
 36 taxpayer is entitled under this chapter to a lessee of property
 37 redeveloped or rehabilitated under section 2 of this chapter. A credit
 38 that is assigned under this subsection remains subject to this chapter.

39 (d) An assignment under subsection (c) must be in writing and both
 40 the taxpayer and the lessee must report the assignment on their state tax
 41 return for the year in which the assignment is made, in the manner
 42 prescribed by the department. The taxpayer may not receive value in



1 connection with the assignment under subsection (c) that exceeds the
2 value of the part of the credit assigned.

3 (e) If a pass through entity is entitled to a credit under this chapter
4 but does not have state and local tax liability against which the tax
5 credit may be applied, a shareholder, partner, or member of the pass
6 through entity is entitled to a tax credit equal to:

7 (1) the tax credit determined for the pass through entity for the
8 taxable year; multiplied by

9 (2) the percentage of the pass through entity's distributive income
10 to which the shareholder, partner, or member is entitled.

11 The credit provided under this subsection is in addition to a tax credit
12 to which a shareholder, partner, or member of a pass through entity is
13 otherwise entitled under this chapter. However, a pass through entity
14 and an individual who is a shareholder, partner, or member of the pass
15 through entity may not claim more than one (1) credit for the same
16 investment.

17 (f) A taxpayer that is otherwise entitled to a credit under this chapter
18 for a taxable year may claim the credit regardless of whether any
19 income tax incremental amount or gross retail incremental amount has
20 been:

21 (1) deposited in the incremental tax financing fund established for
22 the community revitalization enhancement district; or

23 (2) allocated to the district.

24 **(g) A taxpayer is not entitled to a credit under this chapter for**
25 **a qualified investment made in a taxable year beginning after**
26 **December 31, 2016.**

27 **(h) This chapter expires January 1, 2026.**

28 SECTION 57. IC 6-3.1-20-1 IS AMENDED TO READ AS
29 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 1. As used in this
30 chapter, "**earned "Indiana income"** means the ~~sum of the:~~

31 ~~(1) wages, salaries, tips, and other employee compensation; and~~

32 ~~(2) net earnings from self-employment (as computed under~~
33 ~~Section 32(c)(2) of the Internal Revenue Code);~~

34 **adjusted gross income** of an individual taxpayer, and the individual's
35 spouse, if the individual files a joint adjusted gross income tax return.

36 SECTION 58. IC 6-3.1-20-4, AS AMENDED BY P.L.13-2013,
37 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JANUARY 1, 2015]: Sec. 4. (a) Except as provided in subsection (b),
39 an individual is entitled to a credit under this chapter if:

40 (1) the individual's **earned Indiana** income for the taxable year is
41 less than eighteen thousand six hundred dollars (\$18,600); and

42 (2) the individual pays property taxes in the taxable year on a



1 homestead that:

2 (A) the individual:

3 (i) owns; or

4 (ii) is buying under a contract that requires the individual to
5 pay property taxes on the homestead, if the contract or a
6 memorandum of the contract is recorded in the county
7 recorder's office; and

8 (B) is located in a county having a population of more than
9 four hundred thousand (400,000) but less than seven hundred
10 thousand (700,000).

11 (b) An individual is not entitled to a credit under this chapter for a
12 taxable year for property taxes paid on the individual's homestead if the
13 individual claims the deduction under IC 6-3-1-3.5(a)(15) for the
14 homestead for that same taxable year.

15 **(c) An individual is not entitled to a credit under this section for**
16 **property taxes paid in a taxable year beginning after December 31,**
17 **2017.**

18 **(d) This chapter expires June 30, 2019.**

19 SECTION 59. IC 6-3.1-20-5 IS AMENDED TO READ AS
20 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 5. (a) Each year,
21 an individual described in section 4 of this chapter is entitled to a
22 refundable credit against the individual's state income tax liability in
23 the amount determined under this section.

24 (b) In the case of an individual with **earned Indiana** income of less
25 than eighteen thousand dollars (\$18,000) for the taxable year, the
26 amount of the credit is equal to the lesser of:

27 (1) three hundred dollars (\$300); or

28 (2) the amount of property taxes described in section 4(a)(2) of
29 this chapter paid by the individual in the taxable year.

30 (c) In the case of an individual with **earned Indiana** income that is
31 at least eighteen thousand dollars (\$18,000) but less than eighteen
32 thousand six hundred dollars (\$18,600) for the taxable year, the amount
33 of the credit is equal to the lesser of the following:

34 (1) An amount determined under the following STEPS:

35 STEP ONE: Determine the result of:

36 (i) eighteen thousand six hundred dollars (\$18,600); minus

37 (ii) the individual's **earned Indiana** income for the taxable
38 year.

39 STEP TWO: Determine the result of:

40 (i) the STEP ONE amount; multiplied by

41 (ii) five-tenths (0.5).

42 (2) The amount of property taxes described in section 4(a)(2) of



1 this chapter paid by the individual in the taxable year.

2 (d) If the amount of the credit under this chapter exceeds the
3 individual's state tax liability for the taxable year, the excess shall be
4 refunded to the taxpayer.

5 SECTION 60. IC 6-3.1-20-7 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 7. (a) The
7 department shall before July 1 of each year determine **the greater of:**

8 **(1) eight million five hundred thousand dollars (\$8,500,000);**
9 **or**

10 **(2) the amount of credits allowed under this chapter for taxable**
11 **years ending before January 1 of the year.**

12 (b) **Except as provided in subsection (d),** one-half (1/2) of the
13 amount determined by the department under subsection (a) shall be:

14 (1) deducted during the year from the riverboat admissions tax
15 revenue otherwise payable to the county under
16 IC 4-33-12-6(d)(2); and

17 (2) paid instead to the state general fund.

18 (c) **Except as provided in subsection (d),** one-sixth (1/6) of the
19 amount determined by the department under subsection (a) shall be:

20 (1) deducted during the year from the riverboat admissions tax
21 revenue otherwise payable under IC 4-33-12-6(d)(1) to each of
22 the following:

23 (A) The largest city by population located in the county.

24 (B) The second largest city by population located in the
25 county.

26 (C) The third largest city by population located in the county;
27 and

28 (2) paid instead to the state general fund.

29 (d) **If the amount determined by the department under**
30 **subsection (a)(2) is less than eight million five hundred thousand**
31 **dollars (\$8,500,000), the difference of:**

32 **(1) eight million five hundred thousand dollars (\$8,500,000);**
33 **minus**

34 **(2) the amount determined by the department under**
35 **subsection (a)(2);**

36 **shall be paid to the northwest Indiana regional development**
37 **authority established by IC 36-7.5-2-1 instead of the state general**
38 **fund.**

39 SECTION 61. IC 6-3.1-21-8, AS AMENDED BY P.L.172-2011,
40 SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41 JULY 1, 2014]: Sec. 8. (a) To obtain a credit under this chapter, a
42 taxpayer must claim the advance payment or credit in the manner



1 prescribed by the department of state revenue. The taxpayer shall
 2 submit to the department of state revenue all information that the
 3 department of state revenue determines is necessary for the calculation
 4 of the credit provided by this chapter.

5 **(b) A taxpayer may not claim a credit under this chapter after**
 6 **December 31, 2016.**

7 **(c) This chapter expires January 2, 2018.**

8 SECTION 62. IC 6-3.1-22-1 IS REPEALED [EFFECTIVE
 9 JANUARY 1, 2015]. Sec. 1. ~~The definitions set forth in:~~

10 ~~(1) IC 14-8-2 that apply to IC 14-21-1; and~~

11 ~~(2) IC 14-21-1;~~

12 ~~apply throughout this chapter.~~

13 SECTION 63. IC 6-3.1-22-2 IS AMENDED TO READ AS
 14 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 2. As used in this
 15 chapter, "~~division~~" "**office**" means the ~~division of historic preservation~~
 16 ~~and archeology of the department of natural resources:~~ **office of**
 17 **community and rural affairs established by IC 4-4-9.7-4.**

18 SECTION 64. IC 6-3.1-22-8 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 8. (a) Subject to
 20 section 14 of this chapter, a taxpayer is entitled to a credit against the
 21 taxpayer's state tax liability in the taxable year in which the taxpayer
 22 completes the preservation or rehabilitation of historic property and
 23 obtains the certifications required under section 9 of this chapter.

24 (b) The amount of the credit is equal to twenty percent (20%) of the
 25 qualified expenditures that:

26 (1) the taxpayer makes for the preservation or rehabilitation of
 27 historic property; and

28 (2) are approved by the ~~division:~~ **office.**

29 (c) In the case of a husband and wife who:

30 (1) own and rehabilitate a historic property jointly; and

31 (2) file separate tax returns;

32 the husband and wife may take the credit in equal shares or one (1)
 33 spouse may take the whole credit.

34 SECTION 65. IC 6-3.1-22-9 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 9. A taxpayer
 36 qualifies for a credit under section 8 of this chapter if all of the
 37 following conditions are met:

38 (1) The historic property is:

39 (A) located in Indiana;

40 (B) at least fifty (50) years old; and

41 (C) except as provided in section 8(c) of this chapter, owned
 42 by the taxpayer.



1 (2) The ~~division~~ **office** certifies that the historic property is listed
2 in the register of Indiana historic sites and historic structures.

3 (3) The ~~division~~ **office** certifies that the taxpayer submitted a
4 proposed preservation or rehabilitation plan to the ~~division~~ **office**
5 that complies with the standards of the ~~division~~ **office**.

6 (4) The ~~division~~ **office** certifies that the preservation or
7 rehabilitation work that is the subject of the credit substantially
8 complies with the proposed plan referred to in subdivision (3).

9 (5) The preservation or rehabilitation work is completed in not
10 more than:

11 (A) two (2) years; or

12 (B) five (5) years if the preservation or rehabilitation plan
13 indicates that the preservation or rehabilitation is initially
14 planned for completion in phases.

15 The time in which work must be completed begins when the
16 physical work of construction or destruction in preparation for
17 construction begins.

18 (6) The historic property is principally used and occupied by the
19 taxpayer as the taxpayer's residence.

20 (7) The qualified expenditures for preservation or rehabilitation
21 of the historic property exceed ten thousand dollars (\$10,000).

22 SECTION 66. IC 6-3.1-22-10 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 10. (a) The
24 ~~division~~ **office** shall provide the certifications referred to in section 9(3)
25 and 9(4) of this chapter if a taxpayer's proposed preservation or
26 rehabilitation plan complies with the standards of the ~~division~~ **office**
27 and the taxpayer's preservation or rehabilitation work complies with the
28 plan.

29 (b) The taxpayer may appeal a ~~decision~~ **final determination** by the
30 ~~division~~ **office** under this chapter to the ~~review board~~ **tax court**.

31 SECTION 67. IC 6-3.1-22-11 IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 11. To obtain a
33 credit under this chapter, a taxpayer must claim the credit on the
34 taxpayer's annual state tax return or returns in the manner prescribed
35 by the department of state revenue. The taxpayer shall submit to the
36 department of state revenue the certifications by the ~~division~~ **office**
37 required under section 9 of this chapter and all information that the
38 department of state revenue determines is necessary for the calculation
39 of the credit provided by this chapter.

40 SECTION 68. IC 6-3.1-22-13 IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 13. (a) A credit
42 claimed under this chapter shall be recaptured from the taxpayer if:



1 (1) the property is transferred less than five (5) years after
 2 completion of the certified preservation or rehabilitation work; or
 3 (2) less than five (5) years after completion of the certified
 4 preservation or rehabilitation, additional modifications to the
 5 property are undertaken that do not meet the standards of the
 6 ~~division~~ **office**.

7 (b) If the recapture of a credit is required under this section, an
 8 amount equal to the credit recaptured shall be added to the tax liability
 9 of the taxpayer for the taxable year during which the credit is
 10 recaptured.

11 SECTION 69. IC 6-3.1-22-14 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. (a) If the credit
 13 provided by this chapter exceeds a taxpayer's state tax liability for the
 14 taxable year for which the credit is first claimed, the excess may be
 15 carried over to succeeding taxable years and used as a credit against the
 16 tax otherwise due and payable by the taxpayer under IC 6-3 during
 17 those taxable years. Each time that the credit is carried over to a
 18 succeeding taxable year, the credit is to be reduced by the amount that
 19 was used as a credit during the immediately preceding taxable year.
 20 The credit provided by this chapter may be carried forward and applied
 21 to succeeding taxable years for fifteen (15) taxable years following the
 22 unused credit year.

23 (b) A credit earned by a taxpayer in a particular taxable year shall
 24 be applied against the taxpayer's tax liability for that taxable year
 25 before any credit carryover is applied against that liability under
 26 subsection (a).

27 (c) A taxpayer is not entitled to any carryback or refund of any
 28 unused credit.

29 **(d) A taxpayer may not claim a credit under this chapter for**
 30 **qualified expenditures approved in a taxable year beginning after**
 31 **December 31, 2017.**

32 SECTION 70. IC 6-3.1-22-16 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 16. (a) The
 34 following may adopt rules under IC 4-22-2 to carry out this chapter:

35 (1) The department of state revenue.

36 (2) The ~~division~~ **office**.

37 **(b) The following apply to any rules adopted by the division of**
 38 **historic preservation and archaeology of the department of natural**
 39 **resources under this chapter before January 1, 2015:**

40 **(1) The rules are transferred to the office on January 1, 2015,**
 41 **and are considered, after December 31, 2014, to be rules of**
 42 **the office.**



1 **(2) After December 31, 2014, the rules are treated as if they**
 2 **had been adopted by the office.**
 3 SECTION 71. IC 6-3.1-24-12, AS AMENDED BY P.L.193-2005,
 4 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JULY 1, 2014]: Sec. 12. **(a)** If the amount of the credit determined
 6 under section 10 of this chapter for a taxpayer in a taxable year exceeds
 7 the taxpayer's state tax liability for that taxable year, the taxpayer may
 8 carry the excess credit over for a period not to exceed the taxpayer's
 9 following five (5) taxable years. The amount of the credit carryover
 10 from a taxable year shall be reduced to the extent that the carryover is
 11 used by the taxpayer to obtain a credit under this chapter for any
 12 subsequent taxable year. A taxpayer is not entitled to a carryback or a
 13 refund of any unused credit amount.
 14 **(b) A taxpayer is not entitled to a credit under this chapter for**
 15 **qualified investment capital provided to a qualified Indiana**
 16 **business in a taxable year beginning after December 31, 2016.**
 17 **(c) This chapter expires January 1, 2022.**
 18 SECTION 72. IC 6-3.1-29-21, AS ADDED BY P.L.191-2005,
 19 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2014]: Sec. 21. **(a)** To receive the credit awarded by this
 21 chapter, a taxpayer must claim the credit on the taxpayer's annual state
 22 tax return or returns in the manner prescribed by the department. The
 23 taxpayer shall submit to the department a copy of the commission's
 24 determination required under section 19 of this chapter, a copy of the
 25 taxpayer's certificate of compliance issued under section 19 of this
 26 chapter, and all information that the department determines is
 27 necessary for the calculation of the credit provided by this chapter.
 28 **(b) A taxpayer is not entitled to a credit under this section for a**
 29 **qualified investment made in a taxable year beginning after**
 30 **December 31, 2017.**
 31 **(c) This section expires January 1, 2039.**
 32 SECTION 73. IC 6-3.1-30-11, AS ADDED BY P.L.193-2005,
 33 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2014]: Sec. 11. **(a)** If the credit provided by this chapter
 35 exceeds the taxpayer's state tax liability for the taxable year for which
 36 the credit is first claimed, the excess may be carried forward to
 37 succeeding taxable years and used as a credit against the taxpayer's
 38 state tax liability during those taxable years. Each time that the credit
 39 is carried forward to a succeeding taxable year, the credit is to be
 40 reduced by the amount that was used as a credit during the immediately
 41 preceding taxable year. The credit provided by this chapter may be
 42 carried forward and applied to succeeding taxable years for nine (9)



1 taxable years following the unused credit year.

2 (b) A taxpayer is not entitled to any carryback or refund of any
3 unused credit.

4 **(c) A taxpayer is not entitled to a credit under this chapter for**
5 **relocation costs incurred in a taxable year beginning after**
6 **December 31, 2016.**

7 **(d) This chapter expires January 1, 2026.**

8 SECTION 74. IC 6-3.1-30.5-9.5, AS ADDED BY P.L.211-2013,
9 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2014]: Sec. 9.5. (a) This section applies to a taxpayer that is
11 entitled to a tax credit under this chapter for a taxable year beginning
12 after December 31, 2012.

13 (b) If the credit provided by this chapter exceeds the taxpayer's state
14 tax liability for the taxable year for which the credit is first claimed, the
15 excess may be carried forward to succeeding taxable years and used as
16 a credit against the taxpayer's state tax liability during those taxable
17 years. Each time the credit is carried forward to a succeeding taxable
18 year, the credit is reduced by the amount that was used as a credit
19 during the immediately preceding taxable year. The credit provided by
20 this chapter may be carried forward and applied to succeeding taxable
21 years for nine (9) taxable years following the unused credit year.

22 (c) A taxpayer is not entitled to a carryback or refund of any unused
23 credit.

24 **(d) A taxpayer is not entitled to a credit under this section for a**
25 **contribution made in a taxable year beginning after December 31,**
26 **2017.**

27 **(e) This section expires January 1, 2029.**

28 SECTION 75. IC 6-7-1-37 IS ADDED TO THE INDIANA CODE
29 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
30 1, 2014]: Sec. 37. (a) **All reports required to be filed under this**
31 **chapter must be filed in an electronic format prescribed by the**
32 **department.**

33 **(b) All taxes required to be remitted under this chapter must be**
34 **remitted in an electronic format prescribed by the department.**

35 SECTION 76. IC 6-7-2-12, AS AMENDED BY P.L.172-2011,
36 SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2014]: Sec. 12. Before the fifteenth day of each month, each
38 distributor liable for the tax imposed by this chapter shall:

39 (1) file a return with the department that includes all information
40 required by the department including, but not limited to:

41 (A) name of distributor;

42 (B) address of distributor;



- 1 (C) license number of distributor;
- 2 (D) invoice date;
- 3 (E) invoice number;
- 4 (F) name and address of person from whom tobacco products
- 5 were purchased or name and address of person to whom
- 6 tobacco products were sold;
- 7 (G) the wholesale price for tobacco products other than moist
- 8 snuff; and
- 9 (H) for moist snuff, the weight of the moist snuff; and
- 10 (2) pay the tax for which it is liable under this chapter for the
- 11 preceding month minus the amount specified in section 13 of this
- 12 chapter.

13 **All returns required to be filed and taxes required to be paid under**
 14 **this chapter must be made in an electronic format prescribed by**
 15 **the department.**

16 SECTION 77. IC 7.1-4-6-3.5 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3.5. ~~Filing of Returns.~~
 18 A person who is liable for the payment of an excise tax levied by this
 19 title shall file a monthly return with the department on or before the
 20 twentieth day of the month following the month in which the liability
 21 for the tax accrues by reason of the manufacture, sale, gift, or the
 22 withdrawal for sale or gift, of alcoholic beverages within this state. **The**
 23 **return must be filed in an electronic format as prescribed by the**
 24 **department.** Payment of the excise tax due shall accompany the return,
 25 **and shall be remitted electronically. Any other returns or forms**
 26 **required to be filed under this title must also be filed in an**
 27 **electronic format and on a date prescribed by the department.**

28 SECTION 78. IC 8-22-3-11, AS AMENDED BY P.L.139-2013,
 29 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 UPON PASSAGE]: Sec. 11. (a) The board may do all acts necessary
 31 or reasonably incident to carrying out the purposes of this chapter,
 32 including the following:

- 33 (1) As a municipal corporation, to sue and be sued in its own
- 34 name.
- 35 (2) To have all the powers and duties conferred by statute upon
- 36 boards of aviation commissioners. The board supersedes all
- 37 boards of aviation commissioners within the district. The board
- 38 has exclusive jurisdiction within the district.
- 39 (3) To protect all property owned or managed by the board.
- 40 (4) To adopt an annual budget and levy taxes in accordance with
- 41 this chapter.
- 42 (A) The board may not levy taxes on property in excess of the



1 following, rate schedule, tax rate specified in subsection (b),
 2 except as provided in sections 17 and 25 of this chapter.
 3 Total Assessed Rate Per \$100 Of
 4 Property Valuation Assessed Valuation
 5 \$300 million or less \$0.10
 6 More than \$300 million
 7 but not more than \$450 million \$0.0833
 8 More than \$450 million
 9 but not more than \$600 million \$0.0667
 10 More than \$600 million
 11 but not more than \$900 million \$0.05
 12 More than \$900 million \$0.0333
 13 (B) Clause (A) ~~does~~ and subsection (b) do not apply to an
 14 authority that was established under IC 19-6-2 or IC 19-6-3
 15 (before their repeal on April 1, 1980).
 16 (C) The board of an authority that was established under
 17 IC 19-6-3 (before its repeal on April 1, 1980) may levy taxes
 18 on property not in excess of six and sixty-seven hundredths
 19 cents (\$0.0667) on each one hundred dollars (\$100) of
 20 assessed valuation.
 21 (5) To incur indebtedness in the name of the authority in
 22 accordance with this chapter.
 23 (6) To adopt administrative procedures, rules, and regulations.
 24 (7) To acquire property, real, personal, or mixed, by deed,
 25 purchase, lease, condemnation, or otherwise and dispose of it for
 26 use or in connection with or for administrative purposes of the
 27 airport; to receive gifts, donations, bequests, and public trusts and
 28 to agree to conditions and terms accompanying them and to bind
 29 the authority to carry them out; to receive and administer federal
 30 or state aid; and to erect buildings or structures that may be
 31 needed to administer and carry out this chapter.
 32 (8) To determine matters of policy regarding internal organization
 33 and operating procedures not specifically provided for otherwise.
 34 (9) To adopt a schedule of reasonable charges and to collect them
 35 from all users of facilities and services within the district.
 36 (10) To purchase supplies, materials, and equipment to carry out
 37 the duties and functions of the board in accordance with
 38 procedures adopted by the board.
 39 (11) To employ personnel that are necessary to carry out the
 40 duties, functions, and powers of the board.
 41 (12) To establish an employee pension plan. The board may, upon
 42 due investigation, authorize and begin a fair and reasonable



- 1 pension or retirement plan and program for personnel, the cost to
 2 be borne by either the authority or by the employee or by both, as
 3 the board determines. If the authority was established under
 4 IC 19-6-2 (before its repeal on April 1, 1980), the entire cost must
 5 be borne by the authority, and ordinances creating the plan or
 6 making changes in it must be approved by the mayor of the city.
 7 The plan may be administered and funded by a trust fund or by
 8 insurance purchased from an insurance company licensed to do
 9 business in Indiana or by a combination of them. The board may
 10 also include in the plan provisions for life insurance, disability
 11 insurance, or both.
- 12 (13) To sell surplus real or personal property in accordance with
 13 law. If the board negotiates an agreement to sell trees situated in
 14 woods or forest areas owned by the board, the trees are considered
 15 to be personal property of the board for severance or sale.
- 16 (14) To adopt and use a seal.
- 17 (15) To acquire, establish, construct, improve, equip, maintain,
 18 control, lease, and regulate municipal airports, landing fields, and
 19 other air navigation facilities, either inside or outside the district;
 20 to acquire by lease (with or without the option to purchase)
 21 airports, landing fields, or navigation facilities, and any structures,
 22 equipment, or related improvements; and to erect, install,
 23 construct, and maintain at the airport or airports facilities for the
 24 servicing of aircraft and for the comfort and accommodation of air
 25 travelers and the public. The Indiana department of transportation
 26 must grant its approval before land may be purchased for the
 27 establishment of an airport or landing field and before an airport
 28 or landing field may be established.
- 29 (16) To fix and determine exclusively the uses to which the
 30 airport lands may be put, including land use planning and zoning.
 31 All uses must be necessary or desirable to the airport or the
 32 aviation industry and must be compatible with the uses of the
 33 surrounding lands as far as practicable. The jurisdiction granted
 34 under this subdivision is superior to that of any other local
 35 government unit or entity with respect to airport lands.
- 36 (17) To elect a secretary from its membership, or to employ a
 37 secretary, an airport director, superintendents, managers, a
 38 treasurer, engineers, surveyors, attorneys, clerks, guards,
 39 mechanics, laborers, and all employees the board considers
 40 expedient, and to prescribe and assign their respective duties and
 41 authorities and to fix and regulate the compensation to be paid to
 42 the persons employed by it in accordance with the authority's



1 appropriations. All employees shall be selected irrespective of
2 their political affiliations.
3 (18) To make all rules and regulations, consistent with laws
4 regarding air commerce, for the management and control of its
5 airports, landing fields, air navigation facilities, and other
6 property under its control.
7 (19) To acquire by lease the use of an airport or landing field for
8 aircraft pending the acquisition and improvement of an airport or
9 landing field.
10 (20) To manage and operate airports, landing fields, and other air
11 navigation facilities acquired or maintained by an authority; to
12 lease all or part of an airport, landing field, or any buildings or
13 other structures, and to fix, charge, and collect rentals, tolls, fees,
14 and charges to be paid for the use of the whole or a part of the
15 airports, landing fields, or other air navigation facilities by aircraft
16 landing there and for the servicing of the aircraft; to construct
17 public recreational facilities that will not interfere with air
18 operational facilities; to fix, charge, and collect fees for public
19 admissions and privileges; and to make contracts for the operation
20 and management of the airports, landing fields, and other air
21 navigation facilities; and to provide for the use, management, and
22 operation of the air navigation facilities through lessees, its own
23 employees, or otherwise. Contracts for the maintenance,
24 operation, or use of the airport or any part of it may be made for
25 a term not exceeding fifteen (15) years and may be extended for
26 similar terms of years. However, the airport, including all or part
27 of its land, facilities, or structures, may be leased for any use
28 connected with the operation and convenience of the airport for
29 an initial term not exceeding forty (40) years and may be extended
30 for a period not to exceed ten (10) years. If a person whose
31 character, experience, and financial responsibility have been
32 determined satisfactory by the board offers to erect a permanent
33 structure that facilitates and is consistent with the operation, use,
34 and purpose of the airport on land belonging to the airport, a lease
35 may be entered into for a period not to exceed ninety-nine (99)
36 years. However, the board must pass an ordinance to enter into
37 such a lease. The board may not grant an exclusive right for the
38 use of a landing area under its jurisdiction. However, this does not
39 prevent the making of leases in accordance with other provisions
40 of this chapter. All contracts, and leases, are subject to restrictions
41 and conditions that the board prescribes. The authority may lease
42 its property and facilities for any commercial or industrial use it



1 considers necessary and proper, including the use of providing
 2 airport motel facilities. For the airport authority established by the
 3 city of Gary, the board may approve a lease, management
 4 agreement, or other contract:

5 (A) with a person:

6 (i) who is selected by the board using the procedures under
 7 IC 36-1-9.5; and

8 (ii) whose character, experience, and financial responsibility
 9 have been determined satisfactory by the board; and

10 (B) to use, plan, design, acquire, construct, reconstruct,
 11 improve, extend, expand, lease, operate, repair, manage,
 12 maintain, or finance all or any part of the airport and its
 13 landing fields, air navigation facilities, and other buildings and
 14 structures for a period not to exceed ninety-nine (99) years.

15 However, the board must pass an ordinance to enter into such
 16 a lease, management agreement, or other contract. All
 17 contracts, leases, and management agreements are subject to
 18 restrictions and conditions that the board prescribes. The
 19 authority may lease its property and facilities for any
 20 commercial or industrial use it considers necessary and proper,
 21 including the use of providing airport motel facilities. A lease,
 22 management agreement, or other contract entered into under
 23 this section or any other provision of this chapter may be
 24 entered into without complying with IC 5-23.

25 (21) To sell machinery, equipment, or material that is not required
 26 for aviation purposes. The proceeds shall be deposited with the
 27 treasurer of the authority.

28 (22) To negotiate and execute contracts for sale or purchase,
 29 lease, personal services, materials, supplies, equipment, or any
 30 other transaction or business relative to an airport under the
 31 board's control and operation. However, whenever the board
 32 determines to sell part or all of aviation lands, buildings, or
 33 improvements owned by the authority, the sale must be in
 34 accordance with law.

35 (23) To vacate all or parts of roads, highways, streets, or alleys,
 36 whether inside or outside the district, in the manner provided by
 37 statute.

38 (24) To annex lands to itself if the lands are owned by the
 39 authority or are streets, roads, or other public ways.

40 (25) To approve any state, county, city, or other highway, road,
 41 street or other public way, railroad, power line, or other
 42 right-of-way to be laid out or opened across an airport or in such



- 1 proximity as to affect the safe operation of the airport.
2 (26) To construct drainage and sanitary sewers with connections
3 and outlets as are necessary for the proper drainage and
4 maintenance of an airport or landing field acquired or maintained
5 under this chapter, including the necessary buildings and
6 improvements and for the public use of them in the same manner
7 that the authority may construct sewers and drains. However, with
8 respect to the construction of drains and sanitary sewers beyond
9 the boundaries of the airport or landing field, the board shall
10 proceed in the same manner as private owners of property and
11 may institute proceedings and negotiate with the departments,
12 bodies, and officers of an eligible entity to secure the proper
13 orders and approvals; and to order a public utility or public
14 service corporation or other person to remove or to install in
15 underground conduits wires, cables, and power lines passing
16 through or over the airport or landing field or along the borders or
17 within a reasonable distance that may be determined to be
18 necessary for the safety of operations, upon payment to the utility
19 or other person of due compensation for the expense of the
20 removal or reinstallation. The board must consent before any
21 franchise may be granted by state or local authorities for the
22 construction of or maintenance of railway, telephone, telegraph,
23 electric power, pipe, or conduit line upon, over, or through land
24 under the control of the board or within a reasonable distance of
25 land that is necessary for the safety of operation. The board must
26 also consent before overhead electric power lines carrying a
27 voltage of more than four thousand four hundred (4,400) volts and
28 having poles, standards, or supports over thirty (30) feet in height
29 within one-half (1/2) mile of a landing area acquired or
30 maintained under this chapter may be installed.
31 (27) To contract with any other state agency or instrumentality or
32 any political subdivision for the rendition of services, the rental
33 or use of equipment or facilities, or the joint purchase and use of
34 equipment or facilities that are necessary for the operation,
35 maintenance, or construction of an airport operated under this
36 chapter.
37 (28) To provide air transportation in furtherance of the duties and
38 responsibilities of the board.
39 (29) To promote or encourage aviation-related trade or commerce
40 at the airports that it operates.
41 (30) To provide aviation services to public use airports within or
42 outside Indiana either directly or through an affiliate entity



- 1 established by the board.
- 2 **(b) Except as provided in sections 17 and 25 of this chapter, a**
- 3 **board may impose a tax rate that does not exceed the following:**
- 4 **(1) If the total assessed valuation is three hundred million**
- 5 **dollars (\$300,000,000) or less, a tax rate of ten cents (\$0.10)**
- 6 **per one hundred dollars (\$100) of assessed valuation.**
- 7 **(2) If the total assessed valuation is more than three hundred**
- 8 **million dollars (\$300,000,000) but not more than four hundred**
- 9 **fifty million dollars (\$450,000,000), the tax rate necessary to**
- 10 **raise property tax revenue equal to the sum of:**
- 11 **(A) three hundred thousand dollars (\$300,000); plus**
- 12 **(B) the amount that would be raised by applying a tax rate**
- 13 **of eight and thirty-three hundredths cents (\$0.0833) (as**
- 14 **adjusted under IC 6-1.1-18-12) per one hundred dollars**
- 15 **(\$100) of assessed valuation that exceeds three hundred**
- 16 **million dollars (\$300,000,000).**
- 17 **(3) If the total assessed valuation is more than four hundred**
- 18 **fifty million dollars (\$450,000,000) but not more than six**
- 19 **hundred million dollars (\$600,000,000), the tax rate necessary**
- 20 **to raise property tax revenue equal to the sum of:**
- 21 **(A) three hundred seventy-four thousand eight hundred**
- 22 **fifty dollars (\$374,850); plus**
- 23 **(B) the amount that would be raised by applying a tax rate**
- 24 **of six and sixty-seven hundredths cents (\$0.0667) (as**
- 25 **adjusted under IC 6-1.1-18-12) per one hundred dollars**
- 26 **(\$100) of assessed valuation that exceeds four hundred fifty**
- 27 **million dollars (\$450,000,000).**
- 28 **(4) If the total assessed valuation is more than six hundred**
- 29 **million dollars (\$600,000,000) but not more than nine hundred**
- 30 **million dollars (\$900,000,000), the tax rate necessary to raise**
- 31 **property tax revenue equal to the sum of:**
- 32 **(A) four hundred thousand two hundred dollars**
- 33 **(\$400,200); plus**
- 34 **(B) the amount that would be raised by applying a tax rate**
- 35 **of five cents (\$0.05) (as adjusted under IC 6-1.1-18-12) per**
- 36 **one hundred dollars (\$100) of assessed valuation that**
- 37 **exceeds six hundred million dollars (\$600,000,000).**
- 38 **(5) If the total assessed valuation is more than nine hundred**
- 39 **million dollars (\$900,000,000), the tax rate necessary to raise**
- 40 **property tax revenue equal to the sum of:**
- 41 **(A) four hundred fifty thousand dollars (\$450,000); plus**
- 42 **(B) the amount that would be raised by applying a tax rate**



1 **of three and thirty-three hundredths cents (\$0.0333) (as**
 2 **adjusted under IC 6-1.1-18-12) per one hundred dollars**
 3 **(\$100) of assessed valuation that exceeds nine hundred**
 4 **million dollars (\$900,000,000).**

5 SECTION 79. IC 8-22-3-25, AS AMENDED BY P.L.139-2013,
 6 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 UPON PASSAGE]: Sec. 25. (a) Subject to subsection (c), the board
 8 may provide a cumulative building fund in compliance with
 9 IC 6-1.1-41 to provide for the acquisition of real property, and the
 10 construction, enlarging, improving, remodeling, repairing, or equipping
 11 of buildings, structures, runways, or other facilities for use in
 12 connection with the airport needed to carry out this chapter and to
 13 facilitate and support commercial air transportation.

14 (b) The board may levy in compliance with IC 6-1.1-41 a tax not to
 15 exceed:

16 (1) thirty-three hundredths of one cent (\$0.0033) on each one
 17 hundred dollars (\$100) of assessed value of taxable property
 18 within the district, if an eligible entity other than a city established
 19 the district or if the district was established jointly with an eligible
 20 entity that is not a city;

21 (2) one and thirty-three hundredths cents (\$0.0133) on each one
 22 hundred dollars (\$100) of assessed value of taxable property
 23 within the district, if the authority was established under
 24 IC 19-6-3 (before its repeal on April 1, 1980); and

25 (3) for any other district not described in subdivision (1) or (2),
 26 the following: **tax rate specified in subsection (c).**

Total Assessed Property Valuation	Rate Per \$100 Of Assessed Valuation
\$300 million or less	\$0.0167
More than \$300 million but not more than \$450 million	\$0.0133
More than \$450 million but not more than \$600 million	\$0.01
More than \$600 million but not more than \$900 million	\$0.0067
More than \$900 million	\$0.0033

27 As the tax is collected it may be invested in negotiable United States
 28 bonds or other securities that the federal government has the direct
 29 obligation to pay. Any of the funds collected that are not invested in
 30 government obligations shall be deposited in accordance with
 31 IC 5-13-6 and shall be withdrawn in the same manner as money is
 32 regularly withdrawn from the general fund but without further or



1 additional appropriation. The levy authorized by this section is in
 2 addition to the levies authorized by section 11 and section 23 of this
 3 chapter.

4 **(c) For any district not described in subsection (b)(1) or (b)(2),**
 5 **the board may impose a tax rate that does not exceed the following:**

6 **(1) If the total assessed valuation is three hundred million**
 7 **dollars (\$300,000,000) or less, a tax rate of one and sixty-seven**
 8 **hundredths cents (\$0.0167) per one hundred dollars (\$100) of**
 9 **assessed valuation.**

10 **(2) If the total assessed valuation is more than three hundred**
 11 **million dollars (\$300,000,000) but not more than four hundred**
 12 **fifty million dollars (\$450,000,000), the tax rate necessary to**
 13 **raise property tax revenue equal to the sum of:**

14 **(A) fifty thousand one hundred dollars (\$50,100); plus**

15 **(B) the amount that would be raised by applying a tax rate**
 16 **of one and thirty-three hundredths cents (\$0.0133) (as**
 17 **adjusted under IC 6-1.1-18-12) per one hundred dollars**
 18 **(\$100) of assessed valuation that exceeds three hundred**
 19 **million dollars (\$300,000,000).**

20 **(3) If the total assessed valuation is more than four hundred**
 21 **fifty million dollars (\$450,000,000) but not more than six**
 22 **hundred million dollars (\$600,000,000), the tax rate necessary**
 23 **to raise property tax revenue equal to the sum of:**

24 **(A) fifty-nine thousand eight hundred fifty dollars**
 25 **(\$59,850); plus**

26 **(B) the amount that would be raised by applying a tax rate**
 27 **of one cent (\$0.01) (as adjusted under IC 6-1.1-18-12) per**
 28 **one hundred dollars (\$100) of assessed valuation that**
 29 **exceeds four hundred fifty million dollars (\$450,000,000).**

30 **(4) If the total assessed valuation is more than six hundred**
 31 **million dollars (\$600,000,000) but not more than nine hundred**
 32 **million dollars (\$900,000,000), the tax rate necessary to raise**
 33 **property tax revenue equal to the sum of:**

34 **(A) sixty thousand dollars (\$60,000); plus**

35 **(B) the amount that would be raised by applying a tax rate**
 36 **of sixty-seven hundredths of a cent (\$0.0067) (as adjusted**
 37 **under IC 6-1.1-18-12) per one hundred dollars (\$100) of**
 38 **assessed valuation that exceeds six hundred million dollars**
 39 **(\$600,000,000).**

40 **(5) If the total assessed valuation is more than nine hundred**
 41 **million dollars (\$900,000,000), the tax rate necessary to raise**
 42 **property tax revenue equal to the sum of:**



1 **(A) sixty thousand three hundred dollars (\$60,300); plus**
 2 **(B) the amount that would be raised by applying a tax rate**
 3 **of thirty-three hundredths of a cent (\$0.0033) (as adjusted**
 4 **under IC 6-1.1-18-12) per one hundred dollars (\$100) of**
 5 **assessed valuation that exceeds nine hundred million**
 6 **dollars (\$900,000,000).**

7 ~~(e)~~ **(d)** Spending under subsection (a) to facilitate and support
 8 commercial intrastate air transportation is subject to a maximum of one
 9 million dollars (\$1,000,000) cumulatively for all years in which money
 10 is spent under that subsection.

11 SECTION 80. IC 8-22-3-31, AS AMENDED BY P.L.182-2009(ss),
 12 SECTION 270, IS AMENDED TO READ AS FOLLOWS
 13 [EFFECTIVE UPON PASSAGE]: Sec. 31. (a) The authority, acting by
 14 and through its board under IC 8-21-8, may accept, receive, and receipt
 15 for federal, other public, or private monies for the acquisition,
 16 construction, enlargement, improvement, maintenance, equipment, or
 17 operation of airports, other air navigation facilities, and sites for them,
 18 and comply with federal laws made for the expenditure of federal
 19 monies upon airports and other air navigation facilities.

20 (b) Subject to IC 8-21-8, the board has exclusive power to submit to
 21 the proper state and federal agencies applications for grants of funds
 22 for airport development and to make or execute representations,
 23 assurances and contracts, to enter into covenants and agreements with
 24 state or federal agency or agencies relative to the development of an
 25 airport, and to comply with all federal and state laws pertaining to the
 26 acquisition, development, operation, and administration of airports and
 27 properties by the authority.

28 (c) This subsection applies only to the airport authority established
 29 by the city of Gary. The authority may assign the powers described in
 30 this section to a lessee or other operator with whom it enters into a
 31 lease, management agreement, or other contract under ~~section 11(20)~~
 32 **section 11(a)(20)** of this chapter if the board has determined that the
 33 lessee or other operator has the expertise and experience to operate the
 34 facilities of the authority in accordance with prudent airport operating
 35 standards.

36 SECTION 81. IC 27-6-8-15 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) Member
 38 insurers, which during any preceding calendar year shall have paid one
 39 (1) or more assessments levied pursuant to section 7 of this chapter,
 40 shall be allowed a credit against premium taxes, adjusted gross income
 41 taxes, or any combination thereof upon revenue or income of member
 42 insurers which may be imposed by the state, up to twenty percent



1 (20%) of the assessment described in section 7 of this chapter for each
 2 calendar year following the year the assessment was paid until the
 3 aggregate of all assessments paid to the guaranty association shall have
 4 been offset by either credits against such taxes or refunds from the
 5 association. The provisions herein are applicable to all assessments
 6 levied after the passage of this article.

7 (b) To the extent a member insurer elects not to utilize the tax
 8 credits authorized by subsection (a), the member insurer may utilize the
 9 provisions of subsection (c) as a secondary method of recoupment.

10 (c) The rates and premiums charged for insurance policies to which
 11 this chapter applies shall include amounts sufficient to recoup a sum
 12 equal to the amounts paid to the association by the member insurer less
 13 any amounts returned to the member insurer by the association and the
 14 rates shall not be deemed excessive because they contain an amount
 15 reasonably calculated to recoup assessments paid by the member
 16 insurer.

17 **(d) A member insurer is not entitled to a credit under this**
 18 **section for an assessment paid in a taxable year beginning after**
 19 **December 31, 2017.**

20 **(e) This section expires January 1, 2023.**

21 SECTION 82. IC 27-8-8-16, AS AMENDED BY P.L.193-2006,
 22 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 2014]: Sec. 16. (a) A member insurer may take as a credit
 24 against premium taxes, adjusted gross income taxes, or any
 25 combination of them imposed by the state upon the member insurer's
 26 revenue or income not more than twenty percent (20%) of the amount
 27 of each assessment described in section 6 of this chapter for each
 28 calendar year following the year in which the assessment was paid until
 29 the assessment has been offset by either credits against the taxes or
 30 refunds from the association. If the member insurer ceases doing
 31 business, all uncredited assessments may be credited against the
 32 member insurer's premium taxes, adjusted gross income taxes, or a
 33 combination of the premium taxes and adjusted gross income taxes of
 34 the member insurer for the year the member insurer ceases doing
 35 business.

36 **(b) A member insurer is not entitled to a credit under this**
 37 **section for an assessment paid in a taxable year beginning after**
 38 **December 31, 2017.**

39 **(c) This section expires January 1, 2023.**

40 SECTION 83. IC 27-8-10-2.4 IS AMENDED TO READ AS
 41 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.4. (a) Beginning
 42 January 1, 2005, a member that, before January 1, 2005, has:



- 1 (1) paid an assessment; and
 2 (2) not taken a credit against taxes;
 3 under section 2.1 of this chapter (as in effect December 31, 2004) is not
 4 entitled to claim or carry forward the unused tax credit except as
 5 provided in this section.
- 6 (b) A member described in subsection (a) may, for each taxable year
 7 beginning after December 31, 2006, take a credit of not more than ten
 8 percent (10%) of the amount of the assessments paid before January 1,
 9 2005, against which a tax credit has not been taken before January 1,
 10 2005. A credit under this subsection may be taken against premium
 11 taxes, adjusted gross income taxes, or any combination of these, or
 12 similar taxes upon revenues or income of the member that may be
 13 imposed by the state, up to the amount of the taxes due for each taxable
 14 year.
- 15 (c) If the maximum amount of a tax credit determined under
 16 subsection (b) for a taxable year exceeds a member's liability for the
 17 taxes described in subsection (b), the member may carry the unused
 18 portion of the tax credit forward to subsequent taxable years. Tax
 19 credits carried forward under this subsection are not subject to the ten
 20 percent (10%) limit set forth in subsection (b).
- 21 (d) The total amount of credits taken by a member under this section
 22 in all taxable years may not exceed the total amount of assessments
 23 paid by the member before January 1, 2005, minus the total amount of
 24 tax credits taken by the member under section 2.1 of this chapter (as in
 25 effect December 31, 2004) before January 1, 2005.
- 26 **(e) This section expires January 1, 2017.**
- 27 SECTION 84. IC 36-4-7-6 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. Before the
 29 publication **(before January 1, 2016) and submission** of notice of
 30 budget estimates required by IC 6-1.1-17-3, each city shall formulate
 31 a budget estimate for the ensuing budget year in the following manner:
- 32 (1) Each department head shall prepare for ~~his~~ **the** department an
 33 estimate of the amount of money required for the ensuing budget
 34 year, stating in detail each category and item of expenditure ~~he~~
 35 **the department head** anticipates.
- 36 (2) The city fiscal officer shall prepare an itemized estimate of
 37 revenues available for the ensuing budget year, and shall prepare
 38 an itemized estimate of expenditures for other purposes above the
 39 money proposed to be used by the departments.
- 40 (3) The city executive shall meet with the department heads and
 41 the fiscal officer to review and revise their various estimates.
- 42 (4) After the executive's review and revision, the fiscal officer



1 shall prepare for the executive a report of the estimated
 2 department budgets, miscellaneous expenses, and revenues
 3 necessary or available to finance the estimates.

4 SECTION 85. IC 36-5-3-3 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. Before the
 6 publication **(before January 1, 2016) and submission** of notice of
 7 budget estimates required by IC 6-1.1-17-3, each town shall formulate
 8 a budget estimate for the ensuing budget year in the following manner,
 9 unless it provides by ordinance for a different manner:

10 (1) Each department head shall prepare for ~~his~~ **the** department an
 11 estimate of the amount of money required for the ensuing budget
 12 year, stating in detail each category and item of expenditure ~~he~~
 13 **the department head** anticipates.

14 (2) The town fiscal officer shall prepare an itemized estimate of
 15 revenues available for the ensuing budget year, and shall prepare
 16 an itemized estimate of expenditures for other purposes above the
 17 money proposed to be used by the departments.

18 (3) The town executive shall meet with the department heads and
 19 the fiscal officer to review and revise their various estimates.

20 (4) After the executive's review and revision, the fiscal officer
 21 shall prepare for the executive a report of the estimated
 22 department budgets, miscellaneous expenses, and revenues
 23 necessary or available to finance the estimates.

24 SECTION 86. [EFFECTIVE JANUARY 1, 2015] **(a) IC 6-3.1-20-1,**
 25 **IC 6-3.1-20-4, and IC 6-3.1-20-5, all as amended by this act, apply**
 26 **to taxable years beginning after December 31, 2014.**

27 **(b) This SECTION expires January 1, 2018.**

28 SECTION 87. [EFFECTIVE UPON PASSAGE] **(a)**
 29 **IC 6-1.1-12-10.1, IC 6-1.1-12-12, IC 6-1.1-12-15, IC 6-1.1-12-17,**
 30 **IC 6-1.1-12-17.5, IC 6-1.1-12-27.1, IC 6-1.1-12-30, IC 6-1.1-12-35.5,**
 31 **IC 6-1.1-12-38, IC 6-1.1-12-45, IC 6-1.1-12.6-3, and IC 6-1.1-12.8-4,**
 32 **all as amended by this act, apply to deductions claimed for**
 33 **assessment dates after February 28, 2014.**

34 **(b) This SECTION expires July 1, 2018.**

35 SECTION 88. [EFFECTIVE UPON PASSAGE] **(a) IC 8-22-3-11**
 36 **and IC 8-22-3-25, both as amended by this act, apply to property**
 37 **taxes imposed for assessment dates that occur after February 28,**
 38 **2014.**

39 **(b) This SECTION expires July 1, 2018.**

40 SECTION 89. **An emergency is declared for this act.**



COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 367, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 27, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 21. IC 6-1.1-15-12, AS AMENDED BY P.L.172-2011, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) Subject to the limitations contained in subsections (c) and (d), a county auditor shall correct errors which are discovered in the tax duplicate for any one (1) or more of the following reasons:

- (1) The description of the real property was in error.
- (2) The assessment was against the wrong person.
- (3) Taxes on the same property were charged more than one (1) time in the same year.
- (4) There was a mathematical error in computing the taxes or penalties on the taxes.
- (5) There was an error in carrying delinquent taxes forward from one (1) tax duplicate to another.
- (6) The taxes, as a matter of law, were illegal.
- (7) There was a mathematical error in computing an assessment.
- (8) Through an error of omission by any state or county officer, the taxpayer was not given:
 - (A) the proper credit under IC 6-1.1-20.6-7.5 for property taxes imposed for an assessment date after January 15, 2011;
 - (B) any other credit permitted by law;
 - (C) an exemption permitted by law; or
 - (D) a deduction permitted by law.

(b) The county auditor shall correct an error described under subsection (a)(1), (a)(2), (a)(3), (a)(4), or (a)(5) when the county auditor finds that the error exists.

(c) If the tax is based on an assessment made or determined by the department of local government finance, the county auditor shall not correct an error described under subsection (a)(6), (a)(7), or (a)(8) until after the correction is either approved by the department of local government finance or ordered by the tax court.

(d) If the tax is not based on an assessment made or determined by the department of local government finance, the county auditor shall correct an error described under subsection (a)(6), (a)(7), or (a)(8) only if the correction is first approved by at least two (2) of the following



officials:

- (1) The township assessor (if any).
- (2) The county auditor.
- (3) The county assessor.

If two (2) of these officials do not approve such a correction, the county auditor shall refer the matter to the county board for determination. The county board shall provide a copy of the determination to the taxpayer and to the county auditor.

(e) A taxpayer may appeal a determination of the county board to the Indiana board for a final administrative determination. An appeal under this section shall be conducted in the same manner as appeals under sections 4 through 8 of this chapter. The Indiana board shall send the final administrative determination to the taxpayer, the county auditor, the county assessor, and the township assessor (if any).

(f) If a correction or change is made in the tax duplicate after it is delivered to the county treasurer, the county auditor shall transmit a certificate of correction to the county treasurer. The county treasurer shall keep the certificate as the voucher for settlement with the county auditor.

(g) A taxpayer that files a personal property tax return under IC 6-1.1-3 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's personal property tax return. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's personal property tax return, the taxpayer must instead file an amended personal property tax return under IC 6-1.1-3-7.5.

(h) A taxpayer that files a statement under IC 6-1.1-8-19 may not petition under this section for the correction of an error made by the taxpayer on the taxpayer's statement. If the taxpayer wishes to correct an error made by the taxpayer on the taxpayer's statement, the taxpayer must instead initiate an objection under IC 6-1.1-8-28 or an appeal under IC 6-1.1-8-30.

(i) IC 6-1.1-26-1 applies to a tax refund based on a correction of error under this section."

Page 31, line 15, after "shall" insert ", **unless the department finds extenuating circumstances,**".

Page 31, line 30, delete "a" and insert "**an adopted**".

Page 31, line 31, after "shall" insert ", **unless the department finds extenuating circumstances,**".

Page 31, line 31, after "the" insert "**adopted**".

Page 31, after line 42, begin a new paragraph and insert:

"SECTION 23. IC 6-1.1-18.5-13.7, AS ADDED BY P.L.172-2011,



SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13.7. (a) Notwithstanding any other provision of this chapter, Fairfield Township in Tippecanoe County may request that the department of local government finance make an adjustment to the township's maximum permissible property tax levy. ~~The request by the township under this section must be filed before September 1, 2011.~~

(b) The amount of the requested adjustment may not exceed one hundred thirty thousand dollars (\$130,000) for each year.

(c) ~~If the~~ **For a** township ~~makes that made~~ a request for an adjustment in an amount not exceeding the limit prescribed by subsection (b), the department of local government finance shall make the adjustment ~~each year (beginning with property taxes first due and payable in 2012)~~ **a permanent adjustment** to the township's maximum permissible ad valorem property tax levy. ~~for the number of years requested by the township (but not to exceed a total of four (4) years):~~

~~(d) This section expires July 1, 2016. "~~

Page 32, delete lines 1 through 18, begin a new paragraph and insert:

"SECTION 24. IC 6-1.1-20-3.5, AS AMENDED BY P.L.218-2013, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3.5. (a) This section applies only to a controlled project that meets the following conditions:

(1) The controlled project is described in one (1) of the following categories:

(A) An elementary school building, middle school building, high school building, or other school building for academic instruction that:

(i) will be used for any combination of kindergarten through grade 12; and

(ii) will cost more than ten million dollars (\$10,000,000).

(B) Any other controlled project that:

(i) is not a controlled project described in clause (A); and

(ii) ~~will the cost of which paid by~~ the political subdivision **more than from bond proceeds will not exceed** the lesser of twelve million dollars (\$12,000,000) or an amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date (if that amount is at least one million dollars (\$1,000,000)).

(2) The proper officers of the political subdivision make a preliminary determination after June 30, 2008, in the manner



described in subsection (b) to issue bonds or enter into a lease for the controlled project.

(b) A political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of a political subdivision shall publish notice in accordance with IC 5-3-1 and send notice by first class mail to the circuit court clerk and to any organization that delivers to the officers, before January 1 of that year, an annual written request for notices of any meeting to consider the adoption of an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on the preliminary determination before adoption of the ordinance or resolution. The political subdivision must make the following information available to the public at the public hearing on the preliminary determination, in addition to any other information required by law:

(A) The result of the political subdivision's current and projected annual debt service payments divided by the net assessed value of taxable property within the political subdivision.

(B) The result of:

(i) the sum of the political subdivision's outstanding long term debt plus the outstanding long term debt of other taxing units that include any of the territory of the political subdivision; divided by

(ii) the net assessed value of taxable property within the political subdivision.

(C) The information specified in subdivision (3)(A) through (3)(G).

(2) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the circuit court clerk and to the organizations described in subdivision (1).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.



- (C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.
 - (D) The purpose of the bonds or lease.
 - (E) A statement that the proposed debt service or lease payments must be approved in an election on a local public question held under section 3.6 of this chapter.
 - (F) With respect to bonds issued or a lease entered into to open:
 - (i) a new school facility; or
 - (ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;
 the estimated costs the school corporation expects to annually incur to operate the facility.
 - (G) The political subdivision's current debt service levy and rate and the estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.
 - (H) The information specified in subdivision (1)(A) through (1)(B).
- (4) After notice is given, a petition requesting the application of the local public question process under section 3.6 of this chapter may be filed by the lesser of:
- (A) one hundred (100) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or
 - (B) five percent (5%) of the registered voters residing within the political subdivision.
- (5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:
- (A) the carrier and signers must be owners of property or registered voters;
 - (B) the carrier must be a signatory on at least one (1) petition;



(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of property or registered voters and may be allowed to pick up additional copies to distribute to other owners of property or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as an owner of property must indicate the address of the property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter registration office under subdivision (7).

(7) Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. However, after the county voter registration office has determined that at least one hundred twenty-five (125) persons who signed the petition are registered voters within the political subdivision, the county voter registration office is not required to verify whether the remaining persons who signed the petition are registered voters. If the county voter registration office does not determine that at least one hundred twenty-five (125) persons who signed the petition are registered voters, the county voter registration office, not more than fifteen (15) business days after receiving a petition, shall forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of property in the political subdivision; and

(B) whether a person who signed the petition as an owner of



property within the political subdivision does in fact own property within the political subdivision.

(9) The county voter registration office, not more than ten (10) business days after determining that at least one hundred twenty-five (125) persons who signed the petition are registered voters or after receiving the statement from the county auditor under subdivision (8) (as applicable), shall make the final determination of whether a sufficient number of persons have signed the petition. Whenever the name of an individual who signs a petition form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular referendum process under this chapter, regardless of whether the person owns more than one (1) parcel of real property, mobile home assessed as personal property, or manufactured home assessed as personal property or a combination of those types of property within the political subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within forty-five (45) days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) The county voter registration office must file a certificate and each petition with:

- (A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or
- (B) the body that has the authority to authorize the issuance of



the bonds or the execution of a lease, if the political subdivision is not a township;

within thirty-five (35) business days of the filing of the petition requesting the referendum process. The certificate must state the number of petitioners who are owners of property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

(11) If a sufficient petition requesting the local public question process is not filed by owners of property or registered voters as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

(c) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall provide to the county auditor:

- (1) a copy of the notice required by subsection (b)(2); and
- (2) any other information the county auditor requires to fulfill the county auditor's duties under section 3.6 of this chapter."

Page 32, delete lines 41 through 42.

Page 33, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 26. IC 6-2.5-2-3 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2014]: **Sec. 3. (a) As used in this section, "motor vehicle" means a vehicle that would be subject to the annual license excise tax imposed under IC 6-6-5 if the vehicle were to be used in Indiana.**

(b) Notwithstanding section 2 of this chapter, the state gross retail tax rate on a motor vehicle that a purchaser intends to immediately register, license, and title in another state is the rate of that state as certified by the seller and purchaser in an affidavit containing the information prescribed by the department of state revenue.

SECTION 27. IC 6-2.5-5-46, AS AMENDED BY P.L.288-2013, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 46. (a) Transactions involving tangible personal property (including materials, parts, equipment, and engines) are exempt from the state gross retail tax, if the property is:

- (1) used;
- (2) consumed; or
- (3) installed;

in furtherance of, or in, the repair, maintenance, refurbishment, remodeling, or remanufacturing of an aircraft or an avionics system of



an aircraft.

(b) The exemption provided by this section applies to a transaction only if:

(1) the retail merchant, at the time of the transaction, possesses a valid repair station certificate issued by the Federal Aviation Administration under 14 CFR 145 et seq. or other applicable law or regulation; or

(2) the:

(A) retail merchant has leased a facility at a public use airport for the maintenance of aircraft and meets the public use airport owner's minimum standards for an aircraft maintenance facility; and

(B) work is performed by a mechanic who is certified by the Federal Aviation Administration.

(c) The owner of a public use airport shall annually provide to the department the names of retail merchants that have a lease with the public use airport and that perform aircraft maintenance at the public use airport.

SECTION 28. IC 6-3-3-5.1, AS AMENDED BY P.L.2-2007, SECTION 122, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5.1. (a) At the election of the taxpayer, a credit against the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, is permitted in an amount (subject to the applicable limitations provided by this section) equal to fifty percent (50%) of the aggregate amount of contributions made by the taxpayer during the taxable year to the twenty-first century scholars program support fund established under IC 21-12-7-1.

(b) In the case of a taxpayer other than a corporation, the amount allowable as a credit under this section for any taxable year may not exceed:

(1) one hundred dollars (\$100) in the case of a single return; or

(2) two hundred dollars (\$200) in the case of a joint return.

(c) In the case of a taxpayer that is a corporation, the amount allowable as a credit under this section for any taxable year may not exceed the lesser of the following amounts:

(1) Ten percent (10%) of the corporation's total adjusted gross income tax under IC 6-3-1 through IC 6-3-7 for the taxable year (as determined without regard to any credits against that tax).

(2) One thousand dollars (\$1,000).

(d) The credit permitted under this section may not exceed the amount of the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as



determined without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.

(e) A taxpayer is not entitled to a credit under this section for a contribution made in a taxable year beginning after December 31, 2017.

(f) This section expires January 1, 2019.

SECTION 29. IC 6-3-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) The credit provided by this section shall be known as the unified tax credit for the elderly.

(b) As used in this section, unless the context clearly indicates otherwise:

(1) "Household federal adjusted gross income" means the total adjusted gross income, as defined in Section 62 of the Internal Revenue Code, of an individual, or of an individual and his **or her** spouse if they reside together for the taxable year for which the credit provided by this section is claimed.

(2) "Household" means a claimant or, if applicable, a claimant and his or her spouse if the spouse resides with the claimant and "household income" means the income of the claimant or, if applicable, the combined income of the claimant and his or her spouse if the spouse resides with the claimant.

(3) "Claimant" means an individual, other than an individual described in subsection (c) of this section, who:

(A) has filed a claim under this section;

(B) was a resident of this state for at least six (6) months during the taxable year for which he or she has filed a claim under this section; and

(C) was sixty-five (65) years of age during some portion of the taxable year for which ~~he~~ **the individual** has filed a claim under this section or whose spouse was either sixty-five (65) years of age or over during the taxable year.

(c) The credit provided under this section shall not apply to an individual who, for a period of at least one hundred eighty (180) days during the taxable year for which ~~he~~ **the individual** has filed a claim under this section, was incarcerated in a local, state, or federal correctional institution.

(d) The right to file a claim under this section shall be personal to the claimant and shall not survive ~~his~~ **the claimant's** death, except that a surviving spouse of a claimant is entitled to claim the credit provided by this section. For purposes of determining the amount of the credit a surviving spouse is entitled to claim under this section, the deceased spouse shall be treated as having been alive on the last day of the



taxable year in which the deceased spouse died. When a claimant dies after having filed a timely claim, the amount thereof shall be disbursed to another member of the household as determined by the commissioner. If the claimant was the only member of **his the claimant's** household, the claim may be paid to **his the claimant's** executor or administrator, but if neither is appointed and qualified within two (2) years of the filing of the claim, the amount of the claim shall escheat to the state.

(e) For each taxable year, subject to the limitations provided in this section, one (1) claimant per household may claim, as a credit against Indiana adjusted gross income taxes otherwise due, the credit provided by this section. If the allowable amount of the claim exceeds the income taxes otherwise due on the claimant's household income or if there are no Indiana income taxes due on such income, the amount of the claim not used as an offset against income taxes after audit by the department, at the taxpayer's option, shall be refunded to the claimant or taken as a credit against such taxpayer's income tax liability subsequently due.

(f) No claim filed pursuant to this section shall be allowed unless filed within six (6) months following the close of claimant's taxable year or within the extension period if an extension of time for filing the return has been granted under IC 6-8.1-6-1, whichever is later.

(g) The amount of any claim otherwise payable under this section may be applied by the department against any liability outstanding on the books of the department against the claimant, or against any other individual who was a member of **his the claimant's** household in the taxable year to which the claim relates.

(h) The amount of a claim filed pursuant to this section by a claimant that either (i) does not reside with **his the claimant's** spouse during the taxable year, or (ii) resides with **his the claimant's** spouse during the taxable year and only one (1) of them is sixty-five (65) years of age or older at the end of the taxable year, shall be determined in accordance with the following schedule:

HOUSEHOLD FEDERAL ADJUSTED GROSS INCOME FOR TAXABLE YEAR	CREDIT
less than \$1,000	\$100
at least \$1,000, but less than \$3,000	\$ 50
at least \$3,000, but less than \$10,000	\$ 40

(i) The amount of a claim filed pursuant to this section by a claimant that resides with **his the claimant's** spouse during **his the claimant's** taxable year shall be determined in accordance with the following



schedule if both the claimant and spouse are sixty-five (65) years of age or older at the end of the taxable year:

HOUSEHOLD FEDERAL ADJUSTED GROSS INCOME FOR TAXABLE YEAR	CREDIT
less than \$1,000	\$140
at least \$1,000, but less than \$3,000	\$ 90
at least \$3,000, but less than \$10,000	\$ 80

(j) The department may promulgate reasonable rules under IC 4-22-2 for the administration of this section.

(k) Every claimant under this section shall supply to the department on forms provided under IC 6-8.1-3-4, in support of ~~his~~ **the claimant's** claim, reasonable proof of household income and age.

(l) Whenever on the audit of any claim filed under this section the department finds that the amount of the claim has been incorrectly determined, the department shall redetermine the claim and notify the claimant of the redetermination and the reasons therefor. The redetermination shall be final.

(m) In any case in which it is determined that a claim is or was excessive and was filed with fraudulent intent, the claim shall be disallowed in full, and, if the claim has been paid or a credit has been allowed against income taxes otherwise payable, the credit shall be canceled and the amount paid shall be recovered by assessment as income taxes are assessed and such assessment shall bear interest from the date of payment or credit of the claim, until refunded or paid at the rate determined under IC 6-8.1-10-1. The claimant in such a case commits a Class A misdemeanor. In any case in which it is determined that a claim is or was excessive and was negligently prepared, ten percent (10%) of the corrected claim shall be disallowed and, if the claim has been paid or credited against income taxes otherwise payable, the credit shall be reduced or canceled, and the proper portion of any amount paid shall be similarly recovered by assessment as income taxes are assessed, and such assessment shall bear interest at the rate determined under IC 6-8.1-10-1 from the date of payment until refunded or paid.

(n) A taxpayer is not entitled to a credit under this section for a taxable year beginning after December 31, 2017.

(o) This section expires January 1, 2019.

SECTION 30. IC 6-3-3-10, AS AMENDED BY P.L.182-2009(ss), SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) As used in this section:

"Base period wages" means the following:

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(1) In the case of a taxpayer other than a pass through entity, wages paid or payable by a taxpayer to its employees during the year that ends on the last day of the month that immediately precedes the month in which an enterprise zone is established, to the extent that the wages would have been qualified wages if the enterprise zone had been in effect for that year. If the taxpayer did not engage in an active trade or business during that year in the area that is later designated as an enterprise zone, then the base period wages equal zero (0). If the taxpayer engaged in an active trade or business during only part of that year in an area that is later designated as an enterprise zone, then the department shall determine the amount of base period wages.

(2) In the case of a taxpayer that is a pass through entity, base period wages equal zero (0).

"Enterprise zone" means an enterprise zone created under IC 5-28-15.

"Enterprise zone adjusted gross income" means adjusted gross income of a taxpayer that is derived from sources within an enterprise zone. Sources of adjusted gross income shall be determined with respect to an enterprise zone, to the extent possible, in the same manner that sources of adjusted gross income are determined with respect to the state of Indiana under IC 6-3-2-2.

"Enterprise zone gross income" means gross income of a taxpayer that is derived from sources within an enterprise zone.

"Enterprise zone insurance premiums" means insurance premiums derived from sources within an enterprise zone.

"Monthly base period wages" means base period wages divided by twelve (12).

"Qualified employee" means an individual who is employed by a taxpayer and who:

- (1) has the individual's principal place of residence in the enterprise zone in which the individual is employed;
- (2) performs services for the taxpayer, ninety percent (90%) of which are directly related to the conduct of the taxpayer's trade or business that is located in an enterprise zone;
- (3) performs at least fifty percent (50%) of the individual's services for the taxpayer during the taxable year in the enterprise zone; and
- (4) in the case of an individual who is employed by a taxpayer that is a pass through entity, was first employed by the taxpayer after December 31, 1998.

"Qualified increased employment expenditures" means the



following:

(1) For a taxpayer's taxable year other than the taxpayer's taxable year in which the enterprise zone is established, the amount by which qualified wages paid or payable by the taxpayer during the taxable year to qualified employees exceeds the taxpayer's base period wages.

(2) For the taxpayer's taxable year in which the enterprise zone is established, the amount by which qualified wages paid or payable by the taxpayer during all of the full calendar months in the taxpayer's taxable year that succeed the date on which the enterprise zone was established exceed the taxpayer's monthly base period wages multiplied by that same number of full calendar months.

"Qualified state tax liability" means a taxpayer's total income tax liability incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax) with respect to enterprise zone adjusted gross income;
- (2) IC 27-1-18-2 (insurance premiums tax) with respect to enterprise zone insurance premiums; and
- (3) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this section.

"Qualified wages" means the wages paid or payable to qualified employees during a taxable year.

"Taxpayer" includes a pass through entity.

(b) A taxpayer is entitled to a credit against the taxpayer's qualified state tax liability for a taxable year in the amount of the lesser of:

- (1) the product of ten percent (10%) multiplied by the qualified increased employment expenditures of the taxpayer for the taxable year; or
- (2) one thousand five hundred dollars (\$1,500) multiplied by the number of qualified employees employed by the taxpayer during the taxable year.

(c) The amount of the credit provided by this section that a taxpayer uses during a particular taxable year may not exceed the taxpayer's qualified state tax liability for the taxable year. If the credit provided by this section exceeds the amount of that tax liability for the taxable year it is first claimed, then the excess may be carried back to preceding taxable years or carried over to succeeding taxable years and used as a credit against the taxpayer's qualified state tax liability for those taxable years. Each time that the credit is carried back to a preceding



taxable year or carried over to a succeeding taxable year, the amount of the carryover is reduced by the amount used as a credit for that taxable year. Except as provided in subsection (e), the credit provided by this section may be carried forward and applied in the ten (10) taxable years that succeed the taxable year in which the credit accrues. The credit provided by this section may be carried back and applied in the three (3) taxable years that precede the taxable year in which the credit accrues.

(d) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's qualified state tax liability for that taxable year before any credit carryover or carryback is applied against that liability under subsection (c).

(e) Notwithstanding subsection (c), if a credit under this section results from wages paid in a particular enterprise zone, and if that enterprise zone terminates in a taxable year that succeeds the last taxable year in which a taxpayer is entitled to use the credit carryover that results from those wages under subsection (c), then the taxpayer may use the credit carryover for any taxable year up to and including the taxable year in which the enterprise zone terminates.

(f) A taxpayer is not entitled to a refund of any unused credit.

(g) A taxpayer that:

- (1) does not own, rent, or lease real property outside of an enterprise zone that is an integral part of its trade or business; and
- (2) is not owned or controlled directly or indirectly by a taxpayer that owns, rents, or leases real property outside of an enterprise zone;

is exempt from the allocation and apportionment provisions of this section.

(h) If a pass through entity is entitled to a credit under subsection (b) but does not have state tax liability against which the tax credit may be applied, an individual who is a shareholder, partner, beneficiary, or member of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, beneficiary, or member is entitled.

The credit provided under this subsection is in addition to a tax credit to which a shareholder, partner, beneficiary, or member of a pass through entity is entitled. However, a pass through entity and an individual who is a shareholder, partner, beneficiary, or member of a pass through entity may not claim more than one (1) credit for the



qualified expenditure.

(i) A taxpayer is not entitled to a credit under this chapter for:

(1) employment expenditures made; or

(2) qualified employees who are employed;

in a taxable year beginning after December 31, 2016.

(j) This chapter expires January 1, 2026.

SECTION 31. IC 6-3-3-12, AS AMENDED BY P.L.182-2009(ss), SECTION 198, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. (a) As used in this section, "account" has the meaning set forth in IC 21-9-2-2.

(b) As used in this section, "account beneficiary" has the meaning set forth in IC 21-9-2-3.

(c) As used in this section, "account owner" has the meaning set forth in IC 21-9-2-4.

(d) As used in this section, "college choice 529 education savings plan" refers to a college choice 529 investment plan established under IC 21-9.

(e) As used in this section, "contribution" means the amount of money directly provided to a college choice 529 education savings plan account by a taxpayer. A contribution does not include any of the following:

(1) Money credited to an account as a result of bonus points or other forms of consideration earned by the taxpayer that result in a transfer of money to the account.

(2) Money transferred from any other qualified tuition program under Section 529 of the Internal Revenue Code or from any other similar plan.

(f) As used in this section, "nonqualified withdrawal" means a withdrawal or distribution from a college choice 529 education savings plan that is not a qualified withdrawal.

(g) As used in this section, "qualified higher education expenses" has the meaning set forth in IC 21-9-2-19.5.

(h) As used in this section, "qualified withdrawal" means a withdrawal or distribution from a college choice 529 education savings plan that is made:

(1) to pay for qualified higher education expenses, excluding any withdrawals or distributions used to pay for qualified higher education expenses if the withdrawals or distributions are made from an account of a college choice 529 education savings plan that is terminated within twelve (12) months after the account is opened;

(2) as a result of the death or disability of an account beneficiary;



- (3) because an account beneficiary received a scholarship that paid for all or part of the qualified higher education expenses of the account beneficiary, to the extent that the withdrawal or distribution does not exceed the amount of the scholarship; or
- (4) by a college choice 529 education savings plan as the result of a transfer of funds by a college choice 529 education savings plan from one (1) third party custodian to another.

A qualified withdrawal does not include a rollover distribution or transfer of assets from a college choice 529 education savings plan to any other qualified tuition program under Section 529 of the Internal Revenue Code or to any other similar plan.

(i) As used in this section, "taxpayer" means:

- (1) an individual filing a single return; or
- (2) a married couple filing a joint return.

(j) A taxpayer is entitled to a credit against the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for a taxable year equal to the least of the following:

- (1) Twenty percent (20%) of the amount of the total contributions made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year.
- (2) One thousand dollars (\$1,000).
- (3) The amount of the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as determined without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.

(k) A taxpayer is not entitled to a carryback, carryover, or refund of an unused credit.

(l) A taxpayer may not sell, assign, convey, or otherwise transfer the tax credit provided by this section.

(m) To receive the credit provided by this section, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department all information that the department determines is necessary for the calculation of the credit provided by this section.

(n) An account owner of an account of a college choice 529 education savings plan must repay all or a part of the credit in a taxable year in which any nonqualified withdrawal is made from the account. The amount the taxpayer must repay is equal to the lesser of:

- (1) twenty percent (20%) of the total amount of nonqualified withdrawals made during the taxable year from the account; or
- (2) the excess of:
 - (A) the cumulative amount of all credits provided by this



section that are claimed by any taxpayer with respect to the taxpayer's contributions to the account for all prior taxable years beginning on or after January 1, 2007; over

(B) the cumulative amount of repayments paid by the account owner under this subsection for all prior taxable years beginning on or after January 1, 2008.

(o) Any required repayment under subsection (o) shall be reported by the account owner on the account owner's annual state income tax return for any taxable year in which a nonqualified withdrawal is made.

(p) A nonresident account owner who is not required to file an annual income tax return for a taxable year in which a nonqualified withdrawal is made shall make any required repayment on the form required under IC 6-3-4-1(2). If the nonresident account owner does not make the required repayment, the department shall issue a demand notice in accordance with IC 6-8.1-5-1.

(q) The executive director of the Indiana education savings authority shall submit or cause to be submitted to the department a copy of all information returns or statements issued to account owners, account beneficiaries, and other taxpayers for each taxable year with respect to:

- (1) nonqualified withdrawals made from accounts of a college choice 529 education savings plan for the taxable year; or
- (2) account closings for the taxable year.

(r) A taxpayer is not entitled to a credit under this section for a contribution made in a taxable year beginning after December 31, 2017.

(s) This section expires January 1, 2019.

SECTION 32. IC 6-3.1-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) Subject to the limitation established in sections 4 and 5 of this chapter, a taxpayer that employs an eligible teacher in a qualified position during a school summer recess is entitled to a tax credit against ~~his~~ **the taxpayer's** state income tax liability as provided for under section 3 of this chapter.

(b) A taxpayer is not entitled to a credit under this chapter for employing an eligible teacher in a qualified position in a taxable year beginning after December 31, 2017.

(c) This chapter expires January 1, 2019.

SECTION 33. IC 6-3.1-4-3, AS ADDED BY P.L.197-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) The amount of the credit provided by this chapter that a taxpayer uses during a particular taxable year may not exceed the sum of the taxes imposed by IC 6-3 for the taxable year after the application of all credits that under IC 6-3.1-1-2 are to be applied



before the credit provided by this chapter. If the credit provided by this chapter exceeds that sum for the taxable year for which the credit is first claimed, then the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, it is to be reduced by the amount which was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for ten (10) taxable years following the unused credit year.

(b) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's tax liability for that taxable year before any credit carryover is applied against that liability under subsection (a).

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.

(d) A taxpayer is not entitled to a credit under this chapter for research expenses incurred in a taxable year beginning after December 31, 2017.

(e) This chapter expires January 1, 2025.

SECTION 34. IC 6-3.1-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) A taxpayer who enters into an agreement is entitled to receive an income tax credit for a taxable year equal to:

- (1) the taxpayer's state income tax liability for the taxable year;
- (2) an amount equal to the sum of:
 - (A) fifty percent (50%) of any investment in qualified property made by the taxpayer during the taxable year as part of the agreement; plus
 - (B) twenty-five percent (25%) of the wages paid to inmates during the taxable year as part of the agreement; or
- (3) one hundred thousand dollars (\$100,000);

whichever is least.

(b) A tax credit shall be allowed under this chapter only for the taxable year of the taxpayer during which:

- (1) the investment in qualified property is made in accordance with Section 38 of the Internal Revenue Code; or
- (2) the wages are paid to inmates;

as part of an agreement.

(c) A taxpayer is not entitled to a credit under this chapter for investments made or wages paid in a taxable year after December 31, 2017.



(d) This chapter expires January 1, 2019.

SECTION 35. IC 6-3.1-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) If the amount determined under section 2(b) of this chapter for a particular taxpayer and a particular taxable year exceeds the taxpayer's state tax liability for that taxable year, then the taxpayer may carry the excess over to the immediately succeeding taxable years. Except as provided in subsection (b), the credit carryover may not be used for any taxable year that begins more than ten (10) years after the date on which the qualified loan from which the credit results is made. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) Notwithstanding subsection (a), if a loan is a qualified loan as the result of the use of the loan proceeds in a particular enterprise zone, and if the phase-out period of that enterprise zone terminates in a taxable year that succeeds the last taxable year in which a taxpayer is entitled to use credit carryover that results from that loan under subsection (a), then the taxpayer may use the credit carryover for any taxable year up to and including the taxable year in which the phase-out period of the enterprise zone terminates.

(c) A taxpayer is not entitled to a credit under this chapter for qualified loan interest received in a taxable year beginning after December 31, 2016.

(d) This chapter expires January 1, 2026.

SECTION 36. IC 6-3.1-9-1, AS AMENDED BY P.L.1-2007, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) As used in this chapter, "authority" means the Indiana housing and community development authority established by IC 5-20-1-3.

(b) As used in this chapter, "business firm" means any business entity authorized to do business in the state of Indiana that has state tax liability.

(c) As used in this chapter, "community services" means any type of:

- (1) counseling and advice;
- (2) emergency assistance;
- (3) medical care;
- (4) recreational facilities;
- (5) housing facilities; or
- (6) economic development assistance;

provided to individuals, economically disadvantaged households,



groups, or neighborhood organizations in an economically disadvantaged area **or provided to individuals who are ex-offenders who have completed the individuals' criminal sentences or are serving a term of probation or parole.**

(d) As used in this chapter, "crime prevention" means any activity which aids in the reduction of crime in an economically disadvantaged area or an economically disadvantaged household.

(e) As used in this chapter, "economically disadvantaged area" means an enterprise zone, or any other federally or locally designated economically disadvantaged area in Indiana. The certification shall be made on the basis of current indices of social and economic conditions, which shall include but not be limited to the median per capita income of the area in relation to the median per capita income of the state or standard metropolitan statistical area in which the area is located.

(f) As used in this chapter, "economically disadvantaged household" means a household with an annual income that is at or below eighty percent (80%) of the area median income or any other federally designated target population.

(g) As used in this chapter, "education" means any type of scholastic instruction or scholarship assistance to an individual who:

(1) resides in an economically disadvantaged area; **or**

(2) is an ex-offender who has completed the individual's criminal sentence or is serving a term of probation or parole;

that enables the individual to prepare for better life opportunities.

(h) As used in this chapter, "enterprise zone" means an enterprise zone created under IC 5-28-15.

(i) As used in this chapter, "job training" means any type of instruction to an individual who:

(1) resides in:

(1) (A) an economically disadvantaged area; **or**

(2) (B) an economically disadvantaged household; **or**

(2) is an ex-offender who has completed the individual's criminal sentence or is serving a term of probation or parole;

that enables the individual to acquire vocational skills so that the individual can become employable or be able to seek a higher grade of employment.

(j) As used in this chapter, "neighborhood assistance" means either:

(1) furnishing financial assistance, labor, material, and technical advice to aid in the physical or economic improvement of any part or all of an economically disadvantaged area; **or**

(2) furnishing technical advice to promote higher employment in any neighborhood in Indiana.



(k) As used in this chapter, "neighborhood organization" means any organization, including but not limited to a nonprofit development corporation doing both of the following:

- (1) Performing community services:
 - (A) in an economically disadvantaged area; **or**
 - (B) for an economically disadvantaged household; **or**
 - (C) for individuals who are ex-offenders who have completed the individuals' criminal sentences or are serving a term of probation or parole.**
- (2) Holding a ruling:
 - (A) from the Internal Revenue Service of the United States Department of the Treasury that the organization is exempt from income taxation under the provisions of the Internal Revenue Code; and
 - (B) from the department of state revenue that the organization is exempt from income taxation under IC 6-2.5-5-21.

(l) As used in this chapter, "person" means any individual subject to Indiana gross or adjusted gross income tax.

(m) As used in this chapter, "state fiscal year" means a twelve (12) month period beginning on July 1 and ending on June 30.

(n) As used in this chapter, "state tax liability" means the taxpayer's total tax liability that is incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax); and
- (2) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.

(o) As used in this chapter, "tax credit" means a deduction from any tax otherwise due and payable under IC 6-3 or IC 6-5.5.

SECTION 37. IC 6-3.1-9-2, AS AMENDED BY P.L.1-2007, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) A business firm or a person who contributes to a neighborhood organization that engages in the activities of providing:

- (1) neighborhood assistance, job training, or education for individuals not employed by the business firm or person; ~~or for~~**
- (2) community services or crime prevention in an economically disadvantaged area; **or****
- (3) community services, education, or job training services to individuals who are ex-offenders who have completed the individuals' criminal sentences or are serving a term of probation or parole;**



shall receive a tax credit as provided in section 3 of this chapter if the authority approves the proposal of the business firm or person, setting forth the program to be conducted, the area selected, the estimated amount to be invested in the program, and the plans for implementing the program.

(b) The authority, after consultation with the community services agency and the commissioner of revenue, may adopt rules for the approval or disapproval of these proposals.

SECTION 38. IC 6-3.1-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. (a) A tax credit shall be allowable under this chapter only for the taxable year of the taxpayer in which the contribution qualifying for the credit is paid or permanently set aside in a special account for the approved program or purpose.

(b) A taxpayer is not entitled to a credit under this chapter for contributions made or permanently set aside in a taxable year beginning after December 31, 2017.

(c) This chapter expires January 1, 2019.

SECTION 39. IC 6-3.1-10-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) If the amount determined under section 6(b) of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the following taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit.

(c) A taxpayer is not entitled to a credit under this chapter for qualified investments made in a taxable year beginning after December 31, 2016.

(d) This chapter expires January 1, 2026.

SECTION 40. IC 6-3.1-11-7.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 7.2. As used in this chapter, "pass through entity" has the meaning set forth in IC 6-3-1-35.**

SECTION 41. IC 6-3.1-11-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) If the amount determined under section 16(b) of this chapter for a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess over to the immediately following



taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year.

(b) A taxpayer is not entitled to a carryback or refund of any unused credit.

(c) A taxpayer is not entitled to a credit under this chapter for qualified investments made in a taxable year beginning after December 31, 2016.

(d) This chapter expires January 1, 2026.

SECTION 42. IC 6-3.1-11-24 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 24. (a) If a pass through entity does not have state income tax liability against which the tax credit provided by this chapter may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:**

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by**
- (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.**

(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter.

SECTION 43. IC 6-3.1-13-13, AS AMENDED BY P.L.4-2005, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 13. (a) The corporation may make credit awards under this chapter to foster job creation in Indiana or, as provided in section 15.5 of this chapter, job retention in Indiana.**

(b) The credit shall be claimed for the taxable years specified in the taxpayer's tax credit agreement.

(c) The corporation may not, after December 31, 2016, approve a credit agreement specifying that a taxpayer may claim a credit under this chapter.

(d) This chapter expires January 1, 2026.

SECTION 44. IC 6-3.1-16-1 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. **Sec. 1. The definitions set forth in:**

- (1) IC 14-8-2 that apply to IC 14-21-1; and**
- (2) IC 14-21-1;**

apply throughout this chapter.

SECTION 45. IC 6-3.1-16-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: **Sec. 2. As used in this**



chapter, "~~division~~" "**office**" means the ~~division of historic preservation and archaeology of the department of natural resources~~: **office of community and rural affairs established by IC 4-4-9.7-4.**

SECTION 46. IC 6-3.1-16-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 7. (a) Subject to section 14 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer completes the preservation or rehabilitation of historic property and obtains the certifications required under section 8 of this chapter.

(b) The amount of the credit is equal to twenty percent (20%) of the qualified expenditures that:

- (1) the taxpayer makes for the preservation or rehabilitation of historic property; and
- (2) are approved by the ~~division~~: **office.**

(c) In the case of a husband and wife who:

- (1) own and rehabilitate a historic property jointly; and
- (2) file separate tax returns;

the husband and wife may take the credit in equal shares or one (1) spouse may take the whole credit.

SECTION 47. IC 6-3.1-16-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 8. A taxpayer qualifies for a credit under section 7 of this chapter if all of the following conditions are met:

- (1) The historic property is:
 - (A) located in Indiana;
 - (B) at least fifty (50) years old; and
 - (C) except as provided in section 7(c) of this chapter, owned by the taxpayer.
- (2) The ~~division~~ **office** certifies that the historic property is listed in the register of Indiana historic sites and historic structures.
- (3) The ~~division~~ **office** certifies that the taxpayer submitted a proposed preservation or rehabilitation plan to the ~~division~~ **office** that complies with the standards of the ~~division~~: **office.**
- (4) The ~~division~~ **office** certifies that the preservation or rehabilitation work that is the subject of the credit substantially complies with the proposed plan referred to in subdivision (3).
- (5) The preservation or rehabilitation work is completed in not more than:
 - (A) two (2) years; or
 - (B) five (5) years if the preservation or rehabilitation plan indicates that the preservation or rehabilitation is initially planned for completion in phases.



The time in which work must be completed begins when the physical work of construction or destruction in preparation for construction begins.

(6) The historic property is:

- (A) actively used in a trade or business;
- (B) held for the production of income; or
- (C) held for the rental or other use in the ordinary course of the taxpayer's trade or business.

(7) The qualified expenditures for preservation or rehabilitation of the historic property exceed ten thousand dollars (\$10,000).

SECTION 48. IC 6-3.1-16-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 9. (a) The ~~division~~ **office** shall provide the certifications referred to in section 8(3) and 8(4) of this chapter if a taxpayer's proposed preservation or rehabilitation plan complies with the standards of the ~~division~~ **office** and the taxpayer's preservation or rehabilitation work complies with the plan.

(b) The taxpayer may appeal a ~~decision~~ **final determination** by the ~~division~~ **office** under this chapter to the ~~review board~~ **tax court**.

SECTION 49. IC 6-3.1-16-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 10. To obtain a credit under this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certifications by the ~~division~~ **office** required under section 8 of this chapter and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

SECTION 50. IC 6-3.1-16-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 12. (a) A credit claimed under this chapter shall be recaptured from the taxpayer if:

- (1) the property is transferred less than five (5) years after completion of the certified preservation or rehabilitation work; or
- (2) less than five (5) years after completion of the certified preservation or rehabilitation, additional modifications to the property are undertaken that do not meet the standards of the ~~division~~ **office**.

(b) If the recapture of a credit is required under this section, an amount equal to the credit recaptured shall be added to the tax liability of the taxpayer for the taxable year during which the credit is recaptured.

SECTION 51. IC 6-3.1-16-13 IS AMENDED TO READ AS



FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) If the credit provided by this chapter exceeds a taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for fifteen (15) taxable years following the unused credit year.

(b) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's tax liability for that taxable year before any credit carryover is applied against that liability under subsection (a).

(c) A taxpayer is not entitled to any carryback or refund of any unused credit.

(d) A taxpayer may not claim a credit under this chapter for qualified expenditures approved in a taxable year beginning after December 31, 2017.

SECTION 52. IC 6-3.1-16-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 15. (a) The following may adopt rules under IC 4-22-2 to carry out this chapter:

- (1) The department of state revenue.
- (2) ~~The division.~~ **office.**

(b) The following apply to any rules adopted by the division of historic preservation and archaeology of the department of natural resources under this chapter before January 1, 2015:

- (1) The rules are transferred to the office on January 1, 2015, and are considered, after December 31, 2014, to be rules of the office.**
- (2) After December 31, 2014, the rules are treated as if they had been adopted by the office.**

SECTION 53. IC 6-3.1-18-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) A tax credit shall be allowable under this chapter only for the taxable year of the taxpayer in which the contribution qualifying for the credit is paid.

(b) A taxpayer is not entitled to a credit under this chapter for a contribution made in a taxable year beginning after December 31, 2017.

(c) This chapter expires January 1, 2019.

SECTION 54. IC 6-3.1-19-3, AS AMENDED BY P.L.172-2011,



SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) Except as provided in section 5 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state and local tax liability for a taxable year if the taxpayer makes a qualified investment in that year.

(b) The amount of the credit to which a taxpayer is entitled is the qualified investment made by the taxpayer during the taxable year multiplied by twenty-five percent (25%).

(c) A taxpayer may assign any part of the credit to which the taxpayer is entitled under this chapter to a lessee of property redeveloped or rehabilitated under section 2 of this chapter. A credit that is assigned under this subsection remains subject to this chapter.

(d) An assignment under subsection (c) must be in writing and both the taxpayer and the lessee must report the assignment on their state tax return for the year in which the assignment is made, in the manner prescribed by the department. The taxpayer may not receive value in connection with the assignment under subsection (c) that exceeds the value of the part of the credit assigned.

(e) If a pass through entity is entitled to a credit under this chapter but does not have state and local tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

The credit provided under this subsection is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter. However, a pass through entity and an individual who is a shareholder, partner, or member of the pass through entity may not claim more than one (1) credit for the same investment.

(f) A taxpayer that is otherwise entitled to a credit under this chapter for a taxable year may claim the credit regardless of whether any income tax incremental amount or gross retail incremental amount has been:

- (1) deposited in the incremental tax financing fund established for the community revitalization enhancement district; or
- (2) allocated to the district.

(g) A taxpayer is not entitled to a credit under this chapter for a qualified investment made in a taxable year beginning after December 31, 2016.



(h) This chapter expires January 1, 2026.

SECTION 55. IC 6-3.1-20-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 1. As used in this chapter, "**earned Indiana income**" means the **sum of the:**

- (1) wages; salaries; tips; and other employee compensation; and
- (2) net earnings from self-employment (as computed under Section 32(c)(2) of the Internal Revenue Code);

adjusted gross income of an individual taxpayer, and the individual's spouse, if the individual files a joint adjusted gross income tax return.

SECTION 56. IC 6-3.1-20-4, AS AMENDED BY P.L.13-2013, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 4. (a) Except as provided in subsection (b), an individual is entitled to a credit under this chapter if:

- (1) the individual's **earned Indiana** income for the taxable year is less than eighteen thousand six hundred dollars (\$18,600); and
- (2) the individual pays property taxes in the taxable year on a homestead that:

(A) the individual:

- (i) owns; or
- (ii) is buying under a contract that requires the individual to pay property taxes on the homestead, if the contract or a memorandum of the contract is recorded in the county recorder's office; and

(B) is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) An individual is not entitled to a credit under this chapter for a taxable year for property taxes paid on the individual's homestead if the individual claims the deduction under IC 6-3-1-3.5(a)(15) for the homestead for that same taxable year.

(c) An individual is not entitled to a credit under this section for property taxes paid in a taxable year beginning after December 31, 2017.

(d) This section expires January 1, 2019.

SECTION 57. IC 6-3.1-20-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 5. (a) Each year, an individual described in section 4 of this chapter is entitled to a refundable credit against the individual's state income tax liability in the amount determined under this section.

(b) In the case of an individual with **earned Indiana** income of less than eighteen thousand dollars (\$18,000) for the taxable year, the amount of the credit is equal to the lesser of:



- (1) three hundred dollars (\$300); or
- (2) the amount of property taxes described in section 4(a)(2) of this chapter paid by the individual in the taxable year.

(c) In the case of an individual with **earned Indiana** income that is at least eighteen thousand dollars (\$18,000) but less than eighteen thousand six hundred dollars (\$18,600) for the taxable year, the amount of the credit is equal to the lesser of the following:

- (1) An amount determined under the following STEPS:

STEP ONE: Determine the result of:

- (i) eighteen thousand six hundred dollars (\$18,600); minus
- (ii) the individual's **earned Indiana** income for the taxable year.

STEP TWO: Determine the result of:

- (i) the STEP ONE amount; multiplied by
- (ii) five-tenths (0.5).

- (2) The amount of property taxes described in section 4(a)(2) of this chapter paid by the individual in the taxable year.

(d) If the amount of the credit under this chapter exceeds the individual's state tax liability for the taxable year, the excess shall be refunded to the taxpayer.

SECTION 58. IC 6-3.1-20-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 7. (a) The department shall before July 1 of each year determine **the greater of:**

(1) eight million five hundred thousand dollars (\$8,500,000);
or

(2) the amount of credits allowed under this chapter for taxable years ending before January 1 of the year.

(b) **Except as provided in subsection (d)**, one-half (1/2) of the amount determined by the department under subsection (a) shall be:

(1) deducted during the year from the riverboat admissions tax revenue otherwise payable to the county under IC 4-33-12-6(d)(2); and

(2) paid instead to the state general fund.

(c) **Except as provided in subsection (d)**, one-sixth (1/6) of the amount determined by the department under subsection (a) shall be:

(1) deducted during the year from the riverboat admissions tax revenue otherwise payable under IC 4-33-12-6(d)(1) to each of the following:

- (A) The largest city by population located in the county.
- (B) The second largest city by population located in the county.
- (C) The third largest city by population located in the county;



and

(2) paid instead to the state general fund.

(d) If the amount determined by the department under subsection (a)(2) is less than eight million five hundred thousand dollars (\$8,500,000), the difference of:

**(1) eight million five hundred thousand dollars (\$8,500,000);
minus**

(2) the amount determined by the department under subsection (a)(2);

shall be paid to the northwest Indiana regional development authority established by IC 36-7.5-2-1 instead of the state general fund.

SECTION 59. IC 6-3.1-21-8, AS AMENDED BY P.L.172-2011, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. **(a)** To obtain a credit under this chapter, a taxpayer must claim the advance payment or credit in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

(b) A taxpayer may not claim a credit under this chapter after December 31, 2016.

(c) This chapter expires January 2, 2018.

SECTION 60. IC 6-3.1-22-1 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. ~~Sec. 1. The definitions set forth in:~~

~~(1) IC 14-8-2 that apply to IC 14-21-1; and~~

~~(2) IC 14-21-1;~~

~~apply throughout this chapter.~~

SECTION 61. IC 6-3.1-22-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 2. As used in this chapter, ~~"division"~~ **"office"** means the ~~division of historic preservation and archeology of the department of natural resources.~~ **office of community and rural affairs established by IC 4-4-9.7-4.**

SECTION 62. IC 6-3.1-22-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 8. (a) Subject to section 14 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer completes the preservation or rehabilitation of historic property and obtains the certifications required under section 9 of this chapter.

(b) The amount of the credit is equal to twenty percent (20%) of the qualified expenditures that:

(1) the taxpayer makes for the preservation or rehabilitation of



historic property; and

(2) are approved by the ~~division~~ **office**.

(c) In the case of a husband and wife who:

(1) own and rehabilitate a historic property jointly; and

(2) file separate tax returns;

the husband and wife may take the credit in equal shares or one (1) spouse may take the whole credit.

SECTION 63. IC 6-3.1-22-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 9. A taxpayer qualifies for a credit under section 8 of this chapter if all of the following conditions are met:

(1) The historic property is:

(A) located in Indiana;

(B) at least fifty (50) years old; and

(C) except as provided in section 8(c) of this chapter, owned by the taxpayer.

(2) The ~~division~~ **office** certifies that the historic property is listed in the register of Indiana historic sites and historic structures.

(3) The ~~division~~ **office** certifies that the taxpayer submitted a proposed preservation or rehabilitation plan to the ~~division~~ **office** that complies with the standards of the ~~division~~ **office**.

(4) The ~~division~~ **office** certifies that the preservation or rehabilitation work that is the subject of the credit substantially complies with the proposed plan referred to in subdivision (3).

(5) The preservation or rehabilitation work is completed in not more than:

(A) two (2) years; or

(B) five (5) years if the preservation or rehabilitation plan indicates that the preservation or rehabilitation is initially planned for completion in phases.

The time in which work must be completed begins when the physical work of construction or destruction in preparation for construction begins.

(6) The historic property is principally used and occupied by the taxpayer as the taxpayer's residence.

(7) The qualified expenditures for preservation or rehabilitation of the historic property exceed ten thousand dollars (\$10,000).

SECTION 64. IC 6-3.1-22-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 10. (a) The ~~division~~ **office** shall provide the certifications referred to in section 9(3) and 9(4) of this chapter if a taxpayer's proposed preservation or rehabilitation plan complies with the standards of the ~~division~~ **office**



and the taxpayer's preservation or rehabilitation work complies with the plan.

(b) The taxpayer may appeal a ~~decision~~ **final determination** by the ~~division office~~ under this chapter to the ~~review board~~; **tax court**.

SECTION 65. IC 6-3.1-22-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 11. To obtain a credit under this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certifications by the ~~division office~~ required under section 9 of this chapter and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

SECTION 66. IC 6-3.1-22-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 13. (a) A credit claimed under this chapter shall be recaptured from the taxpayer if:

- (1) the property is transferred less than five (5) years after completion of the certified preservation or rehabilitation work; or
- (2) less than five (5) years after completion of the certified preservation or rehabilitation, additional modifications to the property are undertaken that do not meet the standards of the ~~division office~~.

(b) If the recapture of a credit is required under this section, an amount equal to the credit recaptured shall be added to the tax liability of the taxpayer for the taxable year during which the credit is recaptured.

SECTION 67. IC 6-3.1-22-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. (a) If the credit provided by this chapter exceeds a taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for fifteen (15) taxable years following the unused credit year.

(b) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's tax liability for that taxable year before any credit carryover is applied against that liability under subsection (a).



(c) A taxpayer is not entitled to any carryback or refund of any unused credit.

(d) A taxpayer may not claim a credit under this chapter for qualified expenditures approved in a taxable year beginning after December 31, 2017.

SECTION 68. IC 6-3.1-22-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 16. **(a)** The following may adopt rules under IC 4-22-2 to carry out this chapter:

- (1) The department of state revenue.
- (2) ~~The division:~~ **office.**

(b) The following apply to any rules adopted by the division of historic preservation and archaeology of the department of natural resources under this chapter before January 1, 2015:

- (1) The rules are transferred to the office on January 1, 2015, and are considered, after December 31, 2014, to be rules of the office.**
- (2) After December 31, 2014, the rules are treated as if they had been adopted by the office.**

SECTION 69. IC 6-3.1-24-12, AS AMENDED BY P.L.193-2005, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. **(a)** If the amount of the credit determined under section 10 of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess credit over for a period not to exceed the taxpayer's following five (5) taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback or a refund of any unused credit amount.

(b) A taxpayer is not entitled to a credit under this chapter for qualified investment capital provided to a qualified Indiana business in a taxable year beginning after December 31, 2016.

(c) This chapter expires January 1, 2022.

SECTION 70. IC 6-3.1-29-21, AS ADDED BY P.L.191-2005, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 21. **(a)** To receive the credit awarded by this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department a copy of the commission's determination required under section 19 of this chapter, a copy of the taxpayer's certificate of compliance issued under section 19 of this chapter, and all information that the department determines is



necessary for the calculation of the credit provided by this chapter.

(b) A taxpayer is not entitled to a credit under this section for a qualified investment made in a taxable year beginning after December 31, 2017.

(c) This section expires January 1, 2039.

SECTION 71. IC 6-3.1-30-11, AS ADDED BY P.L.193-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time that the credit is carried forward to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for nine (9) taxable years following the unused credit year.

(b) A taxpayer is not entitled to any carryback or refund of any unused credit.

(c) A taxpayer is not entitled to a credit under this chapter for relocation costs incurred in a taxable year beginning after December 31, 2016.

(d) This chapter expires January 1, 2026.

SECTION 72. IC 6-3.1-30.5-9.5, AS ADDED BY P.L.211-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9.5. (a) This section applies to a taxpayer that is entitled to a tax credit under this chapter for a taxable year beginning after December 31, 2012.

(b) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time the credit is carried forward to a succeeding taxable year, the credit is reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for nine (9) taxable years following the unused credit year.

(c) A taxpayer is not entitled to a carryback or refund of any unused credit.

(d) A taxpayer is not entitled to a credit under this section for a contribution made in a taxable year beginning after December 31, 2017.



(e) This section expires January 1, 2029."

Page 42, between lines 25 and 26, begin a new paragraph and insert:

"SECTION 30. IC 27-6-8-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) Member insurers, which during any preceding calendar year shall have paid one (1) or more assessments levied pursuant to section 7 of this chapter, shall be allowed a credit against premium taxes, adjusted gross income taxes, or any combination thereof upon revenue or income of member insurers which may be imposed by the state, up to twenty percent (20%) of the assessment described in section 7 of this chapter for each calendar year following the year the assessment was paid until the aggregate of all assessments paid to the guaranty association shall have been offset by either credits against such taxes or refunds from the association. The provisions herein are applicable to all assessments levied after the passage of this article.

(b) To the extent a member insurer elects not to utilize the tax credits authorized by subsection (a), the member insurer may utilize the provisions of subsection (c) as a secondary method of recoupment.

(c) The rates and premiums charged for insurance policies to which this chapter applies shall include amounts sufficient to recoup a sum equal to the amounts paid to the association by the member insurer less any amounts returned to the member insurer by the association and the rates shall not be deemed excessive because they contain an amount reasonably calculated to recoup assessments paid by the member insurer.

(d) A member insurer is not entitled to a credit under this section for an assessment paid in a taxable year beginning after December 31, 2017.

(e) This section expires January 1, 2023.

SECTION 31. IC 27-8-8-16, AS AMENDED BY P.L.193-2006, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) A member insurer may take as a credit against premium taxes, adjusted gross income taxes, or any combination of them imposed by the state upon the member insurer's revenue or income not more than twenty percent (20%) of the amount of each assessment described in section 6 of this chapter for each calendar year following the year in which the assessment was paid until the assessment has been offset by either credits against the taxes or refunds from the association. If the member insurer ceases doing business, all uncredited assessments may be credited against the member insurer's premium taxes, adjusted gross income taxes, or a combination of the premium taxes and adjusted gross income taxes of



the member insurer for the year the member insurer ceases doing business.

(b) A member insurer is not entitled to a credit under this section for an assessment paid in a taxable year beginning after December 31, 2017.

(c) This section expires January 1, 2023.

SECTION 29. IC 27-8-10-2.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.4. (a) Beginning January 1, 2005, a member that, before January 1, 2005, has:

- (1) paid an assessment; and
- (2) not taken a credit against taxes;

under section 2.1 of this chapter (as in effect December 31, 2004) is not entitled to claim or carry forward the unused tax credit except as provided in this section.

(b) A member described in subsection (a) may, for each taxable year beginning after December 31, 2006, take a credit of not more than ten percent (10%) of the amount of the assessments paid before January 1, 2005, against which a tax credit has not been taken before January 1, 2005. A credit under this subsection may be taken against premium taxes, adjusted gross income taxes, or any combination of these, or similar taxes upon revenues or income of the member that may be imposed by the state, up to the amount of the taxes due for each taxable year.

(c) If the maximum amount of a tax credit determined under subsection (b) for a taxable year exceeds a member's liability for the taxes described in subsection (b), the member may carry the unused portion of the tax credit forward to subsequent taxable years. Tax credits carried forward under this subsection are not subject to the ten percent (10%) limit set forth in subsection (b).

(d) The total amount of credits taken by a member under this section in all taxable years may not exceed the total amount of assessments paid by the member before January 1, 2005, minus the total amount of tax credits taken by the member under section 2.1 of this chapter (as in effect December 31, 2004) before January 1, 2005.

(e) This section expires January 1, 2017."

Page 43, delete lines 23 through 42.

Delete pages 44 through 74.

Page 75, delete lines 1 through 13, begin a new paragraph and insert:

"SECTION 41. [EFFECTIVE JANUARY 1, 2015] (a) IC 6-3.1-20-1, IC 6-3.1-20-4, and IC 6-3.1-20-5, all as amended by



this act, apply to taxable years beginning after December 31, 2014.

(b) This SECTION expires January 1, 2018."

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 367 as introduced.)

KENLEY, Chairperson

Committee Vote: Yeas 10, Nays 1.

SENATE MOTION

Madam President: I move that Senate Bill 367 be amended to read as follows:

Page 2, reset in roman lines 39 through 42.

Page 2, line 42, after "chapter." insert "**This subsection expires January 1, 2016.**".

Page 3, reset in roman lines 1 through 6.

Page 3, line 6, after "hearing." insert "**This subsection expires January 1, 2016.**".

Page 3, line 9, reset in roman "(a)".

Page 3, reset in roman lines 17 through 30.

Page 3, line 30, after "subdivision." insert "**This subsection expires January 1, 2016.**".

Page 29, line 16, after "shall" insert "**(before January 1, 2016)**".

Page 29, line 16, reset in roman "by publication".

Page 29, line 25, after "shall" insert "**(before January 1, 2016)**".

Page 29, line 25, reset in roman "publish the notice twice in".

Page 29, reset in roman lines 26 through 29.

Page 29, line 30, reset in roman "the publishing of the notice".

Page 29, line 30, after "notice." insert "**The political subdivision shall**".

Page 29, line 40, after "shall" insert "**also**".

Page 30, line 25, after "not" insert "**(before January 1, 2016) published and is not**".

Page 30, line 29, after "timely" insert "**publishes (before January 1, 2016) and timely**".

Page 30, line 34, after "gateway" delete "." and insert "**and (before January 1, 2016) to publish the amended information.**".

Page 33, line 7, after "site" delete ";" and insert "**and (before**



January 1, 2016) is published by the political subdivision according to a notice provided by the department;".

Page 78, line 8, reset in roman "publication".

Page 78, line 8, after "publication" insert "**(before January 1, 2016) and"**.

Page 78, line 27, reset in roman "publication".

Page 78, line 27, after "publication" insert "**(before January 1, 2016) and"**.

(Reference is to SB 367 as printed January 31, 2014.)

HERSHMAN

SENATE MOTION

Madam President: I move that Senate Bill 367 be amended to read as follows:

Page 60, line 39, delete "section expires January 1," and insert "**chapter expires June 30,"**.

(Reference is to SB 367 as printed January 31, 2014.)

HERSHMAN

SENATE MOTION

Madam President: I move that Senate Bill 367 be amended to read as follows:

Page 67, between lines 6 and 7, begin a new paragraph and insert:
"SECTION 74. IC 6-7-1-37 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2014]: **Sec. 37. (a) All reports required to be filed under this chapter must be filed in an electronic format prescribed by the department.**

(b) All taxes required to be remitted under this chapter must be remitted in an electronic format prescribed by the department.

SECTION 75. IC 6-7-2-12, AS AMENDED BY P.L.172-2011, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. Before the fifteenth day of each month, each distributor liable for the tax imposed by this chapter shall:

(1) file a return with the department that includes all information

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required by the department including, but not limited to:

- (A) name of distributor;
 - (B) address of distributor;
 - (C) license number of distributor;
 - (D) invoice date;
 - (E) invoice number;
 - (F) name and address of person from whom tobacco products were purchased or name and address of person to whom tobacco products were sold;
 - (G) the wholesale price for tobacco products other than moist snuff; and
 - (H) for moist snuff, the weight of the moist snuff; and
- (2) pay the tax for which it is liable under this chapter for the preceding month minus the amount specified in section 13 of this chapter.

All returns required to be filed and taxes required to be paid under this chapter must be made in an electronic format prescribed by the department.

SECTION 76. IC 7.1-4-6-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3.5. ~~Filing of Returns~~. A person who is liable for the payment of an excise tax levied by this title shall file a monthly return with the department on or before the twentieth day of the month following the month in which the liability for the tax accrues by reason of the manufacture, sale, gift, or the withdrawal for sale or gift, of alcoholic beverages within this state. **The return must be filed in an electronic format as prescribed by the department. Payment of the excise tax due shall accompany the return, and shall be remitted electronically. Any other returns or forms required to be filed under this title must also be filed in an electronic format and on a date prescribed by the department."**

Renumber all SECTIONS consecutively.

(Reference is to SB 367 as printed January 31, 2014.)

KENLEY



SENATE MOTION

Madam President: I move that Senate Bill 367 be amended to read as follows:

Page 40, between lines 23 and 24, begin a new paragraph and insert:
"SECTION 29. IC 6-2.5-5-50 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 50. Sales of tangible personal property are exempt from the state gross retail tax if:**

- (1) the property constitutes a label that will be affixed to or a sign that will be displayed with other tangible personal property being sold to a retail merchant that will be selling the other tangible personal property at retail; and**
- (2) the person acquiring the label or sign and selling the other tangible personal property to a retail merchant is required to affix the label to or provide the sign to display with the other tangible personal property for the purpose of complying with any state or federal statute, regulation, or standard."**

Renumber all SECTIONS consecutively.

(Reference is to SB 367 as printed January 31, 2014.)

KENLEY

