



February 13, 2015

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## SENATE BILL No. 387

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DIGEST OF SB 387 (Updated February 10, 2015 1:05 pm - DI 120)

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

**Synopsis:** PTABOA matters. Provides that a taxpayer waives the right to obtain a review of a county property tax assessment board of appeals (PTABOA) action or decision concerning the taxpayer's notice for review, if the taxpayer or taxpayer's representative fails to appear at the PTABOA hearing on the notice for review. Requires each PTABOA to submit an annual report of the notices for review filed with the PTABOA in the preceding year. Requires that the report must include the following: (1) The total number of notices for review filed with the PTABOA. (2) The number of notices for review that were resolved by a preliminary informal meeting. (3) The number of notices for review in which a hearing was conducted by the PTABOA. (4) The number of written decisions issued by the PTABOA. (5) The number of decisions pending with the PTABOA. (6) The number of reviews resolved through a preliminary meeting that were resolved in favor of the taxpayer, assessor, or some other manner. (7) The number of reviews resolved through a written decision by the PTABOA that were resolved in favor or a taxpayer, assessor, or some other manner. Requires that the report must be submitted to the department of local government finance, the Indiana board of tax review, and the legislative services agency.

**Effective:** July 1, 2015.

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### Hershman

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January 12, 2015, read first time and referred to Committee on Tax & Fiscal Policy.  
February 12, 2015, amended, reported favorably — Do Pass.

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SB 387—LS 6824/DI 120





February 13, 2015

First Regular Session 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## SENATE BILL No. 387

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

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

1 SECTION 1. IC 6-1.1-15-1, AS AMENDED BY P.L.257-2013,  
2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2015]: Sec. 1. (a) A taxpayer may obtain a review by the  
4 county board of a county or township official's action with respect to  
5 either or both of the following:  
6 (1) The assessment of the taxpayer's tangible property.  
7 (2) A deduction for which a review under this section is  
8 authorized by any of the following:  
9 (A) IC 6-1.1-12-25.5.  
10 (B) IC 6-1.1-12-28.5.  
11 (C) IC 6-1.1-12-35.5.  
12 (D) IC 6-1.1-12.1-5.  
13 (E) IC 6-1.1-12.1-5.3.  
14 (F) IC 6-1.1-12.1-5.4.  
15 (b) At the time that notice of an action referred to in subsection (a)  
16 is given to the taxpayer, the taxpayer shall also be informed in writing

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- 1 of:
- 2 (1) the opportunity for a review under this section, including a
- 3 preliminary informal meeting under subsection (h)(2) with the
- 4 county or township official referred to in this subsection; and
- 5 (2) the procedures the taxpayer must follow in order to obtain a
- 6 review under this section.
- 7 (c) In order to obtain a review of an assessment or deduction
- 8 effective for the assessment date to which the notice referred to in
- 9 subsection (b) applies, the taxpayer must file a notice in writing with
- 10 the county or township official referred to in subsection (a) not later
- 11 than forty-five (45) days after the date of the notice referred to in
- 12 subsection (b).
- 13 (d) A taxpayer may obtain a review by the county board of the
- 14 assessment of the taxpayer's tangible property effective for an
- 15 assessment date for which a notice of assessment is not given as
- 16 described in subsection (b). To obtain the review, the taxpayer must file
- 17 a notice in writing with the township assessor, or the county assessor
- 18 if the township is not served by a township assessor. The right of a
- 19 taxpayer to obtain a review under this subsection for an assessment
- 20 date for which a notice of assessment is not given does not relieve an
- 21 assessing official of the duty to provide the taxpayer with the notice of
- 22 assessment as otherwise required by this article. The notice to obtain
- 23 a review must be filed not later than the later of:
- 24 (1) May 10 of the year; or
- 25 (2) forty-five (45) days after the date of the tax statement mailed
- 26 by the county treasurer, regardless of whether the assessing
- 27 official changes the taxpayer's assessment.
- 28 (e) A change in an assessment made as a result of a notice for
- 29 review filed by a taxpayer under subsection (d) after the time
- 30 prescribed in subsection (d) becomes effective for the next assessment
- 31 date. A change in an assessment made as a result of a notice for review
- 32 filed by a taxpayer under subsection (c) or (d) remains in effect from
- 33 the assessment date for which the change is made until the next
- 34 assessment date for which the assessment is changed under this article.
- 35 (f) The written notice filed by a taxpayer under subsection (c) or (d)
- 36 must include the following information:
- 37 (1) The name of the taxpayer.
- 38 (2) The address and parcel or key number of the property.
- 39 (3) The address and telephone number of the taxpayer.
- 40 (g) The filing of a notice under subsection (c) or (d):
- 41 (1) initiates a review under this section; and
- 42 (2) constitutes a request by the taxpayer for a preliminary



- 1 informal meeting with the official referred to in subsection (a).  
 2 (h) A county or township official who receives a notice for review  
 3 filed by a taxpayer under subsection (c) or (d) shall:  
 4 (1) immediately forward the notice to the county board; and  
 5 (2) attempt to hold a preliminary informal meeting with the  
 6 taxpayer to resolve as many issues as possible by:  
 7 (A) discussing the specifics of the taxpayer's assessment or  
 8 deduction;  
 9 (B) reviewing the taxpayer's property record card;  
 10 (C) explaining to the taxpayer how the assessment or  
 11 deduction was determined;  
 12 (D) providing to the taxpayer information about the statutes,  
 13 rules, and guidelines that govern the determination of the  
 14 assessment or deduction;  
 15 (E) noting and considering objections of the taxpayer;  
 16 (F) considering all errors alleged by the taxpayer; and  
 17 (G) otherwise educating the taxpayer about:  
 18 (i) the taxpayer's assessment or deduction;  
 19 (ii) the assessment or deduction process; and  
 20 (iii) the assessment or deduction appeal process.  
 21 (i) Not later than ten (10) days after the informal preliminary  
 22 meeting, the official referred to in subsection (a) shall forward to the  
 23 county auditor and the county board the results of the conference on a  
 24 form prescribed by the department of local government finance that  
 25 must be completed and signed by the taxpayer and the official. The  
 26 form must indicate the following:  
 27 (1) If the taxpayer and the official agree on the resolution of all  
 28 assessment or deduction issues in the review, a statement of:  
 29 (A) those issues; and  
 30 (B) the assessed value of the tangible property or the amount  
 31 of the deduction that results from the resolution of those issues  
 32 in the manner agreed to by the taxpayer and the official.  
 33 (2) If the taxpayer and the official do not agree on the resolution  
 34 of all assessment or deduction issues in the review:  
 35 (A) a statement of those issues; and  
 36 (B) the identification of:  
 37 (i) the issues on which the taxpayer and the official agree;  
 38 and  
 39 (ii) the issues on which the taxpayer and the official  
 40 disagree.  
 41 (j) If the county board receives a form referred to in subsection  
 42 (i)(1) before the hearing scheduled under subsection (k):



- 1 (1) the county board shall cancel the hearing;
- 2 (2) the county official referred to in subsection (a) shall give
- 3 notice to the taxpayer, the county board, the county assessor, and
- 4 the county auditor of the assessment or deduction in the amount
- 5 referred to in subsection (i)(1)(B); and
- 6 (3) if the matter in issue is the assessment of tangible property,
- 7 the county board may reserve the right to change the assessment
- 8 under IC 6-1.1-13.
- 9 (k) If:
- 10 (1) subsection (i)(2) applies; or
- 11 (2) the county board does not receive a form referred to in
- 12 subsection (i) not later than one hundred twenty (120) days after
- 13 the date of the notice for review filed by the taxpayer under
- 14 subsection (c) or (d);
- 15 the county board shall hold a hearing on a review under this subsection
- 16 not later than one hundred eighty (180) days after the date of that
- 17 notice. The county board shall, by mail, give at least thirty (30) days
- 18 notice of the date, time, and place fixed for the hearing to the taxpayer
- 19 and the county or township official with whom the taxpayer filed the
- 20 notice for review. The taxpayer and the county or township official
- 21 with whom the taxpayer filed the notice for review are parties to the
- 22 proceeding before the county board. A taxpayer may request a
- 23 continuance of the hearing by filing, at least twenty (20) days before
- 24 the hearing date, a request for continuance with the board and the
- 25 county or township official with evidence supporting a just cause for
- 26 the continuance. The board shall, not later than ten (10) days after the
- 27 date the request for a continuance is filed, either find that the taxpayer
- 28 has demonstrated a just cause for a continuance and grant the taxpayer
- 29 the continuance, or deny the continuance. A taxpayer may request that
- 30 the board take action without the taxpayer being present and that the
- 31 board make a decision based on the evidence already submitted to the
- 32 board by filing, at least eight (8) days before the hearing date, a request
- 33 with the board and the county or township official. A taxpayer may
- 34 withdraw a petition by filing, at least eight (8) days before the hearing
- 35 date, a notice of withdrawal with the board and the county or township
- 36 official.
- 37 (l) At the hearing required under subsection (k):
- 38 (1) the taxpayer may present the taxpayer's reasons for
- 39 disagreement with the assessment or deduction; and
- 40 (2) the county or township official with whom the taxpayer filed
- 41 the notice for review must present:
- 42 (A) the basis for the assessment or deduction decision; and



1 (B) the reasons the taxpayer's contentions should be denied.  
 2 A penalty of fifty dollars (\$50) shall be assessed against the taxpayer  
 3 if the taxpayer or representative fails to appear at the hearing and,  
 4 under subsection (k), the taxpayer's request for continuance is denied,  
 5 or the taxpayer's request for continuance, request for the board to take  
 6 action without the taxpayer being present, or withdrawal is not timely  
 7 filed. A taxpayer may appeal the assessment of the penalty to the  
 8 Indiana board or directly to the tax court. The penalty may not be added  
 9 as an amount owed on the property tax statement under IC 6-1.1-22 or  
 10 IC 6-1.1-22.5.

11 **(m) If the taxpayer or the taxpayer's representative fails to**  
 12 **appear at the hearing required under subsection (k) and, under**  
 13 **subsection (k), the:**

14 **(1) taxpayer's request for continuance is denied; or**

15 **(2) taxpayer's request for continuance, request for the board**  
 16 **to take action without the taxpayer being present, or notice of**  
 17 **withdrawal is not timely filed;**

18 **the taxpayer waives the right to obtain a review of the county**  
 19 **board's action or decision under this section concerning all of the**  
 20 **issues scheduled for review at the hearing.**

21 ~~(m)~~ **(n)** The official referred to in subsection (a) may not require the  
 22 taxpayer to provide documentary evidence at the preliminary informal  
 23 meeting under subsection (h). The county board may not require a  
 24 taxpayer to file documentary evidence or summaries of statements of  
 25 testimonial evidence before the hearing required under subsection (k).  
 26 If the action for which a taxpayer seeks review under this section is the  
 27 assessment of tangible property, the taxpayer is not required to have an  
 28 appraisal of the property in order to do the following:

29 (1) Initiate the review.

30 (2) Prosecute the review.

31 ~~(n)~~ **(o)** The county board shall prepare a written decision resolving  
 32 all of the issues under review. The county board shall, by mail, give  
 33 notice of its determination not later than one hundred twenty (120) days  
 34 after the hearing under subsection (k) to the taxpayer, the official  
 35 referred to in subsection (a), the county assessor, and the county  
 36 auditor.

37 ~~(o)~~ **(p) Subject to subsection (m), if the maximum time elapses:**

38 (1) under subsection (k) for the county board to hold a hearing; or

39 (2) under subsection ~~(n)~~ **(o)** for the county board to give notice of  
 40 its determination;

41 the taxpayer may initiate a proceeding for review before the Indiana  
 42 board by taking the action required by section 3 of this chapter at any



1 time after the maximum time elapses.

2 SECTION 2. IC 6-1.1-15-2.5 IS ADDED TO THE INDIANA  
3 CODE AS A NEW SECTION TO READ AS FOLLOWS  
4 [EFFECTIVE JULY 1, 2015]: **Sec. 2.5. (a) This section applies**  
5 **beginning January 1, 2016.**

6 (b) Each county board shall annually submit a report of the  
7 notices for review filed with the county board under section 1(c)  
8 and 1(d) of this chapter in the preceding year to the department of  
9 local government finance, the Indiana board, and the legislative  
10 services agency before April 1 of each year. A report submitted to  
11 the legislative services agency must be in an electronic format  
12 under IC 5-14-6.

13 (c) The report required by subsection (b) must include the  
14 following information:

15 (1) The total number of notices for review filed with the  
16 county board.

17 (2) The notices for review, either filed or pending during the  
18 year, that were resolved during the year by a preliminary  
19 informal meeting under section 1(h)(2) and 1(j) of this  
20 chapter.

21 (3) The notices for review, either filed or pending during the  
22 year, in which a hearing was conducted during the year by the  
23 county board under section 1(k) of this chapter.

24 (4) The number of written decisions issued during the year by  
25 the county board under section 1(o) of this chapter.

26 (5) The number of notices for review pending with the county  
27 board on December 31 of the reporting year.

28 (6) The number of reviews resolved through a preliminary  
29 informal meeting under section 1(h)(2) and 1(j) of this chapter  
30 that were:

31 (A) resolved in favor of the taxpayer;

32 (B) resolved in favor of the assessor; or

33 (C) resolved in some other manner.

34 (7) The number of reviews resolved through a written decision  
35 issued during the year by the county board under section 1(o)  
36 of this chapter that were:

37 (A) resolved in favor of the taxpayer;

38 (B) resolved in favor of the assessor; or

39 (C) resolved in some other manner.

40 **The report may not include any confidential information.**

41 SECTION 3. IC 6-1.1-15-3, AS AMENDED BY P.L.1-2008,  
42 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE





1 JULY 1, 2015]: Sec. 3. (a) **Except as provided in IC 6-1.1-15-1(m)**,  
2 a taxpayer may obtain a review by the Indiana board of a county board's  
3 action with respect to the following:

4 (1) The assessment of that taxpayer's tangible property if the  
5 county board's action requires the giving of notice to the taxpayer.

6 (2) The exemption of that taxpayer's tangible property if the  
7 taxpayer receives a notice of an exemption determination by the  
8 county board under IC 6-1.1-11-7.

9 (b) The county assessor is the party to the review under this section  
10 to defend the determination of the county board. At the time the notice  
11 of that determination is given to the taxpayer, the taxpayer shall also be  
12 informed in writing of:

13 (1) the taxpayer's opportunity for review under this section; and

14 (2) the procedures the taxpayer must follow in order to obtain  
15 review under this section.

16 (c) A county assessor who dissents from the determination of an  
17 assessment or an exemption by the county board may obtain a review  
18 of the assessment or the exemption by the Indiana board.

19 (d) In order to obtain a review by the Indiana board under this  
20 section, the party must, not later than forty-five (45) days after the date  
21 of the notice given to the party or parties of the determination of the  
22 county board:

23 (1) file a petition for review with the Indiana board; and

24 (2) mail a copy of the petition to the other party.

25 (e) The Indiana board shall prescribe the form of the petition for  
26 review of an assessment determination or an exemption by the county  
27 board. The Indiana board shall issue instructions for completion of the  
28 form. The form and the instructions must be clear, simple, and  
29 understandable to the average individual. A petition for review of such  
30 a determination must be made on the form prescribed by the Indiana  
31 board. The form must require the petitioner to specify the reasons why  
32 the petitioner believes that the assessment determination or the  
33 exemption determination by the county board is erroneous.

34 (f) If the action for which a taxpayer seeks review under this section  
35 is the assessment of tangible property, the taxpayer is not required to  
36 have an appraisal of the property in order to do the following:

37 (1) Initiate the review.

38 (2) Prosecute the review.



## COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 387, 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 6, between lines 27 and 28, begin a new line block indented and insert:

**"(6) The number of reviews resolved through a preliminary informal meeting under section 1(h)(2) and 1(j) of this chapter that were:**

- (A) resolved in favor of the taxpayer;**
- (B) resolved in favor of the assessor; or**
- (C) resolved in some other manner.**

**(7) The number of reviews resolved through a written decision issued during the year by the county board under section 1(o) of this chapter that were:**

- (A) resolved in favor of the taxpayer;**
- (B) resolved in favor of the assessor; or**
- (C) resolved in some other manner."**

and when so amended that said bill do pass.

(Reference is to SB 387 as introduced.)

HERSHMAN, Chairperson

Committee Vote: Yeas 11, Nays 0.

