



# SENATE JOINT RESOLUTION No. 14

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## DIGEST OF INTRODUCED RESOLUTION

**Citations Affected:** Article 10 of the Constitution of the State of Indiana.

**Synopsis:** Elimination of property tax caps. Eliminates the constitutional property tax caps.

**Effective:** This proposed amendment must be agreed to by two consecutive general assemblies and ratified by a majority of the state's voters voting on the question to be effective.

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January 12, 2015, read first time and referred to Committee on Appropriations.

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Introduced

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 JOINT RESOLUTION No. 14

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A JOINT RESOLUTION proposing an amendment to Article 10 of the Constitution of the State of Indiana concerning taxation.

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

- 1 SECTION 1. The following amendment to the Constitution of the  
2 State of Indiana is proposed and agreed to by this, the One Hundred  
3 Nineteenth General Assembly of the State of Indiana, and is referred  
4 to the next General Assembly for reconsideration and agreement.  
5 SECTION 2. ARTICLE 10, SECTION 1 OF THE CONSTITUTION  
6 OF THE STATE OF INDIANA IS AMENDED TO READ AS  
7 FOLLOWS: Section 1. (a) Subject to this section, the General  
8 Assembly shall provide, by law, for a uniform and equal rate of  
9 property assessment and taxation and shall prescribe regulations to  
10 secure a just valuation for taxation of all property, both real and  
11 personal.  
12 (b) A provision of this section permitting the General Assembly to



1 exempt property from taxation also permits the General Assembly to  
 2 exercise its legislative power to enact property tax deductions and  
 3 credits for the property. The General Assembly may impose reasonable  
 4 filing requirements for an exemption, deduction, or credit.

5 (c) The General Assembly may exempt from property taxation any  
 6 property in any of the following classes:

7 (1) Property being used for municipal, educational, literary,  
 8 scientific, religious, or charitable purposes.

9 (2) Tangible personal property other than property being held as  
 10 an investment.

11 (3) Intangible personal property.

12 (4) Tangible property, including curtilage, used as a principal  
 13 place of residence by an:

14 (A) owner of the property;

15 (B) individual who is buying the tangible property under a  
 16 contract; or

17 (C) individual who has a beneficial interest in the owner of the  
 18 tangible property.

19 (d) The General Assembly may exempt any motor vehicles, mobile  
 20 homes (not otherwise exempt under this section), airplanes, boats,  
 21 trailers, or similar property, provided that an excise tax in lieu of the  
 22 property tax is substituted therefor.

23 (e) This subsection applies to property taxes first due and payable  
 24 in 2012 and thereafter. The following definitions apply to subsection  
 25 (f):

26 (1) "Other residential property" means tangible property (other  
 27 than tangible property described in subsection (c)(4)) that is used  
 28 for residential purposes:

29 (2) "Agricultural land" means land devoted to agricultural use:

30 (3) "Other real property" means real property that is not tangible  
 31 property described in subsection (c)(4); is not other residential  
 32 property; and is not agricultural land:

33 (f) This subsection applies to property taxes first due and payable in  
 34 2012 and thereafter. The General Assembly shall, by law, limit a  
 35 taxpayer's property tax liability as follows:

36 (1) A taxpayer's property tax liability on tangible property  
 37 described in subsection (c)(4) may not exceed one percent (1%)  
 38 of the gross assessed value of the property that is the basis for the  
 39 determination of property taxes:

40 (2) A taxpayer's property tax liability on other residential property  
 41 may not exceed two percent (2%) of the gross assessed value of  
 42 the property that is the basis for the determination of property



- 1 taxes.
- 2 (3) A taxpayer's property tax liability on agricultural land may not
- 3 exceed two percent (2%) of the gross assessed value of the land
- 4 that is the basis for the determination of property taxes.
- 5 (4) A taxpayer's property tax liability on other real property may
- 6 not exceed three percent (3%) of the gross assessed value of the
- 7 property that is the basis for the determination of property taxes.
- 8 (5) A taxpayer's property tax liability on personal property (other
- 9 than personal property that is tangible property described in
- 10 subsection (c)(4) or personal property that is other residential
- 11 property) within a particular taxing district may not exceed three
- 12 percent (3%) of the gross assessed value of the taxpayer's
- 13 personal property that is the basis for the determination of
- 14 property taxes within the taxing district.
- 15 (g) This subsection applies to property taxes first due and payable
- 16 in 2012 and thereafter. Property taxes imposed after being approved by
- 17 the voters in a referendum shall not be considered for purposes of
- 18 calculating the limits to property tax liability under subsection (f).
- 19 (h) As used in this subsection, "eligible county" means only a
- 20 county for which the General Assembly determines in 2008 that limits
- 21 to property tax liability as described in subsection (f) are expected to
- 22 reduce in 2010 the aggregate property tax revenue that would otherwise
- 23 be collected by all units of local government and school corporations
- 24 in the county by at least twenty percent (20%). The General Assembly
- 25 may, by law, provide that property taxes imposed in an eligible county
- 26 to pay debt service or make lease payments for bonds or leases issued
- 27 or entered into before July 1, 2008, shall not be considered for purposes
- 28 of calculating the limits to property tax liability under subsection (f).
- 29 Such a law may not apply after December 31, 2019.
- 30 SECTION 3. ARTICLE 10 OF THE CONSTITUTION OF THE
- 31 STATE OF INDIANA IS AMENDED BY ADDING THE
- 32 FOLLOWING SCHEDULE:
- 33 **SCHEDULE**
- 34 (a) **The amendment to Article 10, Section 1 of this Constitution**
- 35 **first agreed to by the One Hundred Nineteenth General Assembly**
- 36 **first applies to property taxes imposed for an assessment date that**
- 37 **occurs in the year that immediately follows the date that the**
- 38 **proposed amendment is agreed to by the One Hundred Twentieth**
- 39 **General Assembly and ratified by a majority of the state's voters**
- 40 **voting on the question.**
- 41 (b) **This SCHEDULE expires January 1, 2025.**

