



**SENATE JOINT
RESOLUTION No. _____**

DIGEST OF INTRODUCED RESOLUTION

Citations Affected: Article 10, Section 1 of the Constitution of the State of Indiana.

Synopsis: Exemption from tax liability. Eliminates any property tax liability remaining after the application of all deductions, credits, or abatements provided under any law: (1) on real property that is the principal homestead residence of an individual who is at least 65 years of age; and (2) on business personal property. Requires the general assembly to replace the lost revenue to local taxing units. Eliminates an obsolete provision. This proposed amendment has not been previously agreed to by a general assembly.

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.

Young M

_____, read first time and referred to Committee on _____



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 2023 Regular Session of the General Assembly.

SENATE JOINT RESOLUTION



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



1 (b) A provision of this section permitting the General Assembly to
 2 exempt property from taxation also permits the General Assembly to
 3 exercise its legislative power to enact property tax deductions and
 4 credits for the property. The General Assembly may impose reasonable
 5 filing requirements for an exemption, a deduction, or a credit, or other
 6 **elimination of property tax liability.**

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

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

11 (2) Tangible personal property other than property being held as
 12 an investment.

13 (3) Intangible personal property.

14 (4) Tangible property, including curtilage, a house, or garage,
 15 used as a principal place of residence by an:

16 (A) owner of the property;

17 (B) individual who is buying the tangible property under a
 18 contract; or

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

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

25 (e) ~~This subsection applies to property taxes first due and payable~~
 26 ~~in 2012 and thereafter.~~ The following definitions apply to subsection
 27 ~~(f): throughout this section:~~

28 (1) **"Business personal property" means personal property**
 29 **that is used in a trade or business or otherwise held, used, or**
 30 **otherwise held, used, or consumed in connection with the**
 31 **production of income. The term does not include property**
 32 **held for investment.**

33 ~~(+)~~ (2) "Other residential property" means tangible property (other
 34 than tangible property described in subsection (c)(4)) that is used
 35 for residential purposes.

36 ~~(-)~~ (3) "Agricultural land" means land devoted to agricultural use.

37 ~~(-)~~ (4) "Other real property" means real property that is not
 38 tangible property described in subsection (c)(4), is not other
 39 residential property, and is not agricultural land.

40 (5) **"Qualified homestead" means real property, including**
 41 **curtilage, a house, or garage, used as a principal place of**
 42 **residence by an:**



- 1 **(A) owner of the property who is at least sixty-five (65)**
- 2 **years of age;**
- 3 **(B) individual who is at least sixty-five (65) years of age**
- 4 **and is buying the property under a contract; or**
- 5 **(C) individual who is at least sixty-five (65) years of age**
- 6 **and has a beneficial interest in the owner of the property.**

7 (f) This subsection applies to property taxes first due and payable in
 8 2012 and thereafter. The General Assembly shall, by law, limit a
 9 taxpayer's property tax liability follows:

10 (1) A taxpayer's property tax liability on tangible property
 11 described in subsection (c)(4) may not exceed one percent (1%)
 12 of the gross assessed value of the property that is the basis for the
 13 determination of property taxes.

14 (2) A taxpayer's property tax liability on other residential property
 15 may not exceed two percent (2%) of the gross assessed value of
 16 the property that is the basis for the determination of property
 17 taxes.

18 (3) A taxpayer's property tax liability on agricultural land may not
 19 exceed two percent (2%) of the gross assessed value of the land
 20 that is the basis for the determination of property taxes.

21 (4) A taxpayer's property tax liability on other real property may
 22 not exceed three percent (3%) of the gross assessed value of the
 23 property that is the basis for the determination of property taxes.

24 (5) A taxpayer's property tax liability on personal property (other
 25 than personal property that is tangible property described in
 26 subsection (c)(4) or personal property that is other residential
 27 property) within a particular taxing district may not exceed three
 28 percent (3%) of the gross assessed value of the taxpayer's
 29 personal property that is the basis for the determination of
 30 property taxes within the taxing district.

31 (g) This subsection applies to property taxes first due and payable
 32 in 2012 and thereafter. Property taxes imposed after being approved by
 33 the voters in a referendum shall not be considered for purposes of
 34 calculating the limits to property tax liability under subsection (f).

35 (h) ~~As used in this subsection, "eligible county" means only a~~
 36 ~~county for which the General Assembly determines in 2008 that limits~~
 37 ~~to property tax liability as described in subsection (f) are expected to~~
 38 ~~reduce in 2010 the aggregate property tax revenue that would otherwise~~
 39 ~~be collected by all units of local government and school corporations~~
 40 ~~in the county by at least twenty percent (20%). The General Assembly~~
 41 ~~may, by law, provide that property taxes imposed in an eligible county~~
 42 ~~to pay debt service or make lease payments for bonds or leases issued~~



1 or entered into before July 1, 2008, shall not be considered for purposes
 2 of calculating the limits to property tax liability under subsection (f).
 3 Such a law may not apply after December 31, 2019.

4 **(h) The part of the property tax liability on a qualified**
 5 **homestead that remains after taking into account all deductions,**
 6 **credits, or abatements provided under any law is eliminated. A**
 7 **deduction, credit, abatement, or allocation of revenue that reduces**
 8 **the property tax liability on a qualified homestead may not be**
 9 **changed after December 31, 2023. A deduction, credit, or allocation**
 10 **of revenue that reduces the property tax liability on a qualified**
 11 **homestead using a local revenue source may not be changed after**
 12 **December 31, 2023. The General Assembly shall provide by law for**
 13 **the distribution of a property tax replacement amount to each unit**
 14 **imposing a property tax to replace the lost revenue resulting from**
 15 **the application of this subsection.**

16 **(i) The part of the property tax liability on business personal**
 17 **property that remains after taking into account all deductions,**
 18 **credits, or abatements provided under any law is eliminated. A**
 19 **deduction, credit, abatement, or allocation of revenue that reduces**
 20 **the property tax liability on business personal property may not be**
 21 **changed after December 31, 2023. A deduction, credit, or allocation**
 22 **of revenue that reduces the property tax liability on business**
 23 **personal property using a local revenue source may not be changed**
 24 **after December 31, 2023. The General Assembly shall provide by**
 25 **law for the distribution of a property tax replacement amount to**
 26 **each unit imposing a property tax to replace the lost revenue**
 27 **resulting from the application of this subsection.**

28 SECTION 3. [EFFECTIVE JANUARY 1, 2025] **(a) These**
 29 **amendments in this Senate Joint Resolution to Article 10, Section**
 30 **1 of the Constitution of the State of Indiana first apply to the**
 31 **assessment date that occurs in the year that immediately follows**
 32 **the date that the proposed amendments are ratified by a majority**
 33 **of the state's voters voting on the question.**

34 **(b) If the voters ratify the amendments to the Constitution of the**
 35 **State of Indiana proposed by this joint resolution, this SECTION**
 36 **3 does not become a part of the Constitution of the State of**
 37 **Indiana.**

