

# HOUSE BILL No. 1214

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-48.

**Synopsis:** Assistance for the payment of property tax refunds. Authorizes loans from the state rainy day fund to eligible cities and school corporations in Lake County whose revenues are affected by at least \$1,000,000 by an Indiana court judgment issued after September 30, 2019, requiring Lake County to issue property tax refunds to a taxpayer who owns property in the county with an aggregate assessed value of at least \$100,000,000. Specifies the terms and manner of repayment of the loans. Limits the amount loaned to each eligible city or school corporation to the amount of its decrease in expected revenue, up to a maximum of \$8,000,000.

**Effective:** October 1, 2019 (retroactive).

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January 13, 2020, read first time and referred to Committee on Ways and Means.

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Second Regular Session of the 121st General Assembly (2020)

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 2019 Regular Session of the General Assembly.

# HOUSE BILL No. 1214

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 6-1.1-48 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 OCTOBER 1, 2019 (RETROACTIVE)];  
4 **Chapter 48. Rainy Day Fund Loans for Eligible Cities and**  
5 **School Corporations in Lake County**  
6 **Sec. 1. As used in this chapter, "board" refers to the state board**  
7 **of finance.**  
8 **Sec. 2. As used in this chapter, "eligible entity" refers to a city**  
9 **or school corporation that:**  
10 **(1) is located in Lake County; and**  
11 **(2) experiences a decrease in its estimated revenue that:**  
12 **(A) is at least one million dollars (\$1,000,000); and**  
13 **(B) is the result of a judgment of an Indiana court issued**  
14 **after September 30, 2019, requiring Lake County to issue**  
15 **property tax refunds to a taxpayer who owns property in**  
16 **the county with an aggregate assessed value of at least one**  
17 **hundred million dollars (\$100,000,000).**



1           **Sec. 3. (a) An eligible entity may apply to the board for a loan**  
 2 **from the counter-cyclical revenue and economic stabilization fund**  
 3 **in an amount equal to its decrease in estimated revenue. However,**  
 4 **the maximum amount the board may loan the eligible entity under**  
 5 **this chapter is eight million dollars (\$8,000,000).**

6           **(b) The board may disburse the proceeds of a loan made under**  
 7 **this chapter in not more than two (2) installments.**

8           **(c) The board shall set the interest rate on loans under this**  
 9 **chapter, which may not exceed one percent (1%).**

10          **Sec. 4. (a) An eligible entity may repay a loan under this chapter**  
 11 **in up to ten (10) annual installments. An eligible entity is not**  
 12 **required to begin making payments on a loan under this chapter**  
 13 **until two (2) years after the date on which the loan is made. An**  
 14 **eligible entity receiving a loan under this chapter must repay the**  
 15 **loan not later than twelve (12) years after the date on which the**  
 16 **loan is made.**

17          **(b) An eligible entity may repay a loan made under this chapter**  
 18 **from any source of revenue.**

19          **(c) The obligation to repay a loan made under this chapter is not**  
 20 **a basis for an eligible entity to obtain an excessive tax levy.**

21          **Sec. 5. Payments received under section 4 of this chapter shall**  
 22 **be deposited in the counter-cyclical revenue and economic**  
 23 **stabilization fund.**

24          **Sec. 6. The proceeds of a loan received by an eligible entity**  
 25 **under this chapter are not considered to be part of the ad valorem**  
 26 **property tax levy actually collected by the eligible entity for taxes**  
 27 **first due and payable during a particular calendar year for the**  
 28 **purpose of calculating levy excess.**

29          **Sec. 7. A loan under this chapter is not considered bonded**  
 30 **indebtedness for purposes of IC 6-1.1-18.5 or IC 6-1.1-20.**

31          **Sec. 8. If an eligible entity fails to repay any of its obligations**  
 32 **under this chapter when due, the treasurer of state shall:**

33               **(1) withhold the amount of the unpaid obligations from the**  
 34 **funds held by the state that would otherwise be distributable**  
 35 **to the eligible entity under any other law; and**

36               **(2) pay the funds to the board for deposit as described in**  
 37 **section 5 of this chapter.**

38          **SECTION 2. An emergency is declared for this act.**

