



March 27, 2015

ENGROSSED SENATE BILL No. 374

DIGEST OF SB 374 (Updated March 25, 2015 4:45 pm - DI 113)

Citations Affected: IC 6-1.1; IC 6-2.5; IC 6-3.5; IC 6-6; IC 14-33; IC 36-2; IC 36-7; IC 36-9.

Synopsis: Property tax assessment date trailer. Corrects references to the property tax assessment date to make the law consistent with the change of the assessment date from March 1 to January 1. Makes corresponding changes in certain filing dates. Specifies how to determine the year of acquisition for depreciable tangible personal property.

Effective: July 1, 2015; January 1, 2016.

Head, Yoder, Kruse, Broden

(HOUSE SPONSORS — TRUITT, KLINKER, PRYOR)

January 12, 2015, read first time and referred to Committee on Tax & Fiscal Policy.
January 20, 2015, reported favorably — Do Pass.
January 22, 2015, read second time, amended, ordered engrossed.
January 23, 2015, engrossed.
January 27, 2015, read third time, passed. Yeas 50, nays 0.

HOUSE ACTION

March 2, 2015, read first time and referred to Committee on Ways and Means.
March 26, 2015, amended, reported — Do Pass.

ES 374—LS 6982/DI 58



March 27, 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.

ENGROSSED SENATE BILL No. 374

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 6-1.1-3-22 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 22. (a) Except to the
3 extent that it conflicts with a statute and subject to subsection (f), 50
4 IAC 4.2 (as in effect January 1, 2001), which was formerly
5 incorporated by reference into this section, is reinstated as a rule.
6 (b) Tangible personal property within the scope of 50 IAC 4.2 (as
7 in effect January 1, 2001) shall be assessed on the assessment dates in
8 calendar years 2003 and thereafter in conformity with 50 IAC 4.2 (as
9 in effect January 1, 2001).
10 (c) The publisher of the Indiana Administrative Code shall publish
11 50 IAC 4.2 (as in effect January 1, 2001) in the Indiana Administrative
12 Code.
13 (d) 50 IAC 4.3 and any other rule to the extent that it conflicts with
14 this section is void.
15 (e) A reference in 50 IAC 4.2 to a governmental entity that has been
16 terminated or a statute that has been repealed or amended shall be

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1 treated as a reference to its successor.

2 (f) The department of local government finance may not amend or
3 repeal the following (all as in effect January 1, 2001):

4 (1) 50 IAC 4.2-4-3(f).

5 (2) 50 IAC 4.2-4-7.

6 (3) 50 IAC 4.2-4-9.

7 (4) 50 IAC 4.2-5-7.

8 (5) 50 IAC 4.2-5-13.

9 (6) 50 IAC 4.2-6-1.

10 (7) 50 IAC 4.2-6-2.

11 (8) 50 IAC 4.2-8-9.

12 (g) **Notwithstanding any other provision of this section, 50**
13 **IAC 4.2-4-6(c) is void effective July 1, 2015. The publisher of the**
14 **Indiana Administrative Code and the Indiana Register shall**
15 **remove this provision from the Indiana Administrative Code.**

16 SECTION 2. IC 6-1.1-3-22.5 IS ADDED TO THE INDIANA
17 CODE AS A NEW SECTION TO READ AS FOLLOWS
18 [EFFECTIVE JULY 1, 2015]: **Sec. 22.5. (a) Except as provided in**
19 **subsection (b), when a taxpayer acquires depreciable tangible**
20 **personal property, the year of acquisition for the depreciable**
21 **tangible personal property is the fiscal year determined as follows:**

22 (1) **The applicable fiscal year beginning January 2 and ending**
23 **January 1, for depreciable tangible personal property**
24 **acquired after January 1, 2016.**

25 (2) **The fiscal year beginning March 2, 2015, and ending**
26 **January 1, 2016, for depreciable tangible personal property**
27 **acquired after March 1, 2015, and before January 2, 2016.**

28 (3) **The applicable fiscal year beginning March 2 and ending**
29 **March 1, for depreciable tangible personal property acquired**
30 **before March 2, 2015.**

31 (b) **If a taxpayer has a financial year that ends on December 31**
32 **or January 31, the taxpayer may elect to use the same year as that**
33 **used for federal income tax purposes to determine the year of**
34 **acquisition of depreciable tangible personal property for Indiana**
35 **property tax reporting purposes. Otherwise, a taxpayer is not**
36 **eligible to elect to use a federal tax year to compute the year of**
37 **acquisition for Indiana property tax reporting purposes and must**
38 **use the applicable fiscal year specified in subsection (a).**

39 (c) **If a taxpayer makes a federal tax year election under**
40 **subsection (b), an acquisition of depreciable tangible personal**
41 **property after the close of the taxpayer's federal taxable year and**
42 **on or before the immediately following assessment date must be**



1 **included in a separate category on the taxpayer's return and**
 2 **clearly designated.**

3 SECTION 3. IC 6-1.1-4-4, AS AMENDED BY P.L.112-2012,
 4 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 5 JANUARY 1, 2016]: Sec. 4. (a) A general reassessment, involving a
 6 physical inspection of all real property in Indiana, shall begin July 1,
 7 2010. The reassessment under this subsection:

8 (1) shall be completed on or before March 1 of the year that
 9 succeeds by two (2) years the year in which the general
 10 reassessment begins; and

11 (2) shall be the basis for taxes payable in the year following the
 12 year in which the general assessment is to be completed.

13 (b) In order to ensure that assessing officials are prepared for a
 14 general reassessment of real property, the department of local
 15 government finance shall give adequate advance notice of the general
 16 reassessment to the assessing officials of each county.

17 **(c) This section expires July 1, 2016.**

18 SECTION 4. IC 6-1.1-4-4.4, AS ADDED BY P.L.113-2010,
 19 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JANUARY 1, 2016]: Sec. 4.4. (a) This section applies to an assessment
 21 under section ~~4~~, **4.2** or 4.5 of this chapter or another law.

22 (b) If the assessor changes the underlying parcel characteristics,
 23 including age, grade, or condition, of a property, from the previous
 24 year's assessment date, the assessor shall document:

25 (1) each change; and

26 (2) the reason that each change was made.

27 In any appeal of the assessment, the assessor has the burden of proving
 28 that each change was valid.

29 SECTION 5. IC 6-1.1-4-21 IS REPEALED [EFFECTIVE
 30 JANUARY 1, 2016]. Sec. ~~21~~. (a) If during a period of general
 31 reassessment under section 4 of this chapter a county assessor
 32 personally makes the real property appraisals, the appraisals of the
 33 parcels subject to taxation must be completed as follows:

34 (1) The appraisal of one-fourth (1/4) of the parcels shall be
 35 completed before December 1 of the year in which the general
 36 reassessment begins.

37 (2) The appraisal of one-half (1/2) of the parcels shall be
 38 completed before May 1 of the year following the year in which
 39 the general reassessment begins.

40 (3) The appraisal of three-fourths (3/4) of the parcels shall be
 41 completed before October 1 of the year following the year in
 42 which the general reassessment begins.



1 (4) The appraisal of all the parcels shall be completed before
 2 March 1 of the second year following the year in which the
 3 general reassessment begins.

4 (b) If a county assessor employs a professional appraiser or a
 5 professional appraisal firm to make real property appraisals during a
 6 period of general reassessment, the professional appraiser or appraisal
 7 firm must file appraisal reports with the county assessor as follows:

8 (1) The appraisals for one-fourth (1/4) of the parcels shall be
 9 reported before December 1 of the year in which the general
 10 reassessment begins.

11 (2) The appraisals for one-half (1/2) of the parcels shall be
 12 reported before May 1 of the year following the year in which the
 13 general reassessment begins.

14 (3) The appraisals for three-fourths (3/4) of the parcels shall be
 15 reported before October 1 of the year following the year in which
 16 the general reassessment begins.

17 (4) The appraisals for all the parcels shall be reported before
 18 March 1 of the second year following the year in which the
 19 general reassessment begins.

20 However, the reporting requirements prescribed in this subsection do
 21 not apply if the contract under which the professional appraiser, or
 22 appraisal firm, is employed prescribes different reporting procedures.

23 SECTION 6. IC 6-1.1-12-37, AS AMENDED BY P.L.166-2014,
 24 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JANUARY 1, 2016]: Sec. 37. (a) The following definitions apply
 26 throughout this section:

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

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

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

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

34 (2) "Homestead" means an individual's principal place of
 35 residence:

36 (A) that is located in Indiana;

37 (B) that:

38 (i) the individual owns;

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

42 (iii) the individual is entitled to occupy as a



- 1 tenant-stockholder (as defined in 26 U.S.C. 216) of a
 2 cooperative housing corporation (as defined in 26 U.S.C.
 3 216); or
 4 (iv) is a residence described in section 17.9 of this chapter
 5 that is owned by a trust if the individual is an individual
 6 described in section 17.9 of this chapter; and
 7 (C) that consists of a dwelling and the real estate, not
 8 exceeding one (1) acre, that immediately surrounds that
 9 dwelling.
- 10 Except as provided in subsection (k), the term does not include
 11 property owned by a corporation, partnership, limited liability
 12 company, or other entity not described in this subdivision.
- 13 (b) Each year a homestead is eligible for a standard deduction from
 14 the assessed value of the homestead for an assessment date. Except as
 15 provided in subsection (p), the deduction provided by this section
 16 applies to property taxes first due and payable for an assessment date
 17 only if an individual has an interest in the homestead described in
 18 subsection (a)(2)(B) on:
 19 (1) the assessment date; or
 20 (2) any date in the same year after an assessment date that a
 21 statement is filed under subsection (e) or section 44 of this
 22 chapter, if the property consists of real property.
- 23 Subject to subsection (c), the auditor of the county shall record and
 24 make the deduction for the individual or entity qualifying for the
 25 deduction.
- 26 (c) Except as provided in section 40.5 of this chapter, the total
 27 amount of the deduction that a person may receive under this section
 28 for a particular year is the lesser of:
 29 (1) sixty percent (60%) of the assessed value of the real property,
 30 mobile home not assessed as real property, or manufactured home
 31 not assessed as real property; or
 32 (2) forty-five thousand dollars (\$45,000).
- 33 (d) A person who has sold real property, a mobile home not assessed
 34 as real property, or a manufactured home not assessed as real property
 35 to another person under a contract that provides that the contract buyer
 36 is to pay the property taxes on the real property, mobile home, or
 37 manufactured home may not claim the deduction provided under this
 38 section with respect to that real property, mobile home, or
 39 manufactured home.
- 40 (e) Except as provided in sections 17.8 and 44 of this chapter and
 41 subject to section 45 of this chapter, an individual who desires to claim
 42 the deduction provided by this section must file a certified statement in



1 duplicate, on forms prescribed by the department of local government
 2 finance, with the auditor of the county in which the homestead is
 3 located. The statement must include:

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

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

9 (3) the names of:

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

11 (i) as the names appear in the records of the United States
 12 Social Security Administration for the purposes of the
 13 issuance of a Social Security card and Social Security
 14 number; or

15 (ii) that they use as their legal names when they sign their
 16 names on legal documents;

17 if the applicant is an individual; or

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

20 (i) as the names appear in the records of the United States
 21 Social Security Administration for the purposes of the
 22 issuance of a Social Security card and Social Security
 23 number; or

24 (ii) that they use as their legal names when they sign their
 25 names on legal documents;

26 if the applicant is not an individual; and

27 (4) either:

28 (A) the last five (5) digits of the applicant's Social Security
 29 number and the last five (5) digits of the Social Security
 30 number of the applicant's spouse (if any); or

31 (B) if the applicant or the applicant's spouse (if any) does not
 32 have a Social Security number, any of the following for that
 33 individual:

34 (i) The last five (5) digits of the individual's driver's license
 35 number.

36 (ii) The last five (5) digits of the individual's state
 37 identification card number.

38 (iii) If the individual does not have a driver's license or a
 39 state identification card, the last five (5) digits of a control
 40 number that is on a document issued to the individual by the
 41 federal government and determined by the department of
 42 local government finance to be acceptable.



1 If a form or statement provided to the county auditor under this section,
 2 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
 3 part or all of the Social Security number of a party or other number
 4 described in subdivision (4)(B) of a party, the telephone number and
 5 the Social Security number or other number described in subdivision
 6 (4)(B) included are confidential. The statement may be filed in person
 7 or by mail. If the statement is mailed, the mailing must be postmarked
 8 on or before the last day for filing. The statement applies for that first
 9 year and any succeeding year for which the deduction is allowed. With
 10 respect to real property, the statement must be completed and dated in
 11 the calendar year for which the person desires to obtain the deduction
 12 and filed with the county auditor on or before January 5 of the
 13 immediately succeeding calendar year. With respect to a mobile home
 14 that is not assessed as real property, the person must file the statement
 15 during the twelve (12) months before March 31 of the year for which
 16 the person desires to obtain the deduction.

17 (f) If an individual who is receiving the deduction provided by this
 18 section or who otherwise qualifies property for a deduction under this
 19 section:

20 (1) changes the use of the individual's property so that part or all
 21 of the property no longer qualifies for the deduction under this
 22 section; or

23 (2) is no longer eligible for a deduction under this section on
 24 another parcel of property because:

25 (A) the individual would otherwise receive the benefit of more
 26 than one (1) deduction under this chapter; or

27 (B) the individual maintains the individual's principal place of
 28 residence with another individual who receives a deduction
 29 under this section;

30 the individual must file a certified statement with the auditor of the
 31 county, notifying the auditor of the change of use, not more than sixty
 32 (60) days after the date of that change. An individual who fails to file
 33 the statement required by this subsection is liable for any additional
 34 taxes that would have been due on the property if the individual had
 35 filed the statement as required by this subsection plus a civil penalty
 36 equal to ten percent (10%) of the additional taxes due. The civil penalty
 37 imposed under this subsection is in addition to any interest and
 38 penalties for a delinquent payment that might otherwise be due. One
 39 percent (1%) of the total civil penalty collected under this subsection
 40 shall be transferred by the county to the department of local
 41 government finance for use by the department in establishing and
 42 maintaining the homestead property data base under subsection (i) and,



1 to the extent there is money remaining, for any other purposes of the
 2 department. This amount becomes part of the property tax liability for
 3 purposes of this article.

4 (g) The department of local government finance shall adopt rules or
 5 guidelines concerning the application for a deduction under this
 6 section.

7 (h) This subsection does not apply to property in the first year for
 8 which a deduction is claimed under this section if the sole reason that
 9 a deduction is claimed on other property is that the individual or
 10 married couple maintained a principal residence at the other property
 11 on ~~March 1~~ **the assessment date** in the same year in which an
 12 application for a deduction is filed under this section or, if the
 13 application is for a homestead that is assessed as personal property, on
 14 ~~March 1~~ **the assessment date** in the immediately preceding year and
 15 the individual or married couple is moving the individual's or married
 16 couple's principal residence to the property that is the subject of the
 17 application. Except as provided in subsection (n), the county auditor
 18 may not grant an individual or a married couple a deduction under this
 19 section if:

20 (1) the individual or married couple, for the same year, claims the
 21 deduction on two (2) or more different applications for the
 22 deduction; and

23 (2) the applications claim the deduction for different property.

24 (i) The department of local government finance shall provide secure
 25 access to county auditors to a homestead property data base that
 26 includes access to the homestead owner's name and the numbers
 27 required from the homestead owner under subsection (e)(4) for the sole
 28 purpose of verifying whether an owner is wrongly claiming a deduction
 29 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or
 30 IC 6-3.5.

31 (j) A county auditor may require an individual to provide evidence
 32 proving that the individual's residence is the individual's principal place
 33 of residence as claimed in the certified statement filed under subsection
 34 (e). The county auditor may limit the evidence that an individual is
 35 required to submit to a state income tax return, a valid driver's license,
 36 or a valid voter registration card showing that the residence for which
 37 the deduction is claimed is the individual's principal place of residence.
 38 The department of local government finance shall work with county
 39 auditors to develop procedures to determine whether a property owner
 40 that is claiming a standard deduction or homestead credit is not eligible
 41 for the standard deduction or homestead credit because the property
 42 owner's principal place of residence is outside Indiana.



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

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

6 (2) The property is the principal place of residence of an
 7 individual.

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

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

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

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

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

17 (2) first due and payable in 2010;

18 on the grounds that the property is not owned by an entity described in
 19 subsection (a)(2)(B), the county auditor shall reinstate the deduction if
 20 the taxpayer provides proof that the property is eligible for the
 21 deduction in accordance with subsection (k) and that the individual
 22 residing on the property is not claiming the deduction for any other
 23 property.

24 (m) For assessment dates after 2009, the term "homestead" includes:

25 (1) a deck or patio;

26 (2) a gazebo; or

27 (3) another residential yard structure, as defined in rules adopted
 28 by the department of local government finance (other than a
 29 swimming pool);

30 that is assessed as real property and attached to the dwelling.

31 (n) A county auditor shall grant an individual a deduction under this
 32 section regardless of whether the individual and the individual's spouse
 33 claim a deduction on two (2) different applications and each
 34 application claims a deduction for different property if the property
 35 owned by the individual's spouse is located outside Indiana and the
 36 individual files an affidavit with the county auditor containing the
 37 following information:

38 (1) The names of the county and state in which the individual's
 39 spouse claims a deduction substantially similar to the deduction
 40 allowed by this section.

41 (2) A statement made under penalty of perjury that the following
 42 are true:



- 1 (A) That the individual and the individual's spouse maintain
 2 separate principal places of residence.
- 3 (B) That neither the individual nor the individual's spouse has
 4 an ownership interest in the other's principal place of
 5 residence.
- 6 (C) That neither the individual nor the individual's spouse has,
 7 for that same year, claimed a standard or substantially similar
 8 deduction for any property other than the property maintained
 9 as a principal place of residence by the respective individuals.
- 10 A county auditor may require an individual or an individual's spouse to
 11 provide evidence of the accuracy of the information contained in an
 12 affidavit submitted under this subsection. The evidence required of the
 13 individual or the individual's spouse may include state income tax
 14 returns, excise tax payment information, property tax payment
 15 information, driver license information, and voter registration
 16 information.
- 17 (o) If:
- 18 (1) a property owner files a statement under subsection (e) to
 19 claim the deduction provided by this section for a particular
 20 property; and
- 21 (2) the county auditor receiving the filed statement determines
 22 that the property owner's property is not eligible for the deduction;
 23 the county auditor shall inform the property owner of the county
 24 auditor's determination in writing. If a property owner's property is not
 25 eligible for the deduction because the county auditor has determined
 26 that the property is not the property owner's principal place of
 27 residence, the property owner may appeal the county auditor's
 28 determination to the county property tax assessment board of appeals
 29 as provided in IC 6-1.1-15. The county auditor shall inform the
 30 property owner of the owner's right to appeal to the county property tax
 31 assessment board of appeals when the county auditor informs the
 32 property owner of the county auditor's determination under this
 33 subsection.
- 34 (p) An individual is entitled to the deduction under this section for
 35 a homestead for a particular assessment date if:
- 36 (1) either:
- 37 (A) the individual's interest in the homestead as described in
 38 subsection (a)(2)(B) is conveyed to the individual after the
 39 assessment date, but within the calendar year in which the
 40 assessment date occurs; or
- 41 (B) the individual contracts to purchase the homestead after
 42 the assessment date, but within the calendar year in which the



- 1 assessment date occurs;
 2 (2) on the assessment date:
 3 (A) the property on which the homestead is currently located
 4 was vacant land; or
 5 (B) the construction of the dwelling that constitutes the
 6 homestead was not completed;
 7 (3) either:
 8 (A) the individual files the certified statement required by
 9 subsection (e) on or before December 31 of the calendar year
 10 in which the assessment date occurs to claim the deduction
 11 under this section; or
 12 (B) a sales disclosure form that meets the requirements of
 13 section 44 of this chapter is submitted to the county assessor
 14 on or before December 31 of the calendar year for the
 15 individual's purchase of the homestead; and
 16 (4) the individual files with the county auditor on or before
 17 December 31 of the calendar year in which the assessment date
 18 occurs a statement that:
 19 (A) lists any other property for which the individual would
 20 otherwise receive a deduction under this section for the
 21 assessment date; and
 22 (B) cancels the deduction described in clause (A) for that
 23 property.
- 24 An individual who satisfies the requirements of subdivisions (1)
 25 through (4) is entitled to the deduction under this section for the
 26 homestead for the assessment date, even if on the assessment date the
 27 property on which the homestead is currently located was vacant land
 28 or the construction of the dwelling that constitutes the homestead was
 29 not completed. The county auditor shall apply the deduction for the
 30 assessment date and for the assessment date in any later year in which
 31 the homestead remains eligible for the deduction. A homestead that
 32 qualifies for the deduction under this section as provided in this
 33 subsection is considered a homestead for purposes of section 37.5 of
 34 this chapter and IC 6-1.1-20.6. The county auditor shall cancel the
 35 deduction under this section for any property that is located in the
 36 county and is listed on the statement filed by the individual under
 37 subdivision (4). If the property listed on the statement filed under
 38 subdivision (4) is located in another county, the county auditor who
 39 receives the statement shall forward the statement to the county auditor
 40 of that other county, and the county auditor of that other county shall
 41 cancel the deduction under this section for that property.
 42 (q) This subsection applies to an application for the deduction



1 provided by this section that is filed for an assessment date occurring
 2 after December 31, 2013. Notwithstanding any other provision of this
 3 section, an individual buying a mobile home that is not assessed as real
 4 property or a manufactured home that is not assessed as real property
 5 under a contract providing that the individual is to pay the property
 6 taxes on the mobile home or manufactured home is not entitled to the
 7 deduction provided by this section unless the parties to the contract
 8 comply with IC 9-17-6-17.

9 (r) This subsection:

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

13 (2) does not apply to an individual described in subsection (q).

14 The owner of a mobile home that is not assessed as real property or a
 15 manufactured home that is not assessed as real property must attach a
 16 copy of the owner's title to the mobile home or manufactured home to
 17 the application for the deduction provided by this section.

18 (s) For assessment dates after 2013, the term "homestead" includes
 19 property that is owned by an individual who:

20 (1) is serving on active duty in any branch of the armed forces of
 21 the United States;

22 (2) was ordered to transfer to a location outside Indiana; and

23 (3) was otherwise eligible, without regard to this subsection, for
 24 the deduction under this section for the property for the
 25 assessment date immediately preceding the transfer date specified
 26 in the order described in subdivision (2).

27 For property to qualify under this subsection for the deduction provided
 28 by this section, the individual described in subdivisions (1) through (3)
 29 must submit to the county auditor a copy of the individual's transfer
 30 orders or other information sufficient to show that the individual was
 31 ordered to transfer to a location outside Indiana. The property continues
 32 to qualify for the deduction provided by this section until the individual
 33 ceases to be on active duty, the property is sold, or the individual's
 34 ownership interest is otherwise terminated, whichever occurs first.
 35 Notwithstanding subsection (a)(2), the property remains a homestead
 36 regardless of whether the property continues to be the individual's
 37 principal place of residence after the individual transfers to a location
 38 outside Indiana. However, the property ceases to qualify as a
 39 homestead under this subsection if the property is leased while the
 40 individual is away from Indiana. Property that qualifies as a homestead
 41 under this subsection shall also be construed as a homestead for
 42 purposes of section 37.5 of this chapter.



1 SECTION 7. IC 6-1.1-12-41 IS REPEALED [EFFECTIVE
2 JANUARY 1, 2016]. See: 41. (a) This section does not apply to
3 assessment years beginning after December 31, 2005.

4 (b) As used in this section, "assessed value of inventory" means the
5 assessed value determined after the application of any deductions or
6 adjustments that apply by statute or rule to the assessment of inventory;
7 other than the deduction allowed under subsection (f).

8 (c) As used in this section, "county income tax council" means a
9 council established by IC 6-3.5-6-2.

10 (d) As used in this section, "fiscal body" has the meaning set forth
11 in IC 36-1-2-6.

12 (e) As used in this section, "inventory" has the meaning set forth in
13 IC 6-1.1-3-11 (repealed).

14 (f) An ordinance may be adopted in a county to provide that a
15 deduction applies to the assessed value of inventory located in the
16 county. The deduction is equal to one hundred percent (100%) of the
17 assessed value of inventory located in the county for the appropriate
18 year of assessment. An ordinance adopted under this section in a
19 particular year applies:

20 (1) if adopted before March 31, 2004, to each subsequent
21 assessment year ending before January 1, 2006; and

22 (2) if adopted after March 30, 2004, and before June 1, 2005, to
23 the March 1, 2005, assessment date.

24 An ordinance adopted under this section may be consolidated with an
25 ordinance adopted under IC 6-3.5-7-26. The consolidation of an
26 ordinance adopted under this section with an ordinance adopted under
27 IC 6-3.5-7-26 does not cause the ordinance adopted under
28 IC 6-3.5-7-26 to expire after December 31, 2005.

29 (g) An ordinance may not be adopted under subsection (f) after May
30 30, 2005. However, an ordinance adopted under this section:

31 (1) before March 31, 2004, may be amended after March 30,
32 2004; and

33 (2) before June 1, 2005, may be amended after May 30, 2005;
34 to consolidate an ordinance adopted under IC 6-3.5-7-26.

35 (h) The entity that may adopt the ordinance permitted under
36 subsection (f) is:

37 (1) the county income tax council if the county option income tax
38 is in effect on January 1 of the year in which an ordinance under
39 this section is adopted;

40 (2) the county fiscal body if the county adjusted gross income tax
41 is in effect on January 1 of the year in which an ordinance under
42 this section is adopted; or



1 (3) the county income tax council or the county fiscal body;
 2 whichever acts first, for a county not covered by subdivision (1)
 3 or (2):

4 To adopt an ordinance under subsection (f), a county income tax
 5 council shall use the procedures set forth in IC 6-3.5-6 concerning the
 6 imposition of the county option income tax. The entity that adopts the
 7 ordinance shall provide a certified copy of the ordinance to the
 8 department of local government finance before February 1:

9 (i) A taxpayer is not required to file an application to qualify for the
 10 deduction permitted under subsection (f):

11 (j) The department of local government finance shall incorporate the
 12 deduction established in this section in the personal property return
 13 form to be used each year for filing under IC 6-1.1-3-7 or
 14 IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the
 15 form. If a taxpayer fails to enter the deduction on the form, the
 16 township assessor, or the county assessor if there is no township
 17 assessor for the township, shall:

18 (1) determine the amount of the deduction; and

19 (2) within the period established in IC 6-1.1-16-1, issue a notice
 20 of assessment to the taxpayer that reflects the application of the
 21 deduction to the inventory assessment:

22 (k) The deduction established in this section must be applied to any
 23 inventory assessment made by:

24 (1) an assessing official;

25 (2) a county property tax board of appeals; or

26 (3) the department of local government finance.

27 SECTION 8. IC 6-1.1-12.1-5.4, AS AMENDED BY P.L.288-2013,
 28 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JANUARY 1, 2016]: Sec. 5.4. (a) A person that desires to obtain the
 30 deduction provided by section 4.5 of this chapter must file a certified
 31 deduction schedule with the person's personal property return on a form
 32 prescribed by the department of local government finance with the
 33 township assessor of the township in which the new manufacturing
 34 equipment, new research and development equipment, new logistical
 35 distribution equipment, or new information technology equipment is
 36 located, or with the county assessor if there is no township assessor for
 37 the township. Except as provided in subsection (e), the deduction is
 38 applied in the amount claimed in a certified schedule that a person files
 39 with:

40 (1) a timely personal property return under IC 6-1.1-3-7(a) or
 41 IC 6-1.1-3-7(b); or

42 (2) a timely amended personal property return under



1 IC 6-1.1-3-7.5.

2 The township or county assessor shall forward to the county auditor a
 3 copy of each certified deduction schedule filed under this subsection.
 4 The township assessor shall forward to the county assessor a copy of
 5 each certified deduction schedule filed with the township assessor
 6 under this subsection.

7 (b) The deduction schedule required by this section must contain the
 8 following information:

9 (1) The name of the owner of the new manufacturing equipment,
 10 new research and development equipment, new logistical
 11 distribution equipment, or new information technology
 12 equipment.

13 (2) A description of the new manufacturing equipment, new
 14 research and development equipment, new logistical distribution
 15 equipment, or new information technology equipment.

16 (3) The amount of the deduction claimed for the first year of the
 17 deduction.

18 (c) If a determination about the number of years the deduction is
 19 allowed has not been made in the resolution adopted under section 2.5
 20 of this chapter, the county auditor shall notify the designating body, and
 21 the designating body shall adopt a resolution under section 4.5(e)(2) of
 22 this chapter.

23 (d) A deduction schedule must be filed under this section in the year
 24 in which the new manufacturing equipment, new research and
 25 development equipment, new logistical distribution equipment, or new
 26 information technology equipment is installed and in each of the
 27 immediately succeeding years the deduction is allowed.

28 (e) The township assessor, or the county assessor if there is no
 29 township assessor for the township, may:

30 (1) review the deduction schedule; and

31 (2) before the ~~March~~ **assessment date** that next succeeds the
 32 assessment date for which the deduction is claimed, deny or alter
 33 the amount of the deduction.

34 If the township or county assessor does not deny the deduction, the
 35 county auditor shall apply the deduction in the amount claimed in the
 36 deduction schedule or in the amount as altered by the township or
 37 county assessor. A township or county assessor who denies a deduction
 38 under this subsection or alters the amount of the deduction shall notify
 39 the person that claimed the deduction and the county auditor of the
 40 assessor's action. The county auditor shall notify the designating body
 41 and the county property tax assessment board of appeals of all
 42 deductions applied under this section.



1 (f) If the ownership of new manufacturing equipment, new research
 2 and development equipment, new logistical distribution equipment, or
 3 new information technology equipment changes, the deduction
 4 provided under section 4.5 of this chapter continues to apply to that
 5 equipment if the new owner:

6 (1) continues to use the equipment in compliance with any
 7 standards established under section 2(g) of this chapter; and

8 (2) files the deduction schedules required by this section.

9 (g) The amount of the deduction is the percentage under section 4.5
 10 of this chapter that would have applied if the ownership of the property
 11 had not changed multiplied by the assessed value of the equipment for
 12 the year the deduction is claimed by the new owner.

13 (h) A person may appeal a determination of the township or county
 14 assessor under subsection (e) to deny or alter the amount of the
 15 deduction by requesting in writing a preliminary conference with the
 16 township or county assessor not more than forty-five (45) days after the
 17 township or county assessor gives the person notice of the
 18 determination. Except as provided in subsection (i), an appeal initiated
 19 under this subsection is processed and determined in the same manner
 20 that an appeal is processed and determined under IC 6-1.1-15.

21 (i) The county assessor is recused from any action the county
 22 property tax assessment board of appeals takes with respect to an
 23 appeal under subsection (h) of a determination by the county assessor.

24 SECTION 9. IC 6-1.1-12.3-10 IS AMENDED TO READ AS
 25 FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 10. As used in
 26 this chapter, "service period" means ~~a period beginning March 1 in a~~
 27 **the year immediately preceding ~~an~~ the most recent assessment date.**
 28 **and ending on February 28 in the year containing an assessment date.**

29 SECTION 10. IC 6-1.1-12.7-6, AS ADDED BY P.L.113-2010,
 30 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JANUARY 1, 2016]: Sec. 6. (a) To obtain the deduction under this
 32 chapter, an owner of qualified personal property must file a certified
 33 deduction schedule with the county assessor in which the qualified
 34 personal property is located. The department of local government
 35 finance shall prescribe the form of the schedule. A schedule must be
 36 filed for each year the deduction is being claimed.

37 (b) The schedule must be filed with:

38 (1) a timely personal property return under IC 6-1.1-3-7(a) or
 39 IC 6-1.1-3-7(b); or

40 (2) a timely amended personal property return under
 41 IC 6-1.1-3-7.5.

42 The county assessor shall forward to the county auditor a copy of each



- 1 schedule filed.
- 2 (c) The schedule must contain at least the following information:
- 3 (1) The name of the owner of the qualified personal property.
- 4 (2) A description of the qualified personal property and the
- 5 address of the real estate on which it is located.
- 6 (3) Documentation that the qualified personal property is located
- 7 within a certified technology park.
- 8 (4) Documentation that the qualified personal property is
- 9 primarily used to conduct high technology activity.
- 10 (d) The deduction applies to the qualified personal property claimed
- 11 in a schedule. However, the county assessor may:
- 12 (1) review the schedule; and
- 13 (2) before the ~~March 1~~ **assessment date** that next succeeds the
- 14 assessment date for which the deduction is claimed, deny or alter
- 15 the amount of the deduction.

16 If the county assessor does not deny the deduction, the county auditor

17 shall apply the deduction in the amount claimed in the schedule or in

18 the amount as altered by the county assessor. A county assessor who

19 denies a deduction under this subsection or alters the amount of the

20 deduction shall notify the person that claimed the deduction and the

21 county auditor of the assessor's determination.

22 (e) A person may appeal a determination by the county assessor to

23 deny or alter the amount of the deduction by requesting in writing, not

24 more than forty-five (45) days after the county assessor gives the

25 person notice of the determination, a meeting with the county assessor.

26 An appeal initiated under this subsection must be processed and

27 determined in the same manner that an appeal is processed and

28 determined under IC 6-1.1-15. However, the county assessor may not

29 participate in any action the county property tax assessment board of

30 appeals takes with respect to an appeal of a determination by the

31 county assessor.

32 SECTION 11. IC 6-1.1-13-6, AS AMENDED BY P.L.112-2012,

33 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

34 JANUARY 1, 2016]: Sec. 6. (a) A county assessor shall inquire into

35 the assessment of the classes of tangible property in the various

36 townships of the county after March 1 in the year in which a general

37 reassessment under IC 6-1.1-4-4 becomes effective. The county

38 assessor shall make any changes, whether increases or decreases, in the

39 assessed values which are necessary in order to equalize these values

40 in and between the various townships of the county. In addition, the

41 county assessor shall determine the percent to be added to or deducted

42 from the assessed values in order to make a just, equitable, and uniform



1 equalization of assessments in and between the townships of the
2 county:

3 (b) A county assessor shall inquire into the assessment of the classes
4 of tangible property in the group of parcels under a county's
5 reassessment plan prepared under IC 6-1.1-4-4.2 after ~~March~~ **the**
6 **assessment date** in the year in which the reassessment of tangible
7 property in that group of parcels becomes effective. The county
8 assessor shall make any changes, whether increases or decreases, in the
9 assessed values that are necessary in order to equalize these values in
10 that group. In addition, the county assessor shall determine the percent
11 to be added to or deducted from the assessed values in order to make
12 a just, equitable, and uniform equalization of assessments in that group.

13 SECTION 12. IC 6-1.1-17-16.2, AS ADDED BY P.L.172-2011,
14 SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JANUARY 1, 2016]: Sec. 16.2. The department of local government
16 finance may not approve the budget of a taxing unit or a supplemental
17 appropriation for a taxing unit until the taxing unit files an annual
18 report under IC 5-11-1-4 or IC 5-11-13 for the preceding calendar year,
19 unless the taxing unit did not exist as of ~~March~~ **the assessment date**
20 of the calendar year preceding the ensuing calendar year by two (2)
21 years. This section applies to a taxing unit that is the successor to
22 another taxing unit or the result of a consolidation or merger of more
23 than one (1) taxing unit, if an annual report under IC 5-11-1-4 or
24 IC 5-11-13 has not been filed for each predecessor taxing unit.

25 SECTION 13. IC 6-1.1-18.5-10.5, AS AMENDED BY
26 P.L.113-2010, SECTION 32, IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 10.5. (a) The ad
28 valorem property tax levy limits imposed by section 3 of this chapter
29 do not apply to ad valorem property taxes imposed by a civil taxing
30 unit for fire protection services within a fire protection territory under
31 IC 36-8-19, if the civil taxing unit is a participating unit in a fire
32 protection territory established before August 1, 2001. For purposes of
33 computing the ad valorem property tax levy limits imposed on a civil
34 taxing unit by section 3 of this chapter on a civil taxing unit that is a
35 participating unit in a fire protection territory, established before
36 August 1, 2001, the civil taxing unit's ad valorem property tax levy for
37 a particular calendar year does not include that part of the levy imposed
38 under IC 36-8-19. Any property taxes imposed by a civil taxing unit
39 that are exempted by this subsection from the ad valorem property tax
40 levy limits imposed by section 3 of this chapter and first due and
41 payable after December 31, 2008, may not increase annually by a
42 percentage greater than the result of:



1 (1) the assessed value growth quotient determined under section
 2 2 of this chapter; minus
 3 (2) one (1).

4 (b) The department of local government finance may, under this
 5 subsection, increase the maximum permissible ad valorem property tax
 6 levy that would otherwise apply to a civil taxing unit under section 3
 7 of this chapter to meet the civil taxing unit's obligations to a fire
 8 protection territory established under IC 36-8-19. To obtain an increase
 9 in the civil taxing unit's maximum permissible ad valorem property tax
 10 levy, a civil taxing unit shall submit a petition to the department of
 11 local government finance in the year immediately preceding the first
 12 year in which the civil taxing unit levies a tax to support the fire
 13 protection territory. The petition must be filed before the date specified
 14 in section 12(a)(1) of this chapter of that year. The department of local
 15 government finance shall make a final determination of the civil taxing
 16 unit's budget, ad valorem property tax levy, and property tax rate for the
 17 fire protection territory for the ensuing calendar year. In making its
 18 determination under this subsection, the department of local
 19 government finance shall consider the amount that the civil taxing unit
 20 is obligated to provide to meet the expenses of operation and
 21 maintenance of the fire protection services within the territory,
 22 including the participating unit's reasonable share of an operating
 23 balance for the fire protection territory. The department of local
 24 government finance shall determine the entire amount of the allowable
 25 adjustment in the final determination. The department shall order the
 26 adjustment implemented in the amounts and over the number of years,
 27 not exceeding three (3), requested by the petitioning civil taxing unit.
 28 However, the department of local government finance may not approve
 29 under this subsection a property tax levy greater than zero (0) if the
 30 civil taxing unit did not exist as of the ~~March~~ + assessment date for
 31 which the tax levy will be imposed. For purposes of applying this
 32 subsection to the civil taxing unit's maximum permissible ad valorem
 33 property tax levy in subsequent calendar years, the department of local
 34 government finance may determine not to consider part or all of the
 35 part of the property tax levy imposed to establish the operating balance
 36 of the fire protection territory.

37 SECTION 14. IC 6-1.1-18.5-13, AS AMENDED BY P.L.218-2013,
 38 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JANUARY 1, 2016]: Sec. 13. (a) With respect to an appeal filed under
 40 section 12 of this chapter, the department may find that a civil taxing
 41 unit should receive any one (1) or more of the following types of relief:

42 (1) Permission to the civil taxing unit to increase its levy in excess



1 of the limitations established under section 3 of this chapter, if in
 2 the judgment of the department the increase is reasonably
 3 necessary due to increased costs of the civil taxing unit resulting
 4 from annexation, consolidation, or other extensions of
 5 governmental services by the civil taxing unit to additional
 6 geographic areas or persons. With respect to annexation,
 7 consolidation, or other extensions of governmental services in a
 8 calendar year, if those increased costs are incurred by the civil
 9 taxing unit in that calendar year and more than one (1)
 10 immediately succeeding calendar year, the unit may appeal under
 11 section 12 of this chapter for permission to increase its levy under
 12 this subdivision based on those increased costs in any of the
 13 following:

14 (A) The first calendar year in which those costs are incurred.

15 (B) One (1) or more of the immediately succeeding four (4)
 16 calendar years.

17 (2) A levy increase may not be granted under this subdivision for
 18 property taxes first due and payable after December 31, 2008.
 19 Permission to the civil taxing unit to increase its levy in excess of
 20 the limitations established under section 3 of this chapter, if the
 21 local government tax control board finds that the civil taxing unit
 22 needs the increase to meet the civil taxing unit's share of the costs
 23 of operating a court established by statute enacted after December
 24 31, 1973. Before recommending such an increase, the local
 25 government tax control board shall consider all other revenues
 26 available to the civil taxing unit that could be applied for that
 27 purpose. The maximum aggregate levy increases that the local
 28 government tax control board may recommend for a particular
 29 court equals the civil taxing unit's estimate of the unit's share of
 30 the costs of operating a court for the first full calendar year in
 31 which it is in existence. For purposes of this subdivision, costs of
 32 operating a court include:

33 (A) the cost of personal services (including fringe benefits);

34 (B) the cost of supplies; and

35 (C) any other cost directly related to the operation of the court.

36 (3) Permission to the civil taxing unit to increase its levy in excess
 37 of the limitations established under section 3 of this chapter, if the
 38 department finds that the quotient determined under STEP SIX of
 39 the following formula is equal to or greater than one and
 40 two-hundredths (1.02):

41 STEP ONE: Determine the three (3) calendar years that most
 42 immediately precede the ensuing calendar year and in which



1 a statewide general reassessment of real property under
 2 IC 6-1.1-4-4 does not first become effective.
 3 STEP TWO: Compute separately, for each of the calendar
 4 years determined in STEP ONE, the quotient (rounded to the
 5 nearest ten-thousandth (0.0001)) of the sum of the civil taxing
 6 unit's total assessed value of all taxable property and:
 7 (i) for a particular calendar year before 2007, the total
 8 assessed value of property tax deductions in the unit under
 9 IC 6-1.1-12-41 (**repealed**) or IC 6-1.1-12-42 in the
 10 particular calendar year; or
 11 (ii) for a particular calendar year after 2006, the total
 12 assessed value of property tax deductions that applied in the
 13 unit under IC 6-1.1-12-42 in 2006 plus for a particular
 14 calendar year after 2009, the total assessed value of property
 15 tax deductions that applied in the unit under
 16 IC 6-1.1-12-37.5 in 2008;
 17 divided by the sum determined under this STEP for the
 18 calendar year immediately preceding the particular calendar
 19 year.
 20 STEP THREE: Divide the sum of the three (3) quotients
 21 computed in STEP TWO by three (3).
 22 STEP FOUR: Compute separately, for each of the calendar
 23 years determined in STEP ONE, the quotient (rounded to the
 24 nearest ten-thousandth (0.0001)) of the sum of the total
 25 assessed value of all taxable property in all counties and:
 26 (i) for a particular calendar year before 2007, the total
 27 assessed value of property tax deductions in all counties
 28 under IC 6-1.1-12-41 (**repealed**) or IC 6-1.1-12-42 in the
 29 particular calendar year; or
 30 (ii) for a particular calendar year after 2006, the total
 31 assessed value of property tax deductions that applied in all
 32 counties under IC 6-1.1-12-42 in 2006 plus for a particular
 33 calendar year after 2009, the total assessed value of property
 34 tax deductions that applied in the unit under
 35 IC 6-1.1-12-37.5 in 2008;
 36 divided by the sum determined under this STEP for the
 37 calendar year immediately preceding the particular calendar
 38 year.
 39 STEP FIVE: Divide the sum of the three (3) quotients
 40 computed in STEP FOUR by three (3).
 41 STEP SIX: Divide the STEP THREE amount by the STEP
 42 FIVE amount.



1 The civil taxing unit may increase its levy by a percentage not
 2 greater than the percentage by which the STEP THREE amount
 3 exceeds the percentage by which the civil taxing unit may
 4 increase its levy under section 3 of this chapter based on the
 5 assessed value growth quotient determined under section 2 of this
 6 chapter.

7 (4) A levy increase may not be granted under this subdivision for
 8 property taxes first due and payable after December 31, 2008.
 9 Permission to the civil taxing unit to increase its levy in excess of
 10 the limitations established under section 3 of this chapter, if the
 11 local government tax control board finds that the civil taxing unit
 12 needs the increase to pay the costs of furnishing fire protection for
 13 the civil taxing unit through a volunteer fire department. For
 14 purposes of determining a township's need for an increased levy,
 15 the local government tax control board shall not consider the
 16 amount of money borrowed under IC 36-6-6-14 during the
 17 immediately preceding calendar year. However, any increase in
 18 the amount of the civil taxing unit's levy recommended by the
 19 local government tax control board under this subdivision for the
 20 ensuing calendar year may not exceed the lesser of:

21 (A) ten thousand dollars (\$10,000); or
 22 (B) twenty percent (20%) of:

23 (i) the amount authorized for operating expenses of a
 24 volunteer fire department in the budget of the civil taxing
 25 unit for the immediately preceding calendar year; plus
 26 (ii) the amount of any additional appropriations authorized
 27 during that calendar year for the civil taxing unit's use in
 28 paying operating expenses of a volunteer fire department
 29 under this chapter; minus
 30 (iii) the amount of money borrowed under IC 36-6-6-14
 31 during that calendar year for the civil taxing unit's use in
 32 paying operating expenses of a volunteer fire department.

33 (5) A levy increase may not be granted under this subdivision for
 34 property taxes first due and payable after December 31, 2008.
 35 Permission to a civil taxing unit to increase its levy in excess of
 36 the limitations established under section 3 of this chapter in order
 37 to raise revenues for pension payments and contributions the civil
 38 taxing unit is required to make under IC 36-8. The maximum
 39 increase in a civil taxing unit's levy that may be recommended
 40 under this subdivision for an ensuing calendar year equals the
 41 amount, if any, by which the pension payments and contributions
 42 the civil taxing unit is required to make under IC 36-8 during the



1 ensuing calendar year exceeds the product of one and one-tenth
 2 (1.1) multiplied by the pension payments and contributions made
 3 by the civil taxing unit under IC 36-8 during the calendar year that
 4 immediately precedes the ensuing calendar year. For purposes of
 5 this subdivision, "pension payments and contributions made by a
 6 civil taxing unit" does not include that part of the payments or
 7 contributions that are funded by distributions made to a civil
 8 taxing unit by the state.

9 (6) A levy increase may not be granted under this subdivision for
 10 property taxes first due and payable after December 31, 2008.
 11 Permission to increase its levy in excess of the limitations
 12 established under section 3 of this chapter if the local government
 13 tax control board finds that:

14 (A) the township's township assistance ad valorem property
 15 tax rate is less than one and sixty-seven hundredths cents
 16 (\$0.0167) per one hundred dollars (\$100) of assessed
 17 valuation; and

18 (B) the township needs the increase to meet the costs of
 19 providing township assistance under IC 12-20 and IC 12-30-4.
 20 The maximum increase that the board may recommend for a
 21 township is the levy that would result from an increase in the
 22 township's township assistance ad valorem property tax rate of
 23 one and sixty-seven hundredths cents (\$0.0167) per one hundred
 24 dollars (\$100) of assessed valuation minus the township's ad
 25 valorem property tax rate per one hundred dollars (\$100) of
 26 assessed valuation before the increase.

27 (7) A levy increase may not be granted under this subdivision for
 28 property taxes first due and payable after December 31, 2008.
 29 Permission to a civil taxing unit to increase its levy in excess of
 30 the limitations established under section 3 of this chapter if:

31 (A) the increase has been approved by the legislative body of
 32 the municipality with the largest population where the civil
 33 taxing unit provides public transportation services; and

34 (B) the local government tax control board finds that the civil
 35 taxing unit needs the increase to provide adequate public
 36 transportation services.

37 The local government tax control board shall consider tax rates
 38 and levies in civil taxing units of comparable population, and the
 39 effect (if any) of a loss of federal or other funds to the civil taxing
 40 unit that might have been used for public transportation purposes.
 41 However, the increase that the board may recommend under this
 42 subdivision for a civil taxing unit may not exceed the revenue that



1 would be raised by the civil taxing unit based on a property tax
 2 rate of one cent (\$.01) per one hundred dollars (\$100) of
 3 assessed valuation.

4 (8) A levy increase may not be granted under this subdivision for
 5 property taxes first due and payable after December 31, 2008.
 6 Permission to a civil taxing unit to increase the unit's levy in
 7 excess of the limitations established under section 3 of this
 8 chapter if the local government tax control board finds that:

9 (A) the civil taxing unit is:

10 (i) a county having a population of more than one hundred
 11 seventy thousand (170,000) but less than one hundred
 12 seventy-five thousand (175,000);

13 (ii) a city having a population of more than sixty-five
 14 thousand (65,000) but less than seventy thousand (70,000);

15 (iii) a city having a population of more than twenty-nine
 16 thousand five hundred (29,500) but less than twenty-nine
 17 thousand six hundred (29,600);

18 (iv) a city having a population of more than thirteen
 19 thousand four hundred fifty (13,450) but less than thirteen
 20 thousand five hundred (13,500); or

21 (v) a city having a population of more than eight thousand
 22 seven hundred (8,700) but less than nine thousand (9,000);
 23 and

24 (B) the increase is necessary to provide funding to undertake
 25 removal (as defined in IC 13-11-2-187) and remedial action
 26 (as defined in IC 13-11-2-185) relating to hazardous
 27 substances (as defined in IC 13-11-2-98) in solid waste
 28 disposal facilities or industrial sites in the civil taxing unit that
 29 have become a menace to the public health and welfare.

30 The maximum increase that the local government tax control
 31 board may recommend for such a civil taxing unit is the levy that
 32 would result from a property tax rate of six and sixty-seven
 33 hundredths cents (\$.0667) for each one hundred dollars (\$100)
 34 of assessed valuation. For purposes of computing the ad valorem
 35 property tax levy limit imposed on a civil taxing unit under
 36 section 3 of this chapter, the civil taxing unit's ad valorem
 37 property tax levy for a particular year does not include that part of
 38 the levy imposed under this subdivision. In addition, a property
 39 tax increase permitted under this subdivision may be imposed for
 40 only two (2) calendar years.

41 (9) A levy increase may not be granted under this subdivision for
 42 property taxes first due and payable after December 31, 2008.



- 1 Permission for a county:
- 2 (A) having a population of more than eighty thousand (80,000)
- 3 but less than ninety thousand (90,000) to increase the county's
- 4 levy in excess of the limitations established under section 3 of
- 5 this chapter, if the local government tax control board finds
- 6 that the county needs the increase to meet the county's share of
- 7 the costs of operating a jail or juvenile detention center,
- 8 including expansion of the facility, if the jail or juvenile
- 9 detention center is opened after December 31, 1991;
- 10 (B) that operates a county jail or juvenile detention center that
- 11 is subject to an order that:
- 12 (i) was issued by a federal district court; and
- 13 (ii) has not been terminated;
- 14 (C) that operates a county jail that fails to meet:
- 15 (i) American Correctional Association Jail Construction
- 16 Standards; and
- 17 (ii) Indiana jail operation standards adopted by the
- 18 department of correction; or
- 19 (D) that operates a juvenile detention center that fails to meet
- 20 standards equivalent to the standards described in clause (C)
- 21 for the operation of juvenile detention centers.
- 22 Before recommending an increase, the local government tax
- 23 control board shall consider all other revenues available to the
- 24 county that could be applied for that purpose. An appeal for
- 25 operating funds for a jail or a juvenile detention center shall be
- 26 considered individually, if a jail and juvenile detention center are
- 27 both opened in one (1) county. The maximum aggregate levy
- 28 increases that the local government tax control board may
- 29 recommend for a county equals the county's share of the costs of
- 30 operating the jail or a juvenile detention center for the first full
- 31 calendar year in which the jail or juvenile detention center is in
- 32 operation.
- 33 (10) A levy increase may not be granted under this subdivision for
- 34 property taxes first due and payable after December 31, 2008.
- 35 Permission for a township to increase its levy in excess of the
- 36 limitations established under section 3 of this chapter, if the local
- 37 government tax control board finds that the township needs the
- 38 increase so that the property tax rate to pay the costs of furnishing
- 39 fire protection for a township, or a portion of a township, enables
- 40 the township to pay a fair and reasonable amount under a contract
- 41 with the municipality that is furnishing the fire protection.
- 42 However, for the first time an appeal is granted the resulting rate



1 increase may not exceed fifty percent (50%) of the difference
 2 between the rate imposed for fire protection within the
 3 municipality that is providing the fire protection to the township
 4 and the township's rate. A township is required to appeal a second
 5 time for an increase under this subdivision if the township wants
 6 to further increase its rate. However, a township's rate may be
 7 increased to equal but may not exceed the rate that is used by the
 8 municipality. More than one (1) township served by the same
 9 municipality may use this appeal.

10 (11) Permission to a city having a population of more than
 11 thirty-one thousand five hundred (31,500) but less than thirty-one
 12 thousand seven hundred twenty-five (31,725) to increase its levy
 13 in excess of the limitations established under section 3 of this
 14 chapter if:

15 (A) an appeal was granted to the city under this section to
 16 reallocate property tax replacement credits under IC 6-3.5-1.1
 17 in 1998, 1999, and 2000; and

18 (B) the increase has been approved by the legislative body of
 19 the city, and the legislative body of the city has by resolution
 20 determined that the increase is necessary to pay normal
 21 operating expenses.

22 The maximum amount of the increase is equal to the amount of
 23 property tax replacement credits under IC 6-3.5-1.1 that the city
 24 petitioned under this section to have reallocated in 2001 for a
 25 purpose other than property tax relief.

26 (12) A levy increase may be granted under this subdivision only
 27 for property taxes first due and payable after December 31, 2008.
 28 Permission to a civil taxing unit to increase its levy in excess of
 29 the limitations established under section 3 of this chapter if the
 30 civil taxing unit cannot carry out its governmental functions for
 31 an ensuing calendar year under the levy limitations imposed by
 32 section 3 of this chapter due to a natural disaster, an accident, or
 33 another unanticipated emergency.

34 (13) Permission to Jefferson County to increase its levy in excess
 35 of the limitations established under section 3 of this chapter if the
 36 department finds that the county experienced a property tax
 37 revenue shortfall that resulted from an erroneous estimate of the
 38 effect of the supplemental deduction under IC 6-1.1-12-37.5 on
 39 the county's assessed valuation. An appeal for a levy increase
 40 under this subdivision may not be denied because of the amount
 41 of cash balances in county funds. The maximum increase in the
 42 county's levy that may be approved under this subdivision is three



- 1 hundred thousand dollars (\$300,000).
- 2 (b) The department of local government finance shall increase the
- 3 maximum permissible ad valorem property tax levy under section 3 of
- 4 this chapter for the city of Goshen for 2012 and thereafter by an
- 5 amount equal to the greater of zero (0) or the result of:
- 6 (1) the city's total pension costs in 2009 for the 1925 police
- 7 pension fund (IC 36-8-6) and the 1937 firefighters' pension fund
- 8 (IC 36-8-7); minus
- 9 (2) the sum of:
- 10 (A) the total amount of state funds received in 2009 by the city
- 11 and used to pay benefits to members of the 1925 police
- 12 pension fund (IC 36-8-6) or the 1937 firefighters' pension fund
- 13 (IC 36-8-7); plus
- 14 (B) any previous permanent increases to the city's levy that
- 15 were authorized to account for the transfer to the state of the
- 16 responsibility to pay benefits to members of the 1925 police
- 17 pension fund (IC 36-8-6) and the 1937 firefighters' pension
- 18 fund (IC 36-8-7).
- 19 (c) In calendar year 2013, the department of local government
- 20 finance shall allow a township to increase its maximum permissible ad
- 21 valorem property tax levy in excess of the limitations established under
- 22 section 3 of this chapter, if the township:
- 23 (1) petitions the department for the levy increase on a form
- 24 prescribed by the department; and
- 25 (2) submits proof of the amount borrowed in 2012 or 2013, but
- 26 not both, under IC 36-6-6-14 to furnish fire protection for the
- 27 township or a part of the township.
- 28 The maximum increase in a township's levy that may be allowed under
- 29 this subsection is the amount borrowed by the township under
- 30 IC 36-6-6-14 in the year for which proof was submitted under
- 31 subdivision (2). An increase allowed under this subsection applies to
- 32 property taxes first due and payable after December 31, 2013.
- 33 SECTION 15. IC 6-1.1-22.5-20, AS AMENDED BY P.L.140-2013,
- 34 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 35 JANUARY 1, 2016]: Sec. 20. For purposes of a provisional statement
- 36 under section 6 of this chapter, the department of local government
- 37 finance may adopt emergency rules under IC 4-22-2-37.1 to do any of
- 38 the following:
- 39 (1) Provide a methodology for a county treasurer to issue
- 40 provisional statements with respect to real property, taking into
- 41 account new construction of improvements placed on the real
- 42 property, damage, and other losses related to the real property:



- 1 (A) after ~~March~~ + **the assessment date** of the year preceding
- 2 the assessment date to which the provisional statement applies;
- 3 and
- 4 (B) before the assessment date to which the provisional
- 5 statement applies.
- 6 (2) Carry out IC 6-1.1-22.6.
- 7 The department of local government finance may extend an emergency
- 8 rule adopted under this section for an unlimited number of extension
- 9 periods by adopting another emergency rule under IC 4-22-2-37.1.
- 10 SECTION 16. IC 6-1.1-40-11, AS AMENDED BY P.L.146-2008,
- 11 SECTION 301, IS AMENDED TO READ AS FOLLOWS
- 12 [EFFECTIVE JANUARY 1, 2016]: Sec. 11. (a) A person that desires
- 13 to obtain the deduction provided by section 10 of this chapter must file
- 14 a certified deduction application, on forms prescribed by the
- 15 department of local government finance, with:
- 16 (1) the auditor of the county in which the new manufacturing
- 17 equipment is located; and
- 18 (2) the department of local government finance.
- 19 A person that timely files a personal property return under
- 20 IC 6-1.1-3-7(a) for the year in which the new manufacturing equipment
- 21 is installed must file the application between March + **10** and May 15
- 22 of that year.
- 23 (b) The application required by this section must contain the
- 24 following information:
- 25 (1) The name of the owner of the new manufacturing equipment.
- 26 (2) A description of the new manufacturing equipment.
- 27 (3) Proof of the date the new manufacturing equipment was
- 28 installed.
- 29 (4) The amount of the deduction claimed for the first year of the
- 30 deduction.
- 31 (c) A deduction application must be filed under this section in the
- 32 year in which the new manufacturing equipment is installed and in
- 33 each of the immediately succeeding nine (9) years.
- 34 (d) The department of local government finance shall review and
- 35 verify the correctness of each application and shall notify the county
- 36 auditor of the county in which the property is located that the
- 37 application is approved or denied or that the amount of the deduction
- 38 is altered. Upon notification of approval of the application or of
- 39 alteration of the amount of the deduction, the county auditor shall make
- 40 the deduction.
- 41 (e) If the ownership of new manufacturing equipment changes, the
- 42 deduction provided under section 10 of this chapter continues to apply



- 1 to that equipment if the new owner:
- 2 (1) continues to use the equipment in compliance with any
- 3 standards established under section 7(c) of this chapter; and
- 4 (2) files the applications required by this section.
- 5 (f) The amount of the deduction is:
- 6 (1) the percentage under section 10 of this chapter that would
- 7 have applied if the ownership of the property had not changed;
- 8 multiplied by
- 9 (2) the assessed value of the equipment for the year the deduction
- 10 is claimed by the new owner.
- 11 SECTION 17. IC 6-1.1-42-27, AS AMENDED BY P.L.146-2008,
- 12 SECTION 303, IS AMENDED TO READ AS FOLLOWS
- 13 [EFFECTIVE JANUARY 1, 2016]: Sec. 27. (a) A property owner who
- 14 desires to obtain the deduction provided by section 24 of this chapter
- 15 must file a certified deduction application, on forms prescribed by the
- 16 department of local government finance, with the auditor of the county
- 17 in which the property is located. Except as otherwise provided in
- 18 subsection (b) or (e), the deduction application must be filed before
- 19 May 10 of the year in which the addition to assessed valuation is made.
- 20 (b) If notice of the addition to assessed valuation or new assessment
- 21 for any year is not given to the property owner before April 10 of that
- 22 year, the deduction application required by this section may be filed not
- 23 later than thirty (30) days after the date such a notice is mailed to the
- 24 property owner at the address shown on the records of the township or
- 25 county assessor.
- 26 (c) The certified deduction application required by this section must
- 27 contain the following information:
- 28 (1) The name of each owner of the property.
- 29 (2) A certificate of completion of a voluntary remediation under
- 30 IC 13-25-5-16.
- 31 (3) Proof that each owner who is applying for the deduction:
- 32 (A) has never had an ownership interest in an entity that
- 33 contributed; and
- 34 (B) has not contributed;
- 35 a contaminant (as defined in IC 13-11-2-42) that is the subject of
- 36 the voluntary remediation, as determined under the written
- 37 standards adopted by the department of environmental
- 38 management.
- 39 (4) Proof that the deduction was approved by the appropriate
- 40 designating body.
- 41 (5) A description of the property for which a deduction is claimed
- 42 in sufficient detail to afford identification.



- 1 (6) The assessed value of the improvements before remediation
2 and redevelopment.
- 3 (7) The increase in the assessed value of improvements resulting
4 from remediation and redevelopment.
- 5 (8) The amount of the deduction claimed for the first year of the
6 deduction.
- 7 (d) A certified deduction application filed under subsection (a) or
8 (b) is applicable for the year in which the addition to assessed value or
9 assessment of property is made and each subsequent year to which the
10 deduction applies under the resolution adopted under section 24 of this
11 chapter.
- 12 (e) A property owner who desires to obtain the deduction provided
13 by section 24 of this chapter but who has failed to file a deduction
14 application within the dates prescribed in subsection (a) or (b) may file
15 a deduction application between March 10 and May 10 of a
16 subsequent year which is applicable for the year filed and the
17 subsequent years without any additional certified deduction application
18 being filed for the amounts of the deduction which would be applicable
19 to such years under this chapter if such a deduction application had
20 been filed in accordance with subsection (a) or (b).
- 21 (f) On verification of the correctness of a certified deduction
22 application by the assessor of the township in which the property is
23 located, or the county assessor if there is no township assessor for the
24 township, the county auditor shall, if the property is covered by a
25 resolution adopted under section 24 of this chapter, make the
26 appropriate deduction.
- 27 (g) The amount and period of the deduction provided for property
28 by section 24 of this chapter are not affected by a change in the
29 ownership of the property if the new owner of the property:
30 (1) is a person that:
31 (A) has never had an ownership interest in an entity that
32 contributed; and
33 (B) has not contributed;
34 a contaminant (as defined in IC 13-11-2-42) that is the subject of
35 the voluntary remediation, as determined under the written
36 standards adopted by the department of environmental
37 management;
- 38 (2) continues to use the property in compliance with any
39 standards established under sections 7 and 23 of this chapter; and
40 (3) files an application in the manner provided by subsection (e).
- 41 (h) The township assessor, or the county assessor if there is no
42 township assessor for the township, shall include a notice of the



1 deadlines for filing a deduction application under subsections (a) and
 2 (b) with each notice to a property owner of an addition to assessed
 3 value or of a new assessment.

4 SECTION 18. IC 6-1.1-44-6 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 6. (a) To obtain
 6 a deduction under this chapter, a manufacturer must file an application
 7 on forms prescribed by the department of local government finance
 8 with the auditor of the county in which the investment property is
 9 located. A person that timely files a personal property return under
 10 IC 6-1.1-3-7(a) for the year in which the investment property is
 11 installed must file the application between March + 10 and May 15 of
 12 that year. A person that obtains a filing extension under IC 6-1.1-3-7(b)
 13 for the year in which the investment property is installed must file the
 14 application between March + 10 and the extended due date for that
 15 year.

16 (b) The deduction application required by this section must contain
 17 the following information:

- 18 (1) The name of the owner of the investment property.
- 19 (2) A description of the investment property.
- 20 (3) Proof of purchase of the investment property and proof of the
 21 date the investment property was installed.
- 22 (4) The amount of the deduction claimed.

23 SECTION 19. IC 6-2.5-8-1, AS AMENDED BY P.L.293-2013(ts),
 24 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JANUARY 1, 2016]: Sec. 1. (a) A retail merchant may not make a
 26 retail transaction in Indiana, unless the retail merchant has applied for
 27 a registered retail merchant's certificate.

28 (b) A retail merchant may obtain a registered retail merchant's
 29 certificate by filing an application with the department and paying a
 30 registration fee of twenty-five dollars (\$25) for each place of business
 31 listed on the application. The retail merchant shall also provide such
 32 security for payment of the tax as the department may require under
 33 IC 6-2.5-6-12.

34 (c) The retail merchant shall list on the application the location
 35 (including the township) of each place of business where the retail
 36 merchant makes retail transactions. However, if the retail merchant
 37 does not have a fixed place of business, the retail merchant shall list the
 38 retail merchant's residence as the retail merchant's place of business. In
 39 addition, a public utility may list only its principal Indiana office as its
 40 place of business for sales of public utility commodities or service, but
 41 the utility must also list on the application the places of business where
 42 it makes retail transactions other than sales of public utility



1 commodities or service.

2 (d) Upon receiving a proper application, the correct fee, and the
3 security for payment, if required, the department shall issue to the retail
4 merchant a separate registered retail merchant's certificate for each
5 place of business listed on the application. Each certificate shall bear
6 a serial number and the location of the place of business for which it is
7 issued.

8 (e) If a retail merchant intends to make retail transactions during a
9 calendar year at a new Indiana place of business, the retail merchant
10 must file a supplemental application and pay the fee for that place of
11 business.

12 (f) Except as provided in subsection (h), a registered retail
13 merchant's certificate is valid for two (2) years after the date the
14 registered retail merchant's certificate is originally issued or renewed.
15 If the retail merchant has filed all returns and remitted all taxes the
16 retail merchant is currently obligated to file or remit, the department
17 shall renew the registered retail merchant's certificate within thirty (30)
18 days after the expiration date, at no cost to the retail merchant.

19 (g) The department may not renew a registered retail merchant
20 certificate of a retail merchant who is delinquent in remitting
21 withholding taxes required to be remitted under IC 6-3-4 or sales or use
22 tax. The department, at least sixty (60) days before the date on which
23 a retail merchant's registered retail merchant's certificate expires, shall
24 notify a retail merchant who is delinquent in remitting withholding
25 taxes required to be remitted under IC 6-3-4 or sales or use tax that the
26 department will not renew the retail merchant's registered retail
27 merchant's certificate.

28 (h) If:

29 (1) a retail merchant has been notified by the department that the
30 retail merchant is delinquent in remitting withholding taxes or
31 sales or use tax in accordance with subsection (g); and

32 (2) the retail merchant pays the outstanding liability before the
33 expiration of the retail merchant's registered retail merchant's
34 certificate;

35 the department shall renew the retail merchant's registered retail
36 merchant's certificate for one (1) year.

37 (i) A retail merchant engaged in business in Indiana as defined in
38 IC 6-2.5-3-1(c) who makes retail transactions that are only subject to
39 the use tax must obtain a registered retail merchant's certificate before
40 making those transactions. The retail merchant may obtain the
41 certificate by following the same procedure as a retail merchant under
42 subsections (b) and (c), except that the retail merchant must also



- 1 include on the application:
- 2 (1) the names and addresses of the retail merchant's principal
- 3 employees, agents, or representatives who engage in Indiana in
- 4 the solicitation or negotiation of the retail transactions;
- 5 (2) the location of all of the retail merchant's places of business in
- 6 Indiana, including offices and distribution houses; and
- 7 (3) any other information that the department requests.
- 8 (j) The department may permit an out-of-state retail merchant to
- 9 collect the use tax. However, before the out-of-state retail merchant
- 10 may collect the tax, the out-of-state retail merchant must obtain a
- 11 registered retail merchant's certificate in the manner provided by this
- 12 section. Upon receiving the certificate, the out-of-state retail merchant
- 13 becomes subject to the same conditions and duties as an Indiana retail
- 14 merchant and must then collect the use tax due on all sales of tangible
- 15 personal property that the out-of-state retail merchant knows is
- 16 intended for use in Indiana.
- 17 (k) Except as provided in subsection (l), the department shall submit
- 18 to the township assessor, or the county assessor if there is no township
- 19 assessor for the township, before ~~July~~ **March** 15 of each year:
- 20 (1) the name of each retail merchant that has newly obtained a
- 21 registered retail merchant's certificate ~~between March 2 of~~ **during**
- 22 ~~the preceding year and March 1 of the current year~~ for a place of
- 23 business located in the township or county; and
- 24 (2) the address of each place of business of the taxpayer in the
- 25 township or county.
- 26 (l) If the duties of the township assessor have been transferred to the
- 27 county assessor as described in IC 6-1.1-1-24, the department shall
- 28 submit the information listed in subsection (k) to the county assessor.
- 29 SECTION 20. IC 6-3.5-7-5, AS AMENDED BY P.L.153-2014,
- 30 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 31 JANUARY 1, 2016]: Sec. 5. (a) Except as provided in subsection (c),
- 32 the county economic development income tax may be imposed on the
- 33 adjusted gross income of county taxpayers. Except as provided in
- 34 section 26(m) of this chapter, the entity that may impose the tax is:
- 35 (1) the county income tax council (as defined in IC 6-3.5-6-1) if
- 36 the county option income tax is in effect on October 1 of the year
- 37 the county economic development income tax is imposed;
- 38 (2) the county council if the county adjusted gross income tax is
- 39 in effect on October 1 of the year the county economic
- 40 development tax is imposed; or
- 41 (3) the county income tax council or the county council,
- 42 whichever acts first, for a county not covered by subdivision (1)



1 or (2).
 2 To impose the county economic development income tax, a county
 3 income tax council shall use the procedures set forth in IC 6-3.5-6
 4 concerning the imposition of the county option income tax.

5 (b) Except as provided in this section and section 28 of this chapter,
 6 the county economic development income tax may be imposed at a rate
 7 of:

- 8 (1) one-tenth percent (0.1%);
 9 (2) two-tenths percent (0.2%);
 10 (3) twenty-five hundredths percent (0.25%);
 11 (4) three-tenths percent (0.3%);
 12 (5) thirty-five hundredths percent (0.35%);
 13 (6) four-tenths percent (0.4%);
 14 (7) forty-five hundredths percent (0.45%); or
 15 (8) five-tenths percent (0.5%);

16 on the adjusted gross income of county taxpayers.

17 (c) Except as provided in this section, the county economic
 18 development income tax rate plus the county adjusted gross income tax
 19 rate, if any, that are in effect on January 1 of a year may not exceed one
 20 and twenty-five hundredths percent (1.25%). Except as provided in this
 21 section, the county economic development tax rate plus the county
 22 option income tax rate, if any, that are in effect on January 1 of a year
 23 may not exceed one percent (1%).

24 (d) To impose, increase, decrease, or rescind the county economic
 25 development income tax, the appropriate body must adopt an
 26 ordinance.

27 (e) The ordinance to impose the tax must substantially state the
 28 following:

29 "The _____ County _____ imposes the county economic
 30 development income tax on the county taxpayers of _____
 31 County. The county economic development income tax is imposed at
 32 a rate of _____ percent (____%) on the county taxpayers of the
 33 county."

34 (f) The auditor of a county shall record all votes taken on ordinances
 35 presented for a vote under the authority of this chapter and shall, not
 36 more than ten (10) days after the vote, send a certified copy of the
 37 results to the commissioner of the department, the director of the
 38 budget agency, and the commissioner of the department of local
 39 government finance in an electronic format approved by the director of
 40 the budget agency.

41 (g) For Jackson County, except as provided in subsection (o), the
 42 county economic development income tax rate plus the county adjusted



1 gross income tax rate that are in effect on January 1 of a year may not
 2 exceed one and thirty-five hundredths percent (1.35%) if the county has
 3 imposed the county adjusted gross income tax at a rate of one and
 4 one-tenth percent (1.1%) under IC 6-3.5-1.1-2.5.

5 (h) For Pulaski County, except as provided in subsection (o), the
 6 county economic development income tax rate plus the county adjusted
 7 gross income tax rate that are in effect on January 1 of a year may not
 8 exceed one and fifty-five hundredths percent (1.55%).

9 (i) For Wayne County, except as provided in subsection (o), the
 10 county economic development income tax rate plus the county adjusted
 11 gross income tax rate that are in effect on January 1 of a year may not
 12 exceed one and five-tenths percent (1.5%).

13 (j) This subsection applies to Randolph County. Except as provided
 14 in subsection (o), in addition to the rates permitted under subsection
 15 (b):

16 (1) the county economic development income tax may be imposed
 17 at a rate of twenty-five hundredths percent (0.25%); and

18 (2) the sum of the county economic development income tax rate
 19 and the county adjusted gross income tax rate that are in effect on
 20 January 1 of a year may not exceed one and five-tenths percent
 21 (1.5%);

22 if the county council makes a determination to impose rates under this
 23 subsection and section 22.5 of this chapter.

24 (k) For Daviess County, except as provided in subsection (o), the
 25 county economic development income tax rate plus the county adjusted
 26 gross income tax rate that are in effect on January 1 of a year may not
 27 exceed one and five-tenths percent (1.5%).

28 (l) For:

29 (1) Elkhart County; or

30 (2) Marshall County;

31 except as provided in subsection (o), the county economic development
 32 income tax rate plus the county adjusted gross income tax rate that are
 33 in effect on January 1 of a year may not exceed one and five-tenths
 34 percent (1.5%).

35 (m) For Union County, except as provided in subsection (o), the
 36 county economic development income tax rate plus the county adjusted
 37 gross income tax rate that are in effect on January 1 of a year may not
 38 exceed one and five-tenths percent (1.5%).

39 (n) This subsection applies to Knox County. Except as provided in
 40 subsection (o), in addition to the rates permitted under subsection (b):

41 (1) the county economic development income tax may be imposed
 42 at a rate of twenty-five hundredths percent (0.25%); and



- 1 (2) the sum of the county economic development income tax rate
 2 and:
 3 (A) the county adjusted gross income tax rate that are in effect
 4 on January 1 of a year may not exceed one and five-tenths
 5 percent (1.5%); or
 6 (B) the county option income tax rate that are in effect on
 7 January 1 of a year may not exceed one and twenty-five
 8 hundredths percent (1.25%);
 9 if the county council makes a determination to impose rates under this
 10 subsection and section 24 of this chapter.
 11 (o) This subsection applies to a county in which an adopting entity
 12 approves the use of the certified distribution for property tax relief
 13 under section 26(c) and 26(e) of this chapter or to a county in which the
 14 county fiscal body approves the use of the certified distribution to fund
 15 a public transportation project under section 26(m) of this chapter. In
 16 addition:
 17 (1) the county economic development income tax may be imposed
 18 at a rate that exceeds by not more than twenty-five hundredths
 19 percent (0.25%) the maximum rate that would otherwise apply
 20 under this section; and
 21 (2) the:
 22 (A) county economic development income tax; and
 23 (B) county option income tax or county adjusted gross income
 24 tax;
 25 may be imposed at combined rates that exceed by not more than
 26 twenty-five hundredths percent (0.25%) the maximum combined
 27 rates that would otherwise apply under this section.
 28 Except as provided in section 5.5 of this chapter, the additional rate
 29 imposed under this subsection may not exceed the amount necessary
 30 to mitigate the increased ad valorem property taxes on homesteads (as
 31 defined in IC 6-1.1-20.9-1 (repealed) before January 1, 2009, or
 32 IC 6-1.1-12-37 after December 31, 2008) or residential property (as
 33 defined in section 26 of this chapter), as appropriate under the
 34 ordinance adopted by the adopting body in the county, resulting from
 35 the deduction of the assessed value of inventory in the county under
 36 IC 6-1.1-12-41 (**repealed**) or IC 6-1.1-12-42 or from the exclusion in
 37 2008 of inventory from the definition of personal property in
 38 IC 6-1.1-1-11.
 39 (p) If the county economic development income tax is imposed as
 40 authorized under subsection (o) at a rate that exceeds the maximum
 41 rate that would otherwise apply under this section, the certified
 42 distribution must be used for a purpose provided in section 26 of this



1 chapter to the extent that the certified distribution results from the
2 difference between:

- 3 (1) the actual county economic development tax rate; and
4 (2) the maximum rate that would otherwise apply under this
5 section.

6 (q) This subsection applies only to a county described in section 27
7 of this chapter. Except as provided in subsection (o), in addition to the
8 rates permitted by subsection (b), the:

- 9 (1) county economic development income tax may be imposed at
10 a rate of twenty-five hundredths percent (0.25%); and
11 (2) county economic development income tax rate plus the county
12 option income tax rate that are in effect on January 1 of a year
13 may equal up to one and twenty-five hundredths percent (1.25%);
14 if the county council makes a determination to impose rates under this
15 subsection and section 27 of this chapter.

16 (r) Except as provided in subsection (o), the county economic
17 development income tax rate plus the county adjusted gross income tax
18 rate that are in effect on January 1 of a year may not exceed one and
19 five-tenths percent (1.5%) if the county has imposed the county
20 adjusted gross income tax under IC 6-3.5-1.1-3.3.

21 (s) This subsection applies to Howard County. Except as provided
22 in subsection (o), the sum of the county economic development income
23 tax rate and the county option income tax rate that are in effect on
24 January 1 of a year may not exceed one and twenty-five hundredths
25 percent (1.25%).

26 (t) This subsection applies to Scott County. Except as provided in
27 subsection (o), the sum of the county economic development income
28 tax rate and the county option income tax rate that are in effect on
29 January 1 of a year may not exceed one and twenty-five hundredths
30 percent (1.25%).

31 (u) This subsection applies to Jasper County. Except as provided in
32 subsection (o), the sum of the county economic development income
33 tax rate and the county adjusted gross income tax rate that are in effect
34 on January 1 of a year may not exceed one and five-tenths percent
35 (1.5%).

36 (v) An additional county economic development income tax rate
37 imposed under section 28 of this chapter may not be considered in
38 calculating any limit under this section on the sum of:

- 39 (1) the county economic development income tax rate plus the
40 county adjusted gross income tax rate; or
41 (2) the county economic development tax rate plus the county
42 option income tax rate.



1 (w) The income tax rate limits imposed by subsection (c) or (x) or
2 any other provision of this chapter do not apply to:

3 (1) a county adjusted gross income tax rate imposed under
4 IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26; or

5 (2) a county option income tax rate imposed under IC 6-3.5-6-30,
6 IC 6-3.5-6-31, or IC 6-3.5-6-32.

7 For purposes of computing the maximum combined income tax rate
8 under subsection (c) or (x) or any other provision of this chapter that
9 may be imposed in a county under IC 6-3.5-1.1, IC 6-3.5-6, and this
10 chapter, a county's county adjusted gross income tax rate or county
11 option income tax rate for a particular year does not include the county
12 adjusted gross income tax rate imposed under IC 6-3.5-1.1-24,
13 IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26 or the county option income tax rate
14 imposed under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32.

15 (x) This subsection applies to Monroe County. Except as provided
16 in subsection (o), if an ordinance is adopted under IC 6-3.5-6-33, the
17 sum of the county economic development income tax rate and the
18 county option income tax rate that are in effect on January 1 of a year
19 may not exceed one and twenty-five hundredths percent (1.25%).

20 (y) This subsection applies to Perry County. Except as provided in
21 subsection (o), if an ordinance is adopted under section 27.5 of this
22 chapter, the county economic development income tax rate plus the
23 county option income tax rate that is in effect on January 1 of a year
24 may not exceed one and seventy-five hundredths percent (1.75%).

25 (z) This subsection applies to Starke County. Except as provided in
26 subsection (o), if an ordinance is adopted under section 27.6 of this
27 chapter, the county economic development income tax rate plus the
28 county adjusted gross income tax rate that is in effect on January 1 of
29 a year may not exceed two percent (2%).

30 SECTION 21. IC 6-3.5-7-26, AS AMENDED BY P.L.153-2014,
31 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
32 JANUARY 1, 2016]: Sec. 26. (a) This section applies only to the
33 following:

34 (1) Taxes imposed under this chapter to provide homestead and
35 property tax replacement credits for property taxes first due and
36 payable after calendar year 2006.

37 (2) Taxes imposed under this chapter to fund a public
38 transportation project under subsection (m).

39 (b) The following definitions apply throughout this section:

40 (1) "Adopt" includes amend.

41 (2) "Adopting entity" means

42 (A) the entity that adopts an ordinance under



- 1 ~~IC 6-1.1-12-41(f)~~; or
 2 ~~(B) any other~~ an entity that may impose a county economic
 3 development income tax under section 5 of this chapter.
 4 (3) "Homestead" refers to tangible property that is eligible for a
 5 homestead credit under IC 6-1.1-20.9 (repealed) or the standard
 6 deduction under IC 6-1.1-12-37.
 7 (4) "Residential" refers to the following:
 8 (A) Real property, a mobile home, and industrialized housing
 9 that would qualify as a homestead if the taxpayer had filed for
 10 a homestead credit under IC 6-1.1-20.9 (repealed) or the
 11 standard deduction under IC 6-1.1-12-37.
 12 (B) Real property not described in clause (A) designed to
 13 provide units that are regularly used to rent or otherwise
 14 furnish residential accommodations for periods of thirty (30)
 15 days or more, regardless of whether the tangible property is
 16 subject to assessment under rules of the department of local
 17 government finance that apply to:
 18 (i) residential property; or
 19 (ii) commercial property.
 20 (c) This subsection does not apply to a county in which the county
 21 fiscal body adopts an ordinance to provide for the use of the certified
 22 distribution described in section 16 of this chapter to fund a public
 23 transportation project under IC 8-25. An adopting entity may adopt an
 24 ordinance to provide for the use of the certified distribution described
 25 in section 16 of this chapter for the purpose provided in subsection (e).
 26 An adopting entity that adopts an ordinance under this subsection shall
 27 use the procedures set forth in IC 6-3.5-6 concerning the adoption of an
 28 ordinance for the imposition of the county option income tax. The
 29 ordinance may provide for an additional rate under section 5(o) of this
 30 chapter. An ordinance adopted under this subsection:
 31 (1) first applies to the certified distribution described in section 16
 32 of this chapter made in the later of the calendar year that
 33 immediately succeeds the calendar year in which the ordinance is
 34 adopted or calendar year 2007; and
 35 (2) must specify that the certified distribution must be used to
 36 provide for one (1) of the following, as determined by the
 37 adopting entity:
 38 (A) Uniformly applied homestead credits as provided in
 39 subsection (f).
 40 (B) Uniformly applied residential credits as provided in
 41 subsection (g).
 42 (C) Allocated homestead credits as provided in subsection (i).



1 (D) Allocated residential credits as provided in subsection (j).
 2 An ordinance adopted under this subsection may be combined with an
 3 ordinance adopted under section 25 of this chapter (before its repeal).

4 (d) If an ordinance is adopted under subsection (c), the percentage
 5 of the certified distribution specified in the ordinance for use for the
 6 purpose provided in subsection (e) shall be:

- 7 (1) retained by the county auditor under subsection (k); and
 8 (2) used for the purpose provided in subsection (e) instead of the
 9 purposes specified in the capital improvement plans adopted
 10 under section 15 of this chapter.

11 (e) If an ordinance is adopted under subsection (c), the adopting
 12 entity shall use the certified distribution described in section 16 of this
 13 chapter to provide:

- 14 (1) if the ordinance grants a credit described in subsection
 15 (c)(2)(A) or (c)(2)(C), a homestead credit for homesteads; or
 16 (2) if the ordinance grants a credit described in subsection
 17 (c)(2)(B) or (c)(2)(D), a property tax replacement credit for
 18 residential property;

19 for property taxes to offset the effect on homesteads or residential
 20 property, as applicable, in the county resulting from the statewide
 21 deduction for inventory under IC 6-1.1-12-42 or from the exclusion in
 22 2008 of inventory from the definition of personal property in
 23 IC 6-1.1-1-11. The amount of a residential property tax replacement
 24 credit granted under this section may not be considered in computing
 25 the amount of any homestead credit to which the residential property
 26 may be entitled under IC 6-1.1-20.9 (before its repeal) or another law
 27 other than IC 6-1.1-20.6.

28 (f) If the imposing entity specifies the application of uniform
 29 homestead credits under subsection (c)(2)(A), the county auditor shall,
 30 for each calendar year in which a homestead credit percentage is
 31 authorized under this section, determine:

- 32 (1) the amount of the certified distribution that is available to
 33 provide a homestead credit percentage under this section for the
 34 year;
 35 (2) the amount of uniformly applied homestead credits for the
 36 year in the county that equals the amount determined under
 37 subdivision (1); and
 38 (3) the percentage of homestead credit under this section that
 39 equates to the amount of homestead credits determined under
 40 subdivision (2).

41 (g) If the imposing entity specifies the application of uniform
 42 residential credits under subsection (c)(2)(B), the county auditor shall



1 determine for each calendar year in which a homestead credit
2 percentage is authorized under this section:

3 (1) the amount of the certified distribution that is available to
4 provide a residential property tax replacement credit percentage
5 for the year;

6 (2) the amount of uniformly applied residential property tax
7 replacement credits for the year in the county that equals the
8 amount determined under subdivision (1); and

9 (3) the percentage of residential property tax replacement credit
10 under this section that equates to the amount of residential
11 property tax replacement credits determined under subdivision
12 (2).

13 (h) The percentage of homestead credit determined by the county
14 auditor under subsection (f) or the percentage of residential property
15 tax replacement credit determined by the county auditor under
16 subsection (g) applies uniformly in the county in the calendar year for
17 which the percentage is determined.

18 (i) If the imposing entity specifies the application of allocated
19 homestead credits under subsection (c)(2)(C), the county auditor shall,
20 for each calendar year in which a homestead credit is authorized under
21 this section, determine:

22 (1) the amount of the certified distribution that is available to
23 provide a homestead credit under this section for the year; and

24 (2) except as provided in subsection (1), a percentage of
25 homestead credit for each taxing district in the county that
26 allocates to the taxing district an amount of homestead credits that
27 bears the same proportion to the amount determined under
28 subdivision (1) that the amount of inventory assessed value
29 deducted under IC 6-1.1-12-42 in the taxing district for the
30 assessment date in 2006 bears to the total inventory assessed
31 value deducted under IC 6-1.1-12-42 in the county for the
32 assessment date in 2006.

33 (j) If the imposing entity specifies the application of allocated
34 residential property tax replacement credits under subsection (c)(2)(D),
35 the county auditor shall determine for each calendar year in which a
36 residential property tax replacement credit is authorized under this
37 section:

38 (1) the amount of the certified distribution that is available to
39 provide a residential property tax replacement credit under this
40 section for the year; and

41 (2) except as provided in subsection (1), a percentage of
42 residential property tax replacement credit for each taxing district



1 in the county that allocates to the taxing district an amount of
 2 residential property tax replacement credits that bears the same
 3 proportion to the amount determined under subdivision (1) that
 4 the amount of inventory assessed value deducted under
 5 IC 6-1.1-12-42 in the taxing district for the assessment date in
 6 2006 bears to the total inventory assessed value deducted under
 7 IC 6-1.1-12-42 in the county for the assessment date in 2006.

8 (k) This subsection does not apply to a county in which the county
 9 fiscal body adopts an ordinance to provide for the use of the certified
 10 distribution described in section 16 of this chapter to fund a public
 11 transportation project under IC 8-25. The county auditor shall retain
 12 from the payments of the county's certified distribution an amount
 13 equal to the revenue lost, if any, due to the homestead credit or
 14 residential property tax replacement credit provided under this section
 15 within the county. The money shall be distributed to the civil taxing
 16 units and school corporations of the county:

- 17 (1) as if the money were from property tax collections; and
- 18 (2) in such a manner that no civil taxing unit or school
 19 corporation will suffer a net revenue loss because of the
 20 allowance of a homestead credit or residential property tax
 21 replacement credit under this section.

22 (l) This subsection does not apply to a county in which the county
 23 fiscal body adopts an ordinance to provide for the use of the certified
 24 distribution described in section 16 of this chapter to fund a public
 25 transportation project under IC 8-25. Subject to the approval of the
 26 imposing entity, the county auditor may adjust the increased percentage
 27 of:

- 28 (1) homestead credit determined under subsection (i)(2) if the
 29 county auditor determines that the adjustment is necessary to
 30 achieve an equitable reduction of property taxes among the
 31 homesteads in the county; or
- 32 (2) residential property tax replacement credit determined under
 33 subsection (j)(2) if the county auditor determines that the
 34 adjustment is necessary to achieve an equitable reduction of
 35 property taxes among the residential property in the county.

36 (m) This section applies to Hamilton County and Marion County. If
 37 the voters of a county approve a local public question under IC 8-25-2,
 38 the fiscal body of the county may adopt an ordinance to provide for the
 39 use of the certified distribution described in section 16 of this chapter
 40 to fund a public transportation project under IC 8-25. However, a
 41 county fiscal body shall adopt an ordinance under this subsection if
 42 required by IC 8-25-6-10 to impose an additional tax rate on the county



1 taxpayers who reside in a township in which the voters approve a
 2 public transportation project in a local public question held under
 3 IC 8-25-6. An ordinance adopted under this subsection must specify an
 4 additional tax rate to be imposed in the county (or township in the case
 5 of an additional rate required by IC 8-25-6-10) of at least one-tenth
 6 percent (0.1%), but not more than twenty-five hundredths percent
 7 (0.25%). If an ordinance is adopted under this subsection, the amount
 8 of the certified distribution attributable to the additional tax rate
 9 specified in the ordinance and authorized by section 5(o) of this chapter
 10 to fund a public transportation project under IC 8-25 must be:

- 11 (1) retained by the county auditor;
- 12 (2) deposited in the public transportation project fund established
 13 under IC 8-25-3-7; and
- 14 (3) used for the purpose provided in this subsection instead of the
 15 purposes specified in the capital improvement plan adopted under
 16 section 15 of this chapter.

17 SECTION 22. IC 6-6-6.5-1, AS AMENDED BY P.L.24-2007,
 18 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JANUARY 1, 2016]: Sec. 1. As used in this chapter, unless the context
 20 clearly indicates otherwise:

21 (a) "Aircraft" means a device which is designed to provide air
 22 transportation for one (1) or more individuals or for cargo.

23 (b) "State" means the state of Indiana.

24 (c) "Department" refers to the department of state revenue.

25 (d) "Person" includes an individual, a partnership, a firm, a
 26 corporation, a limited liability company, an association, a trust, or an
 27 estate, or a legal representative of such.

28 (e) "Owner" means a person who holds or is required to obtain a
 29 certificate of registration from the Federal Aviation Administration for
 30 a specific aircraft. In the event an aircraft is the subject of an agreement
 31 for the conditional sale or lease with the right of purchase upon the
 32 performance of the conditions stated in the agreement and with an
 33 immediate right of possession of the aircraft vested in the conditional
 34 vendee or lessee, or in the event the mortgagor of an aircraft is entitled
 35 to possession, then the conditional vendee or lessee or mortgagor shall
 36 be deemed to be the owner for purposes of this chapter.

37 (f) "Dealer" means a person who has an established place of
 38 business in this state, is required to obtain a certificate under
 39 IC 6-2.5-8-1 or IC 6-2.5-8-3, and is engaged in the business of
 40 manufacturing, buying, selling, or exchanging new or used aircraft.

41 (g) "Maximum landing weight" means the maximum weight of the
 42 aircraft, accessories, fuel, pilot, passengers, and cargo that is permitted



1 on landing under the best conditions, as determined for an aircraft by
 2 the appropriate federal agency or the certified allowable gross weight
 3 published by the manufacturer of the aircraft.

4 (h) "Resident" means an individual or a fiduciary who resides or is
 5 domiciled within Indiana or any corporation or business association
 6 which maintains a fixed and established place of business within
 7 Indiana for a period of more than sixty (60) days in any one (1) year.

8 (i) "Taxable aircraft" means an aircraft required to be registered
 9 with the department by this chapter.

10 (j) "Regular annual registration date" means the last day of ~~February~~
 11 **December** of each year.

12 (k) "Taxing district" means a geographic area within which property
 13 is taxed by the same taxing units and at the same total rate.

14 (l) "Taxing unit" means an entity which has the power to impose ad
 15 valorem property taxes.

16 (m) "Base" means the location or place where the aircraft is
 17 normally hangared, tied down, housed, parked, or kept, when not in
 18 use.

19 (n) "Homebuilt aircraft" means an aircraft constructed primarily by
 20 an individual for personal use. The term homebuilt aircraft does not
 21 include an aircraft constructed primarily by a for-profit aircraft
 22 manufacturing business.

23 (o) "Pressurized aircraft" means an aircraft equipped with a system
 24 designed to control the atmospheric pressure in the crew or passenger
 25 cabins.

26 (p) "Establishing a base" means renting or leasing a hangar or tie
 27 down for a particular aircraft for at least thirty-one (31) days.

28 (q) "Inventory aircraft" means an aircraft held for resale by a
 29 registered Indiana dealer.

30 (r) "Repair station" means a person who holds a repair station
 31 certificate that was issued to the person by the Federal Aviation
 32 Administration under 14 CFR Part 145.

33 SECTION 23. IC 6-6-6.5-10.7 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 10.7. (a) The
 35 aircraft excise tax shall be assessed on each inventory aircraft held by
 36 a dealer on the last day of ~~February~~. **December.**

37 (b) Each year a dealer shall submit to the department:

38 (1) an update of the list of known aircraft in inventory, which the
 39 department may at its discretion supply; or

40 (2) a completed form 7695 for each inventory aircraft.

41 (c) The dealer shall compute the amount of aircraft excise tax due
 42 and remit the full amount along with any forms prescribed by the



1 department.

2 (d) For aircraft deleted from the inventory list, the dealer shall
3 provide complete sale information and shall submit the applicable
4 information if directed to by the department.

5 (e) A dealer who fails to file and remit the excise tax due for all
6 inventory aircraft as required by the department is subject to the
7 penalty and interest provision of this chapter for each inventory aircraft
8 omitted.

9 (f) A dealer who holds aircraft for other than inventory use is
10 subject to the nondealer provisions contained in this chapter regarding
11 those specific aircraft.

12 SECTION 24. IC 6-6-11-5 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 5. As used in this
14 chapter, "tax situs" means the taxing district in which a boat is located
15 on ~~March 1~~ **the assessment date** of a boating year unless:

16 (1) the boat is acquired after ~~March 1~~, **the assessment date**, in
17 which case the boat's tax situs is where the owner intends to have
18 the boat on the following ~~March 1~~; **assessment date**; or

19 (2) the boat is registered outside Indiana, in which case the boat's
20 tax situs is the taxing district in which the boat is principally
21 stored or operated during the boating year.

22 SECTION 25. IC 14-33-22-6 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 6. A user, all or
24 a part of whose real property is subject to no tax other than the special
25 benefits tax imposed under this article, may file with the county
26 assessor and the board a request for assessment of the user's real
27 property under this chapter. A request for a change in assessment must
28 be filed before November 2 of the year preceding the ~~March 1~~
29 assessment date for which the change in assessment is requested. Every
30 request applies only to the following:

31 (1) Real property specified in the request and subject to no tax
32 other than the special benefits tax imposed under this article.

33 (2) The past year specified in the request for which assessment is
34 requested under this chapter and all future years until further
35 notice.

36 SECTION 26. IC 36-2-6-14.5 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 14.5.
38 Notwithstanding any other provision of law, a special assessment
39 required to be certified to the county auditor and added to the tax
40 duplicate by law shall be certified within each county on or before a
41 uniform date or dates established by the legislative body of that county.
42 If the legislative body of a county does not establish a date for the



1 certification required by this section, a special assessment required to
 2 be certified to the county auditor and added to the tax duplicate by law
 3 shall be certified on or before ~~March 1~~ **the assessment date**.

4 SECTION 27. IC 36-7-15.1-25 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 25. (a) Real
 6 property acquired by the redevelopment district is exempt from
 7 taxation while owned by the district.

8 (b) All receipts of the department, including receipts from the sale
 9 of real property, personal property, and materials disposed of, are
 10 exempt from all taxes.

11 (c) As used in this subsection, "year one" means any calendar year
 12 and "year two" means the calendar year following year one. When real
 13 property is acquired by the redevelopment district during the period
 14 from assessment on ~~March 1~~ **the assessment date** of year one to the
 15 last day of ~~February~~ **December** of year ~~two~~ **one**, the taxes due in year
 16 two shall be prorated between the seller and the city. When the
 17 proration is made, the auditor shall remove the city's prorated share
 18 from the tax duplicate by auditor's correction.

19 SECTION 28. IC 36-7-15.1-52 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 52. (a) Real
 21 property acquired by the redevelopment district is exempt from
 22 taxation while owned by the district.

23 (b) All receipts of the redevelopment district, including receipts
 24 from the sale of real property, personal property, and materials
 25 disposed of, are exempt from all taxes.

26 (c) As used in this subsection, "year one" means any calendar year
 27 and "year two" means the calendar year following year one. When real
 28 property is acquired by the redevelopment district during the period
 29 from assessment on ~~March 1~~ **the assessment date** of year one to the
 30 last day of ~~February~~ **December** of year ~~two~~ **one**, the taxes due in year
 31 two shall be prorated between the seller and the city. When the
 32 proration is made, the auditor shall remove the city's prorated share
 33 from the tax duplicate by auditor's correction.

34 SECTION 29. IC 36-9-9-10 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 10. (a) After an
 36 electrical lighting system has been completed and is ready for
 37 operation, the municipal works board shall assess the real property in
 38 the city block or blocks affected for the proportionate part of the annual
 39 lighting cost and, in the case of a system of ornamental lighting, the
 40 installation costs, that the property owners are required to pay annually.
 41 The works board shall assess each lot or parcel of the property equally
 42 per front foot.



1 (b) The works board shall prepare and file an assessment roll,
 2 setting forth the assessments against each lot and parcel of real
 3 property to be assessed, based upon:

4 (1) the cost of the lighting for the full period of one (1) year and
 5 for that part of a year the system may be operated between the
 6 time of its completion and the beginning of the next calendar
 7 year; and

8 (2) in the case of a system of ornamental lighting, the costs of
 9 installing the system.

10 The preparation and filing of the assessment roll and all proceedings
 11 for its adoption and confirmation, notices to property owners, certifying
 12 the roll to the county treasurer, and all other proceedings in connection
 13 with the roll must be according to the statutes regarding public
 14 improvements in municipalities.

15 (c) The first assessment made against each lot or parcel of real
 16 property is a lien on that lot or parcel, from the time of the final
 17 acceptance of the electrical system by the municipality. The lien covers
 18 the cost of lighting for the part of the calendar year following
 19 acceptance of the system, the cost of lighting for the next full calendar
 20 year, and, in the case of a system of ornamental lighting, the cost of
 21 installing the system.

22 (d) After the first assessment is made, a lien attaches upon ~~March~~
 23 **† the assessment date** of each year without further certification to the
 24 county treasurer, for the amount of the lighting cost for the succeeding
 25 calendar year and in the same proportions per front foot as fixed by the
 26 original assessment roll.

27 (e) Assessments made under this section shall be paid in the same
 28 manner as taxes are paid, at the regular tax paying periods following
 29 the adoption of the assessment roll. An assessment not paid at the time
 30 fixed by statute is subject to and may be collected according to the
 31 statutes regarding delinquent taxes, and all property upon which an
 32 assessment is a lien is subject to proceedings for the collection of taxes.

33 (f) The lien of an assessment under this section has equal priority
 34 with all other assessment liens and is superior to all other liens except
 35 liens for taxes.



COMMITTEE REPORT

Madam President: The Senate Committee on Tax & Fiscal Policy, to which was referred Senate Bill No. 374, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 374 as introduced.)

HERSHMAN, Chairperson

Committee Vote: Yeas 12, Nays 0

 SENATE MOTION

Madam President: I move that Senate Bill 374 be amended to read as follows:

Page 44, line 39, after "of year" strike "two," and insert "**one**".

Page 45, line 12, after "of year" strike "two," and insert "**one**".

(Reference is to SB 374 as printed January 21, 2015.)

HEAD

 COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 374, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-1.1-3-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 22. (a) Except to the extent that it conflicts with a statute and subject to subsection (f), 50 IAC 4.2 (as in effect January 1, 2001), which was formerly incorporated by reference into this section, is reinstated as a rule.

(b) Tangible personal property within the scope of 50 IAC 4.2 (as in effect January 1, 2001) shall be assessed on the assessment dates in calendar years 2003 and thereafter in conformity with 50 IAC 4.2 (as in effect January 1, 2001).

(c) The publisher of the Indiana Administrative Code shall publish

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50 IAC 4.2 (as in effect January 1, 2001) in the Indiana Administrative Code.

(d) 50 IAC 4.3 and any other rule to the extent that it conflicts with this section is void.

(e) A reference in 50 IAC 4.2 to a governmental entity that has been terminated or a statute that has been repealed or amended shall be treated as a reference to its successor.

(f) The department of local government finance may not amend or repeal the following (all as in effect January 1, 2001):

- (1) 50 IAC 4.2-4-3(f).
- (2) 50 IAC 4.2-4-7.
- (3) 50 IAC 4.2-4-9.
- (4) 50 IAC 4.2-5-7.
- (5) 50 IAC 4.2-5-13.
- (6) 50 IAC 4.2-6-1.
- (7) 50 IAC 4.2-6-2.
- (8) 50 IAC 4.2-8-9.

(g) Notwithstanding any other provision of this section, 50 IAC 4.2-4-6(c) is void effective July 1, 2015. The publisher of the Indiana Administrative Code and the Indiana Register shall remove this provision from the Indiana Administrative Code.

SECTION 2. IC 6-1.1-3-22.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 22.5. (a) Except as provided in subsection (b), when a taxpayer acquires depreciable tangible personal property, the year of acquisition for the depreciable tangible personal property is the fiscal year determined as follows:**

- (1) The applicable fiscal year beginning January 2 and ending January 1, for depreciable tangible personal property acquired after January 1, 2016.**
- (2) The fiscal year beginning March 2, 2015, and ending January 1, 2016, for depreciable tangible personal property acquired after March 1, 2015, and before January 2, 2016.**
- (3) The applicable fiscal year beginning March 2 and ending March 1, for depreciable tangible personal property acquired before March 2, 2015.**

(b) If a taxpayer has a financial year that ends on December 31 or January 31, the taxpayer may elect to use the same year as that used for federal income tax purposes to determine the year of acquisition of depreciable tangible personal property for Indiana property tax reporting purposes. Otherwise, a taxpayer is not eligible to elect to use a federal tax year to compute the year of



acquisition for Indiana property tax reporting purposes and must use the applicable fiscal year specified in subsection (a).

(c) If a taxpayer makes a federal tax year election under subsection (b), an acquisition of depreciable tangible personal property after the close of the taxpayer's federal taxable year and on or before the immediately following assessment date must be included in a separate category on the taxpayer's return and clearly designated."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 374 as reprinted January 23, 2015.)

BROWN T

Committee Vote: yeas 20, nays 0.

