

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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TO: Assessing Officials
FROM: Barry Wood, Assessment Division Director *gBW*
RE: Soil Productivity Factor Changes
DATE: March 16, 2012

The Department of Local Government Finance recently issued a memorandum with updated soil productivity factors to be used for the March 1, 2012 general reassessment (see http://www.in.gov/dlgf/files/120202_Soil_Productivity_Factor_Update.pdf). However, Senate Enrolled Act No. 19 (see Section 9 below), which recently passed the General Assembly (**NOTE: It is still awaiting the Governor's signature in order to be effective**), delayed the implementation of the new soil productivity factors. Therefore, for the March 1, 2012 assessment date, assessing officials are to use the soil productivity factors used for the March 1, 2011 assessment date and not the updated soil productivity factors disseminated on February 2, 2012.

SECTION 9. IC 6-1.1-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE FEBRUARY 29, 2012 (RETROACTIVE)]: Sec. 13. (a) In assessing or reassessing land, the land shall be assessed as agricultural land only when it is devoted to agricultural use.

(b) The department of local government finance shall give written notice to each county assessor of:

- (1) the availability of the United States Department of Agriculture's soil survey data; and
- (2) the appropriate soil productivity factor for each type or classification of soil shown on the United States Department of Agriculture's soil survey map.

All assessing officials and the property tax assessment board of appeals shall use the data in determining the true tax value of agricultural land. **However, notwithstanding the availability of new soil productivity factors and the department of local government finance's notice of the appropriate soil productivity factor for each type or classification of soil shown on the United States Department of Agriculture's soil survey map for the March 1, 2012, assessment date, the soil productivity factors used for the March 1, 2011, assessment date shall be used for the March 1, 2012, assessment date. New soil productivity factors shall be used for assessment dates occurring after March 1, 2012.**

(c) The department of local government finance shall by rule provide for the method for determining the true tax value of each parcel of agricultural land.

(d) This section does not apply to land purchased for industrial, commercial, or residential uses.

If you have any questions, please contact your Assessment Division field representative or Barry Wood at (317) 232-3762 or bwood@dlgf.in.gov.