

SENATE BILL No. 353

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-12.

Synopsis: Property tax deductions for trusts. Provides that the property tax deductions for the elderly, blind, disabled, disabled veterans, and World War I veterans may be claimed by a trust if a qualified individual owns a beneficial interest in the trust. Makes conforming amendments to the statutes as amended by Public Law 6-1997 that do not take effect until March 1, 2001.

Effective: January 1, 1999; March 1, 2001.

Lubbers

January 8, 1998, read first time and referred to Committee on Finance.

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Second Regular Session 110th General Assembly (1998)

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 1997 General Assembly.

SENATE BILL No. 353



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 6-1.1-12-9, AS AMENDED BY P.L.48-1996,
- 2 SECTION 1 (CURRENT VERSION), IS AMENDED TO READ AS
- 3 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 9. (a) An
- 4 individual may obtain a deduction from the assessed value of the
- 5 individual's real property, or mobile home which is not assessed as real
- 6 property, if:
- 7 (1) the individual is at least sixty-five (65) years of age on or
- 8 before December 31 of the calendar year preceding the year in
- 9 which the deduction is claimed;
- 10 (2) the combined adjusted gross income (as defined in Section 62
- 11 of the Internal Revenue Code) of:
- 12 (A) the individual and the individual's spouse; or
- 13 (B) the individual and all other individuals with whom:
- 14 (i) the individual shares ownership; or
- 15 (ii) the individual is purchasing the property under a
- 16 contract;
- 17 as joint tenants or tenants in common;

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1 for the calendar year preceding the year in which the deduction is
2 claimed did not exceed twenty thousand dollars (\$20,000);

3 (3) the individual has owned the real property or mobile home for
4 at least one (1) year before claiming the deduction; or the
5 individual has been buying the real property under a contract that
6 provides that the individual is to pay the property taxes on the real
7 property or mobile home for at least one (1) year before claiming
8 the deduction, and the contract or a memorandum of the contract
9 is recorded in the county recorder's office;

10 (4) the individual and any individuals covered by subdivision
11 (2)(B) reside on the real property or in the mobile home;

12 (5) the assessed value of the real property or mobile home does
13 not exceed twenty-one thousand dollars (\$21,000); and

14 (6) the individual receives no other property tax deduction for the
15 year in which the deduction is claimed, except the deductions
16 provided by sections 1, 37, and 38 of this chapter.

17 (b) Except as provided in subsection (h), in the case of real property,
18 an individual's deduction under this section equals one thousand dollars
19 (\$1,000).

20 (c) Except as provided in subsection (h), in the case of a mobile
21 home which is not assessed as real property, an individual's deduction
22 under this section equals the lesser of:

- 23 (1) one-half (1/2) of the assessed value of the mobile home; or
24 (2) one thousand dollars (\$1,000).

25 (d) An individual may not be denied the deduction provided under
26 this section because the individual is absent from the real property or
27 a mobile home while in a nursing home or hospital.

28 (e) For purposes of this section, if real property or a mobile home is
29 owned by:

- 30 (1) tenants by the entirety;
31 (2) joint tenants; or
32 (3) tenants in common;

33 only one (1) deduction may be allowed. However, the age requirement
34 is satisfied if any one (1) of the tenants is at least sixty-five (65) years
35 of age.

36 (f) A surviving spouse is entitled to the deduction provided by this
37 section if:

- 38 (1) the surviving spouse is at least sixty (60) years of age on or
39 before December 31 of the calendar year preceding the year in
40 which the deduction is claimed;
41 (2) the surviving spouse's deceased husband or wife was at least
42 sixty-five (65) years of age at the time of a death;

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1 (3) the surviving spouse has not remarried; and

2 (4) the surviving spouse satisfies the requirements prescribed in
3 subsection (a)(2) through (a)(6).

4 (g) An individual who has sold real property to another person
5 under a contract that provides that the contract buyer is to pay the
6 property taxes on the real property may not claim the deduction
7 provided under this section against that real property.

8 (h) In the case of tenants covered by subsection (a)(2)(B), if all of
9 the tenants are not at least sixty-five (65) years of age, the deduction
10 allowed under this section shall be reduced by an amount equal to the
11 deduction multiplied by a fraction. The numerator of the fraction is the
12 number of tenants who are not at least sixty-five (65) years of age, and
13 the denominator is the total number of tenants.

14 **(i) Notwithstanding the provisions of this section, a taxpayer**
15 **other than an individual is entitled to the deduction provided by**
16 **this section if:**

17 **(1) an individual resides on the real property or in the mobile**
18 **home;**

19 **(2) the individual is at least sixty-five (65) years of age on or**
20 **before December 31 of the calendar year preceding the year**
21 **in which the deduction is claimed;**

22 **(3) the combined adjusted gross income (as defined in Section**
23 **62 of the Internal Revenue Code) of the individual and the**
24 **individual's spouse for the calendar year preceding the year**
25 **in which the deduction is claimed does not exceed twenty**
26 **thousand dollars (\$20,000);**

27 **(4) the assessed value of the real property or mobile home**
28 **does not exceed twenty-one thousand dollars (\$21,000);**

29 **(5) the taxpayer receives no other property tax deduction for**
30 **the year in which the deduction is claimed, except the**
31 **deductions provided by sections 1, 37, and 38 of this chapter;**

32 **(6) the real property or mobile home is located in Indiana;**

33 **(7) the individual has a beneficial interest in the taxpayer; and**

34 **(8) the taxpayer either owns the real property or mobile home**
35 **or is buying the real property or mobile home under a**
36 **contract, recorded in the county recorder's office, that**
37 **provides that the individual is to pay the property taxes on the**
38 **real property or mobile home.**

39 SECTION 2. IC 6-1.1-12-9, AS AMENDED BY P.L.6-1997,
40 SECTION 46 (DELAYED VERSION), IS AMENDED TO READ AS
41 FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. (a) An individual
42 may obtain a deduction from the assessed value of the individual's real

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- 1 property, or mobile home which is not assessed as real property, if:
- 2 (1) the individual is at least sixty-five (65) years of age on or
- 3 before December 31 of the calendar year preceding the year in
- 4 which the deduction is claimed;
- 5 (2) the combined adjusted gross income (as defined in Section 62
- 6 of the Internal Revenue Code) of:
- 7 (A) the individual and the individual's spouse; or
- 8 (B) the individual and all other individuals with whom:
- 9 (i) the individual shares ownership; or
- 10 (ii) the individual is purchasing the property under a
- 11 contract;
- 12 as joint tenants or tenants in common;
- 13 for the calendar year preceding the year in which the deduction is
- 14 claimed did not exceed twenty thousand dollars (\$20,000);
- 15 (3) the individual has owned the real property or mobile home for
- 16 at least one (1) year before claiming the deduction; or the
- 17 individual has been buying the real property under a contract that
- 18 provides that the individual is to pay the property taxes on the real
- 19 property or mobile home for at least one (1) year before claiming
- 20 the deduction, and the contract or a memorandum of the contract
- 21 is recorded in the county recorder's office;
- 22 (4) the individual and any individuals covered by subdivision
- 23 (2)(B) reside on the real property or in the mobile home;
- 24 (5) the assessed value of the real property or mobile home does
- 25 not exceed sixty-three thousand dollars (\$63,000); and
- 26 (6) the individual receives no other property tax deduction for the
- 27 year in which the deduction is claimed, except the deductions
- 28 provided by sections 1, 37, and 38 of this chapter.
- 29 (b) Except as provided in subsection (h), in the case of real property,
- 30 an individual's deduction under this section equals three thousand
- 31 dollars (\$3,000).
- 32 (c) Except as provided in subsection (h), in the case of a mobile
- 33 home which is not assessed as real property, an individual's deduction
- 34 under this section equals the lesser of:
- 35 (1) one-half (1/2) of the assessed value of the mobile home; or
- 36 (2) three thousand dollars (\$3,000).
- 37 (d) An individual may not be denied the deduction provided under
- 38 this section because the individual is absent from the real property or
- 39 a mobile home while in a nursing home or hospital.
- 40 (e) For purposes of this section, if real property or a mobile home is
- 41 owned by:
- 42 (1) tenants by the entirety;

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1 (2) joint tenants; or
 2 (3) tenants in common;
 3 only one (1) deduction may be allowed. However, the age requirement
 4 is satisfied if any one (1) of the tenants is at least sixty-five (65) years
 5 of age.

6 (f) A surviving spouse is entitled to the deduction provided by this
 7 section if:

- 8 (1) the surviving spouse is at least sixty (60) years of age on or
 9 before December 31 of the calendar year preceding the year in
 10 which the deduction is claimed;
 11 (2) the surviving spouse's deceased husband or wife was at least
 12 sixty-five (65) years of age at the time of a death;
 13 (3) the surviving spouse has not remarried; and
 14 (4) the surviving spouse satisfies the requirements prescribed in
 15 subsection (a)(2) through (a)(6).

16 (g) An individual who has sold real property to another person
 17 under a contract that provides that the contract buyer is to pay the
 18 property taxes on the real property may not claim the deduction
 19 provided under this section against that real property.

20 (h) In the case of tenants covered by subsection (a)(2)(B), if all of
 21 the tenants are not at least sixty-five (65) years of age, the deduction
 22 allowed under this section shall be reduced by an amount equal to the
 23 deduction multiplied by a fraction. The numerator of the fraction is the
 24 number of tenants who are not at least sixty-five (65) years of age, and
 25 the denominator is the total number of tenants.

26 (i) **Notwithstanding the provisions of this section, a taxpayer**
 27 **other than an individual is entitled to the deduction provided by**
 28 **this section if:**

- 29 **(1) an individual resides on the real property or in the mobile**
 30 **home;**
 31 **(2) the individual is at least sixty-five (65) years of age on or**
 32 **before December 31 of the calendar year preceding the year**
 33 **in which the deduction is claimed;**
 34 **(3) the combined adjusted gross income (as defined in Section**
 35 **62 of the Internal Revenue Code) of the individual and the**
 36 **individual's spouse for the calendar year preceding the year**
 37 **in which the deduction is claimed does not exceed twenty**
 38 **thousand dollars (\$20,000);**
 39 **(4) the assessed value of the real property or mobile home**
 40 **does not exceed sixty-three thousand dollars (\$63,000);**
 41 **(5) the taxpayer receives no other property tax deduction for**
 42 **the year in which the deduction is claimed, except the**

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1 **deductions provided by sections 1, 37, and 38 of this chapter;**
 2 **(6) the real property or mobile home is located in Indiana;**
 3 **(7) the individual has a beneficial interest in the taxpayer; and**
 4 **(8) the taxpayer either owns the real property or mobile home**
 5 **or is buying the real property or mobile home under a**
 6 **contract, recorded in the county recorder's office, that**
 7 **provides that the individual is to pay the property taxes on the**
 8 **real property or mobile home.**

9 SECTION 3. IC 6-1.1-12-11, AS AMENDED BY P.L.48-1996,
 10 SECTION 2 (CURRENT VERSION), IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 11. (a) An
 12 individual may have the sum of two thousand dollars (\$2,000) deducted
 13 from the assessed value of real property that the individual owns, or
 14 that the individual is buying under a contract that provides that the
 15 individual is to pay property taxes on the real property, if the contract
 16 or a memorandum of the contract is recorded in the county recorder's
 17 office, and if:

- 18 (1) the individual is blind or the individual is a disabled person;
 19 (2) the real property is principally used and occupied by the
 20 individual as the individual's residence; and
 21 (3) the individual's taxable gross income for the calendar year
 22 preceding the year in which the deduction is claimed did not
 23 exceed seventeen thousand dollars (\$17,000).

24 (b) For purposes of this section, taxable gross income does not
 25 include income which is not taxed under the federal income tax laws.

26 (c) For purposes of this section, "blind" has the same meaning as the
 27 definition contained in IC 12-7-2-21(1).

28 (d) For purposes of this section, "disabled person" means a person
 29 unable to engage in any substantial gainful activity by reason of a
 30 medically determinable physical or mental impairment which:

- 31 (1) can be expected to result in death; or
 32 (2) has lasted or can be expected to last for a continuous period of
 33 not less than twelve (12) months.

34 (e) Disabled persons filing claims under this section shall submit
 35 proof of disability in such form and manner as the department shall by
 36 rule prescribe. Proof that a claimant is eligible to receive disability
 37 benefits under the federal Social Security Act (42 U.S.C. 301 et seq.)
 38 shall constitute proof of disability for purposes of this section.

39 (f) A disabled person not covered under the federal Social Security
 40 Act shall be examined by a physician and the individual's status as a
 41 disabled person determined by using the same standards as used by the
 42 Social Security Administration. The costs of this examination shall be

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1 borne by the claimant.

2 (g) An individual who has sold real property to another person
3 under a contract that provides that the contract buyer is to pay the
4 property taxes on the real property may not claim the deduction
5 provided under this section against that real property.

6 **(h) Notwithstanding the provisions of this section, a taxpayer
7 other than an individual is entitled to the deduction provided by
8 this section if:**

9 **(1) the real property is principally used and occupied by an
10 individual as the individual's residence;**

11 **(2) the individual is blind or the individual is a disabled
12 person;**

13 **(3) the individual's taxable gross income for the calendar year
14 preceding the year in which the deduction is claimed does not
15 exceed seventeen thousand dollars (\$17,000);**

16 **(4) the individual has a beneficial interest in the taxpayer; and**

17 **(5) the taxpayer either owns the residence or is buying it
18 under a contract, recorded in the county recorder's office,
19 that provides that the individual is to pay the property taxes
20 on the residence.**

21 SECTION 4. IC 6-1.1-12-11, AS AMENDED BY P.L.6-1997,
22 SECTION 47 (DELAYED VERSION), IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. (a) An
24 individual may have the sum of six thousand dollars (\$6,000) deducted
25 from the assessed value of real property that the individual owns, or
26 that the individual is buying under a contract that provides that the
27 individual is to pay property taxes on the real property, if the contract
28 or a memorandum of the contract is recorded in the county recorder's
29 office, and if:

30 (1) the individual is blind or the individual is a disabled person;

31 (2) the real property is principally used and occupied by the
32 individual as the individual's residence; and

33 (3) the individual's taxable gross income for the calendar year
34 preceding the year in which the deduction is claimed did not
35 exceed seventeen thousand dollars (\$17,000).

36 (b) For purposes of this section, taxable gross income does not
37 include income which is not taxed under the federal income tax laws.

38 (c) For purposes of this section, "blind" has the same meaning as the
39 definition contained in IC 12-7-2-21(1).

40 (d) For purposes of this section, "disabled person" means a person
41 unable to engage in any substantial gainful activity by reason of a
42 medically determinable physical or mental impairment which:

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1 (1) can be expected to result in death; or

2 (2) has lasted or can be expected to last for a continuous period of
3 not less than twelve (12) months.

4 (e) Disabled persons filing claims under this section shall submit
5 proof of disability in such form and manner as the department shall by
6 rule prescribe. Proof that a claimant is eligible to receive disability
7 benefits under the federal Social Security Act (42 U.S.C. 301 et seq.)
8 shall constitute proof of disability for purposes of this section.

9 (f) A disabled person not covered under the federal Social Security
10 Act shall be examined by a physician and the individual's status as a
11 disabled person determined by using the same standards as used by the
12 Social Security Administration. The costs of this examination shall be
13 borne by the claimant.

14 (g) An individual who has sold real property to another person
15 under a contract that provides that the contract buyer is to pay the
16 property taxes on the real property may not claim the deduction
17 provided under this section against that real property.

18 **(h) Notwithstanding the provisions of this section, a taxpayer**
19 **other than an individual is entitled to the deduction provided by**
20 **this section if:**

21 **(1) the real property is principally used and occupied by an**
22 **individual as the individual's residence;**

23 **(2) the individual is blind or the individual is a disabled**
24 **person;**

25 **(3) the individual's taxable gross income for the calendar year**
26 **preceding the year in which the deduction is claimed does not**
27 **exceed seventeen thousand dollars (\$17,000);**

28 **(4) the individual has a beneficial interest in the taxpayer; and**

29 **(5) the taxpayer either owns the residence or is buying it**
30 **under a contract, recorded in the county recorder's office,**
31 **that provides that the individual is to pay the property taxes**
32 **on the residence.**

33 SECTION 5. IC 6-1.1-12-13 (CURRENT VERSION) IS
34 AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1,
35 1999]: Sec. 13. (a) An individual may have four thousand dollars
36 (\$4,000) deducted from the assessed value of the taxable tangible
37 property that the individual owns, or real property that the individual
38 is buying under a contract that provides that the individual is to pay
39 property taxes on the real property, if the contract or a memorandum of
40 the contract is recorded in the county recorder's office and if:

41 (1) the individual served in the military or naval forces of the
42 United States during any of its wars;

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- 1 (2) the individual received an honorable discharge;
 2 (3) the individual is disabled with a service connected disability
 3 of ten percent (10%) or more; and
 4 (4) the individual's disability is evidenced by a pension certificate,
 5 an award of compensation, or a disability compensation check
 6 issued by the United States Department of Veterans Affairs.

7 (b) The surviving spouse of an individual may receive the deduction
 8 provided by this section if the individual would qualify for the
 9 deduction if the individual were alive.

10 (c) One who receives the deduction provided by this section may not
 11 receive the deduction provided by section 16 of this chapter. However,
 12 the individual may receive any other property tax deduction which the
 13 individual is entitled to by law.

14 (d) An individual who has sold real property to another person
 15 under a contract that provides that the contract buyer is to pay the
 16 property taxes on the real property may not claim the deduction
 17 provided under this section against that real property.

18 (e) **Notwithstanding the provisions of this section, a taxpayer**
 19 **other than an individual is entitled to the deduction provided by**
 20 **this section if:**

- 21 (1) **an individual has a beneficial interest in the taxpayer;**
 22 (2) **the individual served in the military or naval forces of the**
 23 **United States during any of its wars;**
 24 (3) **the individual received an honorable discharge;**
 25 (4) **the individual is disabled with a service connected**
 26 **disability of ten percent (10%) or more;**
 27 (5) **the individual's disability is evidenced by a pension**
 28 **certificate, an award of compensation, or a disability**
 29 **compensation check issued by the United States Department**
 30 **of Veterans Affairs; and**
 31 (6) **the taxpayer either owns the tangible property or is buying**
 32 **real property under a contract, recorded in the county**
 33 **recorder's office, that provides that the individual is to pay**
 34 **the property taxes on the real property.**

35 SECTION 6. IC 6-1.1-12-13, AS AMENDED BY P.L.6-1997,
 36 SECTION 48 (DELAYED VERSION), IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 13. (a) An
 38 individual may have twelve thousand dollars (\$12,000) deducted from
 39 the assessed value of the taxable tangible property that the individual
 40 owns, or real property that the individual is buying under a contract that
 41 provides that the individual is to pay property taxes on the real
 42 property, if the contract or a memorandum of the contract is recorded



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1 in the county recorder's office and if:

- 2 (1) the individual served in the military or naval forces of the
 3 United States during any of its wars;
 4 (2) the individual received an honorable discharge;
 5 (3) the individual is disabled with a service connected disability
 6 of ten percent (10%) or more; and
 7 (4) the individual's disability is evidenced by a pension certificate,
 8 an award of compensation, or a disability compensation check
 9 issued by the United States Department of Veterans Affairs.

10 (b) The surviving spouse of an individual may receive the deduction
 11 provided by this section if the individual would qualify for the
 12 deduction if the individual were alive.

13 (c) One who receives the deduction provided by this section may not
 14 receive the deduction provided by section 16 of this chapter. However,
 15 the individual may receive any other property tax deduction which the
 16 individual is entitled to by law.

17 (d) An individual who has sold real property to another person
 18 under a contract that provides that the contract buyer is to pay the
 19 property taxes on the real property may not claim the deduction
 20 provided under this section against that real property.

21 **(e) Notwithstanding the provisions of this section, a taxpayer**
 22 **other than an individual is entitled to the deduction provided by**
 23 **this section if:**

- 24 **(1) an individual has a beneficial interest in the taxpayer;**
 25 **(2) the individual served in the military or naval forces of the**
 26 **United States during any of its wars;**
 27 **(3) the individual received an honorable discharge;**
 28 **(4) the individual is disabled with a service connected**
 29 **disability of ten percent (10%) or more;**
 30 **(5) the individual's disability is evidenced by a pension**
 31 **certificate, an award of compensation, or a disability**
 32 **compensation check issued by the United States Department**
 33 **of Veterans Affairs; and**
 34 **(6) the taxpayer either owns the tangible property or is buying**
 35 **real property under a contract, recorded in the county**
 36 **recorder's office, that provides that the individual is to pay**
 37 **the property taxes on the real property.**

38 SECTION 7. IC 6-1.1-12-14, AS AMENDED BY P.L.48-1996,
 39 SECTION 3 (CURRENT VERSION), IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 14. (a) Except as
 41 provided in subsection (c), an individual may have the sum of two
 42 thousand dollars (\$2,000) deducted from the assessed value of the

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1 tangible property that the individual owns (or the real property that the
 2 individual is buying under a contract that provides that the individual
 3 is to pay property taxes on the real property, if the contract or a
 4 memorandum of the contract is recorded in the county recorder's office)
 5 if:

- 6 (1) the individual served in the military or naval forces of the
 7 United States for at least ninety (90) days;
 8 (2) the individual received an honorable discharge;
 9 (3) the individual either:
 10 (A) is totally disabled; or
 11 (B) is at least sixty-two (62) years old and has a disability of at
 12 least ten percent (10%); and
 13 (4) the individual's disability is evidenced by a pension certificate
 14 or an award of compensation issued by the United States
 15 Department of Veterans Affairs.

16 (b) Except as provided in subsection (c), the surviving spouse of an
 17 individual may receive the deduction provided by this section if the
 18 individual would qualify for the deduction if the individual were alive.

19 (c) No one is entitled to the deduction provided by this section if the
 20 assessed value of the individual's tangible property, as shown by the tax
 21 duplicate, exceeds eighteen thousand dollars (\$18,000).

22 (d) An individual who has sold real property to another person
 23 under a contract that provides that the contract buyer is to pay the
 24 property taxes on the real property may not claim the deduction
 25 provided under this section against that real property.

26 **(e) Notwithstanding the provisions of this section, a taxpayer
 27 other than an individual is entitled to the deduction provided by
 28 this section if:**

- 29 **(1) an individual has a beneficial interest in the taxpayer;**
 30 **(2) the individual served in the military or naval forces of the
 31 United States for at least ninety (90) days;**
 32 **(3) the individual received an honorable discharge;**
 33 **(4) the individual either:**
 34 **(A) is totally disabled; or**
 35 **(B) is at least sixty-two (62) years of age and has a
 36 disability of at least ten percent (10%);**
 37 **(5) the individual's disability is evidenced by a pension
 38 certificate or an award of compensation issued by the United
 39 States Department of Veterans Affairs; and**
 40 **(6) the taxpayer either owns the tangible property or is buying
 41 real property under a contract, recorded in the county
 42 recorder's office, that provides that the individual is to pay**



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1 **the property taxes on the real property.**

2 SECTION 8. IC 6-1.1-12-14, AS AMENDED BY P.L.6-1997,
3 SECTION 49 (DELAYED VERSION), IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 14. (a) Except as
5 provided in subsection (c), an individual may have the sum of six
6 thousand dollars (\$6,000) deducted from the assessed value of the
7 tangible property that the individual owns (or the real property that the
8 individual is buying under a contract that provides that the individual
9 is to pay property taxes on the real property, if the contract or a
10 memorandum of the contract is recorded in the county recorder's office)
11 if:

- 12 (1) the individual served in the military or naval forces of the
13 United States for at least ninety (90) days;
14 (2) the individual received an honorable discharge;
15 (3) the individual either:
16 (A) is totally disabled; or
17 (B) is at least sixty-two (62) years old and has a disability of at
18 least ten percent (10%); and
19 (4) the individual's disability is evidenced by a pension certificate
20 or an award of compensation issued by the United States
21 Department of Veterans Affairs.

22 (b) Except as provided in subsection (c), the surviving spouse of an
23 individual may receive the deduction provided by this section if the
24 individual would qualify for the deduction if the individual were alive.

25 (c) No one is entitled to the deduction provided by this section if the
26 assessed value of the individual's tangible property, as shown by the tax
27 duplicate, exceeds fifty-four thousand dollars (\$54,000).

28 (d) An individual who has sold real property to another person
29 under a contract that provides that the contract buyer is to pay the
30 property taxes on the real property may not claim the deduction
31 provided under this section against that real property.

32 **(e) Notwithstanding the provisions of this section, a taxpayer**
33 **other than an individual is entitled to the deduction provided by**
34 **this section if:**

- 35 **(1) an individual has a beneficial interest in the taxpayer;**
36 **(2) the individual served in the military or naval forces of the**
37 **United States for at least ninety (90) days;**
38 **(3) the individual received an honorable discharge;**
39 **(4) the individual either:**
40 **(A) is totally disabled; or**
41 **(B) is at least sixty-two (62) years of age and has a**
42 **disability of at least ten percent (10%);**



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1 **(5) the individual's disability is evidenced by a pension**
 2 **certificate or an award of compensation issued by the United**
 3 **States Department of Veterans Affairs; and**

4 **(6) the taxpayer either owns the tangible property or is buying**
 5 **real property under a contract, recorded in the county**
 6 **recorder's office, that provides that the individual is to pay**
 7 **the property taxes on the real property.**

8 SECTION 9. IC 6-1.1-12-17.4, AS AMENDED BY P.L.48-1996,
 9 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JANUARY 1, 1999] Sec. 17.4. (a) A World War I veteran who is a
 11 resident of Indiana is entitled to have the sum of three thousand dollars
 12 (\$3,000) deducted from the assessed valuation of the real property the
 13 veteran owns or is buying under a contract that requires the veteran to
 14 pay property taxes on the real property if the contract or a
 15 memorandum of the contract is recorded in the county recorder's office,
 16 including a mobile home which is assessed as real property, if:

- 17 (1) the real property is the veteran's principal residence;
 18 (2) the assessed valuation of the real property does not exceed
 19 twenty-six thousand dollars (\$26,000); and
 20 (3) the veteran owns the real property for at least one (1) year
 21 before claiming the deduction.

22 (b) An individual may not be denied the deduction provided by this
 23 section because the individual is absent from the individual's principal
 24 residence while in a nursing home or hospital.

25 (c) For purposes of this section, if real property is owned by a
 26 husband and wife as tenants by the entirety, only one (1) deduction may
 27 be allowed under this section. However, the deduction provided in this
 28 section applies if either spouse satisfies the requirements prescribed in
 29 subsection (a).

30 (d) An individual who has sold real property to another person
 31 under a contract that provides that the contract buyer is to pay the
 32 property taxes on the real property may not claim the deduction
 33 provided under this section with respect to that real property.

34 **(e) Notwithstanding the provisions of this section, a taxpayer**
 35 **other than an individual is entitled to the deduction provided by**
 36 **this section if:**

- 37 **(1) an individual uses the real property as the individual's**
 38 **principal place of residence;**
 39 **(2) the individual is a World War I veteran;**
 40 **(3) the real property is located in Indiana;**
 41 **(4) the individual has a beneficial interest in the taxpayer;**
 42 **(5) the assessed valuation of the real property does not exceed**

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1 **twenty-six thousand dollars (\$26,000); and**
 2 **(6) the taxpayer either owns the real property or is buying it**
 3 **under a contract, recorded in the county recorder's office,**
 4 **that provides that the individual is to pay the property taxes**
 5 **on the real property.**

6 SECTION 10. IC 6-1.1-12-17.4, AS AMENDED BY P.L.6-1997,
 7 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 MARCH 1, 2001]: Sec. 17.4. (a) A World War I veteran who is a
 9 resident of Indiana is entitled to have the sum of nine thousand dollars
 10 (\$9,000) deducted from the assessed valuation of the real property the
 11 veteran owns or is buying under a contract that requires the veteran to
 12 pay property taxes on the real property if the contract or a
 13 memorandum of the contract is recorded in the county recorder's office,
 14 including a mobile home which is assessed as real property, if:

- 15 (1) the real property is the veteran's principal residence;
 16 (2) the assessed valuation of the real property does not exceed
 17 seventy-eight thousand dollars (\$78,000); and
 18 (3) the veteran owns the real property for at least one (1) year
 19 before claiming the deduction.

20 (b) An individual may not be denied the deduction provided by this
 21 section because the individual is absent from the individual's principal
 22 residence while in a nursing home or hospital.

23 (c) For purposes of this section, if real property is owned by a
 24 husband and wife as tenants by the entirety, only one (1) deduction may
 25 be allowed under this section. However, the deduction provided in this
 26 section applies if either spouse satisfies the requirements prescribed in
 27 subsection (a).

28 (d) An individual who has sold real property to another person
 29 under a contract that provides that the contract buyer is to pay the
 30 property taxes on the real property may not claim the deduction
 31 provided under this section with respect to that real property.

32 **(e) Notwithstanding the provisions of this section, a taxpayer**
 33 **other than an individual is entitled to the deduction provided by**
 34 **this section if:**

- 35 **(1) an individual uses the real property as the individual's**
 36 **principal place of residence;**
 37 **(2) the individual is a World War I veteran;**
 38 **(3) the real property is located in Indiana;**
 39 **(4) the individual has a beneficial interest in the taxpayer;**
 40 **(5) the assessed valuation of the real property does not exceed**
 41 **seventy-eight thousand dollars (\$78,000); and**
 42 **(6) the taxpayer either owns the real property or is buying it**

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1 **under a contract, recorded in the county recorder's office,**
2 **that provides that the individual is to pay the property taxes**
3 **on the real property.**

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