

SENATE BILL No. 451

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-8-35; IC 6-1.1-18.5-9.9.

Synopsis: Railroad car companies. Requires the state board of tax commissioners to assign the assessed value of a railroad car company's indefinite-situs distributable property to each county containing mainline track in the proportion that the length of mainline track in the county bears to the length of mainline track in Indiana. Requires the board to compute the taxes on a railroad car company's indefinite-situs distributable property for each county containing mainline track based upon the average property tax rate that is imposed by the county. Provides that property taxes assessed upon the indefinite-situs
(Continued next page)

Effective: January 1, 1999.

Weatherwax

January 14, 1998, read first time and referred to Committee on Finance.

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Digest Continued

distributable property of a railroad car company are distributed to the appropriate county treasurer. Provides that property taxes assessed upon the distributable property of a railroad company that provides service within a commuter transportation district and uses electricity to power substantially all of its railroad passenger cars are distributed to the county treasurer of each county in which the railroad company provides service. Removes provisions that require the distribution of property taxes paid by railroad car companies and certain railroad companies to the commuter rail service fund and the electric rail service fund.

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Introduced

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.

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SENATE BILL No. 451

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 6-1.1-8-35 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 35. (a) Each year
3 the state board of tax commissioners shall tax:
4 (1) the indefinite-situs distributable property of railroad car
5 companies; and
6 (2) the distributable property of a railroad company that provides
7 service within a commuter transportation district established
8 under IC 8-5-15 and utilizes electricity to power substantially all
9 of its railroad passenger cars.
10 **(b) The board shall assign the assessed value of a railroad car**
11 **company's indefinite-situs distributable property to each county**
12 **containing mainline track. The board shall assign the assessed**
13 **value of a railroad car company's indefinite-situs distributable**
14 **property to each county in the proportion that the length of**
15 **mainline track in the county bears to the length of mainline track**



1 **in Indiana.**

2 (c) **For each county containing mainline track,** the board shall
 3 compute the ~~tax~~ **taxes** on a railroad car company's indefinite-situs
 4 distributable property based upon the average property tax rate ~~in this~~
 5 ~~state: that is imposed by the county.~~ The average property tax rate in
 6 ~~this state the county~~ for a year equals (A) the total of the property taxes
 7 in ~~this state the county~~ that will come due during that year divided by
 8 (B) the total net assessed valuation of property in ~~this state the county~~
 9 for the preceding year's assessment. The board shall base its
 10 computation of the average property tax rate for a year upon
 11 information which is available to the board as of December 31st of the
 12 preceding year. **The board shall multiply the average property tax**
 13 **rate in each county by the amount of assessed value assigned to the**
 14 **county under subsection (b).**

15 (d) **The state board of tax commissioners shall certify the taxes**
 16 **due each county on the indefinite-situs distributable property of a**
 17 **railroad car company taxed under this section to the department**
 18 **of state revenue. The company shall pay the taxes to the**
 19 **department of state revenue before December 31 of the year the**
 20 **assessment is made. If the company does not pay the taxes when**
 21 **they are due, the company shall pay a penalty, in addition to the**
 22 **taxes, equal to twenty-five percent (25%) of the delinquent taxes.**
 23 **When the taxes imposed on indefinite-situs distributable property**
 24 **of railroad car company by this chapter become delinquent, the**
 25 **department of state revenue shall proceed with the collection of the**
 26 **delinquent taxes and penalty in accordance with the provisions of**
 27 **IC 6-8.1-8.**

28 (e) The board shall compute the tax on a railroad company's
 29 distributable property based upon the average property tax rate that is
 30 imposed by taxing districts that are located in any county in which a
 31 railroad company, that is taxed under this section, provides railroad
 32 services. The average property tax rate of taxing districts that are
 33 located in any county in which a railroad company that is taxed under
 34 this section equals (i) the total of the property taxes in those taxing
 35 districts that will come due during that year divided by (ii) the total net
 36 assessed valuation of property in those districts for the preceding year's
 37 assessment. The board shall base its computation on the average
 38 property tax rate for a year upon information which is available to the
 39 board as of December 31 of the preceding year.

40 ~~(b)~~ (f) The state board of tax commissioners shall certify the tax it
 41 imposes on ~~indefinite-situs distributable property of railroad car~~
 42 ~~companies and~~ a railroad company's distributable property taxed under

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1 this section to the department of state revenue. Each of those
 2 companies shall pay the tax to the department of state revenue on or
 3 before December 31st of the year the assessment is made. If one (1) of
 4 those companies does not pay the tax when it is due, the company shall
 5 pay a penalty, in addition to the tax, equal to twenty-five percent (25%)
 6 of the delinquent tax. When the tax imposed on indefinite-situs
 7 distributable property of railroad car companies by this chapter
 8 becomes delinquent, the department of state revenue shall proceed with
 9 the collection of the delinquent tax and penalty in accordance with the
 10 provisions of IC 6-8.1-8.

11 ~~(c)~~ **(g)** The department of state revenue shall promptly deposit all
 12 amounts collected under this section that are derived from
 13 indefinite-situs distributable property of railroad car companies in the
 14 state treasury. ~~for credit to the commuter rail service fund established~~
 15 ~~under IC 8-3-1.5-20.5. The treasurer of state shall pay the amounts~~
 16 **deposited in the state treasury under this subsection to the**
 17 **appropriate county treasurer.**

18 ~~(d)~~ **(h)** The department of state revenue shall promptly deposit all
 19 amounts collected under this section from a railroad company in the
 20 state treasury. ~~for credit to the electric rail service fund established by~~
 21 ~~IC 8-3-1.5-20.6. The treasurer of state shall pay the amounts~~
 22 **deposited in the state treasury under this subsection to the county**
 23 **treasurer of each county in which a railroad company taxed under**
 24 **this section provides railroad services. The treasurer of state shall**
 25 **pay the appropriate county treasurer in the proportion that the**
 26 **length of mainline track in the county used or owned by a railroad**
 27 **company taxed under this section bears to the length of mainline**
 28 **track used or owned in Indiana by a railroad company taxed under**
 29 **this section.**

30 **(i)** The treasurer of state shall make the payments to county
 31 treasurers required under this section before February 1 following
 32 the year an assessment is made under this section upon the warrant
 33 of the auditor of state.

34 SECTION 2. IC 6-1.1-18.5-9.9 IS ADDED TO THE INDIANA
 35 CODE AS A NEW SECTION TO READ AS FOLLOWS
 36 [EFFECTIVE JANUARY 1, 1999]: **Sec. 9.9. The ad valorem**
 37 **property tax levy limits imposed by section 3 of this chapter do not**
 38 **apply to property taxes distributed to a county under**
 39 **IC 6-1.1-8-35.**

40 SECTION 3. [EFFECTIVE JANUARY 1, 1999] **(a) IC 6-1.1-8-35,**
 41 **as amended by this act, applies to taxes due and payable after**
 42 **December 31, 1998.**



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1 **(b) The Indiana department of transportation shall assist the**
2 **department of state revenue in determining the length of mainline**
3 **track in each county and the total length of mainline track in**
4 **Indiana.**

5 **(c) Before January 1, 2000, the department of state revenue**
6 **shall provide the treasurer of state with a list of counties entitled**
7 **to receive property taxes collected under IC 6-1.1-8-35, as amended**
8 **by this act.**

9 **(d) This SECTION expires January 1, 2001.**

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