

HOUSE BILL No. 1061

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-12-16; IC 6-1.1-12-17.4.

Synopsis: Property tax deductions for veterans. Provides a property tax deduction to all United States veterans of foreign wars and conflicts who are Indiana residents and their surviving spouses. (Current law provides a deduction only to World War I veterans and their surviving spouses.) Makes a conforming amendment to the versions of those deductions that will become effective March 1, 2001, when the definition of assessed value will change from 33 1/3% of true tax value to 100% of true tax value.

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

Burton

January 6, 1998, read first time and referred to Committee on Ways and Means.



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.

HOUSE BILL No. 1061

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 6-1.1-12-16 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 16. (a) A surviving
3 spouse may have the sum of three thousand dollars (\$3,000) deducted
4 from the assessed value of his or her tangible property, or real property
5 that the surviving spouse is buying under a contract that provides that he
6 is to pay property taxes on the real property, if the contract or a
7 memorandum of the contract is recorded in the county recorder's office,
8 and if:
9 (1) the deceased spouse ~~served in the military or naval forces of~~
10 ~~the United States before November 12, 1918; was a United~~
11 **States veteran of a foreign war or conflict;** and
12 (2) the deceased spouse received an honorable discharge.
13 (b) A surviving spouse who receives the deduction provided by this
14 section may not receive the deduction provided by section 13 of this
15 chapter. However, he or she may receive any other deduction which he or
16 she is entitled to by law.
17 (c) An individual who has sold real property to another person under

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1 a contract that provides that the contract buyer is to pay the property taxes
 2 on the real property may not claim the deduction provided under this
 3 section against that real property.

4 SECTION 2. IC 6-1.1-12-16, AS AMENDED BY P.L.6-1997,
 5 SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 MARCH 1, 2001]: Sec. 16. (a) A surviving spouse may have the sum of
 7 nine thousand dollars (\$9,000) deducted from the assessed value of his or
 8 her tangible property, or real property that the surviving spouse is buying
 9 under a contract that provides that he is to pay property taxes on the real
 10 property, if the contract or a memorandum of the contract is recorded in
 11 the county recorder's office, and if:

12 (1) the deceased spouse ~~served in the military or naval forces of~~
 13 ~~the United States before November 12, 1918; was a United~~
 14 **States veteran of a foreign war or conflict;** and

15 (2) the deceased spouse received an honorable discharge.

16 (b) A surviving spouse who receives the deduction provided by this
 17 section may not receive the deduction provided by section 13 of this
 18 chapter. However, he or she may receive any other deduction which he or
 19 she is entitled to by law.

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

24 SECTION 3. IC 6-1.1-12-17.4, AS AMENDED BY P.L.48-1996,
 25 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JANUARY 1, 1999]: Sec. 17.4. (a) A ~~World War I~~ **United States**
 27 **veteran of a foreign war or conflict** who is a resident of Indiana is
 28 entitled to have the sum of three thousand dollars (\$3,000) deducted from
 29 the assessed valuation of the real property the veteran owns or is buying
 30 under a contract that requires the veteran to pay property taxes on the real
 31 property if the contract or a memorandum of the contract is recorded in
 32 the county recorder's office, including a mobile home which is assessed
 33 as real property, if:

34 (1) the real property is the veteran's principal residence;

35 (2) the assessed valuation of the real property does not exceed
 36 twenty-six thousand dollars (\$26,000); and

37 (3) the veteran owns the real property for at least one (1) year
 38 before claiming the deduction.

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

42 (c) For purposes of this section, if real property is owned by a



1 husband and wife as tenants by the entirety, only one (1) deduction may
 2 be allowed under this section. However, the deduction provided in this
 3 section applies if either spouse satisfies the requirements prescribed in
 4 subsection (a).

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

9 SECTION 4. IC 6-1.1-12-17.4, AS AMENDED BY P.L.6-1997,
 10 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 MARCH 1, 2001]: Sec. 17.4. (a) A ~~World War I~~ **United States** veteran
 12 **of a foreign war or conflict** who is a resident of Indiana is entitled to
 13 have the sum of nine thousand dollars (\$9,000) deducted from the
 14 assessed valuation of the real property the veteran owns or is buying
 15 under a contract that requires the veteran to pay property taxes on the real
 16 property if the contract or a memorandum of the contract is recorded in
 17 the county recorder's office, including a mobile home which is assessed
 18 as real property, if:

19 (1) the real property is the veteran's principal residence;

20 (2) the assessed valuation of the real property does not exceed
 21 seventy-eight thousand dollars (\$78,000); and

22 (3) the veteran owns the real property for at least one (1) year
 23 before claiming the deduction.

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

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

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

36 SECTION 5. [EFFECTIVE JANUARY 1, 1999] (a) **IC 6-1.1-12-16**
 37 **and IC 6-1.1-12-17.4, both as amended by SECTIONS 1 and 3 of this**
 38 **act, apply only to property taxes first due and payable after**
 39 **December 31, 1998.**

40 (b) **IC 6-1.1-12-16 and IC 6-1.1-12-17.4, both as amended by**
 41 **SECTIONS 2 and 4 of this act, apply only to property taxes first due**
 42 **and payable after December 31, 2001.**

