

HOUSE BILL No. 1284

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-12.1.

Synopsis: Property tax abatement. Provides that property tax abatement deductions may be granted for any number of years less than or equal to ten years. (Current law limits the abatement deduction to three, six, or ten years for real property and five or ten years for personal property.) Provides that certain research and development equipment is eligible for property tax abatement deductions. Allows the abatement deduction for research and development equipment only if the equipment is used in a research and development facility: (1) engaged in activities devoted directly and exclusively to experimental
(Continued next page)

Effective: January 1, 1999.

Scholer, Kruzan

January 13, 1998, read first time and referred to Committee on Ways and Means.

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Digest Continued

or laboratory research and development for new products, new uses of existing products, or improving or testing existing products; (2) in which at least 150 additional jobs will be created; and (3) for which a capital investment of at least \$15,000,000 has been or will be made. Provides that a property owner is not entitled to a property tax abatement deduction to the extent the property owner after June 30, 1998, substantially reduces or ceases operations in Indiana in order to relocate the operations to an economic revitalization area.

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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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HOUSE BILL No. 1284



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 6-1.1-12.1-1, AS AMENDED BY P.L.1-1996,
 2 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JANUARY 1, 1999]: Sec. 1. For purposes of this chapter:
 4 (1) "Economic revitalization area" means an area which is within
 5 the corporate limits of a city, town, or county which has become
 6 undesirable for, or impossible of, normal development and
 7 occupancy because of a lack of development, cessation of growth,
 8 deterioration of improvements or character of occupancy, age,
 9 obsolescence, substandard buildings, or other factors which have
 10 impaired values or prevent a normal development of property or
 11 use of property. The term "economic revitalization area" also
 12 includes:
 13 (A) any area where a facility or a group of facilities that are
 14 technologically, economically, or energy obsolete are located
 15 and where the obsolescence may lead to a decline in



- 1 employment and tax revenues; and
 2 (B) a residentially distressed area, except as otherwise
 3 provided in this chapter.
 4 (2) "City" means any city in this state, and "town" means any town
 5 incorporated under IC 36-5-1.
 6 (3) "New manufacturing equipment" means any tangible personal
 7 property which:
 8 (A) was installed after February 28, 1983, and before January
 9 1, 2006, in an area that is declared an economic revitalization
 10 area after February 28, 1983, in which a deduction for tangible
 11 personal property is allowed; ~~or~~
 12 (B) is used in the direct production, manufacture, fabrication,
 13 assembly, extraction, mining, processing, refining, or finishing
 14 of other tangible personal property, including but not limited
 15 to use to dispose of solid waste or hazardous waste by
 16 converting the solid waste or hazardous waste into energy or
 17 other useful products; and
 18 (C) was acquired by its owner for use as described in clause
 19 (B) and was never before used by its owner for any purpose in
 20 Indiana.
 21 However, notwithstanding any other law, the term includes
 22 tangible personal property that is used to dispose of solid waste or
 23 hazardous waste by converting the solid waste or hazardous waste
 24 into energy or other useful products and was installed after March
 25 1, 1993, and before March 2, 1996, even if the property was
 26 installed before the area where the property is located was
 27 designated as an economic revitalization area or the statement of
 28 benefits for the property was approved by the designating body.
 29 (4) "Property" means a building or structure, but does not include
 30 land.
 31 (5) "Redevelopment" means the construction of new structures in
 32 economic revitalization areas, either:
 33 (A) on unimproved real estate; or
 34 (B) on real estate upon which a prior existing structure is
 35 demolished to allow for a new construction.
 36 (6) "Rehabilitation" means the remodeling, repair, or betterment
 37 of property in any manner or any enlargement or extension of
 38 property.
 39 (7) "Designating body" means the following:
 40 (A) For a county that does not contain a consolidated city, the
 41 fiscal body of the county, city, or town.
 42 (B) For a county containing a consolidated city, the

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- 1 metropolitan development commission.
 2 (8) "Deduction application" means either:
 3 (A) the application filed in accordance with section 5 of this
 4 chapter by a property owner who desires to obtain the
 5 deduction provided by section 3 of this chapter; or
 6 (B) the application filed in accordance with section 5.5 of this
 7 chapter by a person who desires to obtain the deduction
 8 provided by section 4.5 of this chapter.
 9 (9) "Designation application" means an application that is filed
 10 with a designating body to assist that body in making a
 11 determination about whether a particular area should be
 12 designated as an economic revitalization area.
 13 (10) "Hazardous waste" has the meaning set forth in
 14 IC 13-11-2-99(a). The term includes waste determined to be a
 15 hazardous waste under IC 13-22-2-3(b).
 16 (11) "Solid waste" has the meaning set forth in IC 13-11-2-205(a).
 17 However, the term does not include dead animals or any animal
 18 solid or semisolid wastes.
 19 **(12) "New research and development equipment" means**
 20 **tangible personal property that:**
 21 **(A) is installed after June 30, 1998, and before January 1,**
 22 **2006, in an economic revitalization area in which a**
 23 **deduction for tangible personal property is allowed;**
 24 **(B) consists of:**
 25 **(i) laboratory equipment;**
 26 **(ii) research and development equipment;**
 27 **(iii) computers;**
 28 **(iv) telecommunications equipment; or**
 29 **(v) testing equipment;**
 30 **(C) is used in a research and development facility:**
 31 **(i) that is a separate facility engaged in activities devoted**
 32 **directly and exclusively to experimental or laboratory**
 33 **research and development for new products, new uses of**
 34 **existing products, or improving or testing existing**
 35 **products;**
 36 **(ii) in which at least one hundred fifty (150) additional**
 37 **jobs will be created; and**
 38 **(iii) for which a capital investment of at least fifteen**
 39 **million dollars (\$15,000,000) has been or will be made;**
 40 **and**
 41 **(D) is acquired by the property owner for the purposes**
 42 **described in this subdivision and was never before used by**

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1 **the owner for any purpose in Indiana.**
 2 **The term does not include equipment installed in facilities**
 3 **used for or in connection with efficiency surveys, management**
 4 **studies, consumer surveys, economic surveys, advertising or**
 5 **promotion, or research in connection with literacy, history, or**
 6 **similar projects.**

7 SECTION 2. IC 6-1.1-12.1-2, AS AMENDED BY
 8 P.L.255-1997(ss), SECTION 5, IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 2. (a) A
 10 designating body may find that a particular area within its jurisdiction
 11 is an economic revitalization area. However, the deduction provided by
 12 this chapter for economic revitalization areas not within a city or town
 13 shall not be available to retail businesses.

14 (b) In a county containing a consolidated city or within a city or
 15 town, a designating body may find that a particular area within its
 16 jurisdiction is a residentially distressed area. Designation of an area as
 17 a residentially distressed area has the same effect as designating an
 18 area as an economic revitalization area, except that the amount of the
 19 deduction shall be calculated as specified in section 4.1 of this chapter.
 20 ~~and the deduction is allowed for five (5) years.~~ In order to declare a
 21 particular area a residentially distressed area, the designating body
 22 must follow the same procedure that is required to designate an area as
 23 an economic revitalization area and must make all the following
 24 additional findings or all the additional findings described in
 25 subsection (c):

26 (1) The area is comprised of parcels that are either unimproved or
 27 contain only one (1) or two (2) family dwellings or multifamily
 28 dwellings designed for up to four (4) families, including accessory
 29 buildings for those dwellings.

30 (2) Any dwellings in the area are not permanently occupied and
 31 are:

32 (A) the subject of an order issued under IC 36-7-9; or

33 (B) evidencing significant building deficiencies.

34 (3) Parcels of property in the area:

35 (A) have been sold and not redeemed under IC 6-1.1-24 and
 36 IC 6-1.1-25; or

37 (B) are owned by a unit of local government.

38 However, in a city in a county having a population of more than two
 39 hundred thousand (200,000) but less than three hundred thousand
 40 (300,000), the designating body is only required to make one (1) of the
 41 additional findings described in this subsection or one (1) of the
 42 additional findings described in subsection (c).



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1 (c) In a county containing a consolidated city or within a city or
 2 town, a designating body that wishes to designate a particular area a
 3 residentially distressed area may make the following additional
 4 findings as an alternative to the additional findings described in
 5 subsection (b):

6 (1) A significant number of dwelling units within the area are not
 7 permanently occupied or a significant number of parcels in the
 8 area are vacant land.

9 (2) A significant number of dwelling units within the area are:

10 (A) the subject of an order issued under IC 36-7-9; or

11 (B) evidencing significant building deficiencies.

12 (3) The area has experienced a net loss in the number of dwelling
 13 units, as documented by census information, local building and
 14 demolition permits, or certificates of occupancy, or the area is
 15 owned by Indiana or the United States.

16 (4) The area (plus any areas previously designated under this
 17 subsection) will not exceed ten percent (10%) of the total area
 18 within the designating body's jurisdiction.

19 However, in a city in a county having a population of more than two
 20 hundred thousand (200,000) but less than three hundred thousand
 21 (300,000), the designating body is only required to make one (1) of the
 22 additional findings described in this subsection as an alternative to one
 23 (1) of the additional findings described in subsection (b).

24 (d) A designating body is required to attach the following conditions
 25 to the grant of a residentially distressed area designation:

26 (1) The deduction will not be allowed unless the dwelling is
 27 rehabilitated to meet local code standards for habitability.

28 (2) If a designation application is filed, the designating body may
 29 require that the redevelopment or rehabilitation be completed
 30 within a reasonable period of time.

31 (e) To make a designation described in subsection (a) or (b), the
 32 designating body shall use procedures prescribed in section 2.5 of this
 33 chapter.

34 (f) The property tax deductions provided by sections 3 and 4.5 of
 35 this chapter are only available for property and **for new manufacturing**
 36 **equipment or new research and development equipment, or both**
 37 **new manufacturing equipment and new research and development**
 38 **equipment**, respectively, within an area which the designating body
 39 finds to be an economic revitalization area.

40 (g) The designating body may adopt a resolution establishing
 41 general standards to be used, along with the requirements set forth in
 42 the definition of economic revitalization area, by the designating body

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1 in finding an area to be an economic revitalization area. The standards
 2 must have a reasonable relationship to the development objectives of
 3 the area in which the designating body has jurisdiction. The following
 4 three (3) sets of standards may be established:

5 (1) One (1) relative to the deduction under section 3 of this
 6 chapter for economic revitalization areas that are not residentially
 7 distressed areas.

8 (2) One (1) relative to the deduction under section 3 of this
 9 chapter for residentially distressed areas.

10 (3) One (1) relative to the deduction allowed under section 4.5 of
 11 this chapter.

12 (h) A designating body may impose a fee for filing a designation
 13 application for a person requesting the designation of a particular area
 14 as an economic revitalization area. The fee may be sufficient to defray
 15 actual processing and administrative costs. However, the fee charged
 16 for filing a designation application for a parcel that contains one (1) or
 17 more owner-occupied, single-family dwellings may not exceed the cost
 18 of publishing the required notice.

19 (i) In declaring an area an economic revitalization area, the
 20 designating body may:

21 (1) limit the time period to a certain number of calendar years
 22 during which the area shall be so designated;

23 (2) limit the type of deductions that will be allowed within the
 24 economic revitalization area to either the deduction allowed under
 25 section 3 of this chapter or the deduction allowed under section
 26 4.5 of this chapter;

27 (3) limit the dollar amount of the deduction that will be allowed
 28 with respect to new manufacturing equipment **and new research**
 29 **and development equipment** if a deduction under this chapter
 30 had not been filed before July 1, 1987, for that equipment;

31 (4) limit the dollar amount of the deduction that will be allowed
 32 with respect to redevelopment and rehabilitation occurring in
 33 areas that are designated as economic revitalization areas on or
 34 after September 1, 1988; or

35 (5) impose reasonable conditions related to the purpose of this
 36 chapter or to the general standards adopted under subsection (g)
 37 for allowing the deduction for the redevelopment or rehabilitation
 38 of the property or the installation of the new manufacturing
 39 equipment **or new research and development equipment, or**
 40 **both.**

41 To exercise one (1) or more of these powers a designating body must
 42 include this fact in the resolution passed under section 2.5 of this

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- 1 chapter.
- 2 (j) Notwithstanding any other provision of this chapter, if a
- 3 designating body limits the time period during which an area is an
- 4 economic revitalization area, that limitation does not:
- 5 (1) prevent a taxpayer from obtaining a deduction for new
- 6 manufacturing equipment **or new research and development**
- 7 **equipment, or both**, installed before January 1, 2006, but after
- 8 the expiration of the economic revitalization area if:
- 9 (A) the economic revitalization area designation expires after
- 10 December 30, 1995; and
- 11 (B) the new manufacturing equipment **or new research and**
- 12 **development equipment, or both**, was described in a
- 13 statement of benefits submitted to and approved by the
- 14 designating body in accordance with section 4.5 of this chapter
- 15 before the expiration of the economic revitalization area
- 16 designation; or
- 17 (2) limit the length of time a taxpayer is entitled to receive a
- 18 deduction to a number of years that is less than the number of
- 19 years designated under section 4 or 4.5 of this chapter.
- 20 (k) Notwithstanding any other provision of this chapter, deductions:
- 21 (1) that are authorized under section 3 of this chapter for property
- 22 in an area designated as an urban development area before March
- 23 1, 1983, and that are based on an increase in assessed valuation
- 24 resulting from redevelopment or rehabilitation that occurs before
- 25 March 1, 1983; or
- 26 (2) that are authorized under section 4.5 of this chapter for new
- 27 manufacturing equipment installed in an area designated as an
- 28 urban development area before March 1, 1983;
- 29 apply according to the provisions of this chapter as they existed at the
- 30 time that an application for the deduction was first made. No deduction
- 31 that is based on the location of property or new manufacturing
- 32 equipment in an urban development area is authorized under this
- 33 chapter after February 28, 1983, unless the initial increase in assessed
- 34 value resulting from the redevelopment or rehabilitation of the property
- 35 or the installation of the new manufacturing equipment occurred before
- 36 March 1, 1983.
- 37 (l) If property located in an economic revitalization area is also
- 38 located in an allocation area (as defined in IC 36-7-14-39 or
- 39 IC 36-7-15.1-26), an application for the property tax deduction
- 40 provided by this chapter may not be approved unless the commission
- 41 that designated the allocation area adopts a resolution approving the
- 42 application.

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1 SECTION 3. IC 6-1.1-12.1-2.5, AS AMENDED BY P.L.25-1995,
 2 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JANUARY 1, 1999]: Sec. 2.5. (a) If a designating body finds that an
 4 area in its jurisdiction is an economic revitalization area, it shall either:

- 5 (1) prepare maps and plats that identify the area; or
 6 (2) prepare a simplified description of the boundaries of the area
 7 by describing its location in relation to public ways, streams, or
 8 otherwise.

9 (b) After the compilation of the materials described in subsection
 10 (a), the designating body shall pass a resolution declaring the area an
 11 economic revitalization area. The resolution must contain a description
 12 of the affected area and be filed with the county assessor. ~~The A~~
 13 resolution **adopted after June 30, 1998**, may include a determination
 14 of ~~whether the number of years~~ a deduction under section 3 of this
 15 chapter is allowed. ~~for three (3); six (6); or ten (10) years.~~ In addition,
 16 if the resolution is adopted after ~~April 30, 1991~~, **June 30, 1998**, the
 17 resolution may include a determination of ~~whether the number of~~
 18 **years** a deduction under section 4.5 of this chapter is allowed. ~~for five~~
 19 ~~(5) or ten (10) years.~~

20 (c) After approval of a resolution under subsection (b), the
 21 designating body shall do the following:

- 22 (1) Publish notice of the adoption and substance of the resolution
 23 in accordance with IC 5-3-1.
 24 (2) File the following information with each taxing unit that has
 25 authority to levy property taxes in the geographic area where the
 26 economic revitalization area is located:
 27 (A) A copy of the notice required by subdivision (1).
 28 (B) A statement containing substantially the same information
 29 as a statement of benefits filed with the designating body
 30 before the hearing required by this section under sections 3
 31 and 4.5 of this chapter.

32 The notice must state that a description of the affected area is available
 33 and can be inspected in the county assessor's office. The notice must
 34 also name a date when the designating body will receive and hear all
 35 remonstrances and objections from interested persons. The designating
 36 body shall file the information required by subdivision (2) with the
 37 officers of the taxing unit who are authorized to fix budgets, tax rates,
 38 and tax levies under IC 6-1.1-17-5 at least ten (10) days before the date
 39 of the public hearing. After considering the evidence, the designating
 40 body shall take final action determining whether the qualifications for
 41 an economic revitalization area have been met and confirming,
 42 modifying and confirming, or rescinding the resolution. This



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1 determination is final except that an appeal may be taken and heard as
2 provided under subsections (d) and (e).

3 (d) A person who filed a written remonstrance with the designating
4 body under this section and who is aggrieved by the final action taken
5 may, within ten (10) days after that final action, initiate an appeal of
6 that action by filing in the office of the clerk of the circuit or superior
7 court a copy of the order of the designating body and his remonstrance
8 against that order, together with his bond conditioned to pay the costs
9 of his appeal if the appeal is determined against him. The only ground
10 of appeal that the court may hear is whether the proposed project will
11 meet the qualifications of the economic revitalization area law. The
12 burden of proof is on the appellant.

13 (e) An appeal under this section shall be promptly heard by the
14 court without a jury. All remonstrances upon which an appeal has been
15 taken shall be consolidated and heard and determined within thirty (30)
16 days after the time of the filing of the appeal. The court shall hear
17 evidence on the appeal, and may confirm the final action of the
18 designating body or sustain the appeal. The judgment of the court is
19 final and conclusive, unless an appeal is taken as in other civil actions.

20 SECTION 4. IC 6-1.1-12.1-3, AS AMENDED BY P.L.25-1995,
21 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
22 JANUARY 1, 1999]: Sec. 3. (a) An applicant must provide a statement
23 of benefits to the designating body. If the designating body requires
24 information from the applicant for economic revitalization area status
25 for use in making its decision about whether to designate an economic
26 revitalization area, the applicant shall provide the completed statement
27 of benefits form to the designating body before the hearing required by
28 section 2.5(c) of this chapter. Otherwise, the statement of benefits form
29 must be submitted to the designating body before the initiation of the
30 redevelopment or rehabilitation for which the person desires to claim
31 a deduction under this chapter. The state board of tax commissioners
32 shall prescribe a form for the statement of benefits. The statement of
33 benefits must include the following information:

- 34 (1) A description of the proposed redevelopment or rehabilitation.
- 35 (2) An estimate of the number of individuals who will be
36 employed or whose employment will be retained by the person as
37 a result of the redevelopment or rehabilitation and an estimate of
38 the annual salaries of these individuals.
- 39 (3) An estimate of the value of the redevelopment or
40 rehabilitation.

41 With the approval of the state board of tax commissioners, the
42 statement of benefits may be incorporated in a designation application.



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1 Notwithstanding any other law, a statement of benefits is a public
2 record that may be inspected and copied under IC 5-14-3-3.

3 (b) The designating body must review the statement of benefits
4 required under subsection (a). The designating body shall determine
5 whether an area should be designated an economic revitalization area
6 or whether a deduction should be allowed, based on (and after it has
7 made) the following findings:

- 8 (1) Whether the estimate of the value of the redevelopment or
9 rehabilitation is reasonable for projects of that nature.
- 10 (2) Whether the estimate of the number of individuals who will be
11 employed or whose employment will be retained can be
12 reasonably expected to result from the proposed described
13 redevelopment or rehabilitation.
- 14 (3) Whether the estimate of the annual salaries of those
15 individuals who will be employed or whose employment will be
16 retained can be reasonably expected to result from the proposed
17 described redevelopment or rehabilitation.
- 18 (4) Whether any other benefits about which information was
19 requested are benefits that can be reasonably expected to result
20 from the proposed described redevelopment or rehabilitation.
- 21 (5) Whether the totality of benefits is sufficient to justify the
22 deduction.

23 A designating body may not designate an area an economic
24 revitalization area or approve a deduction unless the findings required
25 by this subsection are made in the affirmative.

26 (c) Except as provided in subsections (a) through (b), the owner of
27 property which is located in an economic revitalization area is entitled
28 to a deduction from the assessed value of the property. If the area is a
29 residentially distressed area **designated before July 1, 1998**, the period
30 is five (5) years. For all other economic revitalization areas **designated**
31 **before July 1, 1998**, the period is three (3), six (6), or ten (10) years.
32 **as determined under subsection (d): For all economic revitalization**
33 **areas designated after June 30, 1998, the period is the number of**
34 **years determined under subsection (d).** The owner is entitled to a
35 deduction if:

- 36 (1) the property has been rehabilitated; or
- 37 (2) the property is located on real estate which has been
38 redeveloped.

39 The owner is entitled to the deduction for the first year, and any
40 successive year or years, in which an increase in assessed value
41 resulting from the rehabilitation or redevelopment occurs and for the
42 two (2); four (4); five (5); or nine (9) years immediately following each

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1 such year or years ~~whichever is applicable.~~ **determined under**
 2 **subsection (d).** However, property owners who had an area designated
 3 an urban development area pursuant to an application filed prior to
 4 January 1, 1979, are only entitled to a deduction for a five (5) year
 5 period. In addition, property owners who are entitled to a deduction
 6 under this chapter pursuant to an application filed after December 31,
 7 1978, and before January 1, 1986, are entitled to a deduction for a ten
 8 (10) year period.

9 (d) ~~For economic revitalization areas that are not residentially~~
 10 ~~distressed areas;~~ **For an area designated as an economic**
 11 **revitalization area after June 30, 1998,** the designating body shall
 12 determine ~~whether the number of years for which~~ the property owner
 13 is entitled to a deduction. ~~for three (3) years; six (6) years; or ten (10)~~
 14 ~~years.~~ **However, the deduction may not be allowed for more than**
 15 **ten (10) years.** This determination shall be made:

16 (1) as part of the resolution adopted under section 2.5 of this
 17 chapter; or

18 (2) by resolution adopted within sixty (60) days after receiving a
 19 copy of a property owner's certified deduction application from
 20 the county auditor. A certified copy of the resolution shall be sent
 21 to the county auditor who shall make the deduction as provided
 22 in section 5 of this chapter.

23 A determination about ~~whether the~~ **number of years the** deduction is
 24 **three (3); six (6); or ten (10) years allowed** that is made under
 25 subdivision (1) is final and may not be changed by following the
 26 procedure under subdivision (2).

27 (e) Except for deductions related to redevelopment or rehabilitation
 28 of real property in a county containing a consolidated city or a
 29 deduction related to redevelopment or rehabilitation of real property
 30 initiated before December 31, 1987, in areas designated as economic
 31 revitalization areas before that date, a deduction for the redevelopment
 32 or rehabilitation of real property may not be approved for the following
 33 facilities:

34 (1) Private or commercial golf course.

35 (2) Country club.

36 (3) Massage parlor.

37 (4) Tennis club.

38 (5) Skating facility (including roller skating, skateboarding, or ice
 39 skating).

40 (6) Racquet sport facility (including any handball or racquetball
 41 court).

42 (7) Hot tub facility.



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- 1 (8) Suntan facility.
- 2 (9) Racetrack.
- 3 (10) Any facility the primary purpose of which is:
- 4 (A) retail food and beverage service;
- 5 (B) automobile sales or service; or
- 6 (C) other retail;
- 7 unless the facility is located in an economic development target
- 8 area established under section 7 of this chapter.
- 9 (11) Residential, unless:
- 10 (A) the facility is a multifamily facility that contains at least
- 11 twenty percent (20%) of the units available for use by low and
- 12 moderate income individuals;
- 13 (B) the facility is located in an economic development target
- 14 area established under section 7 of this chapter; or
- 15 (C) the area is designated as a residentially distressed area.
- 16 (12) A package liquor store that holds a liquor dealer's permit
- 17 under IC 7.1-3-10 or any other entity that is required to operate
- 18 under a license issued under IC 7.1. However, this subdivision
- 19 does not apply to an applicant that:
- 20 (A) was eligible for tax abatement under this chapter before
- 21 July 1, 1995; or
- 22 (B) is described in IC 7.1-5-7-11.
- 23 SECTION 5. IC 6-1.1-12.1-4 IS AMENDED TO READ AS
- 24 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 4. (a) Except as
- 25 provided in section 2(i)(4) of this chapter, the amount of the deduction
- 26 which the property owner is entitled to receive under section 3 of this
- 27 chapter for a particular year equals the product of:
- 28 (1) the increase in the assessed value resulting from the
- 29 rehabilitation or redevelopment; multiplied by
- 30 (2) the percentage prescribed in the table set forth in subsection
- 31 (d).
- 32 (b) The amount of the deduction determined under subsection (a)
- 33 shall be adjusted in accordance with this subsection in the following
- 34 circumstances:
- 35 (1) If a general reassessment of real property occurs within the
- 36 particular period of the deduction, the amount determined under
- 37 subsection (a)(1) shall be adjusted to reflect the percentage
- 38 increase or decrease in assessed valuation that resulted from the
- 39 general reassessment.
- 40 (2) If an appeal of an assessment is approved that results in a
- 41 reduction of the assessed value of the redeveloped or rehabilitated
- 42 property, the amount of any deduction shall be adjusted to reflect

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1 the percentage decrease that resulted from the appeal.
2 The state board of tax commissioners shall adopt rules under IC 4-22-2
3 to implement this subsection.

4 (c) Property owners who had an area designated an urban
5 development area pursuant to an application filed prior to January 1,
6 1979, are only entitled to the deduction for the first through the fifth
7 years as provided in subsection ~~(d)(3)~~: **(d)(10)**. In addition, property
8 owners who are entitled to a deduction under this chapter pursuant to
9 an application filed after December 31, 1978, and before January 1,
10 1986, are entitled to a deduction for the first through the tenth years, as
11 provided in subsection ~~(d)(3)~~: **(d)(10)**.

12 (d) The percentage to be used in calculating the deduction under
13 subsection (a) is as follows:

- 14 **(1) For deductions allowed over a one (1) year period:**
- 15

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
- 17 **(2) For deductions allowed over a two (2) year period:**
- 18

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	50%
- 21 **(3) For deductions allowed over a three (3) year period:**
- 22

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	66%
3rd	33%
- 26 **(4) For deductions allowed over a four (4) year period:**
- 27

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	75%
3rd	50%
4th	25%
- 32 **(5) For deductions allowed over a five (5) year period:**
- 33

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	80%
3rd	60%
4th	40%
5th	20%
- 39 ~~(2)~~ **(6) For deductions allowed over a six (6) year period:**
- 40

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	85%

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1	3rd	66%
2	4th	50%
3	5th	34%
4	6th	17%

(7) For deductions allowed over a seven (7) year period:

	YEAR OF DEDUCTION	PERCENTAGE
7	1st	100%
8	2nd	86%
9	3rd	72%
10	4th	58%
11	5th	44%
12	6th	30%
13	7th	16%

(8) For deductions allowed over an eight (8) year period:

	YEAR OF DEDUCTION	PERCENTAGE
16	1st	100%
17	2nd	88%
18	3rd	75%
19	4th	63%
20	5th	50%
21	6th	38%
22	7th	25%
23	8th	13%

(9) For deductions allowed over a nine (9) year period:

	YEAR OF DEDUCTION	PERCENTAGE
26	1st	100%
27	2nd	90%
28	3rd	78%
29	4th	66%
30	5th	55%
31	6th	44%
32	7th	33%
33	8th	22%
34	9th	11%

(10) For deductions allowed over a ten (10) year period:

	YEAR OF DEDUCTION	PERCENTAGE
37	1st	100%
38	2nd	95%
39	3rd	80%
40	4th	65%
41	5th	50%
42	6th	40%

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1	7th	30%
2	8th	20%
3	9th	10%
4	10th	5%

5 SECTION 6. IC 6-1.1-12.1-4.5, AS AMENDED BY P.L.1-1996,
6 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JANUARY 1, 1999]: Sec. 4.5. (a) For purposes of this section,
8 "personal property" means personal property other than inventory (as
9 defined in IC 6-1.1-3-11(a)).

10 (b) An applicant must provide a statement of benefits to the
11 designating body. The applicant must provide the completed statement
12 of benefits form to the designating body before the hearing specified in
13 section 2.5(c) of this chapter or before the installation of the new
14 manufacturing equipment **or new research and development**
15 **equipment, or both**, for which the person desires to claim a deduction
16 under this chapter. The state board of tax commissioners shall prescribe
17 a form for the statement of benefits. The statement of benefits must
18 include the following information:

19 (1) A description of the new manufacturing equipment **or new**
20 **research and development equipment, or both**, that the person
21 proposes to acquire.

22 (2) With respect to:

23 (A) new manufacturing equipment not used to dispose of
24 solid waste or hazardous waste by converting the solid
25 waste or hazardous waste into energy or other useful
26 products; **and**

27 (B) **new research and development equipment;**

28 an estimate of the number of individuals who will be employed
29 or whose employment will be retained by the person as a result
30 of the installation of the new manufacturing equipment **or new**
31 **research and development equipment, or both**, and an
32 estimate of the annual salaries of these individuals.

33 (3) An estimate of the cost of the new manufacturing equipment
34 **or new research and development equipment, or both.**

35 (4) With respect to new manufacturing equipment used to
36 dispose of solid waste or hazardous waste by converting the solid
37 waste or hazardous waste into energy or other useful products,
38 an estimate of the amount of solid waste or hazardous waste that
39 will be converted into energy or other useful products by the new
40 manufacturing equipment.

41 With the approval of the state board of tax commissioners, the
42 statement of benefits may be incorporated in a designation application.

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1 Notwithstanding any other law, a statement of benefits is a public
2 record that may be inspected and copied under IC 5-14-3-3.

3 (c) The designating body must review the statement of benefits
4 required under subsection (b). The designating body shall determine
5 whether an area should be designated an economic revitalization area
6 or whether the deduction shall be allowed, based on (and after it has
7 made) the following findings:

8 (1) Whether the estimate of the cost of the new manufacturing
9 equipment **or new research and development equipment, or**
10 **both**, is reasonable for equipment of that type.

11 (2) With respect to:

12 (A) new manufacturing equipment not used to dispose of
13 solid waste or hazardous waste by converting the solid
14 waste or hazardous waste into energy or other useful
15 products; **and**

16 (B) **new research and development equipment;**

17 whether the estimate of the number of individuals who will be
18 employed or whose employment will be retained can be
19 reasonably expected to result from the installation of the new
20 manufacturing equipment **or new research and development**
21 **equipment, or both.**

22 (3) Whether the estimate of the annual salaries of those
23 individuals who will be employed or whose employment will be
24 retained can be reasonably expected to result from the proposed
25 installation of new manufacturing equipment **or new research**
26 **and development equipment, or both.**

27 (4) With respect to new manufacturing equipment used to
28 dispose of solid waste or hazardous waste by converting the solid
29 waste or hazardous waste into energy or other useful products,
30 whether the estimate of the amount of solid waste or hazardous
31 waste that will be converted into energy or other useful products
32 can be reasonably expected to result from the installation of the
33 new manufacturing equipment.

34 (5) Whether any other benefits about which information was
35 requested are benefits that can be reasonably expected to result
36 from the proposed installation of new manufacturing equipment
37 **or new research and development equipment, or both.**

38 (6) Whether the totality of benefits is sufficient to justify the
39 deduction.

40 The designating body may not designate an area an economic
41 revitalization area or approve the deduction unless it makes the
42 findings required by this subsection in the affirmative.

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1 (d) Except as provided in subsection (f), an owner of new
 2 manufacturing equipment whose statement of benefits is approved
 3 before May 1, 1991, is entitled to a deduction from the assessed value
 4 of that equipment for a period of five (5) years. Except as provided in
 5 subsections (f) and (i), an owner of new manufacturing equipment
 6 whose statement of benefits is approved after ~~April 30, 1991,~~ **June 30,**
 7 **1998,** is entitled to a deduction from the assessed value of that
 8 equipment for a ~~period of five (5) years or ten (10)~~ **the number of**
 9 ~~years as~~ determined by the designating body under subsection (h).
 10 Except as provided in subsections (f) and (g) and in section 2(i)(3) of
 11 this chapter, the amount of the deduction that an owner is entitled to for
 12 a particular year equals the product of:

- 13 (1) the assessed value of the new manufacturing equipment **or**
 14 **new research and development equipment** in the year that the
 15 equipment is installed; multiplied by
 16 (2) the percentage prescribed in the table set forth in subsection
 17 (e).

18 (e) The percentage to be used in calculating the deduction under
 19 subsection (d) is as follows:

20 **(1) For deductions allowed over a one (1) year period:**

21 YEAR OF DEDUCTION	PERCENTAGE
22 1st	100%
23 2nd and thereafter	0%

24 **(2) For deductions allowed over a two (2) year period:**

25 YEAR OF DEDUCTION	PERCENTAGE
26 1st	100%
27 2nd	50%
28 3rd and thereafter	0%

29 **(3) For deductions allowed over a three (3) year period:**

30 YEAR OF DEDUCTION	PERCENTAGE
31 1st	100%
32 2nd	66%
33 3rd	33%
34 4th and thereafter	0%

35 **(4) For deductions allowed over a four (4) year period:**

36 YEAR OF DEDUCTION	PERCENTAGE
37 1st	100%
38 2nd	75%
39 3rd	50%
40 4th	25%
41 5th and thereafter	0%

42 ~~(4)~~ **(5) For deductions allowed over a five (5) year period:**

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1	YEAR OF DEDUCTION	PERCENTAGE
2	1st	100%
3	2nd	95% 80%
4	3rd	80% 60%
5	4th	65% 40%
6	5th	50% 25%
7	6th and thereafter	0%
8	(6) For deductions allowed over a six (6) year period:	
9	YEAR OF DEDUCTION	PERCENTAGE
10	1st	100%
11	2nd	85%
12	3rd	66%
13	4th	50%
14	5th	34%
15	6th	25%
16	7th and thereafter	0%
17	(7) For deductions allowed over a seven (7) year period:	
18	YEAR OF DEDUCTION	PERCENTAGE
19	1st	100%
20	2nd	86%
21	3rd	72%
22	4th	58%
23	5th	44%
24	6th	30%
25	7th	25%
26	8th and thereafter	0%
27	(8) For deductions allowed over an eight (8) year period:	
28	YEAR OF DEDUCTION	PERCENTAGE
29	1st	100%
30	2nd	88%
31	3rd	75%
32	4th	63%
33	5th	50%
34	6th	38%
35	7th	25%
36	8th	25%
37	9th and thereafter	0%
38	(9) For deductions allowed over a nine (9) year period:	

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1	YEAR OF DEDUCTION	PERCENTAGE
2	1st	100%
3	2nd	90%
4	3rd	78%
5	4th	66%
6	5th	55%
7	6th	44%
8	7th	33%
9	8th	25%
10	9th	25%
11	10th and thereafter	0%

(2) (10) For deductions allowed over a ten (10) year period:

13	YEAR OF DEDUCTION	PERCENTAGE
14	1st	100%
15	2nd	95%
16	3rd	90%
17	4th	85%
18	5th	80%
19	6th	70%
20	7th	55%
21	8th	40%
22	9th	30%
23	10th	25%
24	11th and thereafter	0%

(f) Notwithstanding subsections (d) and (e), a deduction under this section is not allowed in the first year the deduction is claimed for new manufacturing equipment **or new research and development equipment, or both**, to the extent that it would cause the assessed value of all of the personal property of the owner in the taxing district in which the equipment is located (excluding personal property that is assessed as construction in process) to be less than the assessed value of all of the personal property of the owner in that taxing district (excluding personal property that is assessed as construction in process) in the immediately preceding year.

(g) If a deduction is not fully allowed under subsection (f) in the first year the deduction is claimed, then the percentages specified in subsection (d) or (e) apply in the subsequent years to the amount of deduction that was allowed in the first year.

(h) **For an economic revitalization area designated before July 1, 1998**, the designating body shall determine whether a property owner whose statement of benefits is approved after April 30, 1991, is entitled to a deduction for five (5) or ten (10) years. **For an economic**

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1 **revitalization area designated after June 30, 1998, the designating**
2 **body shall determine the number of years the deduction is allowed.**
3 **However, the deduction may not be allowed for more than ten (10)**
4 **years.** This determination shall be made:

- 5 (1) as part of the resolution adopted under section 2.5 of this
- 6 chapter; or
- 7 (2) by resolution adopted within sixty (60) days after receiving
- 8 a copy of a property owner's certified deduction application from
- 9 the state board of tax commissioners. A certified copy of the
- 10 resolution shall be sent to the county auditor and the state board
- 11 of tax commissioners.

12 A determination about ~~whether~~ the **number of years the deduction is**
13 **for a period of five (5) or ten (10) years allowed** that is made under
14 subdivision (1) is final and may not be changed by following the
15 procedure under subdivision (2).

16 (i) The owner of new manufacturing equipment that is directly
17 used to dispose of hazardous waste is not entitled to the deduction
18 provided by this section for a particular assessment year if during that
19 assessment year the owner:

- 20 (1) is convicted of a violation under IC 13-7-13-3 (repealed),
- 21 IC 13-7-13-4 (repealed), or IC 13-30-6; or
- 22 (2) is subject to an order or a consent decree with respect to
- 23 property located in Indiana based on a violation of a federal or
- 24 state rule, regulation, or statute governing the treatment, storage,
- 25 or disposal of hazardous wastes that had a major or moderate
- 26 potential for harm.

27 SECTION 7. IC 6-1.1-12.1-5 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 5. (a) A property
29 owner who desires to obtain the deduction provided by section 3 of this
30 chapter must file a certified deduction application, on forms prescribed
31 by the state board of tax commissioners, with the auditor of the county
32 in which the property is located. Except as otherwise provided in
33 subsection (b) or (e), the deduction application must be filed before
34 May 10 of the year in which the addition to assessed valuation is made.

35 (b) If notice of the addition to assessed valuation or new
36 assessment for any year is not given to the property owner before April
37 10 of that year, the deduction application required by this section may
38 be filed not later than thirty (30) days after the date such a notice is
39 mailed to the property owner at the address shown on the records of the
40 township assessor.

41 (c) The deduction application required by this section must contain
42 the following information:

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- 1 (1) The name of the property owner.
- 2 (2) A description of the property for which a deduction is
- 3 claimed in sufficient detail to afford identification.
- 4 (3) The assessed value of the improvements before
- 5 rehabilitation.
- 6 (4) The increase in the assessed value of improvements resulting
- 7 from the rehabilitation.
- 8 (5) The assessed value of the new structure in the case of
- 9 redevelopment.
- 10 (6) The amount of the deduction claimed for the first year of the
- 11 deduction.
- 12 (7) If the deduction application is for a deduction in a
- 13 residentially distressed area, the assessed value of the
- 14 improvement or new structure for which the deduction is
- 15 claimed.
- 16 (d) A deduction application filed under subsection (a) or (b) is
- 17 applicable for the year in which the addition to assessed value or
- 18 assessment of a new structure is made and in the ~~immediate~~ following
- 19 ~~two (2), four (4), five (5), or nine (9) years whichever is applicable,~~ **the**
- 20 **deduction is allowed**, without any additional deduction application
- 21 being filed. However, property owners who had an area designated an
- 22 urban development area pursuant to a deduction application filed prior
- 23 to January 1, 1979, are only entitled to a deduction for a five (5) year
- 24 period. In addition, property owners who are entitled to a deduction
- 25 under this chapter pursuant to a deduction application filed after
- 26 December 31, 1978, and before January 1, 1986, are entitled to a
- 27 deduction for a ten (10) year period.
- 28 (e) A property owner who desires to obtain the deduction provided
- 29 by section 3 of this chapter but who has failed to file a deduction
- 30 application within the dates prescribed in subsection (a) or (b) may file
- 31 a deduction application between March 1 and May 10 of a subsequent
- 32 year which shall be applicable for the year filed and the subsequent
- 33 years without any additional deduction application being filed for the
- 34 amounts of the deduction which would be applicable to such years
- 35 pursuant to section 4 of this chapter if such a deduction application had
- 36 been filed in accordance with subsection (a) or (b).
- 37 (f) On verification of the correctness of a deduction application by
- 38 the assessor of the township in which the property is located, the
- 39 county auditor shall act as follows:
- 40 (1) If a determination about ~~whether the deduction is three (3);~~
- 41 ~~six (6); or ten (10)~~ **the number of years the deduction is**
- 42 **allowed** has been made in the resolution adopted under section

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2.5 of this chapter, the county auditor shall make the appropriate deduction.

(2) If a determination about ~~whether the deduction is three (3); six (6); or ten (10)~~ **the number of years the deduction is allowed** has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction application to the designating body. Upon receipt of the resolution stating ~~whether the~~ **number of years the deduction will be allowed, for three (3); six (6); or ten (10) years**, the county auditor shall make the appropriate deduction.

(3) If the deduction application is for rehabilitation or redevelopment in a residentially distressed area, the county auditor shall make the appropriate deduction.

(g) The amount and period of the deduction provided for property by section 3 of this chapter are not affected by a change in the ownership of the property if the new owner of the property:

- (1) continues to use the property in compliance with any standards established under section 2(g) of this chapter; and
- (2) files an application in the manner provided by subsection (e).

(h) The township assessor shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.

SECTION 8. IC 6-1.1-12.1-5.5, AS AMENDED BY P.L.6-1997, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 5.5. (a) A person that desires to obtain the deduction provided by section 4.5 of this chapter must file a certified deduction application on forms prescribed by the state board of tax commissioners with:

- (1) the auditor of the county in which the new manufacturing equipment **or new research and development equipment, or both**, is located; and
- (2) the state board of tax commissioners.

A person that timely files a personal property return under IC 6-1.1-3-7(a) for the year in which the new manufacturing equipment **or new research and development equipment, or both**, is installed must file the application between March 1 and May 15 of that year. A person that obtains a filing extension under IC 6-1.1-3-7(b) for the year in which the new manufacturing equipment **or new research and development equipment, or both**, is installed must file the application between March 1 and June 14 of that year.

(b) The deduction application required by this section must

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1 contain the following information:

2 (1) The name of the owner of the new manufacturing equipment
3 **or new research and development equipment, or both.**

4 (2) A description of the new manufacturing equipment **or new**
5 **research and development equipment, or both.**

6 (3) Proof of the date the new manufacturing equipment **or new**
7 **research and development equipment, or both,** was installed.

8 (4) The amount of the deduction claimed for the first year of the
9 deduction.

10 (c) This subsection applies to a deduction application with respect
11 to new manufacturing equipment **or new research and development**
12 **equipment, or both,** for which a statement of benefits was initially
13 approved after April 30, 1991. If a determination about ~~whether the~~
14 **number of years** the deduction is ~~for a period of five (5) or ten (10)~~
15 **years allowed** has not been made in the resolution adopted under
16 section 2.5 of this chapter, the county auditor shall send a copy of the
17 deduction application to the designating body and the designating body
18 shall adopt a resolution under section 4.5(h)(2) of this chapter.

19 (d) A deduction application must be filed under this section in the
20 year in which the new manufacturing equipment **or new research and**
21 **development equipment, or both,** is installed and in each of the
22 immediately succeeding ~~four (4) or nine (9)~~ years ~~whichever is~~
23 **applicable: the deduction is allowed.**

24 (e) The state board of tax commissioners shall review and verify
25 the correctness of each deduction application and shall notify the
26 county auditor of the county in which the property is located that the
27 deduction application is approved or denied or that the amount of the
28 deduction is altered. Upon notification of approval of the deduction
29 application or of alteration of the amount of the deduction, the county
30 auditor shall make the deduction. The county auditor shall notify the
31 county property tax assessment board of appeals of all deductions
32 approved under this section.

33 (f) If the ownership of new manufacturing equipment **or new**
34 **research and development equipment, or both,** changes, the
35 deduction provided under section 4.5 of this chapter continues to apply
36 to that equipment if the new owner:

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

39 (2) files the deduction applications required by this section.

40 (g) The amount of the deduction is the percentage under section
41 4.5 of this chapter that would have applied if the ownership of the
42 property had not changed multiplied by the assessed value of the

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1 equipment for the year the deduction is claimed by the new owner.

2 (h) If a person desires to initiate an appeal of the state board of tax
3 commissioners' final determination, the person must do all of the
4 following not more than forty-five (45) days after the state board of tax
5 commissioners gives the person notice of the final determination:

6 (1) File a written notice with the state board of tax
7 commissioners informing the board of the person's intention to
8 appeal.

9 (2) File a complaint in the tax court.

10 (3) Serve the attorney general and the county auditor with a copy
11 of the complaint.

12 SECTION 9. IC 6-1.1-12.1-5.6, AS AMENDED BY P.L.25-1995,
13 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JANUARY 1, 1999]: Sec. 5.6. (a) This subsection applies to a property
15 owner whose statement of benefits was approved under section 4.5 of
16 this chapter before July 1, 1991. In addition to the requirements of
17 section 5.5(b) of this chapter, a deduction application filed under
18 section 5.5 of this chapter must contain information showing the extent
19 to which there has been compliance with the statement of benefits
20 approved under section 4.5 of this chapter. Failure to comply with a
21 statement of benefits approved before July 1, 1991, may not be a basis
22 for rejecting a deduction application.

23 (b) This subsection applies to a property owner whose statement
24 of benefits was approved under section 4.5 of this chapter after June
25 30, 1991. In addition to the requirements of section 5.5(b) of this
26 chapter, a property owner who files a deduction application under
27 section 5.5 of this chapter must provide the county auditor and the
28 designating body with information showing the extent to which there
29 has been compliance with the statement of benefits approved under
30 section 4.5 of this chapter.

31 (c) Notwithstanding IC 5-14-3 and IC 6-1.1-35-9, the following
32 information is a public record if filed under this section:

33 (1) The name and address of the taxpayer.

34 (2) The location and description of the new manufacturing
35 equipment **or new research and development equipment, or**
36 **both**, for which the deduction was granted.

37 (3) Any information concerning the number of employees at the
38 facility where the new manufacturing equipment **or new**
39 **research and development equipment, or both**, is located,
40 including estimated totals that were provided as part of the
41 statement of benefits.

42 (4) Any information concerning the total of the salaries paid to

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- 1 those employees, including estimated totals that were provided
 2 as part of the statement of benefits.
- 3 (5) Any information concerning the amount of solid waste or
 4 hazardous waste converted into energy or other useful products
 5 by the new manufacturing equipment.
- 6 (6) Any information concerning the assessed value of the new
 7 manufacturing equipment **or new research and development**
 8 **equipment, or both**, including estimates that were provided as
 9 part of the statement of benefits.
- 10 (d) The following information is confidential if filed under this
 11 section:
- 12 (1) Any information concerning the specific salaries paid to
 13 individual employees by the owner of the new manufacturing
 14 equipment **or new research and development equipment, or**
 15 **both**.
- 16 (2) Any information concerning the cost of the new
 17 manufacturing equipment **or new research and development**
 18 **equipment, or both**.
- 19 SECTION 10. IC 6-1.1-12.1-5.8 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 5.8. In lieu of
 21 providing the statement of benefits required by section 3 or 4.5 of this
 22 chapter and the additional information required by section 5.1 or 5.6 of
 23 this chapter, the designating body may, by resolution, waive the
 24 statement of benefits if the designating body finds that the purposes of
 25 this chapter are served by allowing the deduction and the property
 26 owner has, during the thirty-six (36) months preceding the first
 27 assessment date to which the waiver would apply, installed new
 28 manufacturing equipment **or new research and development**
 29 **equipment, or both**, or developed or rehabilitated property at a cost of
 30 at least ten million dollars (\$10,000,000) as determined by the state
 31 board of tax commissioners.
- 32 SECTION 11. IC 6-1.1-12.1-8 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JANUARY 1, 1999]: Sec. 8. (a) No later
 34 than December 31 of each year, the county auditor shall publish the
 35 following in a newspaper of general interest and readership and not one
 36 of limited subject matter:
- 37 (1) A list of the approved deduction applications that were filed
 38 under this chapter during that year. The list must contain the
 39 following:
- 40 (A) The name and address of each person approved for or
 41 receiving a deduction that was filed for during the year.
- 42 (B) The amount of each deduction that was filed for during

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- 1 the year.
- 2 (C) The number of years for which each deduction that was
- 3 filed for during the year will be available.
- 4 (D) The total amount for all deductions that were filed for
- 5 and granted during the year.
- 6 (2) The total amount of all deductions for real property that were
- 7 in effect under section 3 of this chapter during the year.
- 8 (3) The total amount of all deductions for new manufacturing
- 9 equipment **or new research and development equipment, or**
- 10 **both**, that were in effect under section 4.5 of this chapter during
- 11 the year.
- 12 (b) The county auditor shall file the information described in
- 13 subsection (a)(2) and (a)(3) with the state board of tax commissioners
- 14 not later than December 31 of each year.
- 15 SECTION 12. IC 6-1.1-12.1-11.3, AS ADDED BY P.L.84-1995,
- 16 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 17 JANUARY 1, 1999]: Sec. 11.3. (a) This section applies only to the
- 18 following requirements under section 3 of this chapter:
- 19 (1) Failure to provide the completed statement of benefits form
- 20 to the designating body before the hearing required by section
- 21 2.5(c) of this chapter.
- 22 (2) Failure to submit the completed statement of benefits form to
- 23 the designating body before the initiation of the redevelopment
- 24 or rehabilitation or the installation of new manufacturing
- 25 equipment **or new research and development equipment, or**
- 26 **both**, for which the person desires to claim a deduction under
- 27 this chapter.
- 28 (3) Failure to designate an area as an economic revitalization
- 29 area before the initiation of the:
- 30 (A) redevelopment;
- 31 (B) installation of new manufacturing equipment **or new**
- 32 **research and development equipment, or both;** or
- 33 (C) rehabilitation;
- 34 for which the person desires to claim a deduction under this
- 35 chapter.
- 36 (4) Failure to make the required findings of fact before
- 37 designating an area as an economic revitalization area or
- 38 authorizing a deduction for new manufacturing equipment **or**
- 39 **new research and development equipment, or both**, under
- 40 section 2, 3, or 4.5 of this chapter.
- 41 (b) This section does not grant a designating body the authority to
- 42 exempt a person from filing a statement of benefits or exempt a

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1 designating body from making findings of fact.

2 (c) A designating body may by resolution waive noncompliance
3 described under subsection (a) under the terms and conditions specified
4 in the resolution. Before adopting a waiver under this subsection, the
5 designating body shall conduct a public hearing on the waiver.

6 SECTION 13. IC 6-1.1-12.1-13 IS ADDED TO THE INDIANA
7 CODE AS A NEW SECTION TO READ AS FOLLOWS
8 [EFFECTIVE JANUARY 1, 1999]: **Sec. 13. (a) Except as provided**
9 **in subsection (b), a property owner is not entitled to a deduction**
10 **under this chapter to the extent the property owner after June 30,**
11 **1998, substantially reduces or ceases the property owner's business**
12 **operations in Indiana in order to relocate the operations to an area**
13 **designated as an economic revitalization area.**

14 (b) Subsection (a) does not prohibit a property owner from
15 receiving a deduction under this chapter if:

16 (1) the legislative body of the municipality in which the
17 operations ceased or were substantially reduced (or the
18 legislative body of the county where the operations ceased or
19 were substantially reduced, if the operations were not in a
20 municipality) approves the deduction by ordinance or
21 resolution; or

22 (2) the director of the department of commerce approves the
23 deduction.

24 (c) The state board of tax commissioners shall determine for
25 purposes of this section whether a property owner has
26 substantially reduced or ceased operations in order to relocate the
27 operations after June 30, 1998, to an area designated as an
28 economic revitalization area.

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