



April 6, 1999

**ENGROSSED  
SENATE BILL No. 357**

DIGEST OF SB 357 (Updated March 31, 1999 8:24 am - DI 73)

**Citations Affected:** IC 6-1.1; IC 36-7; noncode.

**Synopsis:** Interstate commerce exemption for inventory tax. Provides that a manufacturer or processor that possesses property held for transshipment to an out-of-state destination may claim certain interstate commerce exemptions from the property tax imposed upon inventory if the manufacturer or processor is able to show that the owner of the property would otherwise have been qualified for the exemption. Permits a city, town, or county to grant tax abatement if the application for the abatement was not filed in a timely manner. Requires a  
(Continued next page)

**Effective:** January 1, 1998 (retroactive); January 1, 1999 (retroactive); July 1, 1999; January 1, 2000.

**Adams K, Weatherwax, Landske**  
(HOUSE SPONSORS — BAUER, WOLKINS, BUCK, KRUSE)

January 11, 1999, read first time and referred to Committee on Finance.  
January 28, 1999, amended, reported favorably — Do Pass.  
February 1, 1999, read second time, ordered engrossed. Engrossed.  
February 2, 1999, read third time, passed. Yeas 49, nays 0.

**HOUSE ACTION**

March 3, 1999, read first time and referred to Committee on Ways and Means.  
April 5, 1999, amended, reported — Do Pass.

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designating body granting an abatement in those circumstances to determine that the applicant has fully complied with the applicant's statement of benefits. Provides that the applicant's deduction is reduced by specified percentages, depending on when the late application is filed. Allows a designating body to charge a \$500 filing fee for considering a request for a waiver from certain abatement filing and designation requirements. Provides that the property tax exemption for certain property that is stored in Indiana for shipment to an out-of-state destination and is in its original package also applies to property that is not stored in its original package if packaging is not practical until receipt of a final customer order. Specifies that the provision limiting a property tax abatement for new manufacturing equipment to the extent that it would cause the assessed value of all personal property of the owner in the taxing district in which the equipment is located to be less than the assessed value of all personal property of the owner in that taxing district in the immediately preceding year does not apply to new manufacturing equipment located in a particular township if the total original cost of all new manufacturing equipment placed into service by the owner during the preceding 60 months exceeds \$50,000,000. Allows the governing body of a school corporation to establish as part of a professional sports and convention development area a facility owned by a county building authority. Provides that information included in a deduction application for property located in economic revitalization area or a residentially distressed area must be updated by June 15 of the year following the year in which the deduction is applicable (instead of within 60 days of the end of the year following the year in which the deduction is applicable). Provides that information concerning compliance with a statement of benefits relating to property located in an economic revitalization area must be submitted before June 15 of the year following the year in which the deduction is applicable. Provides that the designating body of the economic revitalization area must determine whether the property owner has substantially complied with the statement of benefits before August 15 (instead of within 45 days of receipt of the information concerning compliance).

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April 6, 1999

First Regular Session 111th General Assembly (1999)

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 1998 General Assembly.

## ENGROSSED SENATE BILL No. 357

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 6-1.1-10-29 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 29. (a) As used  
3 in this section, "manufacturer" or "processor" means a person that  
4 performs an operation or continuous series of operations on raw  
5 materials, goods, or other personal property to alter the raw materials,  
6 goods, or other personal property into a new or changed state or form.  
7 The operation may be performed by hand, machinery, or a chemical  
8 process directed or controlled by an individual. The terms include a  
9 person that:  
10 (1) dries or prepares grain for storage or delivery; or  
11 (2) publishes books or other printed materials.  
12 (b) Personal property owned by a manufacturer or processor is  
13 exempt from property taxation if the owner is able to show by adequate  
14 records that the property:

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1 (1) is stored and remains in its original package in an in-state  
 2 warehouse for the purpose of shipment, without further  
 3 processing, to an out-of-state destination; or

4 (2) consists of books or other printed materials that are stored at  
 5 an in-state commercial printer's facility for the purpose of  
 6 shipment, without further processing, to an out-of-state  
 7 destination.

8 (c) Personal property that is manufactured in Indiana and that would  
 9 be exempt under subsection (b), except that it is not stored in its  
 10 original package, is exempt from property taxation if the owner can  
 11 establish in accordance with exempt inventory procedures, regulations,  
 12 and rules of the state board of tax commissioners that:

13 (1) the property ~~(1)~~ is ready for shipment without additional  
 14 manufacturing or processing, except for packaging; and

15 (2) **either:**

16 (A) **the property** will be damaged or have its value impaired  
 17 if it is stored in its original package; **or**

18 (B) **the final packaging of finished inventory items is not**  
 19 **practical until receipt of a final customer order because**  
 20 **fulfillment of the customer order requires the**  
 21 **accumulation of a number of distinct finished inventory**  
 22 **items into a single shipping package.**

23 (d) **A manufacturer or processor that possesses personal**  
 24 **property owned by another person may claim an exemption under**  
 25 **subsection (b) or (c) if:**

26 (1) **the manufacturer or processor includes the property on**  
 27 **the manufacturer or processor's personal property tax**  
 28 **return; and**

29 (2) **the manufacturer or processor is able to show that the**  
 30 **owner of the personal property would otherwise have**  
 31 **qualified for an exemption under subsection (b) or (c).**

32 SECTION 2. IC 6-1.1-10-30 IS AMENDED TO READ AS  
 33 FOLLOWS [EFFECTIVE JANUARY 1, 2000]: Sec. 30. (a) Subject to  
 34 the limitation contained in subsection (d) of this section, personal  
 35 property is exempt from taxation if:

36 (1) the property is owned by a nonresident of this state;

37 (2) the owner is able to show by adequate records that the  
 38 property has been shipped into this state and placed in its original  
 39 package in a public or private warehouse for the purpose of  
 40 transshipment to an out-of-state destination; and

41 (3) the property remains in its original package and in the public  
 42 or private warehouse.



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1 For purposes of this subsection, a nonresident is a taxpayer who places  
 2 goods in the original package and into the stream of commerce from  
 3 outside of the state of Indiana.

4 (b) Subject to the limitation contained in subsection (d) of this  
 5 section, personal property is exempt from property taxation if:

6 (1) the property has been placed in its original package in a public  
 7 or private warehouse for the purpose of shipment to an  
 8 out-of-state destination;

9 (2) the property remains in the original package and in the public  
 10 or private warehouse; and

11 (3) the property had been ordered and is ready for shipment in  
 12 interstate commerce to a specific known destination to which the  
 13 property is subsequently shipped.

14 If a property tax exemption is claimed under this subsection for  
 15 property which is not shipped to the specific known destination as  
 16 required under subdivision (3), the taxpayer shall file an amended  
 17 personal property tax return for the year for which the exemption for  
 18 that property was claimed.

19 (c) Subject to the limitation contained in subsection (d) of this  
 20 section, personal property is exempt from property taxation if:

21 (1) the property has been placed in its original package in a public  
 22 warehouse;

23 (2) the property was transported to that public warehouse by a  
 24 common, contract, or private carrier;

25 (3) the owner is able to show by adequate records that the  
 26 property is held in the public warehouse for purposes of  
 27 transshipment to an out-of-state destination and is labeled to show  
 28 that purpose; and

29 (4) the property remains in its original package and in the public  
 30 warehouse.

31 However, no personal property is exempt from property taxation under  
 32 this subsection if the property is owned by the same person who owns  
 33 or leases the public warehouse where the property is held.

34 (d) An exemption provided by this section applies only to the extent  
 35 that the property is exempt from taxation under the commerce clause  
 36 of the Constitution of the United States.

37 (e) **A taxpayer who possesses personal property owned by**  
 38 **another person may claim an exemption provided by this section**  
 39 **if:**

40 (1) **the taxpayer includes the property on the taxpayer's**  
 41 **personal property tax return; and**

42 (2) **the taxpayer is able to show that the owner of the personal**

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1           **property would otherwise have qualified for an exemption**  
 2           **under this section.**

3           SECTION 3. IC 6-1.1-12.1-4 IS AMENDED TO READ AS  
 4           FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:  
 5           Sec. 4. (a) Except as provided in section 2(i)(4) of this chapter, the  
 6           amount of the deduction which the property owner is entitled to receive  
 7           under section 3 of this chapter for a particular year equals the product  
 8           of:

- 9                   (1) the increase in the assessed value resulting from the  
 10                   rehabilitation or redevelopment; multiplied by  
 11                   (2) the percentage prescribed in the table set forth in subsection  
 12                   (d).

13           (b) The amount of the deduction determined under subsection (a)  
 14           shall be adjusted in accordance with this subsection in the following  
 15           circumstances:

16                   (1) If a general reassessment of real property occurs within the  
 17                   particular period of the deduction, the amount determined under  
 18                   subsection (a)(1) shall be adjusted to reflect the percentage  
 19                   increase or decrease in assessed valuation that resulted from the  
 20                   general reassessment.

21                   (2) If an appeal of an assessment is approved that results in a  
 22                   reduction of the assessed value of the redeveloped or rehabilitated  
 23                   property, the amount of any deduction shall be adjusted to reflect  
 24                   the percentage decrease that resulted from the appeal.

25           The state board of tax commissioners shall adopt rules under IC 4-22-2  
 26           to implement this subsection.

27           (c) Property owners who had an area designated an urban  
 28           development area pursuant to an application filed prior to January 1,  
 29           1979, are only entitled to the deduction for the first through the fifth  
 30           years as provided in subsection (d)(3). In addition, property owners  
 31           who are entitled to a deduction under this chapter pursuant to an  
 32           application filed after December 31, 1978, and before January 1, 1986,  
 33           are entitled to a deduction for the first through the tenth years, as  
 34           provided in subsection (d)(3).

35           (d) **Except as provided in section 11.3 of this chapter**, the  
 36           percentage to be used in calculating the deduction under subsection (a)  
 37           is as follows:

38                   (1) For deductions allowed over a three (3) year period:

39                   YEAR OF DEDUCTION	PERCENTAGE
40                   1st	100%
41                   2nd	66%
42                   3rd	33%



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1 (2) For deductions allowed over a six (6) year period:

2	YEAR OF DEDUCTION	PERCENTAGE
3	1st	100%
4	2nd	85%
5	3rd	66%
6	4th	50%
7	5th	34%
8	6th	17%

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

10	YEAR OF DEDUCTION	PERCENTAGE
11	1st	100%
12	2nd	95%
13	3rd	80%
14	4th	65%
15	5th	50%
16	6th	40%
17	7th	30%
18	8th	20%
19	9th	10%
20	10th	5%

21 SECTION 4. IC 6-1.1-12.1-4.5 IS AMENDED TO READ AS  
 22 FOLLOWS [EFFECTIVE JANUARY 1, 1998 (RETROACTIVE)]:  
 23 Sec. 4.5. (a) For purposes of this section, "personal property" means  
 24 personal property other than inventory (as defined in IC 6-1.1-3-11(a)).

25 (b) An applicant must provide a statement of benefits to the  
 26 designating body. The applicant must provide the completed statement  
 27 of benefits form to the designating body before the hearing specified in  
 28 section 2.5(c) of this chapter or before the installation of the new  
 29 manufacturing equipment for which the person desires to claim a  
 30 deduction under this chapter. The state board of tax commissioners  
 31 shall prescribe a form for the statement of benefits. The statement of  
 32 benefits must include the following information:

33 (1) A description of the new manufacturing equipment that the  
 34 person proposes to acquire.

35 (2) With respect to new manufacturing equipment not 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, an  
 38 estimate of the number of individuals who will be employed or  
 39 whose employment will be retained by the person as a result of  
 40 the installation of the new manufacturing equipment and an  
 41 estimate of the annual salaries of these individuals.

42 (3) An estimate of the cost of the new manufacturing equipment.



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1 (4) With respect to new manufacturing equipment used to dispose  
2 of solid waste or hazardous waste by converting the solid waste  
3 or hazardous waste into energy or other useful products, an  
4 estimate of the amount of solid waste or hazardous waste that will  
5 be converted into energy or other useful products by the new  
6 manufacturing equipment.

7 With the approval of the state board of tax commissioners, the  
8 statement of benefits may be incorporated in a designation application.  
9 Notwithstanding any other law, a statement of benefits is a public  
10 record that may be inspected and copied under IC 5-14-3-3.

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

16 (1) Whether the estimate of the cost of the new manufacturing  
17 equipment is reasonable for equipment of that type.

18 (2) With respect to new manufacturing equipment not used to  
19 dispose of solid waste or hazardous waste by converting the solid  
20 waste or hazardous waste into energy or other useful products,  
21 whether the estimate of the number of individuals who will be  
22 employed or whose employment will be retained can be  
23 reasonably expected to result from the installation of the new  
24 manufacturing equipment.

25 (3) Whether the estimate of the annual salaries of those  
26 individuals who will be employed or whose employment will be  
27 retained can be reasonably expected to result from the proposed  
28 installation of new manufacturing equipment.

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

36 (5) Whether any other benefits about which information was  
37 requested are benefits that can be reasonably expected to result  
38 from the proposed installation of new manufacturing equipment.

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

41 The designating body may not designate an area an economic  
42 revitalization area or approve the deduction unless it makes the

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1 findings required by this subsection in the affirmative.

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

13 (1) the assessed value of the new manufacturing equipment in the  
14 year that the equipment is installed; multiplied by

15 (2) the percentage prescribed in the table set forth in subsection  
16 (e).

17 (e) **Except as provided in section 11.3 of this chapter after**  
18 **December 31, 1998**, the percentage to be used in calculating the  
19 deduction under subsection (d) is as follows:

20 (1) For deductions allowed over a five (5) year period:

21 YEAR OF DEDUCTION	PERCENTAGE
22 1st	100%
23 2nd	95%
24 3rd	80%
25 4th	65%
26 5th	50%
27 6th and thereafter	0%

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

29 YEAR OF DEDUCTION	PERCENTAGE
30 1st	100%
31 2nd	95%
32 3rd	90%
33 4th	85%
34 5th	80%
35 6th	70%
36 7th	55%
37 8th	40%
38 9th	30%
39 10th	25%
40 11th and thereafter	0%

41 (f) Notwithstanding subsections (d) and (e), a deduction under this  
42 section is not allowed in the first year the deduction is claimed for new



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1 manufacturing equipment to the extent that it would cause the assessed  
 2 value of all of the personal property of the owner in the taxing district  
 3 in which the equipment is located (excluding personal property that is  
 4 assessed as construction in process) to be less than the assessed value  
 5 of all of the personal property of the owner in that taxing district  
 6 (excluding personal property that is assessed as construction in  
 7 process) in the immediately preceding year. **However, this subsection**  
 8 **does not apply to new manufacturing equipment located in a**  
 9 **township with a population of more than three thousand five**  
 10 **hundred (3,500) but less than four thousand three hundred (4,300)**  
 11 **that is located in a county having a population of more than**  
 12 **thirty-five thousand (35,000) but less than forty-one thousand**  
 13 **(41,000), if the total original cost of all new manufacturing**  
 14 **equipment placed into service by the owner during the preceding**  
 15 **sixty (60) months exceeds fifty million dollars (\$50,000,000).**

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

20 (h) The designating body shall determine whether a property  
 21 owner whose statement of benefits is approved after April 30, 1991, is  
 22 entitled to a deduction for five (5) or ten (10) years. This determination  
 23 shall be made:

- 24 (1) as part of the resolution adopted under section 2.5 of this  
 25 chapter; or
- 26 (2) by resolution adopted within sixty (60) days after receiving  
 27 a copy of a property owner's certified deduction application from  
 28 the state board of tax commissioners. A certified copy of the  
 29 resolution shall be sent to the county auditor and the state board  
 30 of tax commissioners.

31 A determination about whether the deduction is for a period of five (5)  
 32 or ten (10) years that is made under subdivision (1) is final and may not  
 33 be changed by following the procedure under subdivision (2).

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

- 38 (1) is convicted of a violation under IC 13-7-13-3 (repealed),  
 39 IC 13-7-13-4 (repealed), or IC 13-30-6; or
- 40 (2) is subject to an order or a consent decree with respect to  
 41 property located in Indiana based on a violation of a federal or  
 42 state rule, regulation, or statute governing the treatment, storage,



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1 or disposal of hazardous wastes that had a major or moderate  
2 potential for harm.

3 SECTION 5. IC 6-1.1-12.1-5 IS AMENDED TO READ AS  
4 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:  
5 Sec. 5. (a) A property owner who desires to obtain the deduction  
6 provided by section 3 of this chapter must file a certified deduction  
7 application, on forms prescribed by the state board of tax  
8 commissioners, with the auditor of the county in which the property is  
9 located. Except as otherwise provided in subsection (b) or (e) **or**  
10 **section 11.3 of this chapter**, the deduction application must be filed  
11 before May 10 of the year in which the addition to assessed valuation  
12 is made.

13 (b) If notice of the addition to assessed valuation or new  
14 assessment for any year is not given to the property owner before April  
15 10 of that year, the deduction application required by this section may  
16 be filed not later than thirty (30) days after the date such a notice is  
17 mailed to the property owner at the address shown on the records of the  
18 township assessor.

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

- 21 (1) The name of the property owner.
- 22 (2) A description of the property for which a deduction is  
23 claimed in sufficient detail to afford identification.
- 24 (3) The assessed value of the improvements before  
25 rehabilitation.
- 26 (4) The increase in the assessed value of improvements resulting  
27 from the rehabilitation.
- 28 (5) The assessed value of the new structure in the case of  
29 redevelopment.
- 30 (6) The amount of the deduction claimed for the first year of the  
31 deduction.
- 32 (7) If the deduction application is for a deduction in a  
33 residentially distressed area, the assessed value of the  
34 improvement or new structure for which the deduction is  
35 claimed.

36 (d) A deduction application filed under subsection (a) or (b) is  
37 applicable for the year in which the addition to assessed value or  
38 assessment of a new structure is made and in the immediate following  
39 two (2), four (4), five (5), or nine (9) years, whichever is applicable,  
40 without any additional deduction application being filed. However,  
41 property owners who had an area designated an urban development  
42 area pursuant to a deduction application filed prior to January 1, 1979,



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1 are only entitled to a deduction for a five (5) year period. In addition,  
 2 property owners who are entitled to a deduction under this chapter  
 3 pursuant to a deduction application filed after December 31, 1978, and  
 4 before January 1, 1986, are entitled to a deduction for a ten (10) year  
 5 period.

6 (e) A property owner who desires to obtain the deduction provided  
 7 by section 3 of this chapter but who has failed to file a deduction  
 8 application within the dates prescribed in subsection (a) or (b) may file  
 9 a deduction application between March 1 and May 10 of a subsequent  
 10 year which shall be applicable for the year filed and the subsequent  
 11 years without any additional deduction application being filed for the  
 12 amounts of the deduction which would be applicable to such years  
 13 pursuant to section 4 of this chapter if such a deduction application had  
 14 been filed in accordance with subsection (a) or (b).

15 (f) On verification of the correctness of a deduction application by  
 16 the assessor of the township in which the property is located, the  
 17 county auditor shall act as follows:

18 (1) If a determination about whether the deduction is three (3),  
 19 six (6), or ten (10) years has been made in the resolution adopted  
 20 under section 2.5 of this chapter, the county auditor shall make  
 21 the appropriate deduction.

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

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

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

35 (1) continues to use the property in compliance with any  
 36 standards established under section 2(g) of this chapter; and

37 (2) files an application in the manner provided by subsection (e).

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

42 SECTION 6. IC 6-1.1-12.1-5.1 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5.1. (a) This subsection  
2 applies to:

- 3 (1) all deductions under section 3 of this chapter for property  
4 located in a residentially distressed area; and  
5 (2) any other deductions for which a statement of benefits was  
6 approved under section 3 of this chapter before July 1, 1991.

7 In addition to the requirements of section 5(c) of this chapter, a  
8 deduction application filed under section 5 of this chapter must contain  
9 information showing the extent to which there has been compliance  
10 with the statement of benefits approved under section 3 of this chapter.  
11 Failure to comply with a statement of benefits approved before July 1,  
12 1991, may not be a basis for rejecting a deduction application.

13 (b) This subsection applies to each deduction (other than a  
14 deduction for property located in a residentially distressed area) for  
15 which a statement of benefits was approved under section 3 of this  
16 chapter after June 30, 1991. In addition to the requirements of section  
17 5(c) of this chapter, a property owner who files a deduction application  
18 under section 5 of this chapter must provide the county auditor and the  
19 designating body with information showing the extent to which there  
20 has been compliance with the statement of benefits approved under  
21 section 3 of this chapter. This information must be included in the  
22 deduction application and must also be updated ~~within sixty (60) days~~  
23 **after the end of by June 15 of the year following** each year in which  
24 the deduction is applicable.

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

- 27 (1) The name and address of the taxpayer.  
28 (2) The location and description of the property for which the  
29 deduction was granted.  
30 (3) Any information concerning the number of employees at the  
31 property for which the deduction was granted, including  
32 estimated totals that were provided as part of the statement of  
33 benefits.  
34 (4) Any information concerning the total of the salaries paid to  
35 those employees, including estimated totals that were provided  
36 as part of the statement of benefits.  
37 (5) Any information concerning the assessed value of the  
38 property, including estimates that were provided as part of the  
39 statement of benefits.

40 (d) The following information is confidential if filed under this  
41 section:

- 42 (1) Any information concerning the specific salaries paid to

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1 individual employees by the property owner.

2 (2) Any information concerning the cost of the property.

3 SECTION 7. IC 6-1.1-12.1-5.5 IS AMENDED TO READ AS  
4 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:  
5 Sec. 5.5. (a) A person that desires to obtain the deduction provided by  
6 section 4.5 of this chapter must file a certified deduction application on  
7 forms prescribed by the state board of tax commissioners with:

8 (1) the auditor of the county in which the new manufacturing  
9 equipment is located; and

10 (2) the state board of tax commissioners.

11 **Except as provided in section 11.3 of this chapter**, a person that  
12 timely files a personal property return under IC 6-1.1-3-7(a) for the  
13 year in which the new manufacturing equipment is installed must file  
14 the application between March 1 and May 15 of that year. **Except as**  
15 **provided in section 11.3 of this chapter**, a person that obtains a filing  
16 extension under IC 6-1.1-3-7(b) for the year in which the new  
17 manufacturing equipment is installed must file the application between  
18 March 1 and June 14 of that year.

19 (b) The deduction application required by this section must  
20 contain the following information:

21 (1) The name of the owner of the new manufacturing equipment.

22 (2) A description of the new manufacturing equipment.

23 (3) Proof of the date the new manufacturing equipment was  
24 installed.

25 (4) The amount of the deduction claimed for the first year of the  
26 deduction.

27 (c) This subsection applies to a deduction application with respect  
28 to new manufacturing equipment for which a statement of benefits was  
29 initially approved after April 30, 1991. If a determination about  
30 whether the deduction is for a period of five (5) or ten (10) years has  
31 not been made in the resolution adopted under section 2.5 of this  
32 chapter, the county auditor shall send a copy of the deduction  
33 application to the designating body and the designating body shall  
34 adopt a resolution under section 4.5(h)(2) of this chapter.

35 (d) A deduction application must be filed under this section in the  
36 year in which the new manufacturing equipment is installed and in  
37 each of the immediately succeeding four (4) or nine (9) years,  
38 whichever is applicable.

39 (e) The state board of tax commissioners shall review and verify  
40 the correctness of each deduction application and shall notify the  
41 county auditor of the county in which the property is located that the  
42 deduction application is approved or denied or that the amount of the



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1 deduction is altered. Upon notification of approval of the deduction  
 2 application or of alteration of the amount of the deduction, the county  
 3 auditor shall make the deduction. The county auditor shall notify the  
 4 county property tax assessment board of appeals of all deductions  
 5 approved under this section.

6 (f) If the ownership of new manufacturing equipment changes, the  
 7 deduction provided under section 4.5 of this chapter continues to apply  
 8 to that equipment if the new owner:

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

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

12 (g) The amount of the deduction is the percentage under section  
 13 4.5 of this chapter that would have applied if the ownership of the  
 14 property had not changed multiplied by the assessed value of the  
 15 equipment for the year the deduction is claimed by the new owner.

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

20 (1) File a written notice with the state board of tax  
 21 commissioners informing the board of the person's intention to  
 22 appeal.

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

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

26 SECTION 8. IC 6-1.1-12.1-5.6 IS AMENDED TO READ AS  
 27 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5.6. (a) This subsection  
 28 applies to a property owner whose statement of benefits was approved  
 29 under section 4.5 of this chapter before July 1, 1991. In addition to the  
 30 requirements of section 5.5(b) of this chapter, a deduction application  
 31 filed under section 5.5 of this chapter must contain information  
 32 showing the extent to which there has been compliance with the  
 33 statement of benefits approved under section 4.5 of this chapter.  
 34 Failure to comply with a statement of benefits approved before July 1,  
 35 1991, may not be a basis for rejecting a deduction application.

36 (b) This subsection applies to a property owner whose statement  
 37 of benefits was approved under section 4.5 of this chapter after June  
 38 30, 1991. In addition to the requirements of section 5.5(b) of this  
 39 chapter, a property owner who files a deduction application under  
 40 section 5.5 of this chapter must provide the county auditor and the  
 41 designating body with information showing the extent to which there  
 42 has been compliance with the statement of benefits approved under



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1 section 4.5 of this chapter. **The information concerning compliance**  
 2 **must be submitted not later than June 15 of the year following each**  
 3 **year in which the deduction is applicable.**

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

- 6 (1) The name and address of the taxpayer.  
 7 (2) The location and description of the new manufacturing  
 8 equipment for which the deduction was granted.  
 9 (3) Any information concerning the number of employees at the  
 10 facility where the new manufacturing equipment is located,  
 11 including estimated totals that were provided as part of the  
 12 statement of benefits.  
 13 (4) Any information concerning the total of the salaries paid to  
 14 those employees, including estimated totals that were provided  
 15 as part of the statement of benefits.  
 16 (5) Any information concerning the amount of solid waste or  
 17 hazardous waste converted into energy or other useful products  
 18 by the new manufacturing equipment.  
 19 (6) Any information concerning the assessed value of the new  
 20 manufacturing equipment, including estimates that were  
 21 provided as part of the statement of benefits.

22 (d) The following information is confidential if filed under this  
 23 section:

- 24 (1) Any information concerning the specific salaries paid to  
 25 individual employees by the owner of the new manufacturing  
 26 equipment.  
 27 (2) Any information concerning the cost of the new  
 28 manufacturing equipment.

29 SECTION 9. IC 6-1.1-12.1-5.9 IS AMENDED TO READ AS  
 30 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5.9. (a) This section  
 31 does not apply to:

- 32 (1) a deduction under section 3 of this chapter for property  
 33 located in a residentially distressed area; or  
 34 (2) any other deduction under section 3 or 4.5 of this chapter for  
 35 which a statement of benefits was approved before July 1, 1991.

36 (b) ~~Within forty-five (45) days~~ **Not later than August 15** after  
 37 receipt of the information described in section 5.1 or 5.6 of this  
 38 chapter, the designating body may determine whether the property  
 39 owner has substantially complied with the statement of benefits  
 40 approved under section 3 or 4.5 of this chapter. If the designating body  
 41 determines that the property owner has not substantially complied with  
 42 the statement of benefits and that the failure to substantially comply



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1 was not caused by factors beyond the control of the property owner  
 2 (such as declines in demand for the property owner's products or  
 3 services), the designating body shall mail a written notice to the  
 4 property owner. The written notice must include the following  
 5 provisions:

6 (1) An explanation of the reasons for the designating body's  
 7 determination.

8 (2) The date, time, and place of a hearing to be conducted by the  
 9 designating body for the purpose of further considering the  
 10 property owner's compliance with the statement of benefits. The  
 11 date of the hearing may not be more than thirty (30) days after  
 12 the date on which the notice is mailed.

13 If a notice mailed to a property owner concerns a statement of benefits  
 14 approved under section 4.5 of this chapter, the designating body shall  
 15 also mail a copy of the notice to the state board of tax commissioners.

16 (c) On the date specified in the notice described in subsection  
 17 (b)(2), the designating body shall conduct a hearing for the purpose of  
 18 further considering the property owner's compliance with the statement  
 19 of benefits. Based on the information presented at the hearing by the  
 20 property owner and other interested parties, the designating body shall  
 21 again determine whether the property owner has made reasonable  
 22 efforts to substantially comply with the statement of benefits and  
 23 whether any failure to substantially comply was caused by factors  
 24 beyond the control of the property owner. If the designating body  
 25 determines that the property owner has not made reasonable efforts to  
 26 comply with the statement of benefits, the designating body shall adopt  
 27 a resolution terminating the property owner's deduction under section  
 28 3 or 4.5 of this chapter. If the designating body adopts such a  
 29 resolution, the deduction does not apply to the next installment of  
 30 property taxes owed by the property owner or to any subsequent  
 31 installment of property taxes.

32 (d) If the designating body adopts a resolution terminating a  
 33 deduction under subsection (c), the designating body shall immediately  
 34 mail a certified copy of the resolution to:

35 (1) the property owner;

36 (2) the county auditor; and

37 (3) the state board of tax commissioners if the deduction was  
 38 granted under section 4.5 of this chapter.

39 The county auditor shall remove the deduction from the tax duplicate  
 40 and shall notify the county treasurer of the termination of the  
 41 deduction. If the designating body's resolution is adopted after the  
 42 county treasurer has mailed the statement required by IC 6-1.1-22-8,



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1 the county treasurer shall immediately mail the property owner a  
2 revised statement that reflects the termination of the deduction.

3 (e) A property owner whose deduction is terminated by the  
4 designating body under this section may appeal the designating body's  
5 decision by filing a complaint in the office of the clerk of the circuit or  
6 superior court together with a bond conditioned to pay the costs of the  
7 appeal if the appeal is determined against the property owner. An  
8 appeal under this subsection shall be promptly heard by the court  
9 without a jury and determined within thirty (30) days after the time of  
10 the filing of the appeal. The court shall hear evidence on the appeal and  
11 may confirm the action of the designating body or sustain the appeal.  
12 The judgment of the court is final and conclusive unless an appeal is  
13 taken as in other civil actions.

14 (f) If an appeal under subsection (e) is pending, the taxes resulting  
15 from the termination of the deduction are not due until after the appeal  
16 is finally adjudicated and the termination of the deduction is finally  
17 determined.

18 SECTION 10. IC 6-1.1-12.1-11.3 IS AMENDED TO READ AS  
19 FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:  
20 Sec. 11.3. (a) This section applies only to the following requirements  
21 under ~~section 3~~ of this chapter:

22 (1) Failure to provide the completed statement of benefits form  
23 to the designating body **under section 3 or 4.5 of this chapter**  
24 before the hearing required by section 2.5(c) of this chapter.

25 (2) Failure to submit the completed statement of benefits form to  
26 the designating body **under section 3 or 4.5 of this chapter**  
27 before the initiation of the redevelopment or rehabilitation or the  
28 installation of new manufacturing equipment for which the  
29 person desires to claim a deduction under this chapter.

30 (3) Failure to designate an area as an economic revitalization  
31 area **under section 3 or 4.5 of this chapter** before the initiation  
32 of the:

33 (A) redevelopment;

34 (B) installation of new manufacturing equipment; or

35 (C) rehabilitation;

36 for which the person desires to claim a deduction under this  
37 chapter.

38 (4) Failure to make the required findings of fact **under section**  
39 **3 or 4.5 of this chapter** before designating an area as an  
40 economic revitalization area or authorizing a deduction for new  
41 manufacturing equipment under section 2, 3, or 4.5 of this  
42 chapter.



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1           **(5) Failure to file a deduction application under either**  
 2           **section 5 or section 5.5 of this chapter in a timely manner.**

3           (b) This section does not grant a designating body the authority to  
 4 exempt a person from filing a statement of benefits or exempt a  
 5 designating body from making findings of fact.

6           (c) A designating body may by resolution waive noncompliance  
 7 described under subsection (a) under the terms and conditions specified  
 8 in the resolution. Before adopting a waiver under this subsection, the  
 9 designating body shall conduct a public hearing on the waiver. **The**  
 10 **designating body may charge a filing fee not to exceed five hundred**  
 11 **dollars (\$500) to consider a request for a waiver under this section.**  
 12 **A filing fee collected by the designating body under this subsection**  
 13 **shall be deposited in the general fund of the city, town, or county**  
 14 **served by the designating body.**

15           (d) Before adopting a resolution waiving noncompliance  
 16 described under subsection (a)(5), the designating body must  
 17 review the statement of benefits initially filed under section 3 or  
 18 section 4.5 of this chapter and find that the person submitting the  
 19 request under subsection (a)(5) has fully complied with the  
 20 statement of benefits, including job creation or retention, capital  
 21 investment, and any other requirements imposed by the  
 22 designating body. The designating body has full discretion to refuse  
 23 to grant the waiver for any reason it considers appropriate. The  
 24 designating body may not waive noncompliance described in  
 25 subsection (a)(5), if full compliance with the statement of benefits  
 26 is not proven.

27           (e) If the designating body adopts a resolution waiving  
 28 noncompliance described under subsection (a)(5) with respect to a  
 29 deduction application under section 5 of this chapter, the  
 30 designating body shall notify the county auditor and the assessor  
 31 of the township in which the property is located. Upon verification  
 32 of the correctness of the deduction application by the township  
 33 assessor, the county auditor shall make the appropriate deduction.

34           (f) If the designating body adopts a resolution waiving  
 35 noncompliance described under subsection (a)(5) with respect to a  
 36 deduction application under section 5.5 of this chapter, the  
 37 designating body shall notify the state board of tax commissioners  
 38 of its determination. The state board of tax commissioners shall  
 39 review and verify the correctness of the deduction application and  
 40 shall notify the county auditor of the county in which the property  
 41 is located that the deduction application is approved or denied or  
 42 that the amount of the deduction is altered. Upon notification of



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1 approval of the deduction application or of alteration of the  
2 amount of the deduction, the county auditor shall make the  
3 deduction.

4 (g) This subsection does not apply to a taxpayer that obtains  
5 a filing extension under IC 6-1.1-3-7(b) for a particular year. If the  
6 designating body adopts a resolution waiving noncompliance  
7 described under subsection (a)(5) with respect to a deduction  
8 application under section 5.5 of this chapter and the application for  
9 the deduction provided by section 4.5 of this chapter is filed after  
10 May 15 and before July 1 of a year in which the deduction is  
11 claimed, the percentage to be used in calculating the deduction for  
12 that year is reduced by fifty percent (50%). If the application is  
13 filed after June 30 and before August 1 of a year in which the  
14 deduction is claimed, the percentage to be used in calculating the  
15 deduction for that year is reduced by seventy-five percent (75%).  
16 If the application is not filed before August 1, the deduction is  
17 waived for that year.

18 (h) This subsection applies to a taxpayer that obtains a filing  
19 extension under IC 6-1.1-3-7(b) for a particular year. If the  
20 designating body adopts a resolution waiving noncompliance  
21 described under subsection (a)(5) with respect to a deduction  
22 application under section 5.5 of this chapter and the application for  
23 the deduction provided by section 4.5 of this chapter is filed after  
24 June 14 and before July 1 of a year in which the deduction is  
25 claimed, the percentage to be used in calculating the deduction for  
26 that year is reduced by fifty percent (50%). If the application is  
27 filed after June 30 and before August 1 of a year in which the  
28 deduction is claimed, the percentage to be used in calculating the  
29 deduction for that year is reduced by seventy-five percent (75%).  
30 If the application is not filed before August 1, the deduction is  
31 waived for that year.

32 (i) If the designating body adopts a resolution waiving  
33 noncompliance described under subsection (a)(5) with respect to a  
34 deduction application under section 5 of this chapter and the  
35 application for the deduction provided by section 3 of this chapter  
36 is filed after May 10 and before July 1 of a year in which the  
37 deduction is claimed, the percentage to be used in calculating the  
38 deduction for that year is reduced by fifty percent (50%). If the  
39 application is filed after June 30 and before August 1 of a year in  
40 which the deduction is claimed, the percentage to be used in  
41 calculating the deduction for that year is reduced by seventy-five  
42 percent (75%). If the application is not filed before August 1, the



1 **deduction is waived for that year.**

2 SECTION 11. IC 36-7-31.3-1 IS AMENDED TO READ AS  
3 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. This chapter applies  
4 only to a city or a county without a consolidated city that has a  
5 professional sports franchise playing the majority of its home games in  
6 a facility owned by the city, the county, a school corporation, or a board  
7 under **IC 36-9-13**, IC 36-10-8, IC 36-10-10, or IC 36-10-11.

8 SECTION 12. IC 36-7-31.3-8 IS AMENDED TO READ AS  
9 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. A city or county  
10 legislative body **or the governing body of a school corporation** may  
11 establish as part of a professional sports and convention development  
12 area any facility that is:

- 13 (1) owned by the city, the county, a school corporation, or a  
14 board under **IC 36-9-13**, IC 36-10-8, IC 36-10-10, or  
15 IC 36-10-11 and used by a professional sports franchise; or
- 16 (2) owned by the city, the county, or a board under **IC 36-9-13**,  
17 IC 36-10-8, IC 36-10-10, or IC 36-10-11 and used for convention  
18 or tourism related events.

19 The tax area may include only facilities described in this section and  
20 any parcel of land on which the facility is located. An area may contain  
21 noncontiguous tracts of land within the city or county.

22 SECTION 13. IC 36-7-31.3-19 IS AMENDED TO READ AS  
23 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 19. The resolution  
24 establishing the tax area must designate the use of the funds. The funds  
25 are to be used only for:

- 26 (1) a capital improvement that will construct or equip a facility:  
27 (A) owned by the city, the county, a school corporation, or  
28 a board under **IC 36-9-13**, IC 36-10-8, IC 36-10-10, or  
29 IC 36-10-11 and used by a professional sports franchise; or  
30 (B) owned by the city, the county, or a board under  
31 **IC 36-9-13**, IC 36-10-8, IC 36-10-10, or IC 36-10-11 and  
32 used for convention and tourism related events; or
- 33 (2) the financing or refinancing of a capital improvement  
34 described in subdivision (1) or the payment of lease payments  
35 for a capital improvement described in subdivision (1).

36 SECTION 14. [EFFECTIVE JANUARY 1, 2000] **IC 6-1.1-12-29**  
37 **and IC 6-1.1-12-30, both as amended by this act apply to property**  
38 **taxes first due and payable after December 31, 1999.**

39 SECTION 15. **An emergency is declared for this act.**

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SENATE MOTION

Mr. President: I move that Senator Weatherwax be added as second author and Senator Landske be added as coauthor of Senate Bill 357.

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## COMMITTEE REPORT

Mr. President: The Senate Committee on Finance, to which was referred Senate Bill No. 357, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 12, delete "or possessed".

Page 1, line 13, delete "or possessor".

Page 2, line 7, delete "or".

Page 2, line 8, delete "possessor".

Page 2, between lines 14 and 15, begin a new paragraph and insert:

**"(d) A manufacturer or processor that possesses personal property owned by another person may claim an exemption under subsection (b) or (c) if:**

**(1) the manufacturer or processor includes the property on the manufacturer or processor's personal property tax return; and**

**(2) the manufacturer or processor is able to show that the owner of the personal property would otherwise have qualified for an exemption under subsection (b) or (c)."**

Page 2, line 17, delete "the owner or".

Page 2, line 18, delete "possessor of".

Page 2, line 18, reset in roman "exempt".

Page 2, line 18, delete "entitled to an exemption".

Page 2, line 19, delete "for the property".

Page 2, line 21, delete "or possessor".

Page 2, line 31, delete "the" and insert ":".

Page 2, line 32, delete "owner or possessor shows that:".

Page 3, line 10, delete "or possessor".

Page 3, between lines 21 and 22, begin a new paragraph and insert:

**"(e) A taxpayer who possesses personal property owned by another person may claim an exemption provided by this section if:**

**(1) the taxpayer includes the property on the taxpayer's personal property tax return; and**

**(2) the taxpayer is able to show that the owner of the personal property would otherwise have qualified for an exemption under this section."**



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and when so amended that said bill do pass.

(Reference is to SB 357 as introduced.)

BORST, Chairperson

Committee Vote: Yeas 12, Nays 0.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 357, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 9, after "that" insert ":".

Page 2, line 9, before "the property" begin a new line block indented and insert:

**"(1)".**

Page 2, line 9, delete ":".

Page 2, line 10, strike "(1)".

Page 2, run in lines 9 through 10.

Page 2, line 12, after "(2)" insert **"either":**.

Page 2, line 12, before "will" begin a new line double block indented and insert:

**"(A) the property".**

Page 2, line 13, after "package" delete "." and insert "; **or**".

Page 2, between lines 13 and 14, begin a new line double block indented and insert:

**"(B) the final packaging of finished inventory items is not practical until receipt of a final customer order because fulfillment of the customer order requires the accumulation of a number of distinct finished inventory items into a single shipping package."**

Page 3, between lines 35 and 36, begin a new paragraph and insert:

"SECTION 3. IC 6-1.1-12.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:  
Sec. 4. (a) Except as provided in section 2(i)(4) of this chapter, the amount of the deduction which the property owner is entitled to receive under section 3 of this chapter for a particular year equals the product of:

- (1) the increase in the assessed value resulting from the rehabilitation or redevelopment; multiplied by
- (2) the percentage prescribed in the table set forth in subsection (d).

(b) The amount of the deduction determined under subsection (a) shall be adjusted in accordance with this subsection in the following circumstances:

- (1) If a general reassessment of real property occurs within the particular period of the deduction, the amount determined under subsection (a)(1) shall be adjusted to reflect the percentage

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increase or decrease in assessed valuation that resulted from the general reassessment.

(2) If an appeal of an assessment is approved that results in a reduction of the assessed value of the redeveloped or rehabilitated property, the amount of any deduction shall be adjusted to reflect the percentage decrease that resulted from the appeal.

The state board of tax commissioners shall adopt rules under IC 4-22-2 to implement this subsection.

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

(d) **Except as provided in section 11.3 of this chapter**, the percentage to be used in calculating the deduction under subsection (a) is as follows:

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

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	66%
3rd	33%

(2) For deductions allowed over a six (6) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	85%
3rd	66%
4th	50%
5th	34%
6th	17%

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

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	95%
3rd	80%
4th	65%
5th	50%
6th	40%
7th	30%

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8th	20%
9th	10%
10th	5%

SECTION 4. IC 6-1.1-12.1-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1998 (RETROACTIVE)]:  
Sec. 4.5. (a) For purposes of this section, "personal property" means personal property other than inventory (as defined in IC 6-1.1-3-11(a)).

(b) An applicant must provide a statement of benefits to the designating body. The applicant must provide the completed statement of benefits form to the designating body before the hearing specified in section 2.5(c) of this chapter or before the installation of the new manufacturing equipment for which the person desires to claim a deduction under this chapter. The state board of tax commissioners shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:

- (1) A description of the new manufacturing equipment that the person proposes to acquire.
- (2) With respect to new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, an estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the installation of the new manufacturing equipment and an estimate of the annual salaries of these individuals.
- (3) An estimate of the cost of the new manufacturing equipment.
- (4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, an estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products by the new manufacturing equipment.

With the approval of the state board of tax commissioners, the statement of benefits may be incorporated in a designation application. Notwithstanding any other law, a statement of benefits is a public record that may be inspected and copied under IC 5-14-3-3.

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

- (1) Whether the estimate of the cost of the new manufacturing equipment is reasonable for equipment of that type.



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(2) With respect to new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment.

(3) Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed installation of new manufacturing equipment.

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

(5) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed installation of new manufacturing equipment.

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

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

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

- (1) the assessed value of the new manufacturing equipment in the year that the equipment is installed; multiplied by
- (2) the percentage prescribed in the table set forth in subsection (e).

(e) **Except as provided in section 11.3 of this chapter after**



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**December 31, 1998**, the percentage to be used in calculating the deduction under subsection (d) is as follows:

(1) For deductions allowed over a five (5) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	95%
3rd	80%
4th	65%
5th	50%
6th and thereafter	0%

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

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	95%
3rd	90%
4th	85%
5th	80%
6th	70%
7th	55%
8th	40%
9th	30%
10th	25%
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 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. **However, this subsection does not apply to new manufacturing equipment located in a township with a population of more than three thousand five hundred (3,500) but less than four thousand three hundred (4,300) that is located in a county having a population of more than thirty-five thousand (35,000) but less than forty-one thousand (41,000), if the total original cost of all new manufacturing equipment placed into service by the owner during the preceding sixty (60) months exceeds fifty million dollars (\$50,000,000).**

(g) If a deduction is not fully allowed under subsection (f) in the first year the deduction is claimed, then the percentages specified in



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subsection (d) or (e) apply in the subsequent years to the amount of deduction that was allowed in the first year.

(h) 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. This determination shall be made:

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

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

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

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

SECTION 5. IC 6-1.1-12.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:

Sec. 5. (a) A property owner who desires to obtain the deduction provided by section 3 of this chapter must file a certified deduction application, on forms prescribed by the state board of tax commissioners, with the auditor of the county in which the property is located. Except as otherwise provided in subsection (b) or (e) **or section 11.3 of this chapter**, the deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made.

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



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township assessor.

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

- (1) The name of the property owner.
- (2) A description of the property for which a deduction is claimed in sufficient detail to afford identification.
- (3) The assessed value of the improvements before rehabilitation.
- (4) The increase in the assessed value of improvements resulting from the rehabilitation.
- (5) The assessed value of the new structure in the case of redevelopment.
- (6) The amount of the deduction claimed for the first year of the deduction.
- (7) If the deduction application is for a deduction in a residentially distressed area, the assessed value of the improvement or new structure for which the deduction is claimed.

(d) A deduction application filed under subsection (a) or (b) is applicable for the year in which the addition to assessed value or assessment of a new structure is made and in the immediate following two (2), four (4), five (5), or nine (9) years, whichever is applicable, without any additional deduction application being filed. However, property owners who had an area designated an urban development area pursuant to a deduction application filed prior to January 1, 1979, are only entitled to a deduction for a five (5) year period. In addition, property owners who are entitled to a deduction under this chapter pursuant to a deduction application filed after December 31, 1978, and before January 1, 1986, are entitled to a deduction for a ten (10) year period.

(e) A property owner who desires to obtain the deduction provided by section 3 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between March 1 and May 10 of a subsequent year which shall be applicable for the year filed and the subsequent years without any additional deduction application being filed for the amounts of the deduction which would be applicable to such years pursuant to section 4 of this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).

(f) On verification of the correctness of a deduction application by the assessor of the township in which the property is located, the county auditor shall act as follows:

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(1) If a determination about whether the deduction is three (3), six (6), or ten (10) years has been made in the resolution adopted under section 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) years 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 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 6. IC 6-1.1-12.1-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:** Sec. 5.1. (a) This subsection applies to:

(1) all deductions under section 3 of this chapter for property located in a residentially distressed area; and

(2) any other deductions for which a statement of benefits was approved under section 3 of this chapter before July 1, 1991.

In addition to the requirements of section 5(c) of this chapter, a deduction application filed under section 5 of this chapter must contain information showing the extent to which there has been compliance with the statement of benefits approved under section 3 of this chapter. Failure to comply with a statement of benefits approved before July 1, 1991, may not be a basis for rejecting a deduction application.

(b) This subsection applies to each deduction (other than a deduction for property located in a residentially distressed area) for which a statement of benefits was approved under section 3 of this chapter after June 30, 1991. In addition to the requirements of section 5(c) of this chapter, a property owner who files a deduction application

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under section 5 of this chapter must provide the county auditor and the designating body with information showing the extent to which there has been compliance with the statement of benefits approved under section 3 of this chapter. This information must be included in the deduction application and must also be updated ~~within sixty (60) days after the end of~~ **by June 15 of the year following** each year in which the deduction is applicable.

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

- (1) The name and address of the taxpayer.
- (2) The location and description of the property for which the deduction was granted.
- (3) Any information concerning the number of employees at the property for which the deduction was granted, including estimated totals that were provided as part of the statement of benefits.
- (4) Any information concerning the total of the salaries paid to those employees, including estimated totals that were provided as part of the statement of benefits.
- (5) Any information concerning the assessed value of the property, including estimates that were provided as part of the statement of benefits.

(d) The following information is confidential if filed under this section:

- (1) Any information concerning the specific salaries paid to individual employees by the property owner.
- (2) Any information concerning the cost of the property.

**SECTION 7. IC 6-1.1-12.1-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:**

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 is located; and
- (2) the state board of tax commissioners.

**Except as provided in section 11.3 of this chapter**, 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 is installed must file the application between March 1 and May 15 of that year. **Except as provided in section 11.3 of this chapter**, a person that obtains a filing extension under IC 6-1.1-3-7(b) for the year in which the new manufacturing equipment is installed must file the application between



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March 1 and June 14 of that year.

(b) The deduction application required by this section must contain the following information:

- (1) The name of the owner of the new manufacturing equipment.
- (2) A description of the new manufacturing equipment.
- (3) Proof of the date the new manufacturing equipment was installed.
- (4) The amount of the deduction claimed for the first year of the deduction.

(c) This subsection applies to a deduction application with respect to new manufacturing equipment for which a statement of benefits was initially approved after April 30, 1991. If a determination about whether the deduction is for a period of five (5) or ten (10) years 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 and the designating body shall adopt a resolution under section 4.5(h)(2) of this chapter.

(d) A deduction application must be filed under this section in the year in which the new manufacturing equipment is installed and in each of the immediately succeeding four (4) or nine (9) years, whichever is applicable.

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

(f) If the ownership of new manufacturing equipment changes, the deduction provided under section 4.5 of this chapter continues to apply to that equipment if the new owner:

- (1) continues to use the equipment in compliance with any standards established under section 2(g) of this chapter; and
- (2) files the deduction applications required by this section.

(g) The amount of the deduction is the percentage under section 4.5 of this chapter that would have applied if the ownership of the property had not changed multiplied by the assessed value of the equipment for the year the deduction is claimed by the new owner.

(h) If a person desires to initiate an appeal of the state board of tax commissioners' final determination, the person must do all of the



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following not more than forty-five (45) days after the state board of tax commissioners gives the person notice of the final determination:

- (1) File a written notice with the state board of tax commissioners informing the board of the person's intention to appeal.
- (2) File a complaint in the tax court.
- (3) Serve the attorney general and the county auditor with a copy of the complaint.

SECTION 8. IC 6-1.1-12.1-5.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5.6. (a) This subsection applies to a property owner whose statement of benefits was approved under section 4.5 of this chapter before July 1, 1991. In addition to the requirements of section 5.5(b) of this chapter, a deduction application filed under section 5.5 of this chapter must contain information showing the extent to which there has been compliance with the statement of benefits approved under section 4.5 of this chapter. Failure to comply with a statement of benefits approved before July 1, 1991, may not be a basis for rejecting a deduction application.

(b) This subsection applies to a property owner whose statement of benefits was approved under section 4.5 of this chapter after June 30, 1991. In addition to the requirements of section 5.5(b) of this chapter, a property owner who files a deduction application under section 5.5 of this chapter must provide the county auditor and the designating body with information showing the extent to which there has been compliance with the statement of benefits approved under section 4.5 of this chapter. **The information concerning compliance must be submitted not later than June 15 of the year following each year in which the deduction is applicable.**

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

- (1) The name and address of the taxpayer.
- (2) The location and description of the new manufacturing equipment for which the deduction was granted.
- (3) Any information concerning the number of employees at the facility where the new manufacturing equipment is located, including estimated totals that were provided as part of the statement of benefits.
- (4) Any information concerning the total of the salaries paid to those employees, including estimated totals that were provided as part of the statement of benefits.
- (5) Any information concerning the amount of solid waste or hazardous waste converted into energy or other useful products



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by the new manufacturing equipment.

(6) Any information concerning the assessed value of the new manufacturing equipment, including estimates that were provided as part of the statement of benefits.

(d) The following information is confidential if filed under this section:

(1) Any information concerning the specific salaries paid to individual employees by the owner of the new manufacturing equipment.

(2) Any information concerning the cost of the new manufacturing equipment.

SECTION 9. IC 6-1.1-12.1-5.9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5.9. (a) This section does not apply to:

(1) a deduction under section 3 of this chapter for property located in a residentially distressed area; or

(2) any other deduction under section 3 or 4.5 of this chapter for which a statement of benefits was approved before July 1, 1991.

(b) ~~Within forty-five (45) days~~ **Not later than August 15** after receipt of the information described in section 5.1 or 5.6 of this chapter, the designating body may determine whether the property owner has substantially complied with the statement of benefits approved under section 3 or 4.5 of this chapter. If the designating body determines that the property owner has not substantially complied with the statement of benefits and that the failure to substantially comply was not caused by factors beyond the control of the property owner (such as declines in demand for the property owner's products or services), the designating body shall mail a written notice to the property owner. The written notice must include the following provisions:

(1) An explanation of the reasons for the designating body's determination.

(2) The date, time, and place of a hearing to be conducted by the designating body for the purpose of further considering the property owner's compliance with the statement of benefits. The date of the hearing may not be more than thirty (30) days after the date on which the notice is mailed.

If a notice mailed to a property owner concerns a statement of benefits approved under section 4.5 of this chapter, the designating body shall also mail a copy of the notice to the state board of tax commissioners.

(c) On the date specified in the notice described in subsection (b)(2), the designating body shall conduct a hearing for the purpose of



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further considering the property owner's compliance with the statement of benefits. Based on the information presented at the hearing by the property owner and other interested parties, the designating body shall again determine whether the property owner has made reasonable efforts to substantially comply with the statement of benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner. If the designating body determines that the property owner has not made reasonable efforts to comply with the statement of benefits, the designating body shall adopt a resolution terminating the property owner's deduction under section 3 or 4.5 of this chapter. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes.

(d) If the designating body adopts a resolution terminating a deduction under subsection (c), the designating body shall immediately mail a certified copy of the resolution to:

- (1) the property owner;
- (2) the county auditor; and
- (3) the state board of tax commissioners if the deduction was granted under section 4.5 of this chapter.

The county auditor shall remove the deduction from the tax duplicate and shall notify the county treasurer of the termination of the deduction. If the designating body's resolution is adopted after the county treasurer has mailed the statement required by IC 6-1.1-22-8, the county treasurer shall immediately mail the property owner a revised statement that reflects the termination of the deduction.

(e) A property owner whose deduction is terminated by the designating body under this section may appeal the designating body's decision by filing a complaint in the office of the clerk of the circuit or superior court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner. An appeal under this subsection shall be promptly heard by the court without a jury and determined within thirty (30) days after the time of the filing of the appeal. The court shall hear evidence on the appeal and may confirm the action of the designating body or sustain the appeal. The judgment of the court is final and conclusive unless an appeal is taken as in other civil actions.

(f) If an appeal under subsection (e) is pending, the taxes resulting from the termination of the deduction are not due until after the appeal is finally adjudicated and the termination of the deduction is finally determined.



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SECTION 10. IC 6-1.1-12.1-11.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:

Sec. 11.3. (a) This section applies only to the following requirements under ~~section 3~~ of this chapter:

(1) Failure to provide the completed statement of benefits form to the designating body **under section 3 or 4.5 of this chapter** before the hearing required by section 2.5(c) of this chapter.

(2) Failure to submit the completed statement of benefits form to the designating body **under section 3 or 4.5 of this chapter** before the initiation of the redevelopment or rehabilitation or the installation of new manufacturing equipment for which the person desires to claim a deduction under this chapter.

(3) Failure to designate an area as an economic revitalization area **under section 3 or 4.5 of this chapter** before the initiation of the:

(A) redevelopment;

(B) installation of new manufacturing equipment; or

(C) rehabilitation;

for which the person desires to claim a deduction under this chapter.

(4) Failure to make the required findings of fact **under section 3 or 4.5 of this chapter** before designating an area as an economic revitalization area or authorizing a deduction for new manufacturing equipment under section 2, 3, or 4.5 of this chapter.

**(5) Failure to file a deduction application under either section 5 or section 5.5 of this chapter in a timely manner.**

(b) This section does not grant a designating body the authority to exempt a person from filing a statement of benefits or exempt a designating body from making findings of fact.

(c) A designating body may by resolution waive noncompliance described under subsection (a) under the terms and conditions specified in the resolution. Before adopting a waiver under this subsection, the designating body shall conduct a public hearing on the waiver. **The designating body may charge a filing fee not to exceed five hundred dollars (\$500) to consider a request for a waiver under this section. A filing fee collected by the designating body under this subsection shall be deposited in the general fund of the city, town, or county served by the designating body.**

(d) **Before adopting a resolution waiving noncompliance described under subsection (a)(5), the designating body must review the statement of benefits initially filed under section 3 or**

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section 4.5 of this chapter and find that the person submitting the request under subsection (a)(5) has fully complied with the statement of benefits, including job creation or retention, capital investment, and any other requirements imposed by the designating body. The designating body has full discretion to refuse to grant the waiver for any reason it considers appropriate. The designating body may not waive noncompliance described in subsection (a)(5), if full compliance with the statement of benefits is not proven.

(e) If the designating body adopts a resolution waiving noncompliance described under subsection (a)(5) with respect to a deduction application under section 5 of this chapter, the designating body shall notify the county auditor and the assessor of the township in which the property is located. Upon verification of the correctness of the deduction application by the township assessor, the county auditor shall make the appropriate deduction.

(f) If the designating body adopts a resolution waiving noncompliance described under subsection (a)(5) with respect to a deduction application under section 5.5 of this chapter, the designating body shall notify the state board of tax commissioners of its determination. The state board of tax commissioners shall review and verify the correctness of the deduction application and shall notify the county auditor of the county in which the property is located that the deduction application is approved or denied or that the amount of the deduction is altered. Upon notification of approval of the deduction application or of alteration of the amount of the deduction, the county auditor shall make the deduction.

(g) This subsection does not apply to a taxpayer that obtains a filing extension under IC 6-1.1-3-7(b) for a particular year. If the designating body adopts a resolution waiving noncompliance described under subsection (a)(5) with respect to a deduction application under section 5.5 of this chapter and the application for the deduction provided by section 4.5 of this chapter is filed after May 15 and before July 1 of a year in which the deduction is claimed, the percentage to be used in calculating the deduction for that year is reduced by fifty percent (50%). If the application is filed after June 30 and before August 1 of a year in which the deduction is claimed, the percentage to be used in calculating the deduction for that year is reduced by seventy-five percent (75%). If the application is not filed before August 1, the deduction is waived for that year.

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(h) This subsection applies to a taxpayer that obtains a filing extension under IC 6-1.1-3-7(b) for a particular year. If the designating body adopts a resolution waiving noncompliance described under subsection (a)(5) with respect to a deduction application under section 5.5 of this chapter and the application for the deduction provided by section 4.5 of this chapter is filed after June 14 and before July 1 of a year in which the deduction is claimed, the percentage to be used in calculating the deduction for that year is reduced by fifty percent (50%). If the application is filed after June 30 and before August 1 of a year in which the deduction is claimed, the percentage to be used in calculating the deduction for that year is reduced by seventy-five percent (75%). If the application is not filed before August 1, the deduction is waived for that year.

(i) If the designating body adopts a resolution waiving noncompliance described under subsection (a)(5) with respect to a deduction application under section 5 of this chapter and the application for the deduction provided by section 3 of this chapter is filed after May 10 and before July 1 of a year in which the deduction is claimed, the percentage to be used in calculating the deduction for that year is reduced by fifty percent (50%). If the application is filed after June 30 and before August 1 of a year in which the deduction is claimed, the percentage to be used in calculating the deduction for that year is reduced by seventy-five percent (75%). If the application is not filed before August 1, the deduction is waived for that year.

SECTION 11. IC 36-7-31.3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. This chapter applies only to a city or a county without a consolidated city that has a professional sports franchise playing the majority of its home games in a facility owned by the city, the county, a school corporation, or a board under IC 36-9-13, IC 36-10-8, IC 36-10-10, or IC 36-10-11.

SECTION 12. IC 36-7-31.3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. A city or county legislative body **or the governing body of a school corporation** may establish as part of a professional sports and convention development area any facility that is:

- (1) owned by the city, the county, a school corporation, or a board under IC 36-9-13, IC 36-10-8, IC 36-10-10, or IC 36-10-11 and used by a professional sports franchise; or
- (2) owned by the city, the county, or a board under IC 36-9-13, IC 36-10-8, IC 36-10-10, or IC 36-10-11 and used for convention



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or tourism related events.

The tax area may include only facilities described in this section and any parcel of land on which the facility is located. An area may contain noncontiguous tracts of land within the city or county.

SECTION 13. IC 36-7-31.3-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 19. The resolution establishing the tax area must designate the use of the funds. The funds are to be used only for:

- (1) a capital improvement that will construct or equip a facility:
  - (A) owned by the city, the county, a school corporation, or a board under **IC 36-9-13**, IC 36-10-8, IC 36-10-10, or IC 36-10-11 and used by a professional sports franchise; or
  - (B) owned by the city, the county, or a board under **IC 36-9-13**, IC 36-10-8, IC 36-10-10, or IC 36-10-11 and used for convention and tourism related events; or
- (2) the financing or refinancing of a capital improvement described in subdivision (1) or the payment of lease payments for a capital improvement described in subdivision (1)."

Page 3, line 36, delete "This" and insert "**IC 6-1.1-12-29 and IC 6-1.1-12-30, both as amended by this**".

Page 3, line 36, delete "applies" and insert ", apply".

Page 3, after line 37, begin a new paragraph and insert:

"SECTION 15. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 357 as printed January 29, 1999.)

BAUER, Chair

Committee Vote: yeas 25, nays 0.

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