

Adopted	Rejected
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COMMITTEE REPORT

YES:	21
NO:	4

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1005, 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:*

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT TO AMEND THE INDIANA CODE
- 3 concerning taxation and to make an appropriation.
- 4 Page 5, line 16, strike "December" and insert "**January**".
- 5 Page 5, line 16, strike "preceding the year".
- 6 Page 5, line 21, after "March 31" insert "**of the year preceding the**
- 7 **year in which the general reassessment commences**".
- 8 Page 6, between lines 9 and 10, begin a new paragraph and insert:
- 9 "**(i) Within twenty (20) days after notice to the county and**
- 10 **township assessor is given under subsection (h), a taxpayer may**
- 11 **request that the county property tax assessment board of appeals**
- 12 **reconsider the values. The county property tax assessment board**
- 13 **of appeals may hold a hearing on the reconsideration in the county.**
- 14 **The county property tax assessment board of appeals shall give**
- 15 **notice of the hearing under IC 5-3-1.**"
- 16 Page 6, line 10, delete "(i)" and insert "(j)".

- 1 Page 6, line 12, after "IC 6-1.1-15-1" insert "**after the taxpayer has**
2 **received the notice under section 22 of this chapter**".
- 3 Page 6, line 21, delete "(j)" and insert "**(k)**".
- 4 Page 6, line 34, delete "2002" and insert "**2003**".
- 5 Page 7, line 31, strike "general" and insert "**assessment and**".
- 6 Page 7, line 31, strike "real".
- 7 Page 9, line 2, strike "Except as provided in subsection (c), the" and
8 insert "**The**".
- 9 Page 15, line 9, delete the effective date "[EFFECTIVE JANUARY
10 1, 2000]" and insert the effective date "[EFFECTIVE MARCH 1,
11 2001]".
- 12 Page 15, line 9, before "Tangible" insert "**(a)**".
- 13 Page 15, line 11, delete ":".
- 14 Page 15, line 12, delete "(1)".
- 15 Page 15, run in lines 11 through 12.
- 16 Page 15, line 14, delete "; or" and insert ".".
- 17 Page 15, delete lines 15 through 18.
- 18 Page 15, between lines 18 and 19 begin a new paragraph and insert:
19 "**(b) The state board of tax commissioners shall adopt rules**
20 **under IC 4-22-2 that establish standards for assessing tangible**
21 **property used by an exempt organization in a trade or business**
22 **found to be in direct competition with a non-exempt, for-profit**
23 **enterprise by a county assessor or a county property tax**
24 **assessment board of appeals. Rules adopted under this section must**
25 **do the following:**
- 26 (1) Provide that an exempt organization may retain an
27 exemption for tangible property that is:
- 28 (A) used for educational classrooms exempt under section
29 16 of this chapter;
- 30 (B) exempt under section 21 of this chapter; or
- 31 (C) used in direct competition with a non-exempt,
32 for-profit enterprise if the exempt organization uses the
33 tangible property to:
- 34 (i) provide goods or services to members of the
35 community based on the ability of the consumer to pay;
36 or
- 37 (ii) to make other recognized contributions to the
38 community.

- 1 **(2) Prescribe standards for the county assessor or county**
- 2 **property tax assessment board of appeals to use in evaluating**
- 3 **the extent that the exempt organization uses the tangible**
- 4 **property to:**
- 5 **(A) provide goods or services to members of the**
- 6 **community based on the ability of the consumer to pay; or**
- 7 **(B) to make other recognized contributions to the**
- 8 **community.**
- 9 **(3) Set forth the elements required for the county assessor or**
- 10 **county property tax assessment board of appeals to make a**
- 11 **finding that an exempt organization is using tangible property**
- 12 **in direct competition with a non-exempt, for-profit enterprise.**
- 13 **(4) Prescribe procedures for removing the exempt status of**
- 14 **that portion of the exempt organization's tangible property**
- 15 **used in direct competition with a non-exempt, for-profit**
- 16 **enterprise.**
- 17 **(5) Prescribe procedures for the assessment of that portion of**
- 18 **the exempt organization's tangible property used in direct**
- 19 **competition with a non-exempt, for profit enterprise."**

- 20 Page 15, strike lines 23 through 32.
- 21 Page 15, line 33, delete "(d)" and insert "(b)".
- 22 Page 15, line 34, after "occupied," insert "leased,".
- 23 Page 15, line 37, after "occupies," insert "leases,".
- 24 Page 36, line 24, after "hearing" insert "as follows:
- 25 **(1) In the case of a petition filed after December 31, 1998, and**
- 26 **before January 1, 2001, the board of appeals shall, at its**
- 27 **earliest opportunity, conduct a hearing on the assessment**
- 28 **either in the year in which the petition is filed or in the**
- 29 **following year.**
- 30 **(2) In the case of a petition filed after December 31, 2000, the**
- 31 **board of appeals shall hold a hearing".**
- 32 Page 36, line 26, beginning with "The" begin a new line blocked
- 33 left.
- 34 Page 36, line 36, delete "The" and insert "**In the case of a petition**
- 35 **filed after December 31, 2000, the"**.
- 36 Page 38, between lines 7 and 8, begin a new paragraph and insert:
- 37 **"(e) This subsection applies only to petitions filed with the state**
- 38 **board of tax commissioners after December 31, 1998, and before**

1 **January 1, 2001. If the state board of tax commissioners fails to**
 2 **conduct a hearing and make a final determination required under**
 3 **this section within twelve (12) months after the state board receives**
 4 **a petition for review, the person who petitioned for review may**
 5 **request the tax court to grant an appeal under section 5 of this**
 6 **chapter, as if the state board had made a final determination**
 7 **affirming the board of appeal's action with respect to the**
 8 **assessment. A person may file a request for an appeal on a form**
 9 **prescribed by the state board of tax commissioners, requesting the**
 10 **tax court to consider a petition that is not heard by the state board**
 11 **of tax commissioners within the period prescribed by this**
 12 **subsection. Not more than sixty (60) days after the filing of a**
 13 **request for an appeal, the tax court shall inform the person filing**
 14 **the request whether the tax court will allow the appeal under**
 15 **section 5 of this chapter. The tax court has complete and sole**
 16 **discretion as to whether to allow or deny an appeal request filed**
 17 **under this subsection. If the tax court denies the appeal request, the**
 18 **state board of tax commissioners shall conduct a hearing and make**
 19 **a final determination required under this section not more than**
 20 **twelve (12) months after the appeal request is denied."**

21 Page 38, line 8, strike "(e)" and insert "(f) **This subsection applies**
 22 **only to petitions filed with the state board of tax commissioners**
 23 **after December 31, 2000."**

24 Page 38, line 17, reset in roman "(g)".

25 Page 38, line 17, delete "(f):".

26 Page 38, line 24, reset in roman "(g)".

27 Page 38, line 24, delete "(f)".

28 Page 38, line 32, before "(f)" insert "(e) or".

29 Page 38, line 32, reset in roman "(f)".

30 Page 38, line 32, delete "(e)".

31 Page 41, between lines 17 and 18, begin a new paragraph and insert:

32 **"(c) To further the establishment of a uniform system of**
 33 **assessments and a collection of assessment decisions by the state**
 34 **board of tax commissioners on assessment appeals, the state board**
 35 **of tax commissioners shall compile, in writing, the basis for each**
 36 **decision on an assessment appeal. The compilation shall be**
 37 **available to the public."**

38 Page 47, line 6, strike "not".

- 1 Page 49, delete lines 25 through 28.
- 2 Page 49, line 29, reset in roman "(c)".
- 3 Page 49, line 29, delete "(d)".
- 4 Page 50, between lines 19 and 20, begin a new paragraph and insert:
- 5 **"(d) The rules of the state board of tax commissioners must**
- 6 **include instructions for determining the starting point for the**
- 7 **valuation of used depreciable personal property after a sale or**
- 8 **transfer of the property."**
- 9 Page 50, line 20, strike "(d)" and insert "(e)".
- 10 Page 55, line 19, delete "revoking" and insert "**deciding whether to**
- 11 **revoke"**.
- 12 Page 58, line 39, delete the effective date "[EFFECTIVE
- 13 JANUARY 1, 2003]" and insert the effective date "[EFFECTIVE
- 14 JANUARY 1, 2000]".
- 15 Page 62, between lines 28 and 29, begin a new paragraph and insert:
- 16 **"SECTION 70. [EFFECTIVE UPON PASSAGE] The state board**
- 17 **of tax commissioners shall adopt the rules required by**
- 18 **IC 6-1.1-10-36.5, as amended by this act, before July 1, 2000."**
- 19 Page 63, after line 42, begin a new paragraph and insert:
- 20 **"SECTION 73. [EFFECTIVE UPON PASSAGE] There is**
- 21 **appropriated from the state general fund to the state board of tax**
- 22 **commissioners the amount necessary, as determined by the budget**
- 23 **agency, to eliminate the backlog of appeals before January 1,**
- 24 **2003."**
- 25 Renumber all SECTIONS consecutively.
(Reference is to HB 1005 as introduced.)

and when so amended that said bill do pass.

Representative Bauer