HOUSE BILL No. 1659

DIGEST OF INTRODUCED BILL

Citations Affected: Numerous provisions throughout the Indiana Code.

Synopsis: Abolish state board of tax commissioners. Abolishes the state board of tax commissioners, the school property tax control board, and the local government tax control board. Allocates the duties formerly performed by the state board of tax commissioners among the state board of accounts, the department of state revenue, and the county property tax control board established by this act. Establishes a new budget making process for local units of government, including school corporations. Establishes a property tax control board for each county consisting of elected officials representing each type of taxing unit. Establishes a referendum procedure allowing voters to agree or disagree with the control board's decision if either the taxing unit or a group of taxpayers petition for a referendum. Requires control board

(Continued next page)

Effective: March 1, 2001.

Kruse

January 21, 1999, read first time and referred to Committee on Ways and Means.

C o p y

Digest Continued

approval of all bonds and leases that will be paid from a taxing unit's debt service fund. Makes conforming amendments.

C o p y

Introduced

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.

C o p y

HOUSE BILL No. 1659

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 3-11-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. The legislative body of a county may establish a cumulative fund under IC 6-1.1-41 to provide funds for the purchase of voting machines, ballot card voting systems, or electronic voting systems. However, before the fund may be established, the ~~state board of tax commissioners~~ **county property tax control board** must approve the establishment of the fund.

SECTION 2. IC 3-13-10-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. A vacancy in the office of township assessor not covered by section 1 of this chapter shall be filled by the county assessor. ~~subject to the approval of the state board of tax commissioners.~~ The county assessor shall make the appointment within thirty (30) days after the vacancy occurs. If the vacancy occurred because the elected township assessor failed to qualify or was removed, the person who is appointed must be of the

same political party.

SECTION 3. IC 4-4-6.1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. (a) The board has the following powers, in addition to other powers which are contained in this chapter:

(1) To review and approve or reject all applicants for enterprise zone designation, according to the criteria for designation which this chapter provides.

(2) To waive or modify rules as provided in this chapter.

(3) To provide a procedure by which enterprise zones may be monitored and evaluated on an annual basis.

(4) To adopt rules for the disqualification of a zone business from eligibility for any or all incentives available to zone businesses, if that zone business does not do one (1) of the following:

(A) If all of its incentives, as contained in the summary required under section 2.5 of this chapter, exceed one thousand dollars ($1,000) in any year, pay a registration fee to the board in an amount equal to one percent (1%) of all of its incentives.

(B) Use all of its incentives, except for the amount of registration fee, for its property or employees in the zone.

(C) Remain open and operating as a zone business for twelve (12) months of the assessment year for which the incentive is claimed.

(5) To disqualify a zone business from eligibility for any or all incentives available to zone businesses in accordance with the procedures set forth in the board's rules.

(6) After a recommendation from an urban enterprise association, to modify an enterprise zone boundary if the board determines that the modification:

(A) is in the best interests of the zone; and

(B) meets the threshold criteria and factors set forth in section 3 of this chapter.

(7) To employ staff and contract for services.

(8) To receive funds from any source and expend these funds for the administration and promotion of the enterprise zone program.

(9) To make determinations under IC 6-3.1-11 concerning the designation of locations as industrial recovery sites and the availability of the credit provided by IC 6-1.1-20.7 to persons owning inventory located on an industrial recovery site.

(10) To make determinations under IC 6-1.1-20.7 and IC 6-3.1-11 concerning the disqualification of persons from claiming credits

C o p y

provided by those chapters in appropriate cases.

(11) To make determinations under IC 6-3.1-11.5 concerning the designation of locations as military base recovery sites and the availability of the credit provided by IC 6-3.1-11.5 to persons making qualified investments in military base recovery sites.

(12) To make determinations under IC 6-3.1-11.5 concerning the disqualification of persons from claiming the credit provided by IC 6-3.1-11.5 in appropriate cases.

(b) In addition to a registration fee paid under subsection (a)(4), each zone business that receives a credit under this chapter shall assist the zone urban enterprise association created under section 4 of this chapter in an amount determined by the legislative body of the municipality in which the zone is located. If a zone business does not assist an urban enterprise association, the legislative body of the municipality in which the zone is located may pass an ordinance disqualifying a zone business from eligibility for all credits or incentives available to zone businesses. If a legislative body disqualifies a zone business under this subsection, the legislative body shall notify the board, the ~~state board of tax commissioners,~~ **county auditor,** and the department of state revenue in writing within thirty (30) days of the passage of the ordinance disqualifying the zone business. Disqualification of a zone business under this section is effective beginning with the taxable year in which the ordinance disqualifying the zone business is passed.

SECTION 4. IC 4-4-6.1-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2.5. (a) Subject to subsection (c), a zone business that claims any of the incentives available to zone businesses shall, by letter postmarked before June 1 of each year:

(1) submit to the board and to the zone urban enterprise association created under section 4 of this chapter, on a form prescribed by the board, a verified summary concerning the amount of tax credits and exemptions claimed by the business in the preceding year; and

(2) pay the amount specified in section 2(4) of this chapter to the board.

(b) In order to determine the accuracy of the summary submitted under subsection (a) the board is entitled to obtain copies of a zone business' tax records directly from the department of state revenue ~~the state board of tax commissioners,~~ or a county official, notwithstanding the provisions of any other law. A summary submitted to a board or zone urban enterprise association, or a record obtained by the board,

C o p y

under this section is confidential. A board member, an urban enterprise association member, or an agent of a board member or an urban enterprise association member who knowingly or intentionally discloses information that is confidential under this section commits a Class A misdemeanor.

(c) The board may grant one (1) extension of the time allowed to comply with subsection (a) under the provisions of this subsection. To qualify for an extension, a zone business must apply to the board by letter postmarked before June 1. The application must be in the form specified by the board. The extension may not be for a period that is longer than forty-five (45) days under rules adopted by the board under IC 4-22-2.

(d) If a zone business complies with subsection (a) after July 15, the amount of the tax credit and exemption incentives for the preceding year that were otherwise available to the zone business because the business was a zone business are waived.

(e) This subsection is in addition to any other sanction imposed by subsection (d) or any other law. If a zone business fails to comply with subsection (a) before June 1 without filing for and being granted an extension by the board as provided under subsection (c) or if a zone business fails to comply with subsection (a) before July 16 if an extension of time has been granted by the board under subsection (c), the zone business:

(1) is denied all of the tax credit and exemption incentives available to a zone business because the business was a zone business for that year; and

(2) is disqualified from further participation in the enterprise zone program under this chapter until the zone business:

(A) petitions the board for readmission to the enterprise zone program under this chapter; and

(B) pays a civil penalty of one hundred dollars ($100).

SECTION 5. IC 4-4-6.1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. (a) Any business which substantially reduces or ceases an operation located in Indiana and outside an enterprise zone (referred to as a non-zone operation) in order to relocate in an Indiana enterprise zone is disqualified from benefits or incentives available to zone businesses. Determinations under this section shall be made by a hearing panel composed of the chairman of the board or the chairman's designee, **and** the commissioner of the department of state revenue or the commissioner's designee. ~~and the chairman of the state board of tax commissioners or the chairman's designee.~~ The panel, after an evidentiary hearing held

Copy

subsequent to the relocation of the business, shall submit a recommended order to the board for its adoption. The recommended order shall be based on the following criteria and subsection (b):

(1) A site-specific economic activity, including sales, leasing, service, manufacturing, production, storage of inventory, or any activity involving permanent full-time or part-time employees shall be considered a business operation.

(2) With respect to a non-zone operation, any of the following that occurs during the twelve (12) months before relocation in the zone as compared with the twelve (12) months before that twelve (12) months shall be considered a substantial reduction:

(A) A reduction in the average number of full-time or part-time employees of the lesser of one hundred (100) employees or twenty-five percent (25%) of all employees.

(B) A twenty-five percent (25%) reduction in the average number of goods manufactured or produced.

(C) A twenty-five percent (25%) reduction in the average value of services provided.

(D) A ten percent (10%) reduction in the average value of stored inventory.

(E) A twenty-five percent (25%) reduction in the average amount of gross income.

(b) Notwithstanding subsection (a), a business that would otherwise be disqualified under subsection (a) is eligible for benefits and incentives available to zone businesses if the business relocates its non-zone operation for any of the following reasons:

(1) The lease on property necessary for the non-zone operation has been involuntarily lost through no fault of the business.

(2) The space available at the location of the non-zone operation cannot accommodate planned expansion needed by the business.

(3) The building for the non-zone operation has been certified as uninhabitable by a state or local building authority.

(4) The building for the non-zone operation has been totally destroyed through no fault of the business.

(5) The renovation and construction costs at the location of the non-zone operation are more than one and one-half (1 1/2) times the costs of purchase, renovation, and construction of a facility in the zone, as certified by three (3) independent estimates.

A business is eligible for benefits and incentives under subdivision (3) or (4) only if renovation and construction costs at the location of the non-zone operation are more than one and one-half (1 1/2) times the cost of purchase, renovation, and construction of a facility in the zone.

C o p y

These costs must be certified by three (3) independent estimates.

(c) The hearing panel shall cause to be delivered to the business and to any person who testified before the panel in favor of disqualification of the business a copy of the panel's recommended order. The business and these persons shall be considered parties for the purposes of this section.

(d) A party who wishes to oppose the board's adoption of the recommended order of the hearing panel shall, within ten (10) days of the party's receipt of the recommended order, file written objections with the board. If the objections are filed, the board shall set the objections for oral argument and give notice to the parties. A party at its own expense may cause to be filed with the board a transcript of the oral testimony or any other part of the record of the proceedings. The oral argument shall be on the record filed with the board. The board may hear additional evidence or remand the action to the hearing panel with instructions appropriate to the expeditious and proper disposition of the action. The board may adopt the recommendations of the hearing panel, may amend or modify the recommendations, or may make such order or determination as is proper on the record.

(e) If no objections are filed, the board may adopt the recommended order without oral argument. If the board does not adopt the proposed findings of fact and recommended order, the parties shall be notified and the action shall be set for oral argument as provided in subsection (d).

(f) The final determination made by the board shall be made by a majority of the quorum needed for board meetings.

SECTION 6. IC 4-10-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) The ~~state board of tax commissioners~~ **department of state revenue** shall prepare and publish each year the following report which must contain the following property tax data by counties or by appropriate taxing jurisdictions:

(1) The tax rates of the various taxing jurisdictions.

(2) An abstract of taxable real property including a recital of the number of parcels and the gross assessed valuation of nonfarm residential property including improvements thereon, the number of parcels and the gross assessed valuation of commercial and industrial real property, including improvements thereon, the number of parcels and the gross assessed valuation of unimproved real property, the number of parcels and the gross assessed valuation of agricultural acreage including improvements thereon, and the total amount of the gross assessed valuation of real estate

C o p y

and the total assessed valuation of improvements thereon. The abstract shall also include a recital of the total amount of net valuation of real property.

(3) The total assessed valuation of personal property belonging to steam and electric railways and to public utilities.

(4) The total number of taxpayers and the total assessed valuation of household goods and personal effects, excluding boats subject to the boat excise tax under IC 6-6-11.

(5) The total number of units assessed and the assessed valuation of each of the following items of personal property:

(A) Privately owned, noncommercial passenger cars.
(B) Commercial passenger cars.
(C) Trucks and tractors.
(D) Motorcycles.
(E) Buses.
(F) Mobile homes.
(G) Boats.
(H) Airplanes.
(I) Farm machinery.
(J) Livestock.
(K) Crops.

(6) The total number of taxpayers and the total valuation of inventories and other personal property belonging to retail establishments, wholesale establishments, manufacturing establishments, and commercial establishments.

(b) The ~~state board of tax commissioners~~ **department of state revenue** is hereby authorized to prescribe and promulgate the forms as are necessary for the obtaining of such information from local assessing officials. The local assessing officials are directed to comply with this section.

SECTION 7. IC 4-10-13-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. The manner of publication of any of the reports as herein required shall be prescribed by the state budget committee, and the cost of publication shall be paid from funds appropriated to such state agencies and allocated by the state budget committee to such agencies for such purpose.

A copy of such reports shall be presented to the governor, the ~~state board of tax commissioners,~~ **department of state revenue,** the state budget committee, the commission on state tax and financing policy, the Indiana legislative advisory commission, and to any other state agency that may request a copy of such reports.

SECTION 8. IC 4-21.5-2-4 IS AMENDED TO READ AS

Copy

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) This article does not apply to any of the following agencies:

(1) The governor.

(2) The state board of accounts.

(3) The state educational institutions (as defined by IC 20-12-0.5-1).

(4) The department of workforce development.

(5) The unemployment insurance review board of the department of workforce development.

(6) The worker's compensation board.

(7) The military officers or boards.

(8) The Indiana utility regulatory commission.

(9) The department of state revenue (excluding an agency action related to the licensure of private employment agencies).

~~(10) The state board of tax commissioners.~~

(b) This article does not apply to action related to railroad rate and tariff regulation by the Indiana department of transportation.

SECTION 9. IC 4-22-2-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 21. (a) If incorporation of the text in full would be cumbersome, expensive, or otherwise inexpedient, an agency may incorporate by reference into a rule part or all of any of the following matters:

(1) A federal or state statute, rule, or regulation.

(2) A code, manual, or other standard adopted by an agent of the United States, a state, or a nationally recognized organization or association.

~~(3) A manual of the state board of tax commissioners adopted in a rule described in IC 6-1.1-31-9.~~

(b) Each matter incorporated by reference under subsection (a) must be fully and exactly described.

(c) An agency may refer to a matter that is directly or indirectly referred to in a primary matter by fully and exactly describing the primary matter.

(d) Whenever an agency submits a rule to the attorney general, the governor, or the secretary of state under this chapter, the agency shall also submit a copy of the full text of each matter incorporated by reference under subsection (a) into the rule, other than the following:

(1) An Indiana statute or rule.

(2) A form or instructions for a form numbered by the commission on public records under IC 5-15-5.1-6.

(3) The source of a statement that is quoted or paraphrased in full in the rule.

C o p y

(4) Any matter that has been filed with the secretary of state before the date that the rule containing the incorporation is filed.

(5) Any matter referred to in subsection (c) as a matter that is directly or indirectly referred to in a primary matter.

SECTION 10. IC 4-22-2.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. This chapter does not apply to the following:

(1) Rules adopted by the department of state revenue.

~~(2) Rules adopted by the state board of tax commissioners.~~

~~(3)~~ **(2)** Rules adopted under IC 13-14-9 by the department of environmental management or a board that has rulemaking authority under IC 13.

~~(4)~~ **(3)** A rule that incorporates a federal regulation by reference or adopts under a federal mandate a federal regulation in its entirety without substantive additions.

SECTION 11. IC 5-1-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. (a) Any bonds, notes, or warrants, whether payable from property taxes, revenues, or any other source, are not subject to the maximum interest rate limitations contained in any law enacted before December 31, 1982, if they are issued by or in the name of any entity named in IC 5-1-1-1.

(b) After July 1, 1979, any bond, coupon, certificate of indebtedness, or installment payment payable by a city, town, or property holder for public improvements under the Barrett Law is not subject to any maximum interest rate limitation. This subsection does not apply to interest rates or penalties on delinquencies provided under the Barrett Law.

~~(c) This section does not limit an interest rate review conducted by the state board of tax commissioners under IC 6-1.1-20-7.~~

SECTION 12. IC 5-1-16-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 42. (a) When the authority, the board of trustees or board of managers of the hospital, the board of commissioners of the county, and a majority of the county council have agreed upon the terms and conditions of any lease proposed to be entered into under section 38 or 39 of this chapter, and before the final execution of the lease, the county auditor shall give notice by publication of a public hearing to be held in the county by the board of commissioners. The hearing shall take place on a day not earlier than ten (10) days after the publication of the notice. The notice of the hearing shall be published one (1) time in a newspaper of general circulation printed in the English language and published in the county. The notice shall do the following:

C o p y

(1) Name the day, place, and hour of the hearing.

(2) Set forth a brief summary of the principal terms of the lease agreed upon, including the character and location of the property to be leased, the lease rental to be paid, and the number of years the contract is to be in effect.

(3) State a location where the proposed lease, drawings, plans, specifications, and estimates may be examined.

The proposed lease and the drawings, plans, specifications, and estimates of construction cost for the building shall be open to inspection by the public during the ten (10) day period and at the hearing. All interested persons shall have a right to be heard at the hearing on the necessity for the execution of the lease and whether the lease rental under the lease is fair and reasonable. The hearing may be adjourned to a later date with the place of the hearing fixed prior to adjournment. Following the hearing, the board of commissioners may either authorize the execution of the lease as originally agreed upon or may make modifications that are agreed upon by the authority, the board of trustees or board of managers of the hospital, and the county council. The authorization shall be by an order that is entered in the official records of the board of commissioners. The lease contract shall be executed on behalf of the county by the board of commissioners.

(b) If the execution of the lease as originally agreed upon or as modified by agreement is authorized, notice of the signing of the lease shall be given on behalf of the county by publication one (1) time in a newspaper of general circulation printed in the English language and published in the county. Except as provided in subsection (d), ten (10) or more taxpayers in the county whose tax rate will be affected by the proposed lease and who may be of the opinion that no necessity exists for the execution of the lease or that the lease rental under the lease is not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after publication of notice of the execution of the lease that sets forth the taxpayers' objections and facts supporting those objections. Upon the filing of a petition, the county auditor shall immediately certify a copy of the petition together with such other data as may be necessary in order to present the questions involved to the state board of tax commissioners. Upon receipt of the certified petition and information, the state board of tax commissioners shall fix a time and place in the affected county for the hearing of the matter that is not less than five (5) or more than fifteen (15) days after receipt. Notice of the hearing shall be given by the state board of tax commissioners to the board of county commissioners and to the first ten (10) taxpayer petitioners upon the petition by certified mail sent to

C o p y

the addresses listed on the petition at least five (5) days before the date of the hearing.

(c) No action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease shall be instituted at any time later than thirty (30) days after publication of notice of the execution of the lease, or if an appeal has been taken to the state board of tax commissioners, then within thirty (30) days after the decision of that board.

(d) The authority for taxpayers to object to a proposed lease under subsection (b) does not apply if the authority complies with the procedures for the issuance of bonds and other evidences of indebtedness described in IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2.

SECTION 13. IC 5-10-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. (a) When any unit of government of this state acts as a receiving agency, employees of the sending agency who are assigned under authority of this chapter may:

(1) be given appointments in the receiving agency covering the periods of such assignments, with compensation to be paid from receiving agency funds or without compensation; or

(2) be considered to be on detail to the receiving agency.

(b) Appointments of persons so assigned may be made without regard to the statutes or rules governing the selection of employees of the receiving agency.

(c) Employees who are detailed to the receiving agency shall not by virtue of such detail be considered to be employees thereof, except as provided in subsection (d), nor shall they be paid a salary or wage by the receiving agency during the period of their detail, except in special cases upon written permission by the state board of accounts such employee or employees shall be paid fully by special appropriation approved by the county council. ~~and the state board of tax commissioners.~~ The supervision of the duties of such employees during the period of detail may be governed by agreement between the sending agency and the receiving agency.

(d) Any employee of a sending agency assigned in this state who suffers disability or death as a result of personal injury arising out of and in the course of such assignment or sustained in the performance of duties in connection therewith shall be treated for the purpose of receiving agency's employee compensation program as an employee, as defined in such statute, who has sustained such injury in the performance of such duty, but shall not receive benefits under that statute for any period for which he elects to receive similar benefits as an employee under the sending agency's employee compensation

C o p y

program.

SECTION 14. IC 5-14-1.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. For the purposes of this chapter:

(a) "Public agency" means the following:

(1) Any board, commission, department, agency, authority, or other entity, by whatever name designated, exercising a portion of the executive, administrative, or legislative power of the state.

(2) Any county, township, school corporation, city, town, political subdivision, or other entity, by whatever name designated, exercising in a limited geographical area the executive, administrative, or legislative power of the state or a delegated local governmental power.

(3) Any entity which is subject to either:

(A) budget review by either the ~~state board of tax commissioners~~ **county property tax control board** or the governing body of a county, city, town, township, or school corporation; or

(B) audit by the state board of accounts.

(4) Any building corporation of a political subdivision of the state of Indiana that issues bonds for the purpose of constructing public facilities.

(5) Any advisory commission, committee, or body created by statute, ordinance, or executive order to advise the governing body of a public agency, except medical staffs or the committees of any such staff.

(6) The Indiana gaming commission established by IC 4-33, including any department, division, or office of the commission.

(7) The Indiana horse racing commission established by IC 4-31, including any department, division, or office of the commission.

(b) "Governing body" means two (2) or more individuals who are:

(1) a public agency that:

(A) is a board, a commission, an authority, a council, a committee, a body, or other entity; and

(B) takes official action on public business;

(2) the board, commission, council, or other body of a public agency which takes official action upon public business; or

(3) any committee appointed directly by the governing body or its presiding officer to which authority to take official action upon public business has been delegated. An agent or agents appointed by a school corporation to conduct collective bargaining on behalf of that school corporation does not constitute a governing body

C o p y

for purposes of this chapter.

(c) "Meeting" means a gathering of a majority of the governing body of a public agency for the purpose of taking official action upon public business. It does not include:

(1) any social or chance gathering not intended to avoid this chapter;

(2) any on-site inspection of any project or program;

(3) traveling to and attending meetings of organizations devoted to betterment of government; or

(4) a caucus.

(d) "Official action" means to:

(1) receive information;

(2) deliberate;

(3) make recommendations;

(4) establish policy;

(5) make decisions; or

(6) take final action.

(e) "Public business" means any function upon which the public agency is empowered or authorized to take official action.

(f) "Executive session" means a meeting from which the public is excluded, except the governing body may admit those persons necessary to carry out its purpose.

(g) "Final action" means a vote by the governing body on any motion, proposal, resolution, rule, regulation, ordinance, or order.

(h) "Caucus" means a gathering of members of a political party or coalition which is held for purposes of planning political strategy and holding discussions designed to prepare the members for taking official action.

(i) "Deliberate" means a discussion which may reasonably be expected to result in official action (defined under subsection (d)(3), (d)(4), (d)(5), or (d)(6)).

(j) "News media" means all newspapers qualified to receive legal advertisements under IC 5-3-1, all news services (as defined in IC 34-6-2-87), and all licensed commercial or public radio or television stations.

(k) "Person" means an individual, a corporation, a limited liability company, a partnership, an unincorporated association, or a governmental entity.

SECTION 15. IC 5-14-1.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) Public notice of the date, time, and place of any meetings, executive sessions, or of any rescheduled or reconvened meeting, shall be given at least

C o p y

forty-eight (48) hours (excluding Saturdays, Sundays, and legal holidays) before the meeting. This requirement does not apply to reconvened meetings (not including executive sessions) where announcement of the date, time, and place of the reconvened meeting is made at the original meeting and recorded in the memoranda and minutes thereof, and there is no change in the agenda.

(b) Public notice shall be given by the governing body of a public agency by:

(1) posting a copy of the notice at the principal office of the public agency holding the meeting or, if no such office exists, at the building where the meeting is to be held; and

(2) depositing in the United States mail with postage prepaid or by delivering notice to all news media which deliver by January 1 an annual written request for such notices for the next succeeding calendar year to the governing body of the public agency. If a governing body comes into existence after January 1, it shall comply with this subdivision upon receipt of a written request for notice.

(c) Notice of regular meetings need be given only once each year, except that an additional notice shall be given where the date, time, or place of a regular meeting or meetings is changed. This subsection does not apply to executive sessions.

(d) If a meeting is called to deal with an emergency involving actual or threatened injury to person or property, or actual or threatened disruption of the governmental activity under the jurisdiction of the public agency by any event, then the time requirements of notice under this section shall not apply, but:

(1) news media which have requested notice of meetings must be given the same notice as is given to the members of the governing body; and

(2) the public must be notified by posting a copy of the notice according to this section.

(e) This section shall not apply where notice by publication is required by statute, ordinance, rule, or regulation.

(f) This section shall not apply to:

(1) ~~the state board of tax commissioners or any other~~ **a** governing body which meets in continuous session, except that this section applies to meetings of these governing bodies which are required by or held pursuant to statute, ordinance, rule, or regulation; or

(2) the executive of a county or the legislative body of a town if the meetings are held solely to receive information or recommendations in order to carry out administrative functions,

C o p y

to carry out administrative functions, or confer with staff members on matters relating to the internal management of the unit. "Administrative functions" do not include the awarding of contracts, the entering into contracts, or any other action creating an obligation or otherwise binding a county or town.

(g) This section does not apply to the general assembly.

(h) Notice has not been given in accordance with this section if a governing body of a public agency convenes a meeting at a time so unreasonably departing from the time stated in its public notice that the public is misled or substantially deprived of the opportunity to attend, observe, and record the meeting.

SECTION 16. IC 5-14-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. As used in this chapter:

"Copy" includes transcribing by handwriting, photocopying, xerography, duplicating machine, duplicating electronically stored data onto a disk, tape, drum, or any other medium of electronic data storage, and reproducing by any other means.

"Direct cost" means one hundred five percent (105%) of the sum of the cost of:

(1) the initial development of a program, if any;

(2) the labor required to retrieve electronically stored data; and

(3) any medium used for electronic output;

for providing a duplicate of electronically stored data onto a disk, tape, drum, or other medium of electronic data retrieval under section 8(g) of this chapter, or for reprogramming a computer system under section 6(c) of this chapter.

"Electronic map" means copyrighted data provided by a public agency from an electronic geographic information system.

"Enhanced access" means the inspection of a public record by a person other than a governmental entity and that:

(1) is by means of an electronic device other than an electronic device provided by a public agency in the office of the public agency; or

(2) requires the compilation or creation of a list or report that does not result in the permanent electronic storage of the information.

"Facsimile machine" means a machine that electronically transmits exact images through connection with a telephone network.

"Inspect" includes the right to do the following:

(1) Manually transcribe and make notes, abstracts, or memoranda.

(2) In the case of tape recordings or other aural public records, to listen and manually transcribe or duplicate, or make notes,

C o p y

abstracts, or other memoranda from them.

(3) In the case of public records available:

(A) by enhanced access under section 3.5 of this chapter; or

(B) to a governmental entity under section 3(c)(2) of this chapter;

to examine and copy the public records by use of an electronic device.

(4) In the case of electronically stored data, to manually transcribe and make notes, abstracts, or memoranda or to duplicate the data onto a disk, tape, drum, or any other medium of electronic storage.

"Investigatory record" means information compiled in the course of the investigation of a crime.

"Patient" has the meaning set out in IC 16-18-2-272(c).

"Person" means an individual, a corporation, a limited liability company, a partnership, an unincorporated association, or a governmental entity.

"Provider" has the meaning set out in IC 16-18-2-295(b) and includes employees of the state department of health or local boards of health who create patient records at the request of another provider or who are social workers and create records concerning the family background of children who may need assistance.

"Public agency" means the following:

(1) Any board, commission, department, division, bureau, committee, agency, office, instrumentality, or authority, by whatever name designated, exercising any part of the executive, administrative, judicial, or legislative power of the state.

(2) Any:

(A) county, township, school corporation, city, or town, or any board, commission, department, division, bureau, committee, office, instrumentality, or authority of any county, township, school corporation, city, or town;

(B) political subdivision (as defined by IC 36-1-2-13); or

(C) other entity, or any office thereof, by whatever name designated, exercising in a limited geographical area the executive, administrative, judicial, or legislative power of the state or a delegated local governmental power.

(3) Any entity or office that is subject to:

(A) budget review by either the ~~state board of tax commissioners~~ **county property tax control board** or the governing body of a county, city, town, township, or school corporation; or

Copy

(B) an audit by the state board of accounts.

(4) Any building corporation of a political subdivision that issues bonds for the purpose of constructing public facilities.

(5) Any advisory commission, committee, or body created by statute, ordinance, or executive order to advise the governing body of a public agency, except medical staffs or the committees of any such staff.

(6) Any law enforcement agency, which means an agency or a department of any level of government that engages in the investigation, apprehension, arrest, or prosecution of alleged criminal offenders, such as the state police department, the police or sheriff's department of a political subdivision, prosecuting attorneys, members of the excise police division of the alcoholic beverage commission, conservation officers of the department of natural resources, and the security division of the state lottery commission.

(7) Any license branch staffed by employees of the bureau of motor vehicles commission under IC 9-16.

(8) The state lottery commission, including any department, division, or office of the commission.

(9) The Indiana gaming commission established under IC 4-33, including any department, division, or office of the commission.

(10) The Indiana horse racing commission established by IC 4-31, including any department, division, or office of the commission.

"Public record" means any writing, paper, report, study, map, photograph, book, card, tape recording, or other material that is created, received, retained, maintained, used, or filed by or with a public agency and which is generated on paper, paper substitutes, photographic media, chemically based media, magnetic or machine readable media, electronically stored data, or any other material, regardless of form or characteristics.

"Standard-sized documents" includes all documents that can be mechanically reproduced (without mechanical reduction) on paper sized eight and one-half (8 1/2) inches by eleven (11) inches or eight and one-half (8 1/2) inches by fourteen (14) inches.

"Trade secret" has the meaning set forth in IC 24-2-3-2.

"Work product of an attorney" means information compiled by an attorney in reasonable anticipation of litigation and includes the attorney's:

(1) notes and statements taken during interviews of prospective witnesses; and

(2) legal research or records, correspondence, reports, or

C o p y

memoranda to the extent that each contains the attorney's opinions, theories, or conclusions.

This definition does not restrict the application of any exception under section 4 of this chapter.

SECTION 17. IC 5-21-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. "Authorized user" means:

(1) any board, commission, department, agency, or authority, by whatever name designated, exercising a portion of the executive, administrative, legislative, or judicial power of the state;

(2) any county, city, town, township, school corporation, political subdivision, or other entity, by whatever name designated, exercising in a limited geographical area the executive, administrative, legislative, or judicial power of the state or a local governmental power;

(3) any entity that is subject to:

(A) budget review by the ~~state board of tax commissioners~~ **county property tax control board** or the governing body of a county, city, town, township, or school corporation; or

(B) audit by the state board of accounts;

(4) any building corporation of a political subdivision of the state that issues bonds for the purpose of constructing public facilities;

(5) any advisory commission, committee, or body created by statute, ordinance, or executive order and requiring the use of the intelenet system;

(6) the Indiana higher education telecommunications system (IC 20-12-12) and all of the colleges and universities included in that system;

(7) any Indiana broadcasting station licensed by the Federal Communications Commission as a noncommercial radio or television station for the purposes of educational programming;

(8) any community network; or

(9) any nonpublic school (as defined in IC 20-10.1-1-3).

SECTION 18. IC 6-1.1-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 15. "Real property" means:

(1) land located within this state;

(2) a building or fixture situated on land located within this state;

(3) an appurtenance to land located within this state;

(4) an estate in land located within this state, or an estate, right, or privilege in mines located on or minerals, including but not limited to oil or gas, located in the land, if the estate, right, or

C o p y

privilege is distinct from the ownership of the surface of the land; and

(5) notwithstanding IC 6-6-6-7, a riverboat licensed under the provisions of IC 4-33 for which the ~~state board of tax commissioners~~ **department of state revenue** shall prescribe standards to be used by township assessors.

SECTION 19. IC 6-1.1-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. (a) Except as provided in subsection (c) of this section, personal property which is owned by a person who is a resident of this state shall be assessed at the place where the owner resides on the assessment date of the year for which the assessment is made.

(b) Except as provided in subsection (c) of this section, personal property which is owned by a person who is not a resident of this state shall be assessed at the place where the owner's principal office within this state is located on the assessment date of the year for which the assessment is made.

(c) Personal property shall be assessed at the place where it is situated on the assessment date of the year for which the assessment is made if the property is:

(1) regularly used or permanently located where it is situated; or

(2) owned by a nonresident who does not have a principal office within this state.

(d) If a personal property return is filed pursuant to subsection (c), the owner of the property shall provide, within forty-five (45) days after the filing deadline, a copy or other written evidence of the filing of the return to the assessor of the township in which the owner resides. If such evidence is not filed within forty-five (45) days after the filing deadline, the assessor of the township in which the owner resides shall determine if the owner filed a personal property return in the township where the property is situated. If such a return was filed, the property shall be assessed where it is situated. If such a return was not filed, the assessor of the township where the owner resides shall notify the assessor of the township where the property is situated, and the property shall be assessed where it is situated. This subsection does not apply to a taxpayer who:

(1) is required to file duplicate personal property returns under section 7(c) of this chapter and under regulations promulgated by the ~~state board of tax commissioners~~ **department of state revenue** with respect to that section; or

(2) is required by the ~~state board of tax commissioners~~ **department of state revenue** to file a summary of the taxpayer's

Copy

business tangible personal property returns.

SECTION 20. IC 6-1.1-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) If a question arises as to the proper place to assess personal property, the county assessor shall determine the place if the conflict involves different townships which are located within the county the assessor serves. If the conflict involves different counties, the ~~state board of tax commissioners~~ **department of state revenue** shall determine the proper place of assessment.

(b) A determination made under this section by a county assessor or the ~~state board of tax commissioners~~ **department of state revenue** is final.

(c) If taxes are paid to a county which is not entitled to collect them, the ~~state board of tax commissioners~~ **department of state revenue** may direct the authorities of the county which wrongfully collected the taxes to refund the taxes collected and any penalties charged on the taxes.

SECTION 21. IC 6-1.1-3-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7.5. (a) A taxpayer may file an amended personal property tax return, in conformity with the rules adopted by the ~~state board of tax commissioners,~~ **department of state revenue,** not more than six (6) months after the later of the following:

(1) The filing date for the original personal property tax return, if the taxpayer is not granted an extension in which to file under section 7 of this chapter.

(2) The extension date for the original personal property tax return, if the taxpayer is granted an extension under section 7 of this chapter.

(b) A tax adjustment related to an amended personal property tax return shall be made in conformity with rules adopted under IC 4-22-2 by the ~~state board of tax commissioners.~~ **department of state revenue.**

SECTION 22. IC 6-1.1-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. (a) In completing a personal property return for a year, a taxpayer shall make a complete disclosure of all information, required by the ~~state board of tax commissioners,~~ **department of state revenue** that is related to the value, nature, or location of personal property:

(1) which he owned on the assessment date of that year; or

(2) which he held, possessed, or controlled on the assessment date of that year.

(b) The taxpayer shall certify to the truth of:

C o p y

(1) all information appearing in a personal property return; and
(2) all data accompanying the return.

SECTION 23. IC 6-1.1-3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. (a) If a taxpayer owns, holds, possesses, or controls personal property which is located in two (2) or more townships, he shall file any additional returns with the ~~state board of tax commissioners~~ **department of state revenue** which the ~~board~~ **department** may require by regulation.

(b) If a taxpayer owns, holds, possesses, or controls personal property which is located in two (2) or more taxing districts within the same township, he shall file a separate personal property return covering the property in each taxing district.

SECTION 24. IC 6-1.1-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. (a) For purposes of this section, "inventory" means:

(1) materials held for processing or for use in production;
(2) finished or partially finished goods of a manufacturer or processor; and
(3) property held for sale in the ordinary course of trade or business.

(b) If the inventory owned or held by a taxpayer on the assessment date of a year does not, in his opinion, fairly represent the average inventory carried by him, the taxpayer may elect to list his inventory for assessment on the basis of the average true tax value of the inventory owned or held by the taxpayer during the preceding calendar year, or during the portion of the preceding calendar year that the taxpayer was engaged in business.

(c) If a taxpayer elects to use the average method, he shall notify the township assessor of the election at the time he files his personal property return. The election, once made, is binding on the taxpayer for the tax year in question and for each year thereafter unless permission to change is granted by the ~~state board of tax commissioners.~~ **department of state revenue.**

(d) If a taxpayer elects to use the average method, he shall use that method for reporting the value of all his inventories which are located in this state.

SECTION 25. IC 6-1.1-3-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12. (a) A taxpayer who elects to use the average method provided by section 11 of this chapter shall keep books which clearly show the inventory on hand and the true tax value of that inventory as of the last day of each accounting period. The books shall be kept in accordance with the rules of the ~~state~~

C o p y

~~board of tax commissioners.~~ **department of state revenue.**

(b) If a taxpayer adopts the average method of valuing inventory, he shall use at least twelve (12) uniform accounting periods for each calendar year. The accounting periods must represent the regular and ordinary accounting practice of the taxpayer. If the taxpayer was engaged in business for only a portion of the preceding calendar year, the accounting periods must be such that there would be twelve (12) or more if used for a full year.

(c) The ~~state board of tax commissioners~~ **department of state revenue** shall ~~promulgate~~ **adopt** uniform rules for determining the fair, equitable, and practical true tax value of average inventories.

SECTION 26. IC 6-1.1-3-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 17. (a) On or before June 1 of each year, each township assessor of a county shall deliver to the county assessor a list which states by taxing district the total of the personal property assessments as shown on the personal property returns filed with the assessor on or before the filing date of that year and in a county with a township assessor under IC 36-6-5-1 in every township the township assessor shall deliver the lists to the county auditor as prescribed in subsection (b).

(b) On or before July 1 of each year, each county assessor shall certify to the county auditor the assessment value of the personal property in every taxing district.

(c) The ~~state board of tax commissioners~~ **department of state revenue** shall prescribe the forms required by this section.

SECTION 27. IC 6-1.1-3-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 18. (a) Each township assessor of a county shall periodically report to the county assessor and the county auditor with respect to the returns and properties of taxpayers which the township assessor has examined. The township assessor shall submit these reports in the form and on the dates prescribed by the ~~state board of tax commissioners.~~ **department of state revenue.**

(b) Each year, on or before the time prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** each township assessor of a county shall deliver to the county assessor a copy of each business personal property return which the taxpayer is required to file in duplicate under section 7(c) of this chapter and a copy of any supporting data supplied by the taxpayer with the return.

SECTION 28. IC 6-1.1-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) A general reassessment, involving a physical inspection of all real property in

C o p y

Indiana, shall begin July 1, 1999, and each fourth year thereafter. Each reassessment shall be completed on or before March 1 of the immediately following odd-numbered year, and shall be the basis for taxes payable in the year following the year in which the general assessment is to be completed.

(b) In order to ensure that assessing officials and members of each county property tax assessment board of appeals are prepared for a general reassessment of real property, the ~~state board of tax commissioners~~ **department of state revenue** shall give adequate advance notice of the general reassessment to the county and township taxing officials of each county.

SECTION 29. IC 6-1.1-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) A petition for the reassessment of real property situated within a township may be filed with the ~~state board of tax commissioners~~ **department of state revenue** on or before March 31st of any year which is not a general election year and in which no general reassessment of real property is made.

(b) The petition for reassessment must be signed by not less than the following percentage of all the owners of taxable real property who reside in the township:

(1) fifteen percent (15%) for a township which does not contain an incorporated city or town;

(2) five percent (5%) for a township containing all or part of an incorporated city or town which has a population of five thousand (5,000) or less;

(3) four percent (4%) for a township containing all or part of an incorporated city which has a population of more than five thousand (5,000) but not exceeding ten thousand (10,000);

(4) three percent (3%) for a township containing all or part of an incorporated city which has a population of more than ten thousand (10,000) but not exceeding fifty thousand (50,000);

(5) two percent (2%) for a township containing all or part of an incorporated city which has a population of more than fifty thousand (50,000) but not exceeding one hundred fifty thousand (150,000); or

(6) one percent (1%) for a township containing all or part of an incorporated city which has a population of more than one hundred fifty thousand (150,000).

The signatures on the petition must be verified by the oath of one (1) or more of the signers. And, a certificate of the county auditor stating that the signers constitute the required number of resident owners of

C o p y

taxable real property of the township must accompany the petition.

SECTION 30. IC 6-1.1-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. If the ~~state board of tax commissioners~~ **department of state revenue** determines that a petition filed under section 5 of this chapter has been signed by the required number of petitioners and that the present assessed value of any real property is inequitable, the ~~board~~ **department** shall order a reassessment of the real property which has been inequitably assessed. The order shall specify the time within which the reassessment shall be completed and the date on which the reassessment shall become effective.

SECTION 31. IC 6-1.1-4-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. In order to maintain a just and equitable valuation of real property, the ~~state board of tax commissioners~~ **department of state revenue** may adopt a resolution declaring its belief that it is necessary to reassess all or a portion of the real property located within this state. If the ~~board~~ **department** adopts a reassessment resolution and if either a township or a larger area is involved, the ~~board~~ **department** shall hold a hearing concerning the necessity for the reassessment at the courthouse of the county in which the property is located. The ~~board~~ **department** shall give notice of the time and place of the hearing in the manner provided in section 10 of this chapter. After the hearing, or if the area involved is less than a township after the adoption of the ~~board's~~ **department's** resolution, the board may order any reassessment it deems necessary. The order shall specify the time within which the reassessment must be completed and the date the reassessment will become effective.

SECTION 32. IC 6-1.1-4-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. (a) If a substantial amount of real and personal property in a township has been partially or totally destroyed as a result of a disaster, the ~~state board of tax commissioners~~ **department of state revenue** shall:

(1) cause a survey to be made of the area or areas in which the property has been destroyed; and

(2) order a reassessment of the destroyed property;

if a person petitions the ~~board~~ **department** to take that action. The ~~board~~ **department** shall specify in its order the time within which the reassessment must be completed and the date on which the reassessment will become effective. However, the reassessed value and the corresponding adjustment of tax due, past due, or already paid is effective as of the date the disaster occurred, without penalty.

(b) The petition for reassessment of destroyed property, the

C o p y

reassessment order, and the tax adjustment order may not be made after December 31st of the year in which the taxes which would first be affected by the reassessment are payable.

SECTION 33. IC 6-1.1-4-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12. If land assessed on an acreage basis is subdivided into lots, the land shall be reassessed on the basis of lots. If land is rezoned for, or put to, a different use, the land shall be reassessed on the basis of its new classification. If improvements are added to real property, the improvements shall be assessed. An assessment or reassessment made under this section is effective on the next assessment date. However, if land assessed on an acreage basis is subdivided into lots, the lots may not be reassessed until the next assessment date following a transaction which results in a change in legal or equitable title to that lot. No petition to the ~~state board of tax commissioners~~ **department of state revenue** is necessary with respect to an assessment or reassessment made under this section.

SECTION 34. IC 6-1.1-4-12.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12.5. (a) For purposes of this section, the term "secondary recovery method" includes but is not limited to the stimulation of oil production by means of the injection of water, steam, hydrocarbons, or chemicals, or by means **of** in situ combustion.

(b) The total assessed value of all interests in the oil located on or beneath the surface of a particular tract of land equals the product of (1) the average daily production of the oil, multiplied by (2) three hundred sixty-five (365), and further multiplied by (3) one-third (1/3) of the posted price of oil on the assessment date. However, if the oil is being extracted by use of a secondary recovery method, the total assessed value of all interests in the oil equals one-half (1/2) the assessed value computed under the formula prescribed in this subsection. The appropriate township assessor shall, in the manner prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** apportion the total assessed value of all interests in the oil among the owners of those interests.

(c) The appropriate township assessor shall, in the manner prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** determine and apportion the total assessed value of all interests in the gas located beneath the surface of a particular tract of land.

(d) The ~~state board of tax commissioners~~ **department of state revenue** shall prescribe a schedule for township assessors to use in assessing the appurtenances described in section 12.4 (c) of this

Copy

chapter.

SECTION 35. IC 6-1.1-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 13. (a) In assessing or reassessing land, the land shall be assessed as agricultural land only when it is devoted to agricultural use.

(b) In making a general reassessment of land used for agriculture, the county assessor shall appoint a committee of five (5) competent persons to help determine land values. At least two (2) of the committee members must be agricultural land owners of the county. The committee shall be known as the county agricultural land advisory committee. The indicators of value determined by this committee shall be submitted to the ~~tax commissioners'~~ **department of state revenue's** agricultural advisory council, as established under IC 6-1.1-38-1, as guides for ascertaining the value of agricultural land.

(c) The ~~state board of tax commissioners~~ **department of state revenue** shall give written notice to each county assessor of:

(1) the availability of the United States Department of Agriculture's soil survey data; and

(2) the appropriate soil productivity factor for each type or classification of soil shown on the United States Department of Agriculture's soil survey map.

All assessing officials and the property tax assessment board of appeals shall use the data in determining the true tax value of agricultural land.

(d) The ~~state board of tax commissioners~~ **department of state revenue** shall by rule provide for the method for determining the true tax value of each parcel of agricultural land.

(e) This section does not apply to land purchased for industrial, commercial, or residential uses.

SECTION 36. IC 6-1.1-4-13.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 13.6. (a) ~~(a)~~ The township assessor shall determine the values of all classes of commercial, industrial, and residential land (including farm homesites) in the township using guidelines determined by the ~~state board of tax commissioners.~~ **department of state revenue.** Not later than November 1 of the year preceding the year in which a general reassessment becomes effective, the assessor determining the values of land shall submit the values to the county property tax assessment board of appeals. Not later than December 1 of the year preceding the year in which a general reassessment becomes effective, the county property tax assessment board of appeals shall hold a public hearing in the county concerning those values. The property tax assessment board of appeals shall give notice of the hearing in accordance with IC 5-3-1

C o p y

and shall hold the hearing after March 31 and before December 1 of the year preceding the year in which the general reassessment under IC 6-1.1-4-4 becomes effective.

(b) The county property tax assessment board of appeals shall review the values submitted under subsection (a) and may make any modifications it considers necessary to provide uniformity and equality. The county property tax assessment board of appeals shall coordinate the valuation of property adjacent to the boundaries of the county with the county property tax assessment boards of appeals of the adjacent counties using the procedures adopted by rule under IC 4-22-2 by the ~~state board of tax commissioners.~~ **department of state revenue.** If the county assessor or township assessor fails to submit land values under subsection (a) to the county property tax assessment board of appeals before November 1 of the year before the date the general reassessment under IC 6-1.1-4-4 becomes effective, the county property tax assessment board of appeals shall determine the values. If the county property tax assessment board of appeals fails to determine the values before the general reassessment becomes effective, the ~~state board of tax commissioners~~ **department of state revenue** shall determine the values.

(c) The county assessor shall notify all township assessors in the county of the values as modified by the county property tax assessment board of appeals. Township assessors shall use the values determined under this section.

SECTION 37. IC 6-1.1-4-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 17. (a) Subject to the approval of the ~~state board of tax commissioners~~ **department of state revenue** and the requirements of section 18(a) of this chapter, a:

(1) township assessor; or

(2) group consisting of the county assessor and the township assessors in a county;

may employ professional appraisers as technical advisors.

(b) After notice to the county assessor and all township assessors in the county, a majority of the assessors authorized to vote under this subsection may vote to:

(1) employ a professional appraiser to act as a technical advisor in the county during a general reassessment period;

(2) appoint an assessor or a group of assessors to:

(A) enter into and administer the contract with a professional appraiser employed under this section; and

(B) oversee the work of a professional appraiser employed under this section.

C o p y

Each township assessor and the county assessor has one (1) vote. A decision by a majority of the persons authorized to vote is binding on the county assessor and all township assessors in the county. Subject to the limitations contained in section 18(a) of this chapter, the assessor or assessors appointed under subdivision (2) may contract with a professional appraiser employed under this section to supply technical advice during a general reassessment period for all townships in the county. A proportionate part of the appropriation to all townships for assessing purposes shall be used to pay for the technical advice.

(c) As used in this chapter, "professional appraiser" means an individual or firm that is certified under IC 6-1.1-31.7.

SECTION 38. IC 6-1.1-4-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 18. (a) A township assessor, a group of township assessors, or the county assessor may not utilize the services of a professional appraiser for assessment or reassessment purposes without a written contract. The contract used must be either a standard contract developed by the ~~state board of tax commissioners~~ **department of state revenue** or a contract which has been specifically approved by the ~~state board of tax commissioners.~~ **department of state revenue.** No contract shall be made with any professional appraiser to act as technical advisor in the assessment of property, before the giving of notice and the receiving of bids from anyone desiring to furnish this service. Notice of the time and place for receiving bids for the contract shall be given by publication by one (1) insertion in two (2) newspapers of general circulation published in the county and representing each of the two (2) leading political parties in the county; or if only one (1) newspaper is there published, notice in that one (1) newspaper is sufficient to comply with the requirements of this subsection. The contract shall be awarded to the lowest and best bidder who meets all requirements under law for entering a contract to serve as technical advisor in the assessment of property. However, any and all bids may be rejected, and new bids may be asked.

(b) The county council of each county shall appropriate the funds needed to meet the obligations created by a professional appraisal services contract which is entered into under this chapter.

SECTION 39. IC 6-1.1-4-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 19. (a) The ~~state board of tax commissioners~~ **department of state revenue** shall develop a standard contract, or standard provisions for contracts, to be used in securing professional appraising services.

(b) The standard contract, or contract provisions, shall contain:

(1) a fixed date by which the professional appraiser or appraisal

C o p y

firm shall have completed all responsibilities under the contract;

(2) a penalty clause under which the amount to be paid for appraisal services is decreased for failure to complete specified services within the specified time;

(3) a provision requiring the appraiser, or appraisal firm, to make periodic reports to the township assessors involved;

(4) a provision stipulating the manner in which, and the time intervals at which, the periodic reports referred to in clause (3) of this subsection are to be made; and

(5) a precise stipulation of what service or services are to be provided and what class or classes of property are to be appraised.

The ~~state board of tax commissioners~~ **department of state revenue** may devise other necessary provisions for the contracts in order to give effect to the provisions of this chapter.

(c) In order to comply with the duties assigned to it by this section, the ~~state board of tax commissioners~~ **department of state revenue** may develop:

(1) one (1) or more model contracts;

(2) one (1) contract with alternate provisions; or

(3) any combination of clauses (1) and (2) of this subsection.

The ~~board~~ **department** may approve special contract language in order to meet any unusual situations.

SECTION 40. IC 6-1.1-4-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 20. The ~~state board of tax commissioners~~ **department of state revenue** may establish a period with respect to each general reassessment that is the only time during which a township or county assessor may enter into a contract with a professional appraiser. The period set by the ~~board~~ **department** may not begin before January 1 of the year the general reassessment begins. If no period is established by the ~~board,~~ **department,** a township or county assessor may enter into such a contract only on or after January 1 and before April 16 of the year in which the general reassessment is to commence.

SECTION 41. IC 6-1.1-4-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 24. Immediately following an assessment or reassessment of real property, the county property tax assessment board of appeals shall notify the county auditor of the assessed value of the land and improvements so assessed. The county property tax assessment board of appeals shall give the notice on the form and in the manner prescribed by the ~~state board of tax commissioners.~~ **department of state revenue.**

SECTION 42. IC 6-1.1-4-26 IS AMENDED TO READ AS

C o p y

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 26. The ~~state board of tax commissioners~~ **department of state revenue** may adopt or promulgate regulations, appraisal manuals, rules, bulletins, directives, and forms for the assessment and reassessment of real property.

SECTION 43. IC 6-1.1-4-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 27. (a) The auditor of each county shall establish a property reassessment fund. The county treasurer shall deposit all collections resulting from the property taxes that the county is required to levy under this section in the county's property reassessment fund.

(b) With respect to the general reassessment of real property which is to commence on July 1, 1999, the county council of each county shall, for property taxes due in the year in which the general reassessment is to commence and the three (3) years immediately preceding that year, levy against all the taxable property of the county an amount equal to three-fourteenths (3/14) of the estimated cost of the general reassessment.

(c) With respect to a general reassessment of real property that is to commence on July 1, 2003, and each fourth year thereafter, the county council of each county shall, for property taxes due in the year that the general reassessment is to commence and the three (3) years preceding that year, levy against all the taxable property in the county an amount equal to one-fourth (1/4) of the estimated cost of the general reassessment.

(d) The ~~state board of tax commissioners~~ **department of state revenue** shall give to each county council notice, before January 1, of the tax levies required by this section.

(e) The ~~state board of tax commissioners~~ **department of state revenue** may raise or lower the property taxes levied under this section for a year if they determine it is appropriate because the estimated cost of the general reassessment has changed.

SECTION 44. IC 6-1.1-4-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 29. (a) The expenses of a reassessment, except those incurred by the ~~state board of tax commissioners~~ **department of state revenue** in performing its normal functions, shall be paid by the county in which the reassessed property is situated. These expenses, except for the expenses of a general reassessment, shall be paid from county funds. The county auditor shall issue warrants for the payment of reassessment expenses. No prior appropriations are required in order for the auditor to issue warrants.

(b) An order of the ~~state board of tax commissioners~~ **department of state revenue** directing the reassessment of property shall contain an

C o p y

estimate of the cost of making the reassessment. The local assessing officials, the county assessor, the county property tax assessment board of appeals, and the county auditor may not exceed the amount so estimated by the ~~state board of tax commissioners.~~ **department of state revenue.**

SECTION 45. IC 6-1.1-4-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 31. (a) The ~~state board of tax commissioners~~ **department of state revenue** shall periodically check the conduct of a general reassessment of property. The ~~board~~ **department** may inform township assessors, county assessors, and the presidents of county councils in writing if its check reveals that the general reassessment is not being properly conducted, or if property assessments under the general reassessment are not being properly made.

(b) The failure of the ~~board~~ **department** to inform local officials under subsection (a) shall not be construed as an indication by the ~~board~~ **department** that the general reassessment is being properly conducted, or that property assessments under the general reassessment are being properly made.

SECTION 46. IC 6-1.1-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. Except as provided in section 9 of this chapter, the auditor, or, if authorized by county ordinance, the surveyor of each county shall maintain a plat of each civil township of the county the auditor or surveyor serves. The plats shall be divided in such a manner that they clearly exhibit the ownership and assessed value of each parcel of real property. The plats must be in the form and contain the information prescribed by the ~~state board of tax commissioners.~~ **department of state revenue.** The plats shall be kept current.

SECTION 47. IC 6-1.1-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. (a) Except as provided in section 9 of this chapter, county auditor may establish a real property index numbering system in order to list real property for purposes of the assessment and collection of taxes. The index numbering system may be used in addition to, or in lieu of, the method of listing real property otherwise provided by law. The index numbering system shall describe real property by county, township, block, and parcel or lot. The numbering system must be approved by the ~~state board of tax commissioners~~ **department of state revenue** before it is implemented.

(b) If an index numbering system is implemented in a county, the county auditor, except as provided in section 9 of this chapter, shall:

C o p y

(1) establish and maintain cross indexes of the numbers assigned under the system and the complete legal description of the real property to which the numbers are related;

(2) assign individual index numbers which shall be carried on the assessment rolls, tax rolls, and tax statements;

(3) keep the indexes established under this section open for public inspection; and

(4) furnish all information concerning the index numbering system to the assessing officers of the county.

(c) An index numbering system established under this section shall be implemented on a county-wide basis.

SECTION 48. IC 6-1.1-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. Except as provided in section 9 of this chapter, the county auditor of each county shall annually prepare and deliver to the township assessor a list of all real property entered in the township as of the assessment date. The county auditor shall deliver the list within thirty (30) days after the assessment date. The county auditor shall prepare the list in the form prescribed or approved by the ~~state board of tax commissioners.~~ **department of state revenue.**

SECTION 49. IC 6-1.1-5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 13. Each taxpayer shall provide on a personal property return any information related to real property owned, possessed, or occupied by him if the information is required by the ~~state board of tax commissioners.~~ **department of state revenue.**

SECTION 50. IC 6-1.1-5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 14. Not later than May 15, each assessing official shall prepare and deliver to the county assessor a detailed list of the real property listed for taxation in the township. On or before July 1 of each year, each county assessor shall, under oath, prepare and deliver to the county auditor a detailed list of the real property listed for taxation in the county. In a county with an elected township assessor under IC 36-6-5-1 in every township the township assessor shall prepare the real property list. The assessing officials and the county assessor shall prepare the list in the form prescribed by the ~~state board of tax commissioners.~~ **department of state revenue.** The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor.

SECTION 51. IC 6-1.1-5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 15. (a) Except as

C o p y

provided in subsection (b), before an owner of real property demolishes, structurally modifies, or improves it at a cost of more than five hundred dollars ($500) for materials or labor, or both, the owner or the owner's agent shall file with the county assessor in the county where the property is located an assessment registration notice on a form prescribed by the ~~state board of tax commissioners.~~ **department of state revenue.**

(b) If the owner of the real property, or the person performing the work for the owner, is required to obtain a permit from an agency or official of the state or a political subdivision for the demolition, structural modification, or improvement, the owner or the person performing the work for the owner is not required to file an assessment registration notice.

(c) Each state or local government official or agency shall, before the tenth day of each month, deliver a copy of each permit described in subsection (b) to the assessor of the county in which the real property to be improved is situated.

(d) Before the last day of each month, the county assessor shall distribute a copy of each assessment registration notice filed under subsection (a) or permit received under subsection (b) to the assessor of the township in which the real property to be demolished, modified, or improved is situated.

(e) A fee of five dollars ($5) shall be charged by the county assessor for the filing of the assessment registration notice. All fees collected by the county assessor shall be deposited in the county property reassessment fund.

(f) A township or county assessor shall immediately notify the county treasurer if the assessor discovers property that has been improved or structurally modified at a cost of more than five hundred dollars ($500) and the owner of the property has failed to obtain the required building permit or to file an assessment registration notice.

(g) Any person who fails to:

(1) file the registration notice required by subsection (a); or

(2) obtain a building permit described in subsection (b);

before demolishing, structurally modifying, or improving real property is subject to a civil penalty of one hundred dollars ($100). The county treasurer shall include the penalty on the person's property tax statement and collect it in the same manner as delinquent personal property taxes under IC 6-1.1-23. However, if a person files a late registration notice, the person shall pay the fee, if any, and the penalty to the county assessor at the time the person files the late registration notice.

C o p y

SECTION 52. IC 6-1.1-5.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) Before filing a conveyance document with the county auditor under IC 6-1.1-5-4, all the parties to the conveyance must complete and sign a sales disclosure form as prescribed by the ~~state board of tax commissioners~~ **department of state revenue** under section 5 of this chapter. All the parties may sign one (1) form, or if all the parties do not agree on the information to be included on the completed form, each party may sign and file a separate form.

(b) Except as provided in subsection (c), the auditor shall forward each sales disclosure form to the county assessor. The county assessor shall forward the sales disclosure form to the ~~state board of tax commissioners~~ **department of state revenue** and to the appropriate township assessor. The county assessor shall retain a copy of the sales disclosure form for the purposes established in IC 6-1.1-4-13.6 and shall forward a copy to the township assessors in the county.

(c) In a county containing a consolidated city, the auditor shall forward the sales disclosure form to the appropriate township assessor. The township assessor shall forward the sales disclosure form to the ~~state board of tax commissioners.~~ **department of state revenue.** The township assessor may retain a copy of the sales disclosure form for the purposes established in IC 6-1.1-4-13.6.

SECTION 53. IC 6-1.1-5.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. The ~~state board of tax commissioners~~ **department of state revenue** shall prescribe a sales disclosure form for use under this chapter. The form prescribed by the ~~state board of tax commissioners~~ **department of state revenue** must include at least the following information:

(1) The key number of the parcel (as defined in IC 6-1.1-1-8.5).
(2) Whether the entire parcel is being conveyed.
(3) The address of the property.
(4) The date of the execution of the form.
(5) The date the property was transferred.
(6) Whether the transfer includes an interest in land, improvements, or both.
(7) Whether the transfer includes personal property.
(8) An estimate of any personal property included in the transfer.
(9) The name and address of each transferor and transferee.
(10) The mailing address to which the property tax bills or other official correspondence should be sent.
(11) The ownership interest transferred.
(12) The classification of the property (as residential, commercial,

C o p y

industrial, agricultural, vacant land, or other).

(13) The total price actually paid or required to be paid in exchange for the conveyance, whether in terms of money, property, a service, an agreement, or other consideration, but excluding tax payments and payments for legal and other services that are incidental to the conveyance.

(14) The terms of seller provided financing, such as interest rate, points, type of loan, amount of loan, and amortization period, and whether the borrower is personally liable for repayment of the loan.

(15) Any family or business relationship existing between the transferor and the transferee.

(16) Other information as required by the state board of tax commissioners to carry out this chapter.

SECTION 54. IC 6-1.1-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. The ~~state board of tax commissioners~~ **department of state revenue** may adopt rules in order to provide a method for assessing mobile homes. These rules must be consistent with this article.

SECTION 55. IC 6-1.1-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. A mobile home which is subject to taxation under this chapter shall be assessed by the assessor of the township within which the place of assessment is located. Each township assessor of a county shall certify the assessments of mobile homes to the county auditor in the same manner provided for the certification of personal property assessments. The township assessor shall make this certification on the forms prescribed by the ~~state board of tax commissioners.~~ **department of state revenue.**

SECTION 56. IC 6-1.1-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) If a public utility company operates a system partially within and partially without this state, the company's property which is subject to taxation under this chapter is:

(1) that property which has a definite situs in this state; and

(2) that property which does not have a definite situs either in this state or in any other state and which the state board of tax commissioners determines is taxable in this state.

(b) To determine the value of an interstate public utility company's property which does not have a definite situs either in this state or in any other state and which is taxable in this state, the ~~state board of tax commissioners~~ **department of state revenue** shall consider the value of all the company's property which does not have a definite situs and

Copy

shall allocate a reasonable portion of that property to this state. The ~~board~~ **department** shall make the allocation in a manner which is fair to both the state and the company.

SECTION 57. IC 6-1.1-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. (a) The fixed property of a bridge company consists of real property which is not part of a bridge head or right-of-way of the company. The remainder of the bridge company's property is distributable property.

(b) A bridge company's definite-situs distributable property consists of:

(1) bridges;

(2) land on which bridge heads are located; and

(3) the company's rights-of-way.

(c) A bridge company's property which is not described in subsection (a) or (b) of this section is indefinite-situs distributable property. The ~~state board of tax commissioners~~ **department of state revenue** shall apportion and distribute the assessed valuation of this property among the taxing districts in which the company has property that is described in either subsection (a) or (b) of this section. The amount which the ~~board~~ **department** shall distribute to a taxing district equals the product of (1) the total assessed valuation of the bridge company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the value of the company's property which is located in the taxing district and which is described in either subsection (a) or (b) of this section, and the denominator of which is the value of the company's property which is located in this state and which is described in either subsection (a) or (b) of this section.

SECTION 58. IC 6-1.1-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. (a) The fixed property of a bus company consists of real property and tangible personal property which is located within or on the real property.

(b) A bus company's property which is not described in subsection (a) of this section is indefinite-situs distributable property. This property includes, but is not limited to, buses and other mobile equipment. The ~~state board of tax commissioners~~ **department of state revenue** shall apportion and distribute the assessed valuation of this property among the taxing districts in or through which the company operates its system. The amount which the ~~board~~ **department** shall distribute to a taxing district equals the product of (1) the total assessed valuation of the bus company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the company's average daily regularly scheduled passenger vehicle route miles in the

C o p y

taxing district, and the denominator of which is the company's average daily regularly scheduled passenger vehicle route miles in this state.

SECTION 59. IC 6-1.1-8-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. (a) The fixed property of an express company consists of real property and tangible personal property which has a definite situs. The remainder of the express company's property is indefinite-situs distributable property.

(b) The ~~state board of tax commissioners~~ **department of state revenue** shall apportion and distribute the assessed valuation of an express company's indefinite-situs distributable property among the taxing districts in which the fixed property of the company is located. The amount which the ~~board~~ **department** shall distribute to a taxing district equals the product of (1) the total assessed valuation of the express company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the value of the company's fixed property which is located in the taxing district, and the denominator of which is the value of the company's fixed property which is located in this state.

SECTION 60. IC 6-1.1-8-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. (a) The fixed property of a pipe line company consists of:

(1) real property which is not part of a pipe line or right-of-way of the company; and

(2) tangible personal property which is not part of the company's distribution system.

(b) A pipe line company's property which is not described in subsection (a) of this section is indefinite-situs distributable property. The ~~state board of tax commissioners~~ **department of state revenue** shall apportion and distribute the assessed valuation of this property among the taxing districts in which the company's pipe lines are located. The amount which the ~~board~~ **department** shall distribute to a taxing district equals the product of (1) the total assessed valuation of the pipe line company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the length of the company's pipe lines in the taxing district, and the denominator of which is the length of the company's pipe lines in this state.

SECTION 61. IC 6-1.1-8-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. (a) The fixed property of the railroad company consists of real property which is not required for the operation of the railroad and tangible personal property which is located within or on that real property. The remaining property of the railroad company is distributable property.

C o p y

(b) A railroad company's definite-situs distributable property consists of the company's:

(1) right-of-ways and road beds;

(2) station and depot grounds;

(3) yards, yard sites, superstructures, turntable, and turnouts;

(4) tracks;

(5) telegraph poles, wires, instruments, and other appliances, which are located on the right-of-ways; and

(6) any other buildings or fixed situs personal property used in the operation of the railroad.

(c) A railroad company's property which is not described in subsections (a) or (b) of this section is indefinite-situs distributable property. This property includes, but is not limited to, rolling stock. The ~~state board of tax commissioners~~ **department of state revenue** shall apportion and distribute the assessed valuation of this property among the taxing districts in which the railroad company operates its system. The amount which the ~~board~~ **department** shall distribute to a taxing district equals the product of (1) the total assessed valuation of the railroad company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the relative value of the company's main lines, branch lines, main tracks, second main tracks, and sidetracks, including all leased lines and tracks, which are located in the taxing district, and the denominator of which is the relative value of the company's main lines, branch lines, main tracks, second main tracks, and sidetracks, including all leased lines and tracks, which are located in this state.

SECTION 62. IC 6-1.1-8-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12. (a) The fixed property of a railroad car company consists of real property and tangible personal property which has a definite situs. The remainder of the railroad car company's property is indefinite-situs distributable property.

(b) The ~~state board of tax commissioners~~ **department of state revenue** shall assess a railroad car company's indefinite-situs distributable property on the basis of the average number of cars owned or used by the company within this state during the twelve (12) months of the calendar year preceding the year of assessment. The average number of cars within this state equals the product of:

(1) the sum of "M" plus "E"; multiplied by

(2) a fraction, the numerator of which is "N", and the denominator of which is the number two (2).

"M" equals the mileage traveled by the railroad car company's cars in

C o p y

this state divided by the mileage traveled by the company's cars both within and outside this state. "E" equals the earnings generated by the company's cars in this state divided by the earnings generated by the company's cars both within and outside this state. "N" equals the total number of cars owned or used by the company both within and outside this state.

SECTION 63. IC 6-1.1-8-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 13. (a) The fixed property of a sleeping car company consists of real property and tangible personal property which has a definite situs.

(b) A sleeping car company's property which is not described in subsection (a) of this section is indefinite-situs distributable property. The ~~state board of tax commissioners~~ **department of state revenue** shall apportion and distribute the assessed valuation of this property among the taxing districts in or through which the company operates cars. The ~~board~~ **department** shall make the apportionment in a manner which it considers fair.

SECTION 64. IC 6-1.1-8-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 14. (a) The fixed property of a street railway company consists of:

(1) real property which is not part of the company's tracks or rights-of-way; and

(2) tangible personal property which is located within or on the real property described in clause (1) of this subsection.

(b) A street railway company's property which is not described in subsection (a) of this section is distributable property. This property includes, but is not limited to:

(1) rights-of-way of the company;

(2) tangible personal property which is located on a right-of-way of the company; and

(3) rolling stock.

(c) The ~~state board of tax commissioners~~ **department of state revenue** shall apportion and distribute the assessed valuation of a street railway company's indefinite-situs distributable property among the taxing districts in or through which the company operates its system. The amount which the ~~board~~ **department** shall distribute to a taxing district equals the product of (1) the total assessed valuation of the street railway company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the company's average daily regularly scheduled passenger vehicle route miles in the taxing district, and the denominator of which is the company's average daily regularly scheduled passenger vehicle route miles in this state.

Copy

SECTION 65. IC 6-1.1-8-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 15. (a) The fixed property of a telephone, telegraph, or cable company consists of:

(1) tangible personal property which is not used as part of the distribution system of the company; and

(2) real property which is not part of the company's right-of-ways or distribution system.

(b) A telephone, telegraph, or cable company's property which is not described under subsection (a) of this section is indefinite-situs distributable property. The ~~state board of tax commissioners~~ **department of state revenue** shall apportion and distribute the assessed valuation of this property among the taxing districts in which the company's lines or cables, including laterals, are located. The amount which the ~~board~~ **department** shall distribute to a taxing district equals the product of (1) the total assessed valuation of the telephone, telegraph, or cable company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the length of the company's lines and cables, including laterals, which are located in the taxing district, and the denominator of which is the length of the company's lines and cables, including laterals, which are located in this state.

SECTION 66. IC 6-1.1-8-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 16. (a) The fixed property of a tunnel company consists of real property which is not part of a right-of-way of the company. The remainder of the tunnel company's property is distributable property.

(b) A tunnel company's definite-situs distributable property consists of the company's tunnels and ~~right-of-ways.~~ **rights-of-way.**

(c) A tunnel company's property which is not described in subsections (a) or (b) of this section is indefinite-situs distributable property. The ~~state board of tax commissioners~~ **department of state revenue** shall apportion and distribute the assessed valuation of this property among the taxing districts in which the company has property that is described in either subsection (a) or (b) of this section. The amount which the ~~board~~ **department** shall distribute to a taxing district equals the product of (1) the total assessed valuation of the tunnel company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the value of the company's property which is located in the taxing district and which is described in either subsection (a) or (b) of this section, and the denominator of which is the value of the company's property which is located in this state and which is described in either subsection (a) or (b) of this section.

C o p y

SECTION 67. IC 6-1.1-8-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 17. (a) The fixed property of a water distribution company consists of:

(1) tangible personal property which is not used as part of the company's distribution system; and

(2) real property which is not part of the company's ~~right-of-ways~~ **rights-of-way** or distribution system.

A well, settling basin, or reservoir (except an impounding reservoir) is not fixed property of a water distribution company if it is used to store treated water or water in the process of treatment.

(b) A water distribution company's property which is not described as fixed property under subsection (a) of this section is indefinite-situs distributable property. The ~~state board of tax commissioners~~ **department of state revenue** shall apportion and distribute the assessed valuation of this property among the taxing districts in which the company's water mains, including feeder and distribution mains, are located. The amount which the ~~board~~ **department** shall distribute to a taxing district equals the product of (1) the total assessed valuation of the water distribution company's indefinite-situs distributable property, multiplied by (2) a fraction, the numerator of which is the length of the company's water mains, including feeder and distribution mains, which are located in the taxing district, and the denominator of which is the length of the company's water mains, including feeder and distribution mains, which are located in this state.

SECTION 68. IC 6-1.1-8-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 18. For a public utility company which is not within one (1) of the classes of companies whose property is described in sections 6 through 17 of this chapter, the fixed property of the company consists of real property and tangible personal property. The remainder of the company's property is indefinite-situs distributable property. The ~~state board of tax commissioners~~ **department of state revenue** shall, in a manner which it considers fair, apportion and distribute the assessed valuation of the company's indefinite-situs distributable property among the taxing districts in which the company operates its system.

SECTION 69. IC 6-1.1-8-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 19. Each year a public utility company shall file a statement concerning the value and description of the property which is either owned or used by the company on the assessment date of that year. The company shall file this statement with the ~~state board of tax commissioners~~ **department of state revenue** on the form prescribed by the ~~board.~~ **department.**

C o p y

The ~~state board of tax commissioners~~ **department of state revenue** may extend the due date for a statement. Unless the ~~board~~ **department** grants an extension, a public utility company shall file its statement for a year:

(1) on or before March 1st of that year unless the company is a railroad car company; or

(2) on or before May 1st of that year if the company is a railroad car company.

SECTION 70. IC 6-1.1-8-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 20. (a) If a public utility company does not file a statement with the ~~state board of tax commissioners~~ **department of state revenue** on or before the date prescribed under section 19 of this chapter, the company shall pay a penalty of one hundred dollars ($100) per day for each day that the statement is late.

(b) The ~~state board of tax commissioners~~ **department of state revenue** shall notify the attorney general if a public utility company fails to file a statement on or before the due date. The attorney general shall then bring an action in the name of this state to collect the penalty due under this section.

(c) The state auditor shall deposit amounts collected under this section in the state treasury for credit to the state general fund.

SECTION 71. IC 6-1.1-8-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 21. The ~~state board of tax commissioners~~ **department of state revenue** may ask a public utility company to provide the ~~board~~ **department** with copies of any reports which the company has filed with a state or federal agency if:

(1) the reports are related to the valuation, assessment, or taxation of the company's property; and

(2) the agency has either regulatory or taxing authority. If the ~~board~~ **department** makes such a request, the company shall provide the ~~board~~ **department** with copies of the reports. The ~~state board of tax commissioners~~ **department of state revenue** may also inspect the original reports filed by the company regardless of whether or not the board has obtained copies of the reports from the company. In addition, the ~~board~~ **department** may inspect a public utility company's property, books, and records.

SECTION 72. IC 6-1.1-8-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 22. The ~~state board of tax commissioners~~ **department of state revenue** shall assess the property of a public utility company based upon the information available to the ~~board~~ **department** if the company:

C o p y

(1) does not file a statement which is required under section 19 of this chapter;

(2) does not permit the ~~board~~ **department** to examine the company's property, books, or records; or

(3) does not comply with a summons issued by the ~~board.~~ **department.**

An assessment which is made by the ~~board~~ **department** under this section is final unless the company establishes that the ~~board~~ **department** committed actual fraud in making the assessment.

SECTION 73. IC 6-1.1-8-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 23. Each year a public utility company shall file a statement with the assessor of each township and county assessor of each county in which the company's property is located. The company shall file the statement on the form prescribed by the ~~state board of tax commissioners.~~ **department of state revenue.** The statement shall contain a description of the company's tangible personal property located in the township.

SECTION 74. IC 6-1.1-8-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 24. (a) Each year a township assessor shall assess the fixed property which as of the assessment date of that year is:

(1) owned or used by a public utility company; and

(2) located in the township he serves.

(b) The township assessor shall determine the assessed value of fixed property. The township assessor shall certify the assessed values to the county assessor on or before April 1 of the year of assessment. However, in a county with an elected township assessor under IC 36-6-5-1 in every township the township assessor shall certify the list to the ~~state board of tax commissioners.~~ **department of state revenue.** The county assessor shall review the assessed values and shall certify the assessed values to the ~~state board of tax commissioners~~ **department of state revenue** on or before April 10 of the year of assessment.

SECTION 75. IC 6-1.1-8-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 25. (a) Each year the ~~state board of tax commissioners~~ **department of state revenue** shall assess the distributable property which as of the assessment date of that year is owned or used by a public utility company. The ~~board~~ **department** shall determine the assessed value of distributable property. The ~~board~~ **department** shall equalize its assessments of distributable property in the same manner that it equalizes assessments of tangible property under IC 6-1.1-14.

C o p y

(b) The ~~state board of tax commissioners~~ **department of state revenue** shall distribute the assessed valuation of definite-situs distributable property to the taxing district in which the property is located. Except as provided in section 35 of this chapter, the ~~state board of tax commissioners~~ **department of state revenue** shall apportion and distribute the assessed valuation of indefinite-situs distributable property in the manner prescribed in sections 6 through 18 of this chapter. However, this subsection does not apply to that distributable property which is taxed under section 35 of this chapter.

SECTION 76. IC 6-1.1-8-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 26. (a) On or before June 1st of each year, the ~~state board of tax commissioners~~ **department of state revenue** shall determine the just value of the property of each public utility company. Except for railroad car companies, the ~~state board of tax commissioners~~ **department of state revenue** shall determine that just value by first determining the approximate unit value of each public utility company. The value of the distributable property of a public utility company, other than a railroad car company, equals the remainder of:

(1) the unit value of the company; minus

(2) the value of the company's fixed property.

The value of the distributable property of a railroad car company equals the value of all of the company's distributable property multiplied by the adjustment factor provided under section 12 of this chapter.

(b) In order to determine the unit value of a public utility company, the ~~state board of tax commissioners~~ **department of state revenue** may consider:

(1) book value;

(2) cost of replacement or reproduction, less depreciation;

(3) cost of establishing and developing the business;

(4) amount and market value or sales price of outstanding securities;

(5) valuations determined by another governmental agency or indicated by a judicial decision, including but not limited to determinations made for rate making purposes;

(6) statistics and reports prepared or filed by the company;

(7) statistics and reports prepared by another governmental agency or by a private organization if the organization is considered reliable by investors and investment dealers;

(8) earnings capitalized at a reasonable rate; and

(9) any other information which the board considers relevant.

SECTION 77. IC 6-1.1-8-27 IS AMENDED TO READ AS

C o p y

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 27. (a) As soon as the ~~state board of tax commissioners~~ **department of state revenue** determines its final assessments of distributable property, the ~~board~~ **department** shall certify to the county assessor and the county auditor of each county:

(1) the distributable property assessed values which the ~~board~~ **department** determines are distributable to the taxing districts of the county; and

(2) the assessed values, according to the ~~board's~~ **department's** records, of fixed property located in the taxing districts of the county.

In addition, if a public utility company has appealed the ~~board's~~ **department's** final assessment of the company's distributable property, the ~~board~~ **department** shall notify the county auditor of the appeal.

(b) The county assessor shall review the ~~state board of tax commissioners'~~ **department of state revenue's** certification to determine if any of a public utility company's property which has a definite situs in the county has been omitted. The county auditor shall enter for taxation the assessed valuation of a public utility company's distributable property which the ~~board~~ **department** distributes to a taxing district of the county.

SECTION 78. IC 6-1.1-8-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 28. (a) Each year the ~~state board of tax commissioners~~ **department of state revenue** shall notify each public utility company of:

(1) the ~~board's~~ **department's** tentative assessment of the company's distributable property; and

(2) the value of the company's distributable property used by the ~~board~~ **department** to determine the tentative assessment.

The ~~state board of tax commissioners~~ **department of state revenue** shall give the notice on or before September 1, in the case of railroad car companies, and shall give the notice on or before June 1, in the case of all other public utility companies.

(b) Within ten (10) days after a public utility company receives notice of the ~~state board of tax commissioners'~~ **department of state revenue's** tentative assessment, the company may:

(1) file with the ~~board~~ **department** its objections to the tentative assessment; and

(2) demand that the ~~board~~ **department** hold a hearing on the tentative assessment.

If the company does not file with the ~~board~~ **department** its objections to the tentative assessment within the time allowed, the tentative

C o p y

assessment is final and may not be appealed.

SECTION 79. IC 6-1.1-8-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 29. If a public utility company files its objections to, and demands a hearing on, a tentative assessment within the time allowed, the ~~state board of tax commissioners~~ **department of state revenue** shall hold a hearing on the tentative assessment at a time and place fixed by the ~~board.~~ **department.** After the hearing, if any, the ~~board~~ **department** shall make a final assessment of the company's distributable property and shall notify the company of the final assessment. However, the ~~board~~ **department** must give notice of the final assessment before September 30, in the case of railroad car companies, and before June 30 in the case of all other public utility companies.

SECTION 80. IC 6-1.1-8-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 30. If a public utility company files its objections to the ~~state board of tax commissioners'~~ **department of state revenue's** tentative assessment of the company's distributable property in the manner prescribed in section 28 of this chapter, the company may appeal the ~~board's~~ **department's** final assessment of that property to the tax court. However, the company must initiate the appeal within twenty (20) days after the date of the notice of the ~~board's~~ **department's** final assessment.

SECTION 81. IC 6-1.1-8-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 31. When a public utility company initiates an appeal under section 30 of this chapter, the tax court shall:

(1) try the case without a jury;

(2) give preference to the case to insure a prompt trial;

(3) review the ~~state board of tax commissioners'~~ **department of state revenue's** final assessment of the company's distributable property;

(4) presume the findings of the ~~state board of tax commissioners~~ **department of state revenue** are correct; and

(5) order the ~~state board of tax commissioners~~ **department of state revenue** to file certified copies of the ~~board's~~ **department's** records related to the assessment if the company asks the court to issue such an order.

SECTION 82. IC 6-1.1-8-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 32. When a public utility company initiates an appeal under section 30 of this chapter, the tax court may set aside the ~~state board of tax commissioners'~~ **department of state revenue's** final assessment and refer the matter

C o p y

to the ~~board~~ **department** with instructions to make another assessment if:

(1) the company shows that the ~~board's~~ **department's** final assessment, or the ~~board's~~ **department's** apportionment and distribution of the final assessment, is clearly incorrect because the ~~board~~ **department** violated the law or committed fraud; or

(2) the company shows that the ~~board's~~ **department's** final assessment is not supported by substantial evidence.

SECTION 83. IC 6-1.1-8-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 35. (a) Each year the ~~state board of tax commissioners~~ **department of state revenue** shall tax:

(1) the indefinite-situs distributable property of railroad car companies; and

(2) the distributable property of a railroad company that provides service within a commuter transportation district established under IC 8-5-15 and utilizes electricity to power substantially all of its railroad passenger cars.

The ~~board~~ **department** shall compute the tax on a railroad car company's indefinite-situs distributable property based upon the average property tax rate in this state. The average property tax rate in this state for a year equals (A) the total of the property taxes in this state that will come due during that year divided by (B) the total net assessed valuation of property in this state for the preceding year's assessment. The ~~board~~ **department** shall base its computation of the average property tax rate for a year upon information which is available to the ~~board~~ **department** as of December 31st of the preceding year. The ~~board~~ **department** shall compute the tax on a railroad company's distributable property based upon the average property tax rate that is imposed by taxing districts that are located in any county in which a railroad company, that is taxed under this section, provides railroad services. The average property tax rate of taxing districts that are located in any county in which a railroad company that is taxed under this section equals (i) the total of the property taxes in those taxing districts that will come due during that year divided by (ii) the total net assessed valuation of property in those districts for the preceding year's assessment. The ~~board~~ **department** shall base its computation on the average property tax rate for a year upon information which is available to the ~~board~~ **department** as of December 31 of the preceding year.

(b) The ~~state board of tax commissioners~~ **department of state revenue** shall certify the tax it imposes on indefinite-situs distributable property of railroad car companies and a railroad company's

C o p y

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

(c) The department of state revenue shall promptly deposit all amounts collected under this section that are derived from indefinite-situs distributable property of railroad car companies in the state treasury for credit to the commuter rail service fund established under IC 8-3-1.5-20.5.

(d) The department of state revenue shall promptly deposit all amounts collected under this section from a railroad company in the state treasury for credit to the electric rail service fund established by IC 8-3-1.5-20.6.

SECTION 84. IC 6-1.1-8-36 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 36. (a) A public utility company shall pay any taxes which are based upon the ~~state board of tax commissioners'~~ **department of state revenue's** assessment of distributable property regardless of whether or not an appeal of the assessment is pending. However, the collection of the taxes may be enjoined pending an original tax appeal under IC 33-3-5.

(b) The ~~state board of tax commissioners~~ **department of state revenue** shall reassess distributable property and shall certify the reassessment to the county auditor of each county in which the property is taxable if:

(1) a court sets aside the ~~board's~~ **department's** original assessment and orders the ~~board~~ **department** to reassess the distributable property; and

(2) the decision of that court is not appealed to a higher court.

SECTION 85. IC 6-1.1-8-37 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 37. (a) If a ~~state board of tax commissioners'~~ **department of state revenue's** reassessment of distributable property is less than the ~~board's~~ original assessment, the auditor of each affected county shall compute the tax refund, if any, which is due the public utility company. The county auditor shall then issue a warrant to the company for the amount of the refund due, and the county treasurer shall pay the warrant, without an

C o p y

appropriation for the disbursement.

(b) If a ~~state board of tax commissioners'~~ **department of state revenue's** reassessment of distributable property is greater than the ~~board's~~ original assessment, the auditor of each affected county shall enter the difference as an assessment of omitted property. The county auditor shall compute and the county treasurer shall collect the additional tax due in ~~he~~ **the** same manner that taxes on omitted property are computed and ~~collect.~~ **collected.** However, the county officials may not charge penalty or interest on the additional tax due unless the public utility company does not pay the tax within thirty (30) days after the date notice of the additional tax due is given to the company.

(c) The accounts of the various taxing units shall be credited or charged with each unit's proportionate share of additional taxes collected and refunds made under this section.

SECTION 86. IC 6-1.1-8-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 39. The annual assessments of a public utility company's property are presumed to include all the company's property which is subject to taxation under this chapter. However, this presumption does not preclude the subsequent assessment of a specific item of tangible property which is clearly shown to have been omitted from the assessments for that year. The appropriate township assessor shall make assessments of omitted fixed property. The ~~state board of tax commissioners~~ **department of state revenue** shall make assessments of omitted distributable property. However, the ~~board~~ **department** may not assess omitted distributable property after the expiration of ten (10) years from the last day of the year in which the assessment should have been made.

SECTION 87. IC 6-1.1-8-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 40. When the ~~state board of tax commissioners~~ **department of state revenue** assesses distributable property which was omitted from the assessment for a particular year, the ~~board~~ **department** shall, as nearly as possible, assess the omitted distributable property in the same manner that the ~~board~~ **department** assesses other distributable property. The taxes due on the omitted distributable property shall be calculated by using the same tax rates which were applicable for the tax year that the distributable property was omitted from the assessment. The public utility company shall pay interest on the taxes due on the omitted distributable property at the rate of two percent (2%) per month, or fraction of a month. The interest due shall be calculated on the period of time beginning with January 1 of the year following the year in

Copy

which the property was omitted from the assessment and ending with the day the taxes are paid. However, the ~~state board of tax commissioners~~ **department of state revenue** may waive any portion of the interest due under this section at the time the ~~board~~ **department** makes its final assessment of the omitted distributable property.

SECTION 88. IC 6-1.1-8-41 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 41. The ~~state board of tax commissioners~~ **department of state revenue** shall keep itself informed about the methods which other states use to value public utility companies.

SECTION 89. IC 6-1.1-8-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 42. (a) The ~~state board of tax commissioners~~ **department of state revenue** shall promulgate rules and regulations to provide equal treatment for the public utility companies within each classification. These rules and regulations may not:

(1) prohibit the assessment and taxation of a company's property which is subject to taxation under this chapter; or

(2) prohibit the board from making adjustments in those cases where the rules and regulations would result in an assessment that would be unfair to the state or to the public utility company.

(b) The ~~state board of tax commissioners~~ **department of state revenue** may adopt rules and regulations to carry out the intent and provisions of this chapter. The rules and regulations must be consistent with this chapter

SECTION 90. IC 6-1.1-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) If a taxpayer files a personal property return for a particular year, personal property which is omitted from or undervalued on the return may be assessed, or its assessed value may be increased, only if the notice required under section 1 of this chapter is given within three (3) years after the date the return is filed. However, if the taxpayer's personal property return for a particular year substantially complies with the provisions of this article and the regulations of the ~~state board of tax commissioners,~~ **department of state revenue,** an assessing official or a county property tax assessment board of appeals may change the assessed value claimed by the taxpayer on the return only within the time period prescribed in IC 6-1.1-16-1.

(b) If a taxpayer fails to file a personal property return for a particular year, the taxpayer's personal property may be assessed for that year only if the notice required by section 1 of this chapter is given within ten (10) years after the date on which the return for that year

C o p y

should have been filed.

(c) If a taxpayer files a fraudulent personal property return, or fails to file a return with the intent to evade the payment of property taxes, the assessment limitations prescribed in subsections (a) and (b) do not apply.

SECTION 91. IC 6-1.1-9-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. A petition to the ~~state board of tax commissioners~~ **department of state revenue** is not necessary with respect to any assessment, or increase in assessed valuation, which is made under this chapter.

SECTION 92. IC 6-1.1-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. (a) The property of the United States and its agencies and instrumentalities is exempt from property taxation to the extent that this state is prohibited by law from taxing it. However, any interest in tangible property of the United States shall be assessed and taxed to the extent this state is not prohibited from taxing it by the Constitution of the United States.

(b) If the United States provides for the payment of money in lieu of property taxes upon tangible property which is exempt from taxation, the payment shall be made to and settled by the state board of tax commissioners. The ~~state board of tax commissioners~~ **department of state revenue** may make appraisements, assessments, and agreements and may do all acts necessary to the ascertainment, settlement, and collection of such a payment. The ~~board~~ **department** may distribute amounts so received to the taxing units that would be entitled to the money if the payment were for taxes upon the property. However, if the payment is made by the United States for the rendition of a particular service, the ~~state board of tax commissioners~~ **department of state revenue** shall distribute the payment to the taxing unit which rendered the service. Where payment is made for a service, the ~~board~~ **department** may not make a settlement with the United States without the prior approval of the taxing unit involved.

SECTION 93. IC 6-1.1-10-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 29. (a) As used in this section, "manufacturer" or "processor" means a person that performs an operation or continuous series of operations on raw materials, goods, or other personal property to alter the raw materials, goods, or other personal property into a new or changed state or form. The operation may be performed by hand, machinery, or a chemical process directed or controlled by an individual. The terms include a person that:

(1) dries or prepares grain for storage or delivery; or

Copy

(2) publishes books or other printed materials.

(b) Personal property owned by a manufacturer or processor is exempt from property taxation if the owner is able to show by adequate records that the property:

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

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

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

(1) is ready for shipment without additional manufacturing or processing, except for packaging; and

(2) will be damaged or have its value impaired if it is stored in its original package.

SECTION 94. IC 6-1.1-10-31.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 31.1. A person who:

(1) is required to file a personal property return;

(2) has personal property in a warehouse or a foreign trade zone on the assessment date of any year; and

(3) wishes to claim the exemption provided under section 29, 29.3, 30, or 30.5 of this chapter;

shall report on the person's personal property return, in the manner prescribed be the ~~state board of tax commissioners,~~ **department of state revenue,** the true tax value of the property for which the exemption is claimed.

SECTION 95. IC 6-1.1-10-31.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 31.7. (a) Subject to subsection (c), in order to claim a property tax exemption under section 31.4, 31.5, or 31.6 of this chapter, the owner or possessor of:

(1) a truck chassis under section 31.4 of this chapter;

(2) a passenger motor vehicle under section 31.5 of this chapter; or

(3) a school bus body or chassis under section 31.6 of this chapter;

must file a claim for an exemption at the same time that the taxpayer

C o p y

is required to file a personal property tax return.

(b) A claim for exemption under this section must be filed on a form:

(1) prescribed by the ~~state board of tax commissioners;~~ **department of state revenue;** and

(2) containing the following information:

(A) A description of the property claimed to be exempt in sufficient detail to afford identification of the property.

(B) A statement indicating the ownership and the possession of the property.

(C) The grounds for claiming the exemption.

(D) The full name and address of the applicant.

(E) Any additional information that the ~~state board of tax commissioners~~ **department of state revenue** may require that is:

(i) reasonably related to the exemption; and

(ii) necessary to determine the exemption.

(c) Notwithstanding subsection (b), an owner or a possessor may claim an exemption for a chassis or vehicle under this section without filing the form required under subsection (b) if:

(1) before March 1 the owner or possessor of the chassis or vehicle identifies the chassis or vehicle, by chassis or vehicle identification number, as a chassis or vehicle to be used to fulfill an order from an out-of-state dealer; and

(2) the owner or possessor of the chassis or vehicle submits with the owner's or possessor's personal property return a list that:

(A) gives the chassis or vehicle identification number of each chassis or vehicle claimed to be exempt under subdivision (1); and

(B) identifies the order from an out-of-state dealer that corresponds to each chassis or vehicle listed.

(d) If, upon the request of the local assessing official, a county assessor, a member of the county property tax assessment board of appeals, or the ~~state board of tax commissioners,~~ **department of state revenue,** the owner or possessor is unable to verify that the chassis or vehicle was used to fulfill the identified order, an exemption claimed under subsection (c) shall be denied.

SECTION 96. IC 6-1.1-10-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 40. (a) The following definitions apply throughout this section:

(1) "Commodity Exchange Act" means the act of the United States Congress known as the Commodity Exchange Act (7

Copy

U.S.C. 1 et seq.) as in effect on January 1, 1991.

(2) "Commodity" means:

(A) a commodity (as defined in Section 2 of the Commodity Exchange Act (7 U.S.C. 2)); or

(B) a metal.

(3) "Contract market" means:

(A) a board of trade (as defined in Section 2 of the Commodity Exchange Act (7 U.S.C. 2)) that:

(i) is designated by the federal Commodity Futures Trading Commission as a contract market under Section 5 of the Commodity Exchange Act (7 U.S.C. 7); and

(ii) is subject to regulation under the Commodity Exchange Act; or

(B) a metal exchange conforming to the United Kingdom Financial Services Act.

The term includes, without limitation, the Board of Trade of the City of Chicago and the London Metal Exchange of London, England.

(4) "Metal" means a nonferrous metal that conforms to the specifications covering quality, shape, and weight set forth by the special contract rules for metals of the London Metal Exchange.

(5) "Regular warehouse" and "regular shipping plant" mean a warehouse, shipping plant, depository, or other facility in Indiana that has been designated or approved by a contract market as a regular delivery point for a commodity on contracts of sale for future delivery.

(6) "Warehouseman" means the owner, lessee, operator, proprietor, or manager of a regular warehouse or regular shipping plant.

(b) A commodity that is located or stored in a regular warehouse or regular shipping plant is exempt from taxation under this article if on the assessment date the commodity is subject to a warehouse receipt or shipping certificate that has been issued, registered, and delivered by a warehouseman or is held on warrant according to the rules and regulations of a contract market.

(c) A warehouseman may claim the exemption provided by this section for a commodity located or stored at the warehouseman's regular warehouse or regular shipping plant by reporting on the warehouseman's personal property tax return the true tax value of the commodity for which the exemption is claimed. A warehouseman shall claim the exemption on the personal property tax return in the manner prescribed by the ~~state board of tax commissioners.~~ **department of**

C o p y

state revenue.

(d) Notwithstanding any other law, a warehouseman is not required to file an exemption application in order to claim the exemption provided by this section.

SECTION 97. IC 6-1.1-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) The owner of tangible property who wishes to obtain an exemption from property taxation shall file a certified application in duplicate with the auditor of the county in which the property is located. The application must be filed annually on or before May 15 on forms prescribed by the ~~state board of tax commissioners.~~ **department of state revenue.** Except as provided in sections 1, 3.5, and 4 of this chapter, the application applies only for the taxes imposed for the year for which the application is filed.

(b) The authority for signing an exemption application may not be delegated by the owner of the property to any other person except by an executed power of attorney.

(c) An exemption application which is required under this chapter shall contain the following information:

(1) A description of the property claimed to be exempt in sufficient detail to afford identification.

(2) A statement showing the ownership, possession, and use of the property.

(3) The grounds for claiming the exemption.

(4) The full name and address of the applicant.

(5) Any additional information which the ~~state board of tax commissioners~~ **department of state revenue** may require.

SECTION 98. IC 6-1.1-11-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3.5. (a) A not-for-profit corporation that seeks an exemption provided by IC 6-1.1-10 for 1988 or for a year that follows 1988 by a multiple of four (4) years must file an application for the exemption in that year. However, if a not-for-profit corporation seeks an exemption provided by IC 6-1.1-10 for a year not specified in this subsection and the corporation did not receive the exemption for the preceding year, the corporation must file an application for the exemption in the year for which the exemption is sought. The not-for-profit corporation must file each exemption application in the manner (other than the requirement for filing annually) prescribed in section 3 of this chapter.

(b) A not-for-profit corporation that receives an exemption provided under IC 6-1.1-10 for a particular year that remains eligible for the exemption for the following year is only required to file a statement to

Copy

apply for the exemption in the years specified in subsection (a), if the use of the not-for-profit corporation's property remains unchanged.

(c) A not-for-profit corporation that receives an exemption provided under IC 6-1.1-10 for a particular year which becomes ineligible for the exemption for the following year shall notify the auditor of the county in which the tangible property for which it claims the exemption is located of its ineligibility on or before May 15 of the year for which it becomes ineligible.

(d) For each year that is not a year specified in subsection (a), the auditor of each county shall apply an exemption provided under IC 6-1.1-10 to the tangible property owned by a not-for-profit corporation that received the exemption in the preceding year unless the auditor determines that the not-for-profit corporation is no longer eligible for the exemption.

(e) The ~~state board of tax commissioners~~ **department of state revenue** may at any time review an exemption provided under this section and determine whether or not the not-for-profit corporation is eligible for the exemption.

SECTION 99. IC 6-1.1-11-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. (a) The county property tax assessment board of appeals, after careful examination, shall approve or disapprove each exemption application and shall note its action on the application.

(b) If the county property tax assessment board of appeals approves the exemption, in whole or part, the county auditor shall note the board's action on the tax duplicate. The county auditor's notation is notice to the county treasurer that the exempt property shall not be taxed for the current year unless otherwise ordered by the ~~state board of tax commissioners.~~ **department of state revenue.**

(c) If the exemption application is disapproved by the county property tax assessment board of appeals, the county auditor shall notify the applicant by mail. Within thirty (30) days after the notice is mailed, the owner may, in the manner prescribed in IC 6-1.1-15-3, petition the ~~state board of tax commissioners~~ **department of state revenue** to review the county property tax assessment board of appeals' determination.

SECTION 100. IC 6-1.1-11-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. On or before August 1st of each year, the county auditor of each county shall forward to the ~~state board of tax commissioners the~~ **department of state revenue** duplicate copies of all approved exemption applications. The ~~state board of tax commissioners~~ **department of state revenue**

Copy

shall review the approved applications. The ~~state board of tax commissioners~~ **department of state revenue** may deny an exemption if the ~~board~~ **department** determines that the property is not tax exempt under the laws of this state. However, before denying an exemption, the ~~board~~ **department** must give notice to the applicant and hold a hearing on the exemption application. The ~~board~~ **department** shall hold such a hearing in the same manner prescribed for assessment hearings under IC 1971, 6-1.1-15-4(a).

SECTION 101. IC 6-1.1-12-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided by section 1 of this chapter must file a statement in duplicate, on forms prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** with the auditor of the county in which the real property is located. The statement must be filed during the twelve (12) months before May 11 of each year for which the person wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. In addition to the statement required by this subsection, a contract buyer who desires to claim the deduction must submit a copy of the recorded contract or recorded memorandum of the contract, which must contain a legal description sufficient to meet the requirements of IC 6-1.1-5, with the first statement that the buyer files under this section with respect to a particular parcel of real property. Upon receipt of the statement and the recorded contract or recorded memorandum of the contract, the county auditor shall assign a separate description and identification number to the parcel of real property being sold under the contract.

(b) The statement referred to in subsection (a) must be verified under penalties for perjury, and the statement must contain the following information:

(1) The balance of the person's mortgage or contract indebtedness on the assessment date of the year for which the deduction is claimed.

(2) The assessed value of the real property.

(3) The full name and complete residence address of the person and of the mortgagee or contract seller.

(4) The name and residence of any assignee or bona fide owner or holder of the mortgage or contract, if known, and if not known, the person shall state that fact.

(5) The record number and page where the mortgage, contract, or memorandum of the contract is recorded.

Copy

(6) A brief description of the real property which is encumbered by the mortgage or sold under the contract.

(7) If the person is not the sole legal or equitable owner of the real property, the exact share of the person's interest in it.

(8) The name of any other county in which the person has applied for a deduction under this section and the amount of deduction claimed in that application.

(c) The authority for signing a deduction application filed under this section may not be delegated by the real property owner or contract buyer to any person except upon an executed power of attorney. The power of attorney may be contained in the recorded mortgage, contract, or memorandum of the contract, or in a separate instrument.

SECTION 102. IC 6-1.1-12-10.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10.1. (a) Except as provided in section 17.8 of this chapter, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** with the auditor of the county in which the real property or mobile home is located. With respect to real property, the statement must be filed during the twelve (12) months before May 11 of each year for which the individual wishes to obtain the deduction. With respect to a mobile home which is not assessed as real property, the statement must be filed between January 15 and March 31, inclusive of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property or a mobile home, or both, subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

(1) the source and exact amount of gross income received by the individual and his spouse during the preceding calendar year;

(2) the description and assessed value of the real property or mobile home;

(3) the individual's full name and his complete residence address;

(4) the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property or mobile home on contract; and

(5) any additional information which the ~~state board of tax~~

Copy

~~commissioners~~ **department of state revenue** may require.

(c) In order to substantiate his deduction statement, the applicant shall submit for inspection by the county auditor a copy of his and a copy of his spouse's income tax returns for the preceding calendar year. If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction statement.

SECTION 103. IC 6-1.1-12-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** with the auditor of the county in which the real property is located. The application must be filed during the twelve (12) months before May 11 of each year for which the individual wishes to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

(1) the records of a county office of family and children, the division of family and children, or the division of disability, aging, and rehabilitative services; or

(2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property on a contract that provides that he is to pay property taxes on the real property.

SECTION 104. IC 6-1.1-12-17.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 17.5. (a) Except as provided in section 17.8 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter must file a sworn statement, on forms prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** with the auditor of the county in which the real property is assessed. The veteran must file the statement during the twelve (12) months before May 11 of each year for which he wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a

C o p y

contract, real property in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

(1) a description and the assessed value of the real property;

(2) the veteran's full name and his complete residence address;

(3) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property on a contract that provides that he is to pay property taxes on the real property; and

(4) any additional information which the ~~state board of tax commissioners~~ **department of state revenue** may require.

SECTION 105. IC 6-1.1-12-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 20. (a) A property owner who desires to obtain the deduction provided by section 18 of this chapter must file a certified deduction application, on forms prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** with the auditor of the county in which the rehabilitated property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b) of this section, the application must be filed before May 10 of the year in which the addition to assessed value is made.

(b) If notice of the addition to assessed value for any year is not given to the property owner before April 10 of that year, the 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 township assessor.

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

(1) a description of the property for which a deduction is claimed in sufficient detail to afford identification;

(2) statements of the ownership of the property;

(3) the assessed value of the improvements on the property before rehabilitation;

(4) the number of dwelling units on the property;

(5) the number of dwelling units rehabilitated;

(6) the increase in assessed value resulting from the rehabilitation; and

(7) the amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the increase in assessed value occurs and for the immediately following four (4) years without any additional application being filed.

C o p y

(e) On verification of an application by the assessor of the township in which the property is located, the county auditor shall make the deduction.

SECTION 106. IC 6-1.1-12-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 24. (a) A property owner who desires to obtain the deduction provided by section 22 of this chapter must file a certified deduction application, on forms prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** with the auditor of the county in which the property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b) of this section, the 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 for any year is not given to the property owner before April 10 of that year, the 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 township assessor.

(c) The application required by this section shall 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 on the property before rehabilitation;

(4) the increase in the assessed value of improvements resulting from the rehabilitation; and

(5) the amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the addition to assessed value is made and in the immediate following four (4) years without any additional application being filed.

(e) On verification of the correctness of an application by the assessor of the township in which the property is located, the county auditor shall make the deduction.

SECTION 107. IC 6-1.1-12-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 26. (a) The owner of real property, or a mobile home which is not assessed as real property, which is equipped with a solar energy heating or cooling system may have deducted annually from the assessed value of the real property or mobile home an amount which is equal to the remainder of

C o p y

(1) the assessed value of the real property or mobile home with the solar energy heating or cooling system included, minus (2) the assessed value of the real property or mobile home without the system.

(b) The ~~state board of tax commissioners~~ **department of state revenue** shall promulgate rules and regulations for determining the value of a solar energy heating or cooling system. The rules and regulations must provide the method of determining the value on the basis of:

(1) the cost of the system components that are unique to the system and that are needed to collect, store, or distribute solar energy; and

(2) any other factor that is a just and proper indicator of value.

SECTION 108. IC 6-1.1-12-27.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 27.1. Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 26 of this chapter must file a certified statement in duplicate, on forms prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement during the twelve (12) months before May 11 of each year for which he desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement between January 15 and March 31, inclusive, of each year for which he desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction

SECTION 109. IC 6-1.1-12-28.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 28.5. (a) For purposes of this section:

"Hazardous waste" has the meaning set forth in IC 13-11-2-99(a) and includes a waste determined to be a hazardous waste under IC 13-22-2-3(b).

"Resource recovery system" means tangible property directly used to dispose of solid waste or hazardous waste by converting it into energy or other useful products.

"Solid waste" has the meaning set forth in IC 13-11-2-205(a) but does not include dead animals or any animal solid or semisolid wastes.

(b) Except as provided in this section, the owner of a resource recovery system is entitled to an annual deduction in an amount equal

C o p y

to ninety-five percent (95%) of the assessed value of the system if:

(1) the system was certified by the department of environmental management for the 1993 assessment year or a prior assessment year; and

(2) the owner filed a timely application for the deduction for the 1993 assessment year.

For purposes of this section, a system includes tangible property that replaced tangible property in the system after the certification by the department of environmental management.

(c) The owner of a resource recovery system 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 any 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 upon 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.

(d) The certification of a resource recovery system by the department of environmental management for the 1993 assessment year or a prior assessment year is valid through the 1997 assessment year so long as the property is used as a resource recovery system. If the property is no longer used for the purpose for which the property was used when the property was certified, the owner of the property shall notify the county auditor. However, the deduction from the assessed value of the system is:

(1) ninety-five percent (95%) for the 1994 assessment year;

(2) ninety percent (90%) for the 1995 assessment year;

(3) seventy-five percent (75%) for the 1996 assessment year; and

(4) sixty percent (60%) for the 1997 assessment year.

Notwithstanding this section as it existed before 1995, for the 1994 assessment year, the portion of any tangible property comprising a resource recovery system that was assessed and first deducted for the 1994 assessment year may not be deducted for property taxes first due and payable in 1995 or later.

(e) In order to qualify for a deduction under this section, the person who desires to claim the deduction must file an application with the county auditor after February 28 and before May 16 of the current assessment year unless the person has been granted an extension under IC 6-1.1-3-7. If the person has been granted an extension, the person

Copy

must file the application after February 28 and before June 15 of the current assessment year. An application must be filed in each year for which the person desires to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. If the application is not filed before the applicable deadline under this subsection, the deduction is waived. The application must be filed on a form prescribed by the ~~state board of tax commissioners.~~ **department of state revenue.** The application for a resource recovery system deduction must include:

(1) a certification by the department of environmental management for the 1993 assessment year or a prior assessment year as described in subsection (d); or

(2) the certification by the department of environmental management for the 1993 assessment year as described in subsection (g).

Beginning with the 1995 assessment year a person must also file an itemized list of all property on which a deduction is claimed. The list must include the date of purchase of the property and the cost to acquire the property.

(f) Before July 1, 1995, the department of environmental management shall transfer all the applications, records, or other material the department has with respect to resource recovery system deductions under this section for the 1993 and 1994 assessment years. The township assessor shall verify each deduction application filed under this section and the county auditor shall determine the deduction. The county auditor shall send to the ~~state board of tax commissioners~~ **department of state revenue** a copy of each deduction application. The county auditor shall notify the county property tax assessment board of appeals of all deductions allowed under this section. A denial of a deduction claimed under this subsection may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor or the county auditor.

(g) Notwithstanding subsection (d), the certification for the 1993 assessment year of a resource recovery system in regard to which a political subdivision is liable for the payment of the property taxes remains valid at the ninety-five percent (95%) deduction level allowed before 1994 as long as the political subdivision remains liable for the payment of the property taxes on the system.

SECTION 110. IC 6-1.1-12-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 30. Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 29 of this chapter must file a certified

C o p y

statement in duplicate, on forms prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement between March 1 and May 10, inclusive, of each year for which he desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement between January 15 and March 31, inclusive, of each year for which he desires to obtain the deduction. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.

SECTION 111. IC 6-1.1-12-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 35. (a) Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 31, 33, or 34 of this chapter must file a certified statement in duplicate, on forms prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** and proof of certification under subsection (b) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under IC 6-1.1-7, the person must file the statement between March 1 and May 10, inclusive, of the assessment year. The person must file the statement in each year for which he desires to obtain the deduction. With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement between January 15 and March 31, inclusive, of each year for which he desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, the county auditor shall allow the deduction.

(b) The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 31, 33, or 34 of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) If the department of environmental management receives an application for certification before April 10 of the assessment year, the

C o p y

department shall determine whether the system or device qualifies for a deduction before May 10 of the assessment year. If the department fails to make a determination under this subsection before May 10 of the assessment year, the system or device is considered certified.

(d) A denial of a deduction claimed under section 31, 33, or 34 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor, county property tax assessment board of appeals, or ~~state board of tax commissioners.~~ **department of state revenue.**

(e) A person who timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year and who desires to claim the deduction provided in section 31 of this chapter for property that is not assessed under IC 6-1.1-7 must file the statement described in subsection (a) between March 1 and May 15, inclusive, of that year. A person who obtains a filing extension under IC 6-1.1-3-7(b) for an assessment year must file the application between March 1 and June 14, inclusive, of that year.

SECTION 112. IC 6-1.1-12-38 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 38. (a) A person is entitled to a deduction from the assessed value of the person's property in an amount equal to the difference between:

(1) the assessed value of the person's property, including the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11; minus

(2) the assessed value of the person's property, excluding the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11.

(b) To obtain the deduction under this section, a person must file a certified statement in duplicate, on forms prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** with the auditor of the county in which the property is subject to assessment. In addition to the certified statement, the person must file a certification by the state chemist listing the improvements that were made to comply with the fertilizer storage rules adopted under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11. The statement and certification must be filed before May 10 of the year preceding the year the deduction will first be applied. Upon the verification of the statement and certification by the assessor of the

C o p y

township in which the property is subject to assessment, the county auditor shall allow the deduction.

SECTION 113. IC 6-1.1-12.1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: 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 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~~ **department of state revenue** 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) 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

Copy

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

SECTION 114. IC 6-1.1-12.1-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: 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~~ **department of state revenue** 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

Copy

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,~~ **department of state revenue,** 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.

(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

C o p y

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) 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

Copy

value of all of the personal property of the owner in the taxing district in which the equipment is located (excluding personal property that is assessed as construction in process) to be less than the assessed value of all of the personal property of the owner in that taxing district (excluding personal property that is assessed as construction in process) in the immediately preceding year.

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

(h) 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.~~ **department of state revenue.** A certified copy of the resolution shall be sent to the county auditor and the ~~state board of tax commissioners.~~ **department of state revenue.**

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 115. IC 6-1.1-12.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: 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,~~ **department of state revenue,** with the auditor of the county in which the property is located. Except

Copy

as otherwise provided in subsection (b) or (e), 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 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

C o p y

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:

(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 116. IC 6-1.1-12.1-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: 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~~ **department of state revenue** with:

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

(2) the ~~state board of tax commissioners.~~ **department of state revenue.**

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

Copy

is installed must file the application between March 1 and May 15 of that year. A person that obtains a filing extension under IC 6-1.1-3-7(b) for the year in which the new manufacturing equipment is installed must file the application between 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~~ **department of state revenue** 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

C o p y

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'~~ **department of state revenue's** final determination, the person must do all of the following not more than forty-five (45) days after the ~~state board of tax commissioners~~ **department of state revenue** gives the person notice of the final determination:

(1) File a written notice with the ~~state board of tax commissioners~~ **department of state revenue** informing the ~~board~~ **department** 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 117. IC 6-1.1-12.1-5.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5.8. In lieu of providing the statement of benefits required by section 3 or 4.5 of this chapter and the additional information required by section 5.1 or 5.6 of this chapter, the designating body may, by resolution, waive the statement of benefits if the designating body finds that the purposes of this chapter are served by allowing the deduction and the property owner has, during the thirty-six (36) months preceding the first assessment date to which the waiver would apply, installed new manufacturing equipment or developed or rehabilitated property at a cost of at least ten million dollars ($10,000,000) as determined by the ~~state board of tax commissioners.~~ **department of state revenue.**

SECTION 118. IC 6-1.1-12.1-5.9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: 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 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:

C o p y

(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.~~ **department of state revenue.**

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

C o p y

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.

SECTION 119. IC 6-1.1-12.1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. (a) No later than December 31 of each year, the county auditor shall publish the following in a newspaper of general interest and readership and not one of limited subject matter:

(1) A list of the approved deduction applications that were filed under this chapter during that year. The list must contain the following:

(A) The name and address of each person approved for or receiving a deduction that was filed for during the year.

(B) The amount of each deduction that was filed for during the year.

(C) The number of years for which each deduction that was filed for during the year will be available.

(D) The total amount for all deductions that were filed for and granted during the year.

(2) The total amount of all deductions for real property that were in effect under section 3 of this chapter during the year.

(3) The total amount of all deductions for new manufacturing equipment that were in effect under section 4.5 of this chapter during the year.

(b) The county auditor shall file the information described in subsection (a)(2) and (a)(3) with the ~~state board of tax commissioners~~ **department of state revenue** not later than December 31 of each year.

SECTION 120. IC 6-1.1-13-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. A county property tax assessment board of appeals shall correct any errors in the names of persons, in the description of tangible property, and in the assessed

C o p y

valuation of tangible property appearing on the assessment lists. In addition, the board shall do whatever else may be necessary to make the assessment lists and returns comply with the provisions of this article and the rules and regulations of the ~~state board of tax commissioners.~~ **department of state revenue.**

SECTION 121. IC 6-1.1-13-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12. If a taxpayer's personal property return for a year substantially complies with the provisions of this article and the regulations of the ~~state board of tax commissioners,~~ **department of state revenue,** the county property tax assessment board of appeals may change the assessed value claimed by the taxpayer on the return only within the time period prescribed in IC 6-1.1-16-1.

SECTION 122. IC 6-1.1-14-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. Each county assessor shall transmit to the ~~state board of tax commissioners~~ **department of state revenue** each business personal property return which the township assessor is required to deliver to the county assessor under IC 1971, 6-1.1-3-18(b) and any supporting data supplied by the taxpayer with the return. The return and supporting data shall be transmitted to the ~~board~~ **department** on or before the time prescribed by the board.

SECTION 123. IC 6-1.1-14-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. Each year the ~~state board of tax commissioners~~ **department of state revenue** shall review the business personal property tax returns of taxpayers who report a total assessed value of fifteen thousand dollars ($15,000) or more. The ~~board~~ **department** shall determine the returns in which the assessment appears to be improper.

SECTION 124. IC 6-1.1-14-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. The ~~state board of tax commissioners~~ **department of state revenue** shall review the assessments of all tangible property made by the various counties of this state. If the board determines that the assessment of a county appears to be improper, the ~~board~~ **department** shall mail a certified notice to the auditor of the county informing him of the ~~board's~~ **department's** determination to consider the modification of that county's assessment. The notice shall state whether the modification to be considered is related to real property, personal property, or both. The notice shall also state a day, at least ten (10) days after the day the notice is mailed, when a hearing on the assessment will be held. In addition to the notice to the county auditor, the ~~board~~ **department** shall

C o p y

give the notice, if any, required under section 9(a) of this chapter.

SECTION 125. IC 6-1.1-14-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) After holding the hearings referred to in section 4 of this chapter, the ~~state board of tax commissioners~~ **department of state revenue** shall, in order to equalize assessed values in any county or in the state as a whole, issue an order increasing or decreasing assessed values of any tangible property if the ~~board~~ **department** finds:

(1) that the assessed values in any county are not uniform and equal as to townships, portions of the same township, or classes of property; or

(2) that the assessed values in this state are not uniform and equal either as between counties or as to classes of property.

(b) The ~~state board of tax commissioners~~ **department of state revenue** may not issue an equalization order to increase or decrease assessed values under this section more than twelve (12) months after the county estimates of assessed valuation required under IC 6-1.1-17-1 are filed with the ~~board.~~ **department.**

(c) If the ~~state board of tax commissioners~~ **department of state revenue** issues an equalization order under this section, the ~~board~~ **department** shall state in the order the percentage to be added to or deducted from the assessed value of the tangible property affected by the order.

(d) In issuing an equalization order under this section, the ~~state board of tax commissioners~~ **department of state revenue** may not reduce or increase the aggregate assessed values of any township beyond the amounts actually necessary for a just and proper equalization of assessments within the entire state.

SECTION 126. IC 6-1.1-14-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. If the ~~state board of tax commissioners~~ **department of state revenue** issues an equalization order under section 5 of this chapter, the ~~board~~ **department** shall mail certified copies of the order to the auditor and the sheriff of each county affected by the order. The ~~board~~ **department** shall mail the copies within five (5) days after the equalization order is adopted. Each county sheriff shall immediately post a copy of the equalization order in ~~he~~ **the** county courthouse at the place customarily used for posting public notices. If the ~~board~~ **department** issues an equalization order under section 5 of this chapter, the ~~board~~ **department** shall also give the notice required under section 9(b) of this chapter.

SECTION 127. IC 6-1.1-14-7 IS AMENDED TO READ AS

Copy

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. The county assessor, a township assessor, or ten (10) or more taxpayers who are affected by an equalization order issued under section 5 of this chapter may file a petition for review of the order with the county assessor of the county to which the equalization order is issued. The petition must be filed within ten (10) days after notice of the order is given under section 9 of this chapter. The petition shall set forth, in the form and detail prescribed by the ~~state board of tax commissioners,~~ **department of state revenue** the objections to the equalization order.

SECTION 128. IC 6-1.1-14-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. (a) If a petition for review of an equalization order is filed with a county auditor under section 7 of this chapter, the county auditor shall immediately mail a certified copy of the petition and any information relevant to the petition to the ~~state board of tax commissioners.~~ **department of state revenue.** Within a reasonable period of time, the ~~state board of tax commissioners~~ **department of state revenue** shall fix a date for a hearing on the petition. The hearing shall be held in the county to which the equalization order has been directed. At least three (3) days before the date fixed for the hearing, the board shall give notice of the hearing by mail to the township and county assessors whose assessments are affected by the order and to the first ten (10) taxpayers whose names appear on the petition for review at the addresses listed by those taxpayers on the petition. In addition, the ~~board~~ **department** shall give the notice, if any, required under section 9(a) of this chapter.

(b) After the hearing required by subsection (a) of this section, the ~~state board of tax commissioners~~ **department of state revenue** may affirm, modify, or set aside its equalization order. The ~~board~~ **department** shall certify its action with respect to the order to the county auditor. The county auditor shall immediately make any changes in the assessed values required by the ~~board's~~ **department's** action.

SECTION 129. IC 6-1.1-14-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. (a) If a hearing is required under section 4 or section 8 of this chapter, the ~~state board of tax commissioners~~ **department of state revenue** shall give notice to the taxpayers of each county for which the ~~board~~ **department** is to consider an increase in the assessments. The notice shall state the time, place, and object of the public hearing on the assessments. The ~~board~~ **department** shall give the notice in the manner prescribed in subsection (c) of this section.

(b) If an equalization order is issued under section 5 of this chapter,

C o p y

the ~~state board of tax commissioners~~ **department of state revenue** shall give notice of the order to the taxpayers of each county to which the order is directed. The ~~board~~ **department** shall give the notice in the manner provided in subsection (c) of this section. The notice required by this subsection is in lieu of the notices required by IC 1971, 6-1.1-3-13 or IC 1971, 6-1.1-4-22.

(c) A notice required by this section shall be published once in:

(1) two (2) newspapers of general circulation published in the county; or

(2) one (1) newspaper of general circulation published in the county if two (2) newspapers of general circulation are not published in the county.

However, if there are no newspapers of general circulation published in the county, the notice shall be given by posting a statement of the time, place, and object of the hearing in the county courthouse at the usual place for posting public notices. The published or posted notice of a hearing shall be given at least ten (10) days before the time fixed for the hearing.

SECTION 130. IC 6-1.1-14-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. The ~~state board of tax commissioners~~ **department of state revenue** may at any time review the assessment or reassessment of any tangible property and may reassess the property. However, any change in an assessment is subject to the requirements and limitations prescribed in section 11 of this chapter.

SECTION 131. IC 6-1.1-14-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. The ~~state board of tax commissioners~~ **department of state revenue** shall give notice by mail to a taxpayer whose assessment is to be reviewed under section 10 of this chapter. The notice shall state the time, place, and object of a hearing on the assessment. The time fixed for the hearing must be at least ten (10) days after the day the notice is mailed. After the hearing, the ~~state board of tax commissioners~~ **department of state revenue** shall assess the property in question and mail a certified notice of its final determination to the appropriate county auditor. In addition, the ~~board~~ **department** shall notify the taxpayer by mail of its final determination. However, an assessment or reassessment may not be made under this section unless notice of the ~~board's~~ **department's** final determination is given to the taxpayer within the same time period prescribed, in section 3 or section 4 of IC 1971, 6-1.1-9, for giving an assessment adjustment notice.

SECTION 132. IC 6-1.1-15-1 IS AMENDED TO READ AS

C o p y

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. (a) A taxpayer may obtain a review by the county property tax assessment board of appeals of a county or township official's action with respect to the assessment of the taxpayer's tangible property if the official's action requires the giving of notice to the taxpayer. At the time that notice is given to the taxpayer, he shall also be informed in writing of:

(1) his opportunity for review under this section; and

(2) the procedures he must follow in order to obtain review under this section.

(b) In order to appeal a current assessment and have a change in the assessment effective for the most recent assessment date, the taxpayer must file a petition with the assessor of the county in which the action is taken:

(1) within forty-five (45) days after notice of a change in the assessment is given to the taxpayer; or

(2) May 10 of that year;

whichever is later. The county assessor shall notify the county auditor that the assessment is under appeal.

(c) A change in an assessment made as a result of an appeal filed:

(1) in the same year that notice of a change in the assessment is given to the taxpayer; and

(2) after the time prescribed in subsection (b);

becomes effective for the next assessment date.

(d) A taxpayer may appeal a current real estate assessment in a year even if the taxpayer has not received a notice of assessment in the year. If an appeal is filed on or before May 10 of a year in which the taxpayer has not received notice of assessment, a change in the assessment resulting from the appeal is effective for the most recent assessment date. If the appeal is filed after May 10, the change becomes effective for the next assessment date.

(e) The ~~state board of tax commissioners~~ **department of state revenue** shall prescribe the form of the petition for review of an assessment determination by a township assessor. The ~~board~~ **department** shall issue instructions for completion of the form. The form and the instructions must be clear, simple, and understandable to the average individual. An appeal of such a determination must be made on the form prescribed by the ~~board.~~ **department.** The form must require the petitioner to specify the following:

(1) The physical characteristics of the property in issue that bear on the assessment determination.

(2) All other facts relevant to the assessment determination.

(3) The reasons why the petitioner believes that the assessment

C o p y

determination by the township assessor is erroneous.

(f) The ~~state board of tax commissioners~~ **department of state revenue** shall prescribe a form for a response by the township assessor to the petition for review of an assessment determination. The ~~board~~ **department** shall issue instructions for completion of the form. The form must require the township assessor to indicate:

(1) agreement or disagreement with each item indicated on the petition under subsection (e); and

(2) the reasons why the assessor believes that the assessment determination is correct.

(g) Immediately upon receipt of a timely filed petition on the form prescribed under subsection (e), the county assessor shall forward a copy of the petition to the township assessor who made the challenged assessment. The township assessor shall, within thirty (30) days after the receipt of the petition, attempt to hold a preliminary conference with the petitioner and resolve as many issues as possible. Within ten (10) days after the conference, the township assessor shall forward to the county auditor and county assessor a completed response to the petition on the form prescribed under subsection (f). The county assessor shall immediately forward a copy of the response form to the petitioner and the county property tax assessment board of appeals. If the county auditor determines that the appealed items on which there is disagreement constitute at least one percent (1%) of the total gross certified assessed value of the immediately preceding year for any particular unit, the county auditor shall immediately notify the fiscal officer of the unit. If after the conference there are items listed in the petition on which there is disagreement, the property tax assessment board of appeals shall hold a hearing within ninety (90) days of the filing of the petition on those items of disagreement. The taxpayer may present the taxpayer's reasons for disagreement with the assessment. The township assessor or county assessor for the county must present the basis for the assessment decision on these items to the board of appeals at the hearing and the reasons the petitioner's appeal should be denied on those items. The board of appeals shall have a written record of the hearing and prepare a written statement of findings and a decision on each item within sixty (60) days of the hearing. If the township assessor does not attempt to hold a preliminary conference, the board shall accept the appeal of the petitioner at the hearing.

SECTION 133. IC 6-1.1-15-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2.1. (a) The county property tax assessment board of appeals may assess the tangible property in question.

Copy

(b) The county property tax assessment board of appeals shall, by mail, give notice of the date fixed for the hearing under section 1 of this chapter to the petitioner, and to the township assessor.

(c) If a petition for review does not comply with the ~~state board of tax commissioners'~~ **department of state revenue's** instructions for completing the form prescribed under section 1(e) of this chapter, the county assessor shall return the petition to the petitioner and include a notice describing the defect in the petition. The petitioner then has thirty (30) days from the date on the notice to cure the defect and file a corrected petition or statement with the county assessor that the petitioner believes the petition is not defective. If a statement is filed or the county assessor believes a corrected petition is not in compliance with section 1(e) of this chapter, the assessor shall forward the statement or corrected petition to the county property tax assessment board of appeals. Within ten (10) days after receiving the statement or petition, the county property tax assessment board of appeals shall determine if the original or corrected petition is still not in compliance. The county property tax assessment board of appeals shall deny an original or a corrected petition for review if it does not substantially comply with the ~~state board of tax commissioners'~~ **department of state revenue's** instructions for completing the form prescribed under section 1(e) of this chapter.

(d) The ~~state board of tax commissioners~~ **department of state revenue** shall prescribe a form for use by the county property tax assessment board of appeals in processing petitions for review of assessment determinations. The ~~state board~~ **department** shall issue instructions for completion of the form. The form must require the county property tax assessment board of appeals to include a record of the hearing, findings on each item, and indicate agreement or disagreement with each item that is:

(1) indicated on the petition submitted under section 1(e) of this chapter; and

(2) included in the township assessor's response under section 1(g) of this chapter.

The form must also require the county property tax assessment board of appeals to indicate the issues in dispute for each item and its reasons in support of its resolution of those issues.

(e) After the hearing the county property tax assessment board of appeals shall, by mail, give notice of its determination to the petitioner, the township assessor, and the county assessor and shall include with the notice copies of the forms completed under subsection (d).

SECTION 134. IC 6-1.1-15-5 IS AMENDED TO READ AS

C o p y

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. ~~(a) Within fifteen (15) days after the division of appeals of the state board of tax commissioners gives notice of its final determination under section 4 of this chapter to the party or the maximum allowable time for the issuance of a determination by the division of appeals under section 4 of this chapter expires, a party to the proceeding may request a rehearing before the board. The board may conduct a rehearing and affirm or modify its final determination, giving the same notices after the rehearing as are required by section 4 of this chapter. The state board of tax commissioners has thirty (30) days after receiving a petition for a rehearing to determine whether to grant a rehearing. Failure to grant a rehearing within thirty (30) days after receiving the petition shall be treated as a final determination to deny the petition. A petition for a rehearing does not toll the time in which to file a petition for judicial review unless the petition for rehearing is granted. If the state board of tax commissioners determines to rehear a final determination of the division of appeals, the state board of tax commissioners:~~

~~(1) may conduct the additional hearings that the state board of tax commissioners determines necessary or review the written record of the division of appeals without additional hearings; and~~

~~(2) shall issue a final determination within ninety (90) days after notifying the parties that the state board of tax commissioners will rehear the determination.~~

~~Failure of the state board of tax commissioners to make a determination within the time allowed under subdivision (2) shall be treated as a final determination affirming the decision of the division of appeals.~~

~~(b)~~ **(a)** A person may appeal the final determination of the division of appeals or ~~the state board of tax commissioners~~ **county property tax assessment board of appeals** regarding the assessment of that person's tangible property. The appeal shall be taken to the tax court. Appeals may be consolidated at the request of the appellants if it can be done in the interest of justice.

~~(c)~~ **(b)** If a person desires to initiate an appeal of the ~~state board of tax commissioners'~~ **county property tax assessment board of appeals'** final determination, the person shall:

(1) file a written notice with the ~~state board of tax commissioners~~ **county property tax assessment board of appeals** informing the board of his intention to appeal;

(2) file a complaint in the tax court; and

(3) serve the attorney general and the county assessor with a copy of the complaint.

Copy

~~(d)~~ **(c)** To initiate an appeal under this section, a person must take the action required by subsection (c) within:

(1) forty-five (45) days after the ~~state board of tax commissioners~~ **department of state revenue** gives the person notice of its final determination under IC 6-1.1-14-11; ~~unless a rehearing is conducted under subsection (a);~~ **or**

(2) thirty (30) days after the ~~board~~ **county property tax assessment board of appeals** gives the person notice under ~~subsection (a)~~ **section 2.1 of this chapter** of its final determination. ~~if a rehearing is conducted under subsection (a) or the maximum time elapses for the state board of tax commissioners to make a determination under this section; or~~

~~(3) forty-five (45) days after the division of appeals gives notice of a final determination under section 4 of this chapter or the division fails to make a determination within the maximum time allowed under section 4 of this chapter, if a rehearing is not granted under this section.~~

~~(e) The failure of the state board of tax commissioners to conduct a hearing within the time period prescribed in section 4(b) of this chapter does not constitute notice to the person of a board determination.~~

~~(f)~~ **(d)** In a case in which the final determination of the ~~state board of tax commissioners~~ **department of state revenue under IC 6-1.1-14-11 or the county property tax assessment board of appeals** would result in a claim by a taxpayer with respect to a particular year for a refund that exceeds:

(1) eight hundred thousand dollars ($800,000); or

(2) an amount equal to ten percent (10%) of the aggregate tax levies of all taxing units in the county for that year;

whichever is less, the county executive may take an appeal to the tax court in the manner prescribed in this section, but only upon request by the county assessor.

SECTION 135. IC 6-1.1-15-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. If an appeal is initiated by a person under section 5 of this chapter, the ~~secretary of the state board of tax commissioners~~ **county property tax assessment board of appeals** shall prepare a certified transcript of the proceedings related to the appeal. However, the transcript shall not include the evidence compiled by the board with respect to the proceedings. The ~~secretary of the board~~ **county assessor** shall transmit the transcript to the clerk of the court designated by the appellant.

SECTION 136. IC 6-1.1-15-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. (a) If a final

Copy

determination by the ~~state board of tax commissioners~~ **department of state revenue or a county property tax assessment board of appeals** regarding the assessment of any tangible property is vacated, set aside, or adjudged null and void under the finding, decision, or judgment of the Indiana tax court, the matter of the assessment of the property shall be remanded to the ~~state board of tax commissioners~~ **department of state revenue or county property tax assessment board of appeals** for reassessment and further proceedings as specified in the decision of the tax court. Upon remand the ~~state board of tax commissioners~~ **department of state revenue or the county property tax assessment board of appeals** may take action only on those issues specified in the decision of the tax court.

(b) The ~~state board of tax commissioners~~ **department of state revenue or the county property tax assessment board of appeals** shall take action on a case remanded to it by the tax court not later than ninety (90) days after the date the decision of the tax court is rendered, unless an appeal is filed with the supreme court as provided in IC 33-3-5-15. The ~~state board of tax commissioners~~ **department of state revenue or the county property tax assessment board of appeals** may petition the tax court at any time for an extension of the ninety (90) day period. An extension shall be granted upon a showing of reasonable cause.

(c) The taxpayer in a case remanded under subsection (a) may petition the tax court for an order requiring the ~~state board of tax commissioners~~ **department of state revenue or the county property tax assessment board of appeals** to show cause why action has not been taken pursuant to the tax court's decision if:

(1) at least ninety (90) days have elapsed since the tax court's decision was rendered;

(2) the ~~state board of tax commissioners~~ **department of state revenue or the county property tax assessment board of appeals** has not taken action on the issues specified in the tax court's decision; and

(3) an appeal of the tax court's decision has not been filed.

(d) If a case remanded under subsection (a) is appealed to the supreme court as provided in IC 33-3-5-15, the ninety (90) day period provided in subsection (b) is tolled until the supreme court concludes the appeal.

SECTION 137. IC 6-1.1-15-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. (a) If tangible property is reassessed by the ~~state board of tax commissioners~~ **department of state revenue or county property tax assessment**

C o p y

board of appeals under section 8 of this chapter, the owner of the property has a right to appeal the ~~board's~~ final determination of the reassessment. In a case meeting the requirements of section 5(f)(1) or 5(f)(2) of this chapter, the county executive also has a right to appeal the ~~board's~~ final determination of the reassessment, but only upon request by the county assessor.

(b) An appeal under this section must be initiated in the manner prescribed in section 5 of this chapter.

SECTION 138. IC 6-1.1-15-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. (a) If a petition for review to ~~any board~~ **the county property tax assessment board of appeals** or an appeal to the tax court regarding an assessment or increase in assessment is pending, the taxes resulting from the assessment or increase in assessment are, notwithstanding the provisions of IC 6-1.1-22-9, not due until after the petition for review, or the appeal, is finally adjudicated and the assessment or increase in assessment is finally determined. However, even though a petition for review or an appeal is pending, the taxpayer shall pay taxes on the tangible property when the property tax installments come due, unless the collection of the taxes is enjoined pending an original tax appeal under IC 33-3-5. The amount of taxes which the taxpayer is required to pay, pending the final determination of the assessment or increase in assessment, shall be based on:

(1) the assessed value reported by the taxpayer on his personal property return if a personal property assessment, or an increase in such an assessment, is involved; or

(2) an amount based on the immediately preceding year's assessment of real property if an assessment, or increase in assessment, of real property is involved.

(b) If the petition for review or the appeal is not finally determined by the last installment date for the taxes, the taxpayer, upon showing of cause by a taxing official or at the tax court's discretion, may be required to post a bond or provide other security in an amount not to exceed the taxes resulting from the contested assessment or increase in assessment.

(c) Each county auditor shall keep separate on the tax duplicate a record of that portion of the assessed value of property on which a taxpayer is not required to pay taxes under subsection (a). When establishing rates and calculating state school support, the ~~state board of tax commissioners~~ **department of state revenue** shall recognize the fact that a taxpayer is not required to pay taxes under certain circumstances.

C o p y

SECTION 139. IC 6-1.1-15-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. If a review or appeal authorized under this chapter results in a reduction of the amount of an assessment or if the ~~state board of tax commissioners~~ **department of state revenue or a county property tax assessment board of appeals** on its own motion reduces an assessment, the taxpayer is entitled to a credit in the amount of any overpayment of tax on the next successive tax installment, if any, due in that year. If, after the credit is given, a further amount is due the taxpayer, he may file a claim for the amount due. If the claim is allowed by the board of county commissioners, the county auditor shall, without an appropriation being required, pay the amount due the taxpayer. The county auditor shall charge the amount refunded to the taxpayer against the accounts of the various taxing units to which the overpayment has been paid.

SECTION 140. IC 6-1.1-15-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12. (a) Subject to the limitations contained in subsections (c) and (d), a county auditor shall correct errors which are discovered in the tax duplicate for any one (1) or more of the following reasons:

(1) The description of the real property was in error.

(2) The assessment was against the wrong person.

(3) Taxes on the same property were charged more than one (1) time in the same year.

(4) There was a mathematical error in computing the taxes or penalties on the taxes.

(5) There was an error in carrying delinquent taxes forward from one (1) tax duplicate to another.

(6) The taxes, as a matter of law, were illegal.

(7) There was a mathematical error in computing an assessment.

(8) Through an error of omission by any state or county officer the taxpayer was not given credit for an exemption or deduction permitted by law.

(b) The county auditor shall correct an error described under subsection (a)(1), (a)(2), (a)(3), (a)(4), or (a)(5) when he finds that the error exists.

(c) If the tax is based on an assessment made or determined by the ~~state board of tax commissioners,~~ **department of state revenue,** the county auditor shall not correct an error described under subsection (a)(6), (a)(7), or (a)(8) until after the correction is either approved by the ~~state board~~ **department** or ordered by the tax court.

(d) If the tax is not based on an assessment made or determined by the ~~state board of tax commissioners,~~ **department of state revenue,**

Copy

the county auditor shall correct an error described under subsection (a)(6), (a)(7), or (a)(8) only if the correction is first approved by at least two (2) of the following officials:

(1) The township assessor.

(2) The county auditor.

(3) The county assessor.

If two (2) of these officials do not approve such a correction, the county auditor shall refer the matter to the county property tax assessment board of appeals for determination. The county property tax assessment board of appeals shall provide a copy of the determination to the taxpayer and to the county auditor. **A determination by the county property tax assessment board of appeals under this subsection is final.**

~~(e) A taxpayer may appeal a determination of the county property tax assessment board of appeals to the division of appeals of the state board of tax commissioners for a final administrative determination. An appeal under this section shall be conducted in the same manner as appeals under sections 4 through 8 of this chapter. The state board of tax commissioners shall send the final administrative determination to the taxpayer, the county auditor, the county assessor, and the township assessor.~~

~~(f)~~ **(e)** If a correction or change is made in the tax duplicate after it is delivered to the county treasurer, the county auditor shall transmit a certificate of correction to the county treasurer. The county treasurer shall keep the certificate as the voucher for settlement with the county auditor.

SECTION 141. IC 6-1.1-15-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 14. In any assessment review the assessing official, the county assessor, and the members of a county property tax assessment board of appeals shall:

(1) use the ~~state board of tax commissioners'~~ **department of state revenue's** rules in effect; and

(2) consider the conditions and circumstances of the property as they existed;

on the original assessment date of the property under review.

SECTION 142. IC 6-1.1-15-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 15. A class action suit against the ~~state board of tax commissioners~~ **department of state revenue** may not be maintained in any court, including the Indiana tax court, on behalf of a person who has not complied with the requirements of this chapter or IC 6-1.1-26 before the certification of the class.

C o p y

SECTION 143. IC 6-1.1-16-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. (a) Except as provided in section 2 of this chapter, an assessing official, county assessor, or county property tax assessment board of appeals may not change the assessed value claimed by a taxpayer on a personal property return unless the assessing official, county assessor, or county property tax assessment board of appeals takes the action and gives the notice required by IC 6-1.1-3-20 within the following time periods:

(1) A township or county assessing official must make a change in the assessed value and give the notice of the change on or before the latter of:

~~(i)~~ **(A)** September 15 of the year for which the assessment is made; or

~~(ii)~~ **(B)** four (4) months from the date the personal property return is filed if the return is filed after May 15th of the year for which the assessment is made.

(2) A county assessor or county property tax assessment board of appeals must make a change in the assessed value, including the final determination by the board of an assessment changed by a township or county assessing official, or county property tax assessment board of appeals, and give the notice of the change on or before the latter of:

~~(i)~~ **(A)** October 30 of the year for which the assessment is made; or

~~(ii)~~ **(B)** five (5) months from the date the personal property return is filed if the return is filed after May 15th of the year for which the assessment is made.

~~(3) The state board of tax commissioners must make a preliminary change in the assessed value, including a preliminary determination on review of an assessment made by a county property tax assessment board of appeals under IC 6-1.1-15-2.1, and give the notice of the change on or before the latter of:~~

~~(i) October 1st of the year immediately following the year for which the assessment is made; or~~

~~(ii) sixteen (16) months from the date the personal property return is filed if the return is filed after May 15th of the year for which the assessment is made.~~

(b) Except as provided in section 2 of this chapter, if an assessing official, a county assessor, or a county property tax assessment board of appeals fails to change an assessment and give notice of the change within the time prescribed by this section, the assessed value claimed by the taxpayer on the personal property return is final.

Copy

(c) This section does not limit the authority of a county auditor to correct errors in a tax duplicate under IC 6-1.1-15-12.

(d) This section does not apply if the taxpayer:

(1) fails to file a personal property return which substantially complies with the provisions of this article and the regulations of the ~~state board of tax commissioners;~~ **department of state revenue;** or

(2) files a fraudulent personal property return with the intent to evade the payment of property taxes.

~~(e) A taxpayer may appeal a preliminary determination of the state board of tax commissioners under subsection (a)(3) to the division of appeals. An appeal under this subdivision shall be conducted in the same manner as an appeal under IC 6-1.1-15-4 through IC 6-1.1-15-8. A preliminary determination that is not appealed under this subsection is a final unappealable order of the state board of tax commissioners.~~

SECTION 144. IC 6-1.1-16-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) If a county property tax assessment board of appeals is unable to take action on an assessment within the time period prescribed in section 1(a)(2) of this chapter because the board is no longer in session, the board shall file with the ~~state board of tax commissioners~~ **department of state revenue** a written petition requesting permission to conduct a special session for the purpose of reviewing the assessment within the required time period. If the ~~state board of tax commissioners~~ **department of state revenue** approves the petition, it shall specify:

(1) the number of session days granted to the county property tax assessment board of appeals; and

(2) the termination date of the special session.

(b) The county auditor shall pay the expenses and per diem allowances resulting from the special session. The county auditor shall draw warrants for these items on county funds not otherwise appropriated, without further appropriations being required for the disbursements.

SECTION 145. IC 6-1.1-17-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. (a) On or before August 1 of each year, the county auditor shall send a certified statement, under the seal of the board of county commissioners, to the fiscal officer of each political subdivision of the county and the ~~state board of tax commissioners.~~ **department of state revenue.** The statement shall contain:

(1) information concerning the assessed valuation in the political subdivision for the next calendar year;

C o p y

(2) an estimate of the taxes to be distributed to the political subdivision during the last six (6) months of the current calendar year;

(3) the current assessed valuation as shown on the abstract of charges;

(4) the average growth in assessed valuation in the political subdivision over the preceding three (3) budget years, excluding years in which a general reassessment occurs, determined according to procedures established by the ~~state board of tax commissioners;~~ **department of state revenue;** and

(5) any other information at the disposal of the county auditor that might affect the assessed value used in the budget adoption process.

(b) The estimate of taxes to be distributed shall be based on:

(1) the abstract of taxes levied and collectible for the current calendar year, less any taxes previously distributed for the calendar year; and

(2) any other information at the disposal of the county auditor which might affect the estimate.

(c) The fiscal officer of each political subdivision shall present the county auditor's statement to the proper officers of the political subdivision.

SECTION 146. IC 6-1.1-17-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the ~~state board of tax commissioners~~ **department of state revenue** and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

(1) the estimated budget;

(2) the estimated maximum permissible levy;

(3) the current and proposed tax levies of each fund; and

(4) the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing.

(b) The trustee of each township of the county shall:

(1) estimate the amount necessary to meet the cost of poor relief in the township for the ensuing calendar year; and

(2) publish with the township budget a tax rate sufficient to meet

C o p y

the estimated cost of poor relief.

The taxes collected as a result of this rate shall be credited to the county poor fund.

(c) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

(1) in any county of the solid waste management district; and

(2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

SECTION 147. IC 6-1.1-17-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) **This section does not apply to a taxing unit for which a referendum has been granted by the county property tax control board under IC 6-1.1-17.5.** The officers of political subdivisions shall meet each year to fix the budget, tax rate, and tax levy of their respective subdivisions for the ensuing budget year as follows:

(1) The fiscal body of a consolidated city and county, not later than the last meeting of the fiscal body in September.

(2) The fiscal body of a second class city, not later than September 30.

(3) The board of school trustees or board of school commissioners of a school city or town, not later than the time required in section 5.1 of this chapter.

(4) The proper officers of all other political subdivisions, not later than September 20.

Except in a consolidated city and county and in a second class city, the public hearing required by section 3 of this chapter must be completed at least ten (10) days before the proper officers of the political subdivision meet to fix the budget, tax rate, and tax levy. In a consolidated city and county and in a second class city, that public hearing, by any committee or by the entire fiscal body, may be held at any time after introduction of the budget.

(b) Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy of a political subdivision fixed under subsection (a) by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. The objection petition must specifically identify the provisions of the budget, tax rate, and tax levy to which the taxpayers object.

(c) If a petition is filed under subsection (b), the fiscal body of the political subdivision shall adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing.

C o p y

(d) This subsection does not apply to a school corporation. Each year ~~at least two (2) days~~ before the ~~first meeting of the county board of tax adjustment held under IC 6-1.1-29-4,~~ **second Monday in September,** a political subdivision shall file with the county auditor:

(1) a statement of the tax rate and levy fixed by the political subdivision for the ensuing budget year;

(2) two (2) copies of the budget adopted by the political subdivision for the ensuing budget year; and

(3) two (2) copies of any findings adopted under subsection (c).

~~Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting.~~

(e) In a consolidated city and county and in a second class city, the clerk of the fiscal body shall, notwithstanding subsection (d), file the adopted budget and tax ordinances with the county ~~board of tax adjustment~~ **auditor** within two (2) days after the ordinances are signed by the executive, or within two (2) days after action is taken by the fiscal body to override a veto of the ordinances, whichever is later.

SECTION 148. IC 6-1.1-17-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5.1. (a) As used in this section, "school corporation" has the meaning set forth in IC 20-10.1-1-1.

(b) Before February 1 of each year, the officers of a school corporation shall meet to fix the budget for the school corporation for the ensuing budget year, with notice given by the same officers.

(c) Not later than two (2) days after a school corporation fixes a budget under subsection (b), the officers of the school corporation shall file the budget adopted by the school corporation for the ensuing budget year with the state board of tax commissioners.

(d) Each year at least two (2) days before the ~~first meeting of the county board of tax adjustment held under IC 6-1.1-29-4,~~ **second Monday in September,** a school corporation shall file with the county auditor:

(1) a statement of the tax rate and tax levy fixed by the school corporation for the ensuing budget year; **and**

(2) two (2) copies of the budget adopted by the school corporation for the ensuing budget year. ~~and~~

~~(3) any written notification from the state board of tax commissioners under section 16(i) of this chapter that specifies a proposed revision, reduction, or increase in the budget adopted by the school corporation for the ensuing budget year.~~

~~Each year the county auditor shall present these items to the county board of tax adjustment at the board's first meeting.~~

C o p y

(e) In a consolidated city, a county containing a consolidated city, and a second class city, the clerk of the fiscal body shall, notwithstanding subsection (d), file the adopted budget and tax ordinances with the county ~~board of tax adjustment~~ **auditor** not later than two (2) days after the ordinances are signed by the executive or not later than two (2) days after action is taken by the fiscal body to override a veto of the ordinances, whichever is later.

SECTION 149. IC 6-1.1-17-16.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 16.7. (a) A political subdivision that in any year adopts a proposal to establish a cumulative fund or sinking fund under any of the following provisions must submit the proposal to the ~~state board of tax commissioners~~ **county property tax control board** before August 2 of that year:

IC 3-11-6
IC 8-10-5
IC 8-16-3
IC 8-16-3.1
IC 8-22-3
IC 14-27-6
IC 14-33-21
IC 16-22-5
IC 16-22-8
IC 36-8-14
IC 36-9-4
IC 36-9-14
IC 36-9-14.5
IC 36-9-15
IC 36-9-15.5
IC 36-9-16
IC 36-9-17
IC 36-9-26
IC 36-9-27
IC 36-10-3
IC 36-10-4
IC 36-10-7.5

(b) If a proposal described in subsection (a) is not submitted to the ~~state board of tax commissioners~~ **county property tax control board** before August 2 of a year, the political subdivision may not levy a tax for the cumulative fund or sinking fund in the ensuing year.

SECTION 150. IC 6-1.1-17-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 19. If there is a conflict between the provisions of this chapter and the provisions of

C o p y

~~IC 6-1.1-19 or IC 6-1.1-18.5,~~ **IC 6-1.1-17.5,** the provisions of ~~the latter two (2) chapters~~ **IC 6-1.1-17.5** control with respect to the adoption of, review of, and limitations on budgets, tax rates, and tax levies.

SECTION 151. IC 6-1.1-17.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]:

Chapter 17.5. County Property Tax Control Board

Sec. 1. This chapter applies to all taxing units, including school corporations.

Sec. 2. (a) There is established in each county a county property tax control board (referred to in this chapter as "the board"). Each member of the board must be an elected official serving on the fiscal body of the unit or the group of units that the individual represents. The board consists of nine (9) members as follows:

(1) Two (2) individuals from the county fiscal body.

(2) One (1) individual from the fiscal body of the city, or town in the case of a county not having a city, that has the greatest taxable assessed valuation.

(3) One (1) individual from the fiscal body of the school corporation that has the greatest taxable assessed valuation.

(4) One (1) individual from the fiscal body of a city within the county, or town within the county in the case of a county not having a city, excluding a city or town covered by subdivision (2).

(5) One (1) individual from the fiscal body of a school corporation within the county, excluding a school corporation described by subdivision (3).

(6) One (1) individual from the fiscal body of a town within the county, excluding a town covered by subdivision (2) or (4).

(7) One (1) individual from the fiscal body of a township within the county.

(8) The county auditor, who may vote only to break a tie vote by the board.

(b) Members of the board shall be selected as provided in section 3 of this chapter.

Sec. 3. (a) The various fiscal bodies represented on the board shall select the members of the board before March 1 of each year. The term for each member ends on December 31 of the year in which the member is selected.

(b) If a member is selected by one (1) fiscal body, the selection must be made by a majority vote of the fiscal body in official session. If a member is selected by more than one (1) fiscal body,

Copy

the selection must be made by a majority vote of all members of the fiscal bodies taken in joint session.

(c) If a fiscal body, or fiscal bodies in the case of joint selections, fails to select a member by March 1, the judge of the circuit court of the county shall select the member of the board before March 15.

Sec. 4. The board has the following powers:

(1) To approve or disapprove, but not modify, a proposed increase in a taxing unit's property tax rate that is greater than the rate permitted by IC 6-1.1-18.5.

(2) To approve or disapprove, but not modify, a proposed increase in a taxing unit's property tax rate that is greater than the rate permitted by IC 6-1.1-18.6.

(3) To approve or disapprove, but not modify, a proposed increase in a taxing unit's property tax rate that is greater than the rate permitted by IC 6-1.1-19.

(4) To approve or disapprove, but not modify, a proposed bond issue or lease agreement of a taxing unit, if the payments to retire the bonds or the lease payments will be made from the taxing unit's debt service fund.

Sec. 5. (a) Except as provided in this chapter, a taxing unit may not use a property tax rate that is greater than the rate permitted by IC 6-1.1-18.5, IC 6-1.1-18.6, or IC 6-1.1-19. A taxing unit desiring to use a greater rate must file a petition with the board requesting permission to increase the taxing unit's tax rate above the rate permitted by IC 6-1.1-18.5, IC 6-1.1-18.6, or IC 6-1.1-19.

(b) A taxing unit may not issue bonds or enter into a lease agreement if the payments to retire the bonds or the lease payments will be made from the unit's debt service fund unless the taxing unit receives the board's approval. A taxing unit desiring to issue bonds or enter into a lease agreement must file a petition with the board requesting permission to issue bonds or enter into a lease agreement.

(c) A school corporation may not impose a property tax levy for the school corporation's capital projects fund until the school corporation receives the board's approval under IC 21-2-15.

(d) Petitions under this section must be filed before April 30.

(e) The board shall hold a public hearing to discuss and decide upon a petition. The board shall publish a notice of the public hearing at least ten (10) days before the date of the hearing as provided in IC 5-3-1. The board shall publish a notice describing the question and the board's decision and listing each member's

C o p y

vote on the question. Before June 1, the board shall publish the notice as provided in IC 5-3-1, except that the notice must be:

(1) in at least 12 point bold typeface; and

(2) signed by all members of the board.

Sec. 6. (a) Except as provided in section 8 of this chapter, the decision of the board may be reversed only if a majority of voters in a referendum vote affirmatively to reverse the board's decision. Either the taxing unit or residents of the taxing unit may cause a referendum to be placed on the ballot by filing a resolution or petition with the board before July 16 of the year the board publishes the notice required by section 5 of this chapter. The board shall cause the referendum to be placed on the ballot if either of the following occurs:

(1) The taxing unit's request is denied, and the taxing unit's fiscal body adopts a resolution requesting the referendum and delivers a certified copy of the resolution to the board.

(2) The taxing unit's request is granted, and a petition is delivered to the board that is signed by residents of the taxing unit requesting a referendum. The petition must be signed by the lesser of:

(A) twenty percent (20%) of the resident registered voters, determined by using the number of resident voters who voted for the office of secretary of state in the most recent general election; or

(B) three thousand (3,000) resident registered voters.

The board shall immediately deliver a certified copy of the petition to the clerk of the circuit court. Before August 1 of the year, the clerk of the circuit court shall certify to the board whether the petition satisfies the requirements of this subdivision.

(b) If a resolution or petition is filed in compliance with this section, the board shall take the steps necessary to cause a referendum to be conducted as provided in section 7 of this chapter.

(c) The question to be submitted to the voters in the referendum must read as follows:

"Should the decision of the (insert the name of the county) property tax control board to (accept or reject) (insert the name of the taxing unit) proposed property tax rate be reversed. Voting affirmatively means the taxing unit (will or will not) be permitted to increase the taxing unit's property tax rate to _____ (insert amount in words and numerals)

C o p y

on each one hundred dollars ($100) of assessed valuation for (insert year).".

Sec. 7. (a) The board shall act under IC 3-10-9-3 to certify the question to be voted on at the referendum to the county election board of each county in which any part of the taxing unit is located. Each clerk of the circuit court shall, upon receiving the question certified by the board, call a meeting of the county election board to make arrangements for the referendum. The referendum shall be held at the next general election in which the residents of the taxing unit are entitled to vote after certification of the question under IC 3-10-9-3. However, if a general election is not held in the year the question is certified, the referendum shall be held at a special election conducted on the second Tuesday after the first Monday in November of the year the question is certified to the clerk or clerks of the circuit court by the board. The referendum shall be held under the direction of the county election board. The county election board shall take all action necessary to conduct the referendum. Not less than ten (10) days before the date on which the referendum is to be held, the county election board shall publish notice of the question that is to be voted upon at the referendum in accordance with IC 5-3-1 and IC 20-5-12. The taxing unit in which the referendum is to be held shall pay all costs of holding the referendum.

(b) Each county election board shall cause the question certified to the clerk of the circuit court by the board to be placed on the ballot in the form prescribed by IC 3-10-9-4. The county election board shall also cause an adequate supply of ballots and voting equipment to be delivered to the precinct election board of each precinct in which the referendum is to be held.

(c) All registered voters that are residents of the taxing unit are entitled to vote in the referendum.

(d) Each precinct election board shall count the affirmative votes and the negative votes cast in the referendum and shall certify the two (2) totals to the county election board of each county in which the referendum is held. The clerk of the circuit court of each county shall, immediately after the votes cast in the referendum have been counted, certify the results of the referendum to the board. Upon receiving the certification of all votes cast in the referendum, the board shall promptly certify the result of the referendum to the taxing unit and to the state department of revenue.

(e) If a majority of the individuals who voted in the referendum

C o p y

voted "yes" on the referendum question, the board's decision is reversed. If the reversal results in the taxing unit being permitted to use a property tax rate that is greater than that permitted by IC 6-1.1-18.5 or IC 6-1.1-19, the rate becomes the maximum rate permitted by IC 6-1.1-18.5 or IC 6-1.1-19.

Sec. 8. An appeal may be made to the department of state revenue alleging that the county property tax control board did not follow the procedures set forth in this chapter. An appeal can only be heard by the department if the appellants satisfy the same requirements that apply to a referendum under section 5 of this chapter. The appeal must state the procedural error and comply with any other requirements of the department. The department shall decide on the appeal not later than fifteen (15) days after the appeal is filed. The decision of the department on an appeal under this section is a final administrative ruling.

SECTION 152. IC 6-1.1-18-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. When fixing a budget, tax rate, and tax levy under IC ~~1971,~~ 6-1.1-17-5, **and except as provided in IC 6-1.1-17.5,** the officers of a political subdivision may not fix a budget, **tax rate,** or tax levy which exceeds the amount published by the political subdivision. **Except as provided in IC 6-1.1-17.5,** the portion of a budget, **tax rate,** or tax levy which exceeds the published amount is void.

SECTION 153. IC 6-1.1-18-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. The state may not impose a tax rate on tangible property in excess of one cent ($0.01) on each one hundred dollars ($100) of assessed valuation. The state tax rate is not subject to review by ~~county boards of tax adjustment or~~ county auditors. This section does not apply to political subdivisions of the state.

SECTION 154. IC 6-1.1-18-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) If the proper officers of a political subdivision desire to appropriate more money for a particular year than the amount prescribed in the budget for that year as finally determined under this article, they shall give notice of their proposed additional appropriation. The notice shall state the time and place at which a public hearing will be held on the proposal. The notice shall be given once in accordance with IC 5-3-1-2(b).

(b) If the additional appropriation by the political subdivision is made from a fund that receives:

(1) distributions from the motor vehicle highway account established under IC 8-14-1-1 or the local road and street account

Copy

established under IC 8-14-2-4; or

(2) revenue from property taxes levied under IC 6-1.1;

the political subdivision must report the additional appropriation to the ~~state board of tax commissioners.~~ **county property tax control board.** If the additional appropriation is made from a fund described under this subsection, subsections (f), (g), (h), and (i) apply to the political subdivision.

(c) However, if the additional appropriation is not made from a fund described under subsection (b), subsections (f), (g), (h), and (i) do not apply to the political subdivision. Subsections (f), (g), (h), and (i) do not apply to an additional appropriation made from the cumulative bridge fund if the appropriation meets the requirements under IC 8-16-3-3(e).

(d) A political subdivision may make an additional appropriation without approval of the ~~state board of tax commissioners~~ **county property tax control board** if the additional appropriation is made from a fund that is not described under subsection (b). However, the fiscal officer of the political subdivision shall report the additional appropriation to the ~~state board of tax commissioners.~~ **county property tax control board.**

(e) After the public hearing, the proper officers of the political subdivision shall file a certified copy of their final proposal and any other relevant information to the ~~state board of tax commissioners.~~ **county property tax control board.**

(f) When the ~~state board of tax commissioners~~ **county property tax control board** receives a certified copy of a proposal for an additional appropriation under subsection (e), the board shall determine whether sufficient funds are available or will be available for the proposal. The determination shall be made in writing and sent to the political subdivision not more than fifteen (15) days after the board receives the proposal.

(g) In making the determination under subsection (f), the **county property tax control** board shall limit the amount of the additional appropriation to revenues available, or to be made available, which have not been previously appropriated.

(h) If the ~~state board of tax commissioners~~ **county property tax control board** disapproves an additional appropriation under subsection (f), the ~~state board of tax commissioners~~ **county property tax control board** shall specify the reason for its disapproval on the determination sent to the political subdivision.

(i) A political subdivision may request a reconsideration of a determination of the ~~state board of tax commissioners~~ **county property**

Copy

tax control board under this section by filing a written request for reconsideration. A request for reconsideration must:

(1) be filed with the ~~state board of tax commissioners~~ **county property tax control board** within fifteen (15) days of the receipt of the determination by the political subdivision; and

(2) state with reasonable specificity the reason for the request.

The ~~state board of tax commissioners~~ **county property tax control board** must act on a request for reconsideration within fifteen (15) days of receiving the request.

SECTION 155. IC 6-1.1-18-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. (a) The proper officers of a political subdivision may transfer money from one major budget classification to another within a department or office if:

(1) they determine that the transfer is necessary;

(2) the transfer does not require the expenditure of more money than the total amount set out in the budget as finally determined under this article;

(3) the transfer is made at a regular public meeting and by proper ordinance or resolution; and

(4) the transfer is certified to the county auditor.

(b) A transfer may be made under this section without notice and without the approval of the ~~state board of tax commissioners.~~ **county property tax control board.**

SECTION 156. IC 6-1.1-18-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. If there is a conflict between the provisions of this chapter and the provisions of **IC 6-1.1-17.5,** IC 6-1.1-19 or IC 6-1.1-18.5, the provisions of the latter ~~two (2)~~ **three (3)** chapters control with respect to the adoption of, review of, and limitations on budgets, tax rates, and tax levies.

SECTION 157. IC 6-1.1-18.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. As used in this chapter:

"Ad valorem property tax levy for an ensuing calendar year" means the total property taxes imposed by a civil taxing unit for current property taxes collectible in that ensuing calendar year.

"Adopting county" means any county in which the county adjusted gross income tax is in effect.

"Civil taxing unit" means any taxing unit except a school corporation.

"Maximum permissible ad valorem property tax levy for the preceding calendar year" means the greater of:

(1) the civil taxing unit's maximum permissible ad valorem

Copy

property tax levy for the calendar year immediately preceding the ensuing calendar year, as that levy was determined under section 3 of this chapter; or

(2) the civil taxing unit's ad valorem property tax levy for the calendar year immediately preceding the ensuing calendar year, as that levy was determined by the state board of tax commissioners in ~~fixing~~ **reviewing** the civil taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17;

for all funds not covered by section 8 of this chapter or by IC 6-1.1-18.6.

"Maximum permissible property tax rate" means the tax rate determined under section 3 of this chapter.

"Taxable property" means all tangible property that is subject to the tax imposed by this article and is not exempt from the tax under IC 6-1.1-10 or any other law. For purposes of sections 2 and 3 of this chapter, the term "taxable property" is further defined in section 6 of this chapter.

SECTION 158. IC 6-1.1-18.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. (a) For purposes of determining a civil taxing unit's maximum permissible ad valorem property tax levy for an ensuing calendar year, the civil taxing unit shall use the assessed value growth quotient determined in the last STEP of the following STEPS:

STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year and in which a statewide general reassessment of real property does not first become effective.

STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth) of the civil taxing unit's total assessed value of all taxable property in the particular calendar year, divided by the civil taxing unit's total assessed value of all taxable property in the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).

STEP FOUR: Determine the greater of the result computed in STEP THREE or one and five-hundredths (1.05).

STEP FIVE: Determine the lesser of the result computed in STEP FOUR or one and one-tenth (1.1).

(b) If the assessed values of taxable property used in determining a civil taxing unit's property taxes that are first due and payable in a particular calendar year are significantly increased over the assessed

C o p y

values used for the immediately preceding calendar year's property taxes due to the settlement of litigation concerning the general reassessment of that civil taxing unit's real property, then for purposes of determining that civil taxing unit's assessed value growth quotient for an ensuing calendar year, the ~~state board of tax commissioners~~ **county property tax control board** shall replace the quotient described in STEP TWO of subsection (a) for that particular calendar year. The ~~state board of tax commissioners~~ **county property tax control board** shall replace that quotient with one that as accurately as possible will reflect the actual growth in the civil taxing unit's assessed values of real property from the immediately preceding calendar year to that particular calendar year.

SECTION 159. IC 6-1.1-18.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. (a) For purposes of STEP TWO of section 2 of this chapter, the civil taxing unit's taxable property includes all taxable property located in the geographic area subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year, regardless of whether that property was located in the geographic area subject to the civil taxing unit's ad valorem property tax levy in the calendar years for which the computation is made.

(b) For purposes of STEP TWO of section 2 of this chapter, STEP THREE of section 3(a) of this chapter, and STEP THREE of section 3(b) of this chapter, the assessed value of taxable property is the assessed value of that property as determined by the ~~state board of tax commissioners~~ **county property tax control board** in ~~fixing~~ **reviewing** the civil taxing unit's budget, levy, and rate for the applicable calendar year, excluding deductions allowed under IC 6-1.1-12 or IC 6-1.1-12.1.

SECTION 160. IC 6-1.1-18.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. (a) A civil taxing unit is not subject to the ~~levy~~ **rate** limits imposed by section 3 of this chapter for an ensuing calendar year if the civil taxing unit did not adopt an ad valorem property tax levy for the immediately preceding calendar year.

(b) If under subsection (a) a civil taxing unit is not subject to the ~~levy~~ **rate** limits imposed under section 3 of this chapter for a calendar year, the civil taxing unit shall refer its proposed budget, ad valorem property tax levy, and property tax rate for that calendar year to the ~~local government~~ **appropriate county property tax** control board established by ~~section 11 of this chapter~~ **IC 6-1.1-17.5** before the **budget,** tax levy**,** ~~is~~ **and rate are** advertised. The ~~local government~~

Copy

county property tax control board shall then review ~~and make a recommendation to the state board of tax commissioners on~~ the civil taxing unit's budget, ad valorem property tax levy, and property tax rate for that calendar year. The ~~state board of tax commissioners~~ **county property tax control board** shall make a final determination of the civil taxing unit's budget, ad valorem property tax levy, and property tax rate for that calendar year. However, a civil taxing unit may not impose a property tax levy for a year if the unit did not exist as of March 1 of the preceding year.

SECTION 161. IC 6-1.1-18.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit if the civil taxing unit is committed to levy the taxes to pay or fund either:

(1) bonded indebtedness; or

(2) lease rentals under a lease with an original term of at least five (5) years.

The tax rate attributable to the portion of a civil taxing unit's levy that is used to pay the obligations listed in this subsection may not exceed the rate necessary to pay the obligations that existed on January 1, 1998, and that are not paid when the rate is determined, plus any bond or lease obligations that have been approved by the county property tax control board under IC 6-1.1-17.5 after January 1, 1998.

(b) Before a civil taxing unit may incur bonded indebtedness or enter into a lease with an original term of at least five (5) years, the civil taxing unit must request and obtain approval from the ~~state board of tax commissioners~~ **appropriate county property tax control board under IC 6-1.1-17.5** to incur the bonded indebtedness or execute the lease. ~~The state board of tax commissioners may seek recommendations from the local government tax control board established by section 11 of this chapter when determining whether to authorize incurring the bonded indebtedness or the execution of the lease.~~

~~(c) The state board of tax commissioners shall render a decision within three (3) months after the date it receives a request for approval under subsection (b). However, the state board of tax commissioners may extend this three (3) month period by an additional three (3) months if, at least ten (10) days before the end of the original three (3) month period, the board sends notice of the extension to the executive officer of the civil taxing unit.~~

Copy

~~(d)~~ **(c)** A civil taxing unit does not need approval under subsection (b) to obtain temporary loans made in anticipation of and to be paid from current revenues of the civil taxing unit actually levied and in the course of collection for the fiscal year in which the loans are made.

~~(e)~~ **(d)** For purposes of computing the ad valorem property tax ~~levy~~ **rate** limits imposed on a civil taxing unit by section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a calendar year does not include that part of its levy that is committed to fund or pay bond indebtedness or lease rentals with an original term of five (5) years in subsection (a).

SECTION 162. IC 6-1.1-18.5-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 17. (a) As used in this section, "levy excess" means the part of the ad valorem property tax levy actually collected by a civil taxing unit, for taxes first due and payable during a particular calendar year, that exceeds the civil taxing unit's ad valorem property tax levy, as approved by the ~~state board of tax commissioners~~ **civil taxing unit** under IC 6-1.1-17 **or the county property tax control board under IC 6-1.1-17.5, whichever is applicable.**

(b) A civil taxing unit's levy excess is valid and may not be contested on the grounds that it exceeds the civil taxing unit's ~~levy~~ **rate** limit for the applicable calendar year. However, the civil taxing unit shall deposit, except as provided in subsection (h), the part of its levy that exceeds one hundred two percent (102%) of the civil taxing unit's ad valorem property tax levy for the applicable calendar year, as approved by the ~~state board of tax commissioners~~ **civil taxing unit** under IC 6-1.1-17 **or the county property tax control board under IC 6-1.1-17.5, whichever is applicable,** in a special fund to be known as the civil taxing unit's levy excess fund.

(c) The chief fiscal officer of a civil taxing unit may invest money in the civil taxing unit's levy excess fund in the same manner in which money in the civil taxing unit's general fund may be invested. However, any income derived from investment of the money shall be deposited in and becomes a part of the levy excess fund.

~~(d) The state board of tax commissioners may require a civil taxing unit to include the amount in its levy excess fund in the civil taxing unit's budget fixed under IC 6-1.1-17.~~

~~(e)~~ **(d)** Except as provided by subsection ~~(f),~~ **(e),** a civil taxing unit may not spend any money in its levy excess fund until the expenditure of the money has been included in a budget that has been approved by the ~~state board of tax commissioners~~ **civil taxing unit** under IC 6-1.1-17 **or the county property tax control board under**

Copy

IC 6-1.1-17.5, whichever is applicable. For purposes of fixing its budget and for purposes of the property tax ~~levy~~ **rate** limits imposed under this chapter, a civil taxing unit shall treat the money in its levy excess fund that the state board of tax commissioners permits it to spend during a particular calendar year as part of its ad valorem property tax levy for that same calendar year.

~~(f)~~ **(e)** A civil taxing unit may transfer money from its levy excess fund to its other funds to reimburse those funds for amounts withheld from the civil taxing unit as a result of refunds paid under IC 6-1.1-26.

~~(g)~~ **(f)** Subject to the limitations imposed by this section, a civil taxing unit may use money in its levy excess fund for any lawful purpose for which money in any of its other funds may be used.

~~(h)~~ **(g)** If the amount that would, notwithstanding this subsection, be deposited in the levy excess fund of a civil taxing unit for a particular calendar year is less than one hundred dollars ($100), no money shall be deposited in the levy excess fund of the unit for that year.

SECTION 163. IC 6-1.1-18.6-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2.1. (a) Notwithstanding section 2 of this chapter, for a county that makes a transfer under IC 12-19-3-2.1, the ~~state board of tax commissioners~~ **county property tax control board** shall:

(1) reduce the county's maximum county welfare fund property tax levy in the year following the year in which the transfer is made, by an amount equal to the transfer; and

(2) increase the county's maximum family and children's fund property tax levy in the year following the year in which the transfer is made, by an amount equal to the transfer.

(b) For purposes of determining a county's maximum county welfare fund property tax levy or a county's maximum family and children's fund property tax levy for years following a transfer under IC 12-19-3-2.1, a county's maximum county welfare fund property tax levy or maximum family and children's fund property tax levy for years following a transfer under IC 12-19-3-2.1 is the levy after the adjustment made under subsection (a).

SECTION 164. IC 6-1.1-18.6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) A county may increase its maximum county family and children property tax levy for an ensuing calendar year ~~if in the judgment of the county fiscal body the increase is necessary to pay the obligations that will be incurred by the county for children in need of services under IC 31-34-1-1 through IC 31-34-1-9 and delinquent children as described under IC 31-37-1 or IC 31-37-2 during the ensuing calendar year. The maximum increase~~

Copy

~~that the county fiscal body may recommend for a county may not exceed:~~

~~(1) the county's expected obligations under IC 31-34-1-1 through IC 31-34-1-9, IC 31-37-1, and IC 31-37-2 for the ensuing calendar year; minus~~

~~(2) the portion of the county's family and children's fund levy for the year preceding the ensuing calendar year that was available to pay obligations under IC 31-34-1-1 through IC 31-34-1-9, IC 31-37-1, and IC 31-37-2.~~

~~(b) In making its recommendation, the county fiscal body shall consider the county's estimate of expected obligations under IC 31-34-1-1 through IC 31-34-1-9, IC 31-37-1, and IC 31-37-2 but may make adjustments to the county's estimate.~~

~~(c) The decision of the county fiscal body under this section is a final determination that may not be appealed.~~ **as provided in IC 6-1.1-17.5.**

SECTION 165. IC 6-1.1-19-1.5, AS AMENDED BY P.L.260-1997(SS) AND P.L.6-1997, SECTION 86 IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1.5. (a) The following definitions apply throughout this section and IC 21-3-1.7:

(1) "Adjusted general fund property tax rate" means the school corporation's actual rate adjusted by the school corporation's assessment ratio as determined by the ~~state board of tax commissioners.~~ **department of state revenue.**

(2) "Previous year adjusted general fund property tax rate" means a school corporation's previous year adjusted general fund property tax rate as determined under this section but after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3).

(b) Except as otherwise provided in this chapter, a school corporation may not, for an ensuing calendar year, impose a general fund ad valorem property tax levy which exceeds the following:

STEP ONE: ~~*This STEP applies to a school corporation if*~~ Determine the school corporation's ~~*previous year target tax rate was equal to*~~ target general fund property tax rate under IC 21-3-1.7-6.8.

STEP TWO: Subtract the school corporation's previous year general fund property tax rate before the assessment ratio adjustment but after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3) ~~*for 1997 calculations only,*~~ from the school corporation's target general fund property tax rate

C o p y

determined under STEP ONE.

STEP THREE: Determine the levy resulting from the school corporation's previous year ~~*target revenue per ADM was determined under IC 21-3-1.7-6.5(d)(2) for 1997 if this STEP applied to the school corporation in 1996. For each school corporation, determine the levy resulting from an adjusted general fund tax rate equal to the lesser of*~~ adjusted general fund property tax rate:

~~*(A) for calendar year 1997, five dollars and ninety-three and two-tenths cents ($5.932); or*~~ (A) plus the lesser of:

(i) in 1998 only, the STEP TWO result divided by two (2);

(ii) the STEP TWO result; or

(iii) ~~fifteen cents ($0.15);~~ **five cents ($0.05);**

if the school corporation's previous year general fund property tax rate before the assessment ratio adjustement but after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3) is not more than the school corporation's target general fund property tax rate ~~*on the chart set forth in IC 21-3-1.7-6.5(c).*~~ determined under STEP ONE; or

~~*STEP TWO: This step applies to a school corporation if STEP ONE does not apply to the school corporation. Determine the rate change amount for the school corporation as follows:*~~ (B) minus the lesser of:

~~*(A) If for the school corporation the absolute value of the difference between the school corporation's target property tax rate under IC 21-3-1.7-6.5 minus*~~ (i) the absolute value of the STEP TWO result; or

(ii) ~~twenty-five cents ($0.25);~~ **eight and three-tenths cents ($0.083);**

if the school corporation's previous year general fund property tax rate before the assessment ratio adjustement but after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3) exceeds the school corporation's ~~*adjusted*~~ target general fund property tax rate determined under STEP ONE. ~~*for the preceding year is less than or equal to, for 1998 and thereafter, one and sixy-seven hundredths cents ($0.0167), the rate change amount is the difference.*~~

~~*(B) If for the school corporation the absolute value of the difference between the school corporation's target property tax rate under IC 21-3-1.7-6.5 minus the school corporation's adjusted general fund property tax rate for the preceding year is greater than one and sixty-seven hundredths cents ($0.0167) for 1998 and thereafter but less*~~

C o p y

~~*than or equal to three and thirty-three hundredths cents ($0.0333) for 1998 and thereafter, the rate change amount is one and sixty-seven hundredths cents ($0.0167) for 1998 and thereafter.*~~

~~*(C) If for the school corporation the absolute value of the difference between the school corporation's target property tax rate under IC 21-3-1.7-6.5 minus the school corporation's adjusted general fund property tax rate for the preceding year is greater than three and thirty-three hundredths cents ($0.0333) for 1998, the rate change amount is the product of:*~~

~~*(i) the difference; divided by*~~

~~*(ii) two (2) for 1998 and one (1) for 1999.*~~

~~*However, the rate change amount may not exceed one and sixty-seven hundredths cents ($0.0167) for 1998 and thereafter.*~~

~~*If the difference between the school corporation's target property tax rate under IC 21-3-1.7-6.5 minus the school corporation's adjusted general fund property tax rate for the preceding year is positive, the rate change amount is positive and if the difference is negative the rate change amount is negative.*~~

~~*STEP THREE: This STEP applies to a school corporation if STEP ONE does not apply to the school corporation. Determine the levy resulting from an adjusted general fund tax rate equal to the lesser of:*~~

~~*(A) for calendar year 1997, five dollars and ninety-three and two-tenths cents ($5.932); or*~~

~~*(B) the school corporation's adjusted general fund property tax rate for the preceding year plus the STEP TWO amount.*~~

STEP FOUR: Determine the sum of:

(A) the STEP ~~*ONE amount or STEP*~~ THREE AMOUNT; ~~*whichever applies,*~~ plus

(B) an amount equal to the (B) an amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

The maximum levy is to include the portion of any excessive levy and the levy for new facilities.

(c) For purposes of this section, "total assessed value", as adjusted under subsection (d), with respect to a school corporation means the total assessed value of all taxable property for ad valorem property taxes first due and payable during that year.

(d) The ~~state board of tax commissioners~~ **department of state revenue** may adjust the total assessed value of a school corporation to eliminate the effects of appeals and settlements arising from statewide general reassessment of real property.

C o p y

(e) The ~~state board~~ **department of state revenue** shall annually establish an assessment ratio for each school corporation to be used upon the review and recommendation of the budget committee. The information compiled, including background documentation may not be used in a:

(1) review of an assessment under IC 6-1.1-8, IC 6-1.1-13, IC 6-1.1-14, or IC 6-1.1-15;

(2) petition for a correction of error under IC 6-1.1-15-12; or

(3) petition for refund under IC 6-1.1-26.

(f) All tax rates shall be computed by rounding the rate to the nearest one-hundredth of a cent ($0.0001).

SECTION 166. IC 6-1.1-19-1.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1.7. (a) As used in this section, "levy excess" means that portion of the ad valorem property tax levy actually collected by a school corporation, for taxes first due and payable during a particular calendar year, which exceeds the school corporation's total levy, as approved by the ~~state board of tax commissioners~~ **school corporation** under IC 6-1.1-17 **or the county property tax control board under IC 6-1.1-17.5, whichever is applicable,** for those property taxes.

(b) A school corporation's levy excess is valid, and the general fund portion of a school corporation's levy excess may not be contested on the grounds that it exceeds the school corporation's general fund levy ~~limit~~ for the applicable calendar year. However, the school corporation shall deposit, except as provided in subsection (h), that portion of a school corporation's levy excess which exceeds one hundred two percent (102%) of the school corporation's total levy, as approved by the ~~state board of tax commissioners~~ **school corporation** under IC 6-1.1-17 **or the county property tax control board under IC 6-1.1-17.5, whichever is applicable,** for the applicable calendar year, in a special fund to be known as the school corporation's levy excess fund.

(c) The chief fiscal officer of a school corporation may invest money in the school corporation's levy excess fund in the same manner in which money in the school corporation's general fund may be invested. However, any income derived from investment of the money shall be deposited in and become a part of the levy excess fund.

(d) The ~~state board of tax commissioners~~ **county property tax control board** may require a school corporation to include the amount in the school corporation's levy excess fund in the school corporation's budget fixed under IC 6-1.1-17.

(e) Except as provided in subsection (f), a school corporation may

C o p y

not spend any money in its levy excess fund until the expenditure of the money has been included in a budget that has been approved by the ~~state board of tax commissioners~~ **school corporation** under IC 6-1.1-17 **or the county property tax control board under IC 6-1.1-17.5, whichever is applicable**. For purposes of fixing its budget and for purposes of the property tax levy limits fixed under this chapter, a school corporation shall treat the money in its levy excess fund that the ~~state board of tax commissioners permits~~ the school corporation ~~to spend~~ **spends** during a particular calendar year as part of the school corporation's ad valorem property tax levy for that same calendar year.

(f) A school corporation may transfer money from its levy excess fund to its other funds to reimburse those funds for amounts withheld from the school corporation as a result of refunds paid under IC 6-1.1-26.

(g) Subject to the limitations imposed by this section, a school corporation may use money in its levy excess fund for any lawful purpose for which money in any of its other funds may be used.

(h) If the amount that would be deposited in the levy excess fund of a school corporation for a particular calendar year is less than one hundred dollars ($100), no money shall be deposited in the levy excess fund of the school corporation for that year.

SECTION 167. IC 6-1.1-19-4.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4.2. The ~~state board of tax commissioners~~ **county property tax control board** in determining whether to approve or disapprove a school building construction project ~~and the tax control board in determining whether to recommend approval or disapproval of a school building construction project~~ shall consider the following factors:

(1) The current and proposed square footage of school building space per student.

(2) Enrollment patterns within the school corporation.

(3) The age and condition of the current school facilities.

(4) The cost per square foot of the school building construction project.

(5) The effect that completion of the school building construction project would have on the school corporation's tax rate.

(6) Any other pertinent matter.

SECTION 168. IC 6-1.1-19-4.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4.4. (a) With respect to every appeal petition that is delivered to the **county property** tax control board ~~by the state board of tax commissioners~~ under section 4.1

C o p y

of this chapter and that does not include a request for emergency financial relief, the **county property** tax control board shall, after the **county property** tax control board makes the study of the appeal petition and related materials that the **county property** tax control board considers necessary, ~~recommend to the state board of tax commissioners,~~ **determine** in respect of the particular appeal petition that:

(1) the order of the county board of tax adjustment or the county auditor in respect of the appellant school corporation's budget, tax levy, or tax rate for the ensuing calendar year be approved;

(2) the order of the county board of tax adjustment or the county auditor in respect of the appellant school corporation's budget, tax levy, or tax rate be disapproved and that the appellant school corporation's budget, tax levy, or tax rate be reduced as specified in the **county property** tax control board's ~~recommendation;~~ **decision;**

(3) the order of the county board of tax adjustment or the county auditor in respect of the appellant school corporation's budget, tax levy, or tax rate be disapproved and that the appellant school corporation's budget, tax levy, or tax rate be increased as specified in the **county property** tax control board's ~~recommendation;~~ **decision;** or

(4) combined with a recommendation allowed under subdivision (1), (2), or (3), the adjusted base tax levy for the school corporation be increased if the school corporation can show a need for the increased adjusted base levy due to:

(A) the opening after December 31, 1972, of a new school facility; or

(B) the opening after July 1, 1988, of an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space.

The adjusted base levy increase, if approved by the **county property** tax control board, shall be an amount equal to the increase in costs resulting to the school corporation from the opening and operation of the new school facility or the reopening and operation of an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space. In determining those increased costs, the **county property** tax control board shall consider the costs to the school corporation of complying with safety, health, space, heat, or lighting standards required by state or federal law or regulation, and the other physical operation costs that in the

C o p y

opinion of the **county property** tax control board justify an adjustment in the school corporation's adjusted base levy.

(b) With respect to an appeal petition described in this section, the **county property** tax control board may not make a ~~recommendation~~ **decision** that ~~if followed by the state board of tax commissioners,~~ would authorize the appellant school corporation for the ensuing calendar year:

(1) to collect a general fund tax levy in excess of the general fund tax levy initially adopted and advertised by the appellant school corporation;

(2) to impose a general fund tax rate in excess of the general fund tax rate initially adopted and advertised by the appellant school corporation; or

(3) to collect an excessive tax levy.

SECTION 169. IC 6-1.1-19-4.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4.6. The ~~state board of tax commissioners~~ **county property tax control board** in determining whether to approve or disapprove a school building construction project ~~and the tax control board in determining whether to recommend approval or disapproval of a school building construction project~~ may not approve ~~or recommend the approval of~~ a project that is financed through the issuance of bonds if the bonds mature more than twenty-five (25) years after the date of the bonds' issuance.

SECTION 170. IC 6-1.1-19-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5.1. (a) A school corporation may conduct an analysis of that school corporation's:

(1) total transfer tuition payments actually made or estimated to be made on behalf of students transferring from the school corporation; and

(2) total revenue actually received or estimated to be received by the school corporation on behalf of students transferring to the school corporation;

to determine the net financial impact of transfer tuition on the particular school corporation for the school year ending in the calendar year immediately preceding the ensuing calendar year or the calendar year that precedes the ensuing calendar year by two (2) years, or both. If the school corporation determines from the analysis that the amount of revenue received by the school corporation under subdivision (2) is less than the amount of transfer tuition payments made by the school corporation under subdivision (1), the school corporation may include the amount attributable to the difference between the subdivision (1)

Copy

and subdivision (2) amounts in the school corporation's appeal for an excessive levy under this chapter. However, a school corporation may not include the amount of a particular deficit in more than one (1) appeal.

(b) A school corporation may appeal to the ~~state board of tax commissioners~~ **county property tax control board** under this chapter to increase the school corporation's maximum permissible general fund levy for the following year by the amount described in subsection (a). Upon the demonstration by the school corporation to the ~~state board of tax commissioners~~ **county property tax control board** that the amount of transfer tuition payments received by the school corporation under subsection (a)(2) is less than the amount of transfer tuition payments made by the school corporation under subsection (a)(1), the ~~state board of tax commissioners~~ **county property tax control board** shall grant the increase described in this section.

(c) If a school corporation is granted an increase under this section, the amount attributable to the increase may not be included in the school corporation's adjusted base levy for the year following the year in which the increase applies or the school corporation's determination of tuition support.

(d) A levy increase described in this section may be based on an estimate of transfer tuition payments paid or received by a school corporation. If the actual difference between the transfer tuition payments made by a school corporation and the transfer tuition payments received by a school corporation for a school year is less than the estimate used to grant a levy increase described in this section, the ~~state board of tax commissioners~~ **county property tax control board** may reduce the levies imposed by a school corporation by the amount of the overage.

SECTION 171. IC 6-1.1-19-5.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5.3. ~~(a) The tax control board may recommend to the state board of tax commissioners a correction of mathematical errors in data that affect the determination of:~~

~~(1) a school corporation's adjusted base levy;~~

~~(2) a school corporation's excessive tax levy; or~~

~~(3) a school corporation's normal tax levy.~~

~~(b)~~ The ~~state board of tax commissioners~~ **county property tax control board** may correct mathematical errors in data for any school corporation.

SECTION 172. IC 6-1.1-19-5.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5.4. (a) A school

Copy

corporation may appeal to the ~~state board of tax commissioners~~ **county property tax control board** under this chapter to increase the maximum operating costs levy that is permitted for the school corporation's operating costs account for its transportation fund under IC 21-2-11.5. To be granted an increase by the ~~state board of tax commissioners,~~ **county property tax control board,** the school corporation must establish that the increase is necessary because of a transportation operating cost increase of at least ten percent (10%) over the preceding year as a result of at least one (1) of the following:

(1) A fuel expense increase.

(2) A significant increase in the number of students enrolled in the school corporation that need transportation or a significant increase in the mileage traveled by the school corporation's buses compared to the previous year.

(3) A significant increase in the number of students enrolled in special education who need transportation or a significant increase in the mileage traveled by the school corporation's buses due to students enrolled in special education as compared to the previous year.

(4) Increased transportation operating costs due to compliance with a court ordered desegregation plan.

(5) The closure of a school building within the school corporation that results in a significant increase in the distances that students must be transported to attend another school building.

In addition, before the ~~state board of tax commissioners~~ **county property tax control board** may grant a maximum operating costs account levy increase, the school corporation must establish that the school corporation will be unable to provide transportation services without an increase. The ~~state board of tax commissioners~~ **county property tax control board** may grant a maximum operating costs levy increase that is less than the increase requested by the school corporation.

(b) If the ~~state board of tax commissioners~~ **county property tax control board** determines that a permanent increase in the maximum permissible operating costs levy is necessary, the maximum operating costs levy after the increase granted under this section becomes the school corporation's maximum permissible transportation fund's operating costs account levy under IC 21-2-11.5.

SECTION 173. IC 6-1.1-19-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. (a) A school corporation that did not impose a general fund tax levy for the preceding calendar year may not collect a general fund tax levy for the

C o p y

ensuing calendar year until that general fund tax levy (and the related budget, appropriations, and general fund tax rate), after being adopted and advertised ~~and considered by the proper county board of tax adjustment~~ as provided by law, is reviewed **and approved** by the **appropriate county property** tax control board. ~~which shall make its recommendations in respect thereof to the state board of tax commissioners, and is approved by the state board of tax commissioners.~~

(b) For all purposes relevant to this chapter:

~~(i)~~ **(1)** the adjusted base levy for a school corporation that must have its levy approved under subsection (a) is the total dollar amount of the ad valorem tax levy for its general fund that, after being approved, is made by the school corporation for taxes collectible in the first full calendar year after the approval; ~~and~~

~~(ii)~~ **(2)** the ADA ratio for a school corporation that must have its levy approved under subsection (a) is the quotient resulting from a division of the school corporation's current ADA by the ADA first determined after the approval for the school corporation in accordance with the rules ~~and regulations~~ established by the state board of education.

(c) For purposes of this chapter:

~~(i)~~ **(1)** where territory is transferred from one (1) school corporation to another after April 4, 1973, under IC 20-4-4 or IC 20-3-14, ADA, current ADA, and ADA ratio shall be interpreted, insofar as possible, as though the pupils in the territory had been transferred in the school year ending in 1973; and

~~(ii)~~ **(2)** where territory is transferred for one (1) school corporation to another after June 1, 1978, under IC 20-4-4 or IC 20-3-14, adjusted base levy, normal tax levy, and the other terms used in this chapter shall be interpreted, insofar as possible, as though the assessed valuation of the territory had been transferred prior to March 1, 1977, in accordance with rules and a final determination by the state board of tax commissioners.

SECTION 174. IC 6-1.1-19-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. (a) A school corporation may not incur bond indebtedness, enter into a lease rental agreement, or repay from the debt service fund loans made for the purchase of school buses under IC 20-9.1-6-5, unless the school corporation has first obtained the ~~state board of tax commissioners'~~ **county property tax control board's** approval of the lease rental agreement, bond issue or school bus purchase loan **as required under**

C o p y

IC 6-1.1-17.5. This restriction does not apply to ad valorem property taxes which a school corporation levies to pay or fund bond or lease rental indebtedness created or incurred before July 1, 1974.

~~(b) The state board of tax commissioners may either approve, disapprove, or modify then approve a school corporation's proposed lease rental agreement, bond issue or school bus purchase loan. Before it approves or disapproves a proposed lease rental agreement, bond issue or school bus purchase loan, the state board of tax commissioners may seek the recommendation of the tax control board.~~

~~(c) The state board of tax commissioners shall render a decision not more than three (3) months after the date it receives a request for approval under subsection (a). However, the state board of tax commissioners may extend this three (3) month period by an additional three (3) months if, at least ten (10) days before the end of the original three (3) month period, the board sends notice of the extension to the executive officer of the school corporation.~~

~~(d) After December 31, 1995, the state board of tax commissioners may not approve a school corporation's proposed lease rental agreement or bond issue to finance the construction of additional classrooms unless the school corporation first:~~

~~(1) establishes that additional classroom space is necessary; and~~

~~(2) conducts a feasibility study, holds public hearings, and hears public testimony on using a twelve (12) month school term (instead of the nine (9) month school term (as defined in IC 20-10.1-2-2)) rather than expanding classroom space.~~

~~(e)~~ **(b)** This section does not apply to school bus purchase loans made by a school corporation which will be repaid solely from the general fund of the school corporation.

SECTION 175. IC 6-1.1-19-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. (a) This section applies to a school corporation that:

(1) is located in a county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000);

(2) is a party to a lawsuit alleging that its schools are segregated in violation of the Constitution of the United States or federal law;

(3) desires to improve or maintain racial balance among two (2) or more schools within the school corporation, regardless of the school corporation's basis for desiring to improve or maintain racial balance; and

(4) has a minority student enrollment that comprises at least ten percent (10%) of its total student enrollment, using the most

Copy

recent enrollment data available to the school corporation.

(b) As used in this section, "minority student" means a student who is black, Spanish American, Asian American, or American Indian.

(c) A school corporation may establish a racial balance fund and petition the school property tax control board to impose an ad valorem property tax to raise revenue for the fund. However, before a school corporation may impose an ad valorem property tax under this section, the school corporation must file a petition with the ~~school~~ **county** property tax control board. The petition must be filed before June 1 of the year preceding the first year the school corporation desires to impose the property tax and must include the following:

(1) The name of the school corporation.

(2) A settlement agreement among the parties to a desegregation lawsuit that includes the program that will improve or maintain racial balance in the school corporation.

(3) The proposed property tax levy.

(4) Any other item required by the ~~school~~ **county** property tax control board.

(d) The ~~school~~ **county** property tax control board may ~~recommend to the state board of tax commissioners that~~ **allow** a school corporation ~~be allowed~~ to establish a racial balance fund to be funded by an ad valorem property tax levy. The amount of the levy shall be determined each year and the levy may not exceed the lesser of the following:

(1) The revenue derived from a tax rate of eight and thirty-three hundredths cents ($0.0833) for each one hundred dollars ($100) of assessed valuation within the school corporation.

(2) The revenue derived from a tax rate equal to the difference between the maximum rate allowed for the school corporation's capital projects fund under IC 21-2-15 minus the actual capital projects fund rate that will be in effect for the school corporation for a particular year.

(e) The ~~state board of tax commissioners~~ **county property tax control board** shall review the petition of the school corporation ~~and the recommendation of the school property tax control board~~ and:

(1) disapprove the petition if the petition does not comply with this section;

(2) approve the petition; or

(3) approve the petition with modifications.

(f) A property tax levy under this section is in addition to, and not part of, the school corporation's general fund property tax levy for purposes of determining the school corporation's maximum permissible general fund property tax levy under this chapter.

C o p y

(g) Money received from a property tax levy under this section shall be deposited in the school corporation's racial balance fund established under this section. Money in the fund may be used only for education programs that improve or maintain racial balance in the school corporation. However, money in the fund may not be used for:

(1) transportation; or

(2) capital improvements;

even though those costs may be attributable to the school corporation's proposed programs for improving or maintaining racial balance in the school corporation.

SECTION 176. IC 6-1.1-20-3.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3.2. If a sufficient petition requesting the application of a petition and remonstrance process has been filed as set forth in section 3.1 of this chapter, a political subdivision may not impose property taxes to pay debt service or lease rentals without completing the following procedures:

(1) The proper officers of the political subdivision shall give notice of the applicability of the petition and remonstrance process by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in section 3.1(1)(B) of this chapter.

A notice under this subdivision must include a statement that any owners of real property within the political subdivision who want to petition in favor of or remonstrate against the proposed debt service or lease payments must file petitions and remonstrances in compliance with subdivisions (2) through (4) not earlier than thirty (30) days or later than sixty (60) days after publication in accordance with IC 5-3-1.

(2) Not earlier than thirty (30) days or later than sixty (60) days after the notice under subdivision (1) is given:

(A) petitions (described in subdivision (3)) in favor of the bonds or lease; and

(B) remonstrances (described in subdivision (3)) against the bonds or lease;

may be filed by an owner or owners of real property within the political subdivision. Each signature on a petition must be dated and the date of signature may not be before the date on which the petition and remonstrance forms may be issued under subdivision (3). A petition described in clause (A) or a remonstrance described in clause (B) must be verified in compliance with subdivision (4) before the petition or remonstrance is filed with

Copy

the county auditor under subdivision (4).

(3) The state board of accounts shall design and, upon request by the county auditor, deliver to the county auditor or the county auditor's designated printer the petition and remonstrance forms to be used solely in the petition and remonstrance process described in this section. The county auditor shall issue to an owner or owners of real property within the political subdivision the number of petition or remonstrance forms requested by the owner or owners. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition and remonstrance period.

Persons requesting forms may not be required to identify themselves and may be allowed to pick up additional copies to distribute to other property owners. The county auditor may not issue a petition or remonstrance form earlier than twenty-nine (29) days after the notice is given under subdivision (1). The county auditor shall certify the date of issuance on each petition or remonstrance form that is distributed under this subdivision.

(4) The petitions and remonstrances must be verified in the manner prescribed by the state board of accounts and filed with the county auditor within the sixty (60) day period described in subdivision (2) in the manner set forth in section 3.1 of this chapter relating to requests for a petition and remonstrance process.

(5) The county auditor must file a certificate and the petition or remonstrance with the body of the political subdivision charged with issuing bonds or entering into leases within fifteen (15) business days of the filing of a petition or remonstrance under subdivision (4), whichever applies, containing ten thousand (10,000) signatures or less. The county auditor may take an additional five (5) days to review and certify the petition or remonstrance for each additional five thousand (5,000) signatures up to a maximum of sixty (60) days. The certificate must state the number of petitioners and remonstrators that are owners of real property within the political subdivision.

(6) If a greater number of owners of real property within the

C o p y

political subdivision sign a remonstrance than the number that signed a petition, the bonds petitioned for may not be issued or the lease petitioned for may not be entered into. The proper officers of the political subdivision may not make a preliminary determination to issue bonds or enter into a lease for the controlled project defeated by the petition and remonstrance process under this section or any other controlled project that is not substantially different within one (1) year after the date of the county auditor's certificate under subdivision (5). Withdrawal of a petition carries the same consequences as a defeat of the petition.

(7) After a political subdivision has gone through the petition and remonstrance process set forth in this section, the political subdivision is not required to follow any other remonstrance or objection procedures under any other law relating to bonds or leases designed to protect owners of real property within the political subdivision from the imposition of property taxes to pay debt service or lease rentals. However, the political subdivision must still receive the approval of the ~~state board of tax commissioners~~ **county property tax control board** required by IC 6-1.1-18.5-8 or IC 6-1.1-19-8.

SECTION 177. IC 6-1.1-20-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. (a) When the proper officers of a political subdivision decide to issue bonds payable from property taxes to finance a public improvement, they shall adopt an ordinance or resolution which sets forth their determination to issue the bonds. Except as provided in subsection (b) of this section, the political subdivision may not advertise for or receive bids for the construction of the improvement until the expiration of the latter of:

(1) the time period within which taxpayers may file a petition for review of or ~~a remonstrance against~~ **oppose** the proposed issue **under IC 6-1.1-17.5;** or

(2) the time period during which a petition for review of the proposed issue is pending before the ~~state board of tax commissioners.~~ **county property tax control board.**

(b) When a petition for review of a proposed issue is pending before the ~~state board of tax commissioners,~~ **county property tax control board** the board may order the political subdivision to advertise for and receive bids for the construction of the public improvement. When the board issues such an order, the political subdivision shall file a bid report with the ~~state board of tax commissioners~~ **county property tax control board** within five (5) days after the bids are received, and the

Copy

board shall render a final decision on the proposed issue within fifteen (15) days after it receives the bid report. Notwithstanding the provisions of this subsection, a political subdivision may not enter into a contract for the construction of a public improvement while a petition for review of the bond issue which is to finance the improvement is pending before the ~~state board of tax commissioners.~~ **county property tax control board.**

SECTION 178. IC 6-1.1-20.7-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. A person desiring to claim the credit provided by section 9 of this chapter must file a certified application, on forms prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** with:

(1) the auditor of the county where the inventory with respect to which the credit is claimed was located on the assessment date; and

(2) the ~~state board of tax commissioners~~ **department of state revenue.**

SECTION 179. IC 6-1.1-20.8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. (a) A person that desires to claim the credit provided by section 1 of this chapter shall file a certified application, on forms prescribed by the ~~state board of tax commissioners,~~ **department of state revenue** with:

(1) the auditor of the county where the property for which the credit is claimed was located on the assessment date; and

(2) the ~~state board of tax commissioners.~~ **department of state revenue.**

A person that timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year must file the application between March 1 and May 15 of that year in order to obtain the credit in the following year. A person that obtains a filing extension under IC 6-1.1-3-7(b) for an assessment year must file the application between March 1 and June 14 of that year in order to obtain the credit in the following year.

(b) A taxpayer shall include on an application filed under this section all information that the ~~state board of tax commissioners~~ **department of state revenue** requires to determine eligibility for the credit provided under this chapter.

(c) Compliance with this chapter does not exempt a person from compliance with IC 4-4-6.1-2.5.

SECTION 180. IC 6-1.1-20.8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) The county auditor shall determine the eligibility of each applicant under this

C o p y

chapter and shall notify the applicant and the ~~state board of tax commissioners~~ **department of state revenue** of the determination before August 15 of the year in which the application is made. This notice must contain a statement that:

(1) the applicant is entitled to appeal a denial of eligibility; and

(2) the ~~state board of tax commissioners~~ **department of state revenue** may, upon its own initiative, review the application and deny the credit.

(b) If the county auditor determines that an applicant is not eligible, the applicant may appeal for a review of the application by the ~~state board of tax commissioners~~ **department of state revenue.** An appeal is perfected by the filing of a written request for review with the ~~state board of tax commissioners~~ **department of state revenue** no later than thirty (30) days after the date on the county auditor's notice. The request must:

(1) state the name of the applicant;

(2) identify the application; and

(3) state the reasons the applicant believes that the county auditor's decision is incorrect.

(c) The ~~state board of tax commissioners~~ **department of state revenue** shall review the application of any applicant who files an appeal under subsection (b). The ~~state board of tax commissioners~~ **department of state revenue** may review any application and if it finds that the applicant has been denied but is eligible or that the applicant is not eligible, the ~~board~~ **department** shall notify the applicant and the county auditor of the ~~board's~~ **department's** decision to allow or disallow the credit.

(d) If a person desires to initiate an appeal of the ~~state board of tax commissioners'~~ **department of state revenue's** final determination under this section, the person must do all of the following not more than forty-five (45) days after the ~~state board of tax commissioners~~ **department of state revenue** gives the person notice of the final determination:

(1) File a written notice with the ~~state board of tax commissioners~~ **department of state revenue** informing the ~~board~~ **department** 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 181. IC 6-1.1-20.9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) An individual who desires to claim the credit provided by section 2 of this chapter

C o p y

must file a certified statement in duplicate, on forms prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** with the auditor of the county in which the homestead is located. The statement shall include the parcel number or key number of the real estate and the name of the city, town, or township in which the real estate is located. The statement must be filed during the twelve (12) months before May 11 of the year prior to the first year for which the person wishes to obtain the credit for the homestead. The statement applies for that first year and any succeeding year for which the credit is allowed.

(b) The certified statement referred to in subsection (a) shall contain the name of any other county and township in which the individual owns or is buying real property.

(c) If an individual who is receiving the credit provided by this chapter changes the use of his real property, so that part or all of that real property no longer qualifies for the homestead credit provided by this chapter, the individual must file a certified statement with the auditor of the county, notifying the auditor of the change of use within sixty (60) days after the date of that change. An individual who changes the use of his real property and fails to file the statement required by this subsection is liable for the amount of the credit he was allowed under this chapter for that real property.

SECTION 182. IC 6-1.1-21-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. As used in this chapter:

(a) "Taxpayer" means a person who is liable for taxes on property assessed under this article.

(b) "Taxes" means taxes payable in respect to property assessed under this article. The term does not include special assessments, penalties, or interest, but does include any special charges which a county treasurer combines with all other taxes in the preparation and delivery of the tax statements required under IC 6-1.1-22-8(a).

(c) "Department" means the department of state revenue.

(d) "Auditor's abstract" means the annual report prepared by each county auditor which under IC 6-1.1-22-5, is to be filed on or before March 1 of each year with the auditor of state.

(e) "Mobile home assessments" means the assessments of mobile homes made under IC 6-1.1-7.

(f) "Postabstract adjustments" means adjustments in taxes made subsequent to the filing of an auditor's abstract which change assessments therein or add assessments of omitted property affecting taxes for such assessment year.

C o p y

(g) "Total county tax levy" means the sum of:

(1) the remainder of:

(A) the aggregate levy of all taxes for all taxing units in a county which are to be paid in the county for a stated assessment year as reflected by the auditor's abstract for the assessment year, adjusted, however, for any postabstract adjustments which change the amount of the aggregate levy; minus

(B) the sum of any increases in property tax levies of taxing units of the county that result from appeals described in:

(i) IC 6-1.1-18.5-13(5) **(before its repeal)** and IC 6-1.1-18.5-13(6) **(before its repeal)** filed after December 31, 1982; plus

(ii) the sum of any increases in property tax levies of taxing units of the county that result from any other appeals described in IC 6-1.1-18.5-13 **(before its repeal)** filed after December 31, 1983; plus

(iii) IC 6-1.1-18.6-3 (children in need of services and delinquent children who are wards of the county); minus

(C) the total amount of property taxes imposed for the stated assessment year by the taxing units of the county under the authority of IC 12-1-11.5 (repealed), IC 12-2-4.5 (repealed), IC 12-19-5, or IC 12-20-24; minus

(D) the total amount of property taxes to be paid during the stated assessment year that will be used to pay for interest or principal due on debt that:

(i) is entered into after December 31, 1983;

(ii) is not debt that is issued under IC 5-1-5 to refund debt incurred before January 1, 1984; and

(iii) does not constitute debt entered into for the purpose of building, repairing, or altering school buildings for which the requirements of IC 20-5-52 were satisfied prior to January 1, 1984; minus

(E) the amount of property taxes imposed in the county for the stated assessment year under the authority of IC 21-2-6 or any citation listed in IC 6-1.1-18.5-9.8 **(before its repeal)** for a cumulative building fund whose property tax rate was initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(F) the remainder of:

(i) the total property taxes imposed in the county for the stated assessment year under authority of IC 21-2-6 or any

C o p y

citation listed in IC 6-1.1-18.5-9.8 **(before its repeal)** for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(ii) the total property taxes imposed in the county for the 1984 stated assessment year under the authority of IC 21-2-6 or any citation listed in IC 6-1.1-18.5-9.8 **(before its repeal)** for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(G) the amount of property taxes imposed in the county for the stated assessment year under:

(i) IC 21-2-15 for a capital projects fund; plus

(ii) IC 6-1.1-19-10 for a racial balance fund; plus

(iii) IC 20-14-13 for a library capital projects fund; plus

(iv) IC 20-5-17.5-3 for an art association fund; plus

(v) IC 21-2-17 for a special education preschool fund; plus

(vi) an appeal filed under IC 6-1.1-19-5.1 for an increase in a school corporation's maximum permissible general fund levy for certain transfer tuition costs; plus

(vii) an appeal filed under IC 6-1.1-19-5.4 for an increase in a school corporation's maximum permissible general fund levy for transportation operating costs; minus

(H) the amount of property taxes imposed by a school corporation that is attributable to the passage, after 1983, of a referendum for an excessive tax levy under IC 6-1.1-19, including any increases in these property taxes that are attributable to the adjustment set forth in IC 6-1.1-19-1.5(a) STEP ONE or any other law; minus

(I) for each township in the county, the lesser of:

(i) the sum of the amount determined in IC 6-1.1-18.5-19(a) STEP THREE **(before its repeal)** or IC 6-1.1-18.5-19(b) STEP THREE **(before its repeal)**, whichever is applicable, plus the part, if any, of the township's ad valorem property tax levy for calendar year 1989 that represents increases in that levy that resulted from an appeal described in IC 6-1.1-18.5-13(5) **(before its repeal)** filed after December 31, 1982; or

(ii) the amount of property taxes imposed in the township for the stated assessment year under the authority of IC 36-8-13-4; minus

C o p y

(J) for each participating unit in a fire protection territory established under IC 36-8-19-1, the amount of property taxes levied by each participating unit under IC 36-8-19-8 and IC 36-8-19-8.5 less the maximum levy limit for each of the participating units that would have otherwise been available for fire protection services under IC 6-1.1-18.5-3 and IC 6-1.1-18.5-19 **(before its repeal)** for that same year; minus

(K) for each county, the sum of:

(i) the amount of property taxes imposed in the county for the repayment of loans under IC 12-19-5-6 that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN for property taxes payable in 1995, or for property taxes payable in each year after 1995, the amount determined under IC 12-19-7-4(b); and

(ii) the amount of property taxes imposed in the county attributable to appeals granted under IC 6-1.1-18.6-3 that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN for property taxes payable in 1995, or the amount determined under IC 12-19-7-4(b) for property taxes payable in each year after 1995; plus

(2) all taxes to be paid in the county in respect to mobile home assessments currently assessed for the year in which the taxes stated in the abstract are to be paid; plus

(3) the amounts, if any, of county adjusted gross income taxes that were applied by the taxing units in the county as property tax replacement credits to reduce the individual levies of the taxing units for the assessment year, as provided in IC 6-3.5-1.1; plus

(4) the amounts, if any, by which the maximum permissible ad valorem property tax levies of the taxing units of the county were reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated assessment year; plus

(5) the difference between:

(A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR; minus

(B) the amount the civil taxing units' levies were increased because of the reduction in the civil taxing units' base year certified shares under IC 6-1.1-18.5-3(e).

(h) "December settlement sheet" means the certificate of settlement filed by the county auditor with the auditor of state, as required under IC 6-1.1-27-3.

(i) "Tax duplicate" means the roll of property taxes which each county auditor is required to prepare on or before March 1 of each year

C o p y

under IC 6-1.1-22-3.

SECTION 183. IC 6-1.1-21-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) On or before March 1 of each year, ~~the state board of tax commissioners~~ **each county property tax control board** shall certify to the department on a form approved by the state board of accounts, an estimate of the total county tax levy collectible in that calendar year for each county in the state. The estimate shall be based on the tax collections for the preceding calendar year, adjusted as necessary to reflect the total county tax levy (as defined in section 2(g) of this chapter) from the budgets, tax levies, and rates as finally determined and acted upon by the ~~state board of tax commissioners.~~ **appropriate county property tax control board.** The department, with the assistance of the auditor of state, shall determine on the basis of the report an amount equal to twenty percent (20%) of the total county tax levy, which is the estimated property tax replacement.

(b) In the same report containing the estimate of a county's total county tax levy, the ~~state board of tax commissioners~~ **department of state revenue** shall also certify the amount of homestead credits provided under IC 6-1.1-20.9 which are allowed by the county for the particular calendar year.

(c) If there are one (1) or more taxing districts in the county that contain all or part of an economic development district that meets the requirements of section 5.5 of this chapter, the ~~state board of tax commissioners~~ **department of state revenue** shall estimate an additional distribution for the county in the same report required under subsection (a). This additional distribution equals the sum of the amounts determined under the following STEPS for all taxing districts in the county that contain all or part of an economic development district:

STEP ONE: Estimate that part of the sum of the amounts under section 2(g)(1)(A) and 2(g)(2) of this chapter that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of the estimated property tax replacement determined under subsection (a) that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; times

(B) the property taxes levied in the taxing district that are allocated to a special fund under IC 6-1.1-39-5.

C o p y

(d) The sum of the amounts determined under subsections (a) through (c) is the particular county's estimated distribution for the calendar year.

SECTION 184. IC 6-1.1-21-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) Each year the taxpayers of each county shall receive a credit for property tax replacement in the amount of twenty percent (20%) of the tax liability (as defined in this section) of each taxpayer for taxes which under IC 6-1.1-22-9 are due and payable in May and November of that year. The credit shall be applied to each installment of taxes. The dollar amount of the credit for each taxpayer shall be determined by the county auditor, based on data furnished by the ~~state board of tax commissioners.~~ **department of state revenue.** The tax liability of a taxpayer for the purpose of computing the credit for a particular year shall be based upon the taxpayer's tax liability as is evidenced by the tax duplicate for the taxes payable in that year, plus the amount by which the tax payable by the taxpayer had been reduced due to the application of county adjusted gross income tax revenues to the extent the county adjusted gross income tax revenues were included in the determination of the total county tax levy for that year as provided in sections 2(g) and 3 of this chapter, adjusted, however, for any change in assessed valuation which may have been made pursuant to a post-abstract adjustment if the change is set forth on the tax statement or on a corrected tax statement stating the taxpayer's tax liability, as prepared by the county treasurer in accordance with IC 6-1.1-22-8(a). However, the tax liability of a taxpayer does not include the amount of any property tax owed by the taxpayer that is attributable to that part of any property tax levy subtracted under section 2(g)(1)(B), 2(g)(1)(C), 2(g)(1)(D), 2(g)(1)(E), 2(g)(1)(F), 2(g)(1)(G), (2)(g)(1)(H), 2(g)(1)(I), or 2(g)(1)(J) of this chapter in computing the total county tax levy.

(b) The credit for taxes payable in a particular year with respect to mobile homes which are assessed under IC 6-1.1-7 is twenty percent (20%) of the taxes payable with respect to the assessments plus the adjustments stated in this section.

(c) Each taxpayer in a taxing district that contains all or part of an economic development district that meets the requirements of section 5.5 of this chapter is entitled to an additional credit for property tax replacement. This credit is equal to the product of:

(1) the STEP TWO quotient determined under section 4(a)(3) of this chapter for the taxing district; multiplied by

(2) the taxpayer's property taxes levied in the taxing district that are allocated to a special fund under IC 6-1.1-39-5.

C o p y

SECTION 185. IC 6-1.1-21-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. (a) There is established a property tax replacement fund board to consist of the commissioner of the department, ~~the chairman of the state board of tax commissioners,~~ the director of the budget agency, and two (2) ex officio nonvoting representatives of the general assembly of the state of Indiana. The speaker of the house of representatives shall appoint one (1) member of the house as one (1) of the ex officio nonvoting representatives, and the president pro tempore of the senate shall appoint one (1) senator as the other ex officio nonvoting representative, each to serve at the will of the appointing officer. The commissioner of the department shall be the chairman of the board, and the director of the budget agency shall be the secretary of the board.

(b) The board may, upon a vote of a majority of the members of the board, increase the percentage of property tax replacement funds to be distributed from the property tax replacement fund to the several counties for credit to the taxpayers in the counties as provided in this chapter if in the judgment of the board there are surplus funds available in the fund for the increased distribution. The board shall make such a determination on or before March 1 of each year relative to the amounts to be distributed from the property tax replacement fund for that year. Upon such a determination the commissioner shall immediately notify the treasurers of the several counties of the increased distribution.

(c) The schedule to be used in making distributions to county treasurers during the periods set forth in section 4(b) of this chapter is as follows:

January	0.00%
February	0.00%
March	16.70%
April	16.70%
May	16.60%
June	0.00%
July	0.00%
August	0.00%
September	16.70%
October	16.70%
November	16.60%
December	0.00%

The board may authorize the department to distribute the estimated distributions to counties earlier than what is required under section 4(b) of this chapter.

C o p y

(d) The board is also authorized to transfer funds from the property tax replacement fund for the purpose of providing financial aid to school corporations as provided in IC 21-3.

SECTION 186. IC 6-1.1-21.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. (a) Except as specifically provided in subsection (c), the receipt by the qualified taxing unit of either the loan proceeds or any payment of delinquent tax owed by a taxpayer in bankruptcy, or both, is not considered to be part of the ad valorem property tax levy actually collected by the qualified taxing unit for taxes first due and payable during a particular calendar year for the purpose of calculating the levy excess under IC 6-1.1-18.5-17 and IC 6-1.1-19-1.7.

(b) The loan proceeds and any payment of delinquent tax may be expended by the qualified taxing unit only to pay debts of the qualified taxing unit that have been incurred pursuant to duly adopted appropriations approved by the ~~state board of tax commissioners~~ **county property tax control board** for operating expenses.

(c) In the event the sum of the receipts of the qualified taxing unit that are attributable to:

(1) the loan proceeds; and

(2) the payment of property taxes owed by a taxpayer in a bankruptcy proceeding initially filed in 1986 and payable in respect to the second installment of taxes due and payable in November 1986, and in respect to taxes due and payable in 1987;

exceeds eleven million nine hundred thousand dollars ($11,900,000), the excess as received during any calendar year or years shall be set aside and treated for the calendar year when received as a levy excess subject to IC 6-1.1-18.5-17 or IC 6-1.1-19-1.7. In calculating the payment of property taxes as provided in subdivision (2), the amount of property tax credit ~~finanally~~ **finally** allowed under IC 6-1.1-21-5 in respect to such taxes is deemed to be a payment of such property taxes.

(d) As used in this section, "delinquent tax" means any tax owed by a taxpayer in a bankruptcy proceeding initially filed in 1986 and that is not paid during the calendar year for which it was first due and payable.

SECTION 187. IC 6-1.1-21.7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. (a) A taxing unit may apply for a loan under this chapter.

(b) A taxing unit qualifies for a loan under this chapter for a fund if:

(1) the United States Congress limits or terminates its authorization for a taxing unit to impose a property tax on a taxpayer;

C o p y

(2) the lost revenue for at least one (1) fund, as determined under section 10, STEP THREE of this chapter, is at least five percent (5%) of the property tax revenues for the fund that the taxing unit would have received in the current year if the United States Congress had not limited or terminated payments from the taxpayer to the taxing unit, as determined under section 10, STEP TWO of this chapter; and

(3) the taxing unit appeals to the ~~state board of tax commissioners~~ **department of state revenue** for emergency financial relief under this chapter. ~~in the same manner as an appeal for emergency relief under IC 6-1.1-18.5-12 or IC 6-1.1-19-4.1. However, the appeal required under subdivision (3) may be filed at any time.~~

(c) A taxing unit may receive a loan to replace lost revenue only for the first five (5) years in which the taxing unit loses revenue as a result of an act of the United States Congress described in subsection (b)(1).

SECTION 188. IC 6-1.1-21.7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. (a) The ~~state board of tax commissioners~~ **department of state revenue** shall grant emergency financial relief to a taxing unit that qualifies under section 6 of this chapter not more than thirty (30) days after the appeal is filed by the taxing unit. The ~~state board of tax commissioners~~ **department of state revenue** shall compute the amount of the loan that a taxing unit is eligible to receive in a calendar year under this chapter. The amount of the loan is the lesser of the amount sought by the taxing unit or the maximum loan allowed under section 9 of this chapter. The ~~state board of tax commissioners~~ **department of state revenue** shall include the amount of the approved loan for the initial year of the loan in the order granting emergency financial relief.

(b) Upon approval of emergency financial relief under this chapter, the ~~state board of tax commissioners~~ **department of state revenue** shall transmit sufficient information to the board to consider the application of the taxing unit. During the term of the loan, the state board of tax commissioners shall annually compute and transmit to the board the amount of loan proceeds for which the taxing unit is eligible in a calendar year after the initial year of the loan.

SECTION 189. IC 6-1.1-21.7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. The board shall make a loan from the counter-cyclical revenue and economic stabilization fund to the taxing unit in the amount specified in the order of the ~~state board of tax commissioners~~ **department of state revenue** under section 7 of this chapter not more than thirty (30) days after the

C o p y

~~state board of tax commissioners~~ **department of state revenue** notifies the board under section 7 of this chapter that the appeal for emergency relief has been granted. The board and the taxing unit shall enter into a written agreement governing the terms and conditions of the loan. The agreement must contain the following provisions:

(1) The taxing unit is obligated to pay an interest rate of five percent (5%) simple interest per year on the outstanding balance of the loan.

(2) The taxing unit is obligated to begin repaying the principal of the loan after January 1 in the sixth year after the year in which the loan is granted.

(3) The taxing unit shall repay the loan on the schedule agreed to between the board and the taxing unit with the last payment being made not later than December 1 in the tenth year after the year in which the loan is granted.

(4) In addition to any other remedy available to the board, the board is authorized to offset the amount of any delinquent payment on the loan from property tax replacement credit or homestead credit distributions otherwise due the taxing unit.

SECTION 190. IC 6-1.1-21.7-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. (a) The maximum loan that a taxing unit may receive for a calendar year is equal to the result determined in STEP THREE of the following formula:

STEP ONE: Determine under section 10 of this chapter the lost revenue in the calendar year for each fund described in section 6(b)(2) of this chapter.

STEP TWO: Determine the sum of the STEP ONE amounts for all funds described in section 6(b)(2) of this chapter.

STEP THREE: Multiply the STEP TWO result by a phase out factor based on the following table and the number of calendar years that have occurred after the calendar year in which an act of the United States Congress described in section 6(b)(1) of this chapter initially takes effect to reduce or eliminate the payment by a taxpayer of property taxes:

Elapsed Years	Phase Out Factor
0	1.00
1	.80
2	.60
3	.40
4	.20
5 and thereafter	0.00

C o p y

Round the result to the nearest dollar ($1).

(b) The board may rely on the order of the ~~state board of tax commissioners~~ **department of state revenue** under section 7 of this chapter to determine the:

(1) eligibility of a taxing unit for a loan under this chapter; and

(2) amount of a loan to grant to a taxing unit under this chapter.

SECTION 191. IC 6-1.1-21.7-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. The lost revenue for a fund is the amount determined under STEP THREE of the following formula:

STEP ONE: Determine the property tax levy approved by the ~~state board of tax commissioners~~ **county property tax control board** for the base year, as adjusted by the following:

(A) If the taxpayer made payments in lieu of taxes in the base year that were not included in the property tax levy for the base year, add the amount of the payments in lieu of taxes made by the taxpayer in the base year to the amount of the tax levy.

(B) If part of the taxpayer's property that was used in the base year to compute the taxpayer's payments to the taxing unit is not in the taxing unit or would not otherwise be the basis for taxpayer payments to the taxing unit in the current year, reduce the amount determined in this STEP to reflect the removal of the property.

(C) If the taxpayer's property used to compute the property taxes or payments in lieu of property taxes paid in the base year is depreciable property that would have had a lower assessed value in the current year, reduce the amount determined in this STEP to reflect the lower amount of property taxes or payments in lieu of property taxes that the taxpayer would have paid in the current year for the same property.

STEP TWO: Determine the current levy using the tax rate used for the base year as follows:

(A) Determine the assessed value of all taxable property on which property taxes will be collected:

(i) in the current year; and

(ii) for the smaller of the geographic area in which the taxing unit imposed property taxes for collection in the base year or the geographic area in which the taxing unit imposes property taxes in the current year.

If a general reassessment has become effective in a year after

C o p y

the base year, adjust the assessed value determined in this clause to neutralize the effects of reassessment.

(B) Multiply the assessed value determined for the current year under clause (A) by the tax rate for the fund in the base year.

(C) Divide the result under clause (B) by one hundred (100).

(D) Subtract the amount of any:

(i) property tax payment; or

(ii) payment in lieu of property taxes;

made by the taxpayer to the fund for the current year that is not included in the amount determined under clause (C).

STEP THREE: Determine the greater of the following:

(A) Zero (0).

(B) The result of the STEP ONE amount minus the STEP TWO amount.

SECTION 192. IC 6-1.1-22-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) The auditor of each county shall, before March 15 of each year, prepare a roll of property taxes payable in that year for the county. This roll shall be known as the "tax duplicate" and shall show:

(1) the value of all the assessed property of the county;

(2) the person liable for the taxes on the assessed property; and

(3) any other information that the state board of accounts ~~with the advice and approval of the state board of tax commissioners,~~ may prescribe.

(b) The county auditor shall comply with the instructions issued by the state board of accounts for the preparation, preservation, alteration, and maintenance of the tax duplicate. The county auditor shall deliver a copy of the tax duplicate prepared under subsection (a) to the county treasurer before March 1 of each year.

SECTION 193. IC 6-1.1-22-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) Immediately upon the receipt of the tax duplicate, the county treasurer shall give notice of the rate of tax per one ~~hunded~~ **hundred** dollars ($100) of assessed valuation to be collected in the county for each purpose and the total of the rates in each taxing district. This notice shall be published in the form prescribed by the state board of ~~tax commissioners~~ **accounts** three (3) times with each publication one (1) week apart.

(b) The notice required by this section shall be printed in two (2) newspapers which represent different political parties and which are published in the county. However, if two (2) newspapers which

Copy

represent different political parties are not published in the county, the notice shall be printed in one (1) newspaper.

SECTION 194. IC 6-1.1-23-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. (a) The treasurer of a county in which a judgment is entered under section 9 of this chapter shall send a certificate of the judgment to the treasurer of another county ~~and to the state board of tax commissioners~~ if ~~he~~ **the treasurer** determines that:

(1) the delinquent taxpayer does not have, in the county in which the judgment is entered, property of sufficient value to satisfy the judgment; and

(2) the delinquent taxpayer does have property in the other county.

(b) A county treasurer who receives a certificate of judgment shall have the judgment indexed in the judgment docket by the clerk of the circuit court of the county the treasurer serves. The county treasurer shall proceed to have execution issued upon the judgment in the same manner as if the judgment had been originally entered in the county he serves.

(c) The state board of ~~tax commissioners~~ **accounts** shall make periodic audits of the records of the county treasurers to insure compliance with the provisions of this section.

SECTION 195. IC 6-1.1-25-4.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4.1. (a) If, as provided in section 4(e) of this chapter, the county auditor does not issue a deed to the county for property for which a certificate of sale has been issued to the county under IC 6-1.1-24-9 because the county executive determines that the property contains hazardous waste or another environmental hazard for which the cost of abatement or alleviation will exceed the fair market value of the property, the property may be transferred consistent with the provisions of this section.

(b) A person who desires to obtain title to and eliminate the hazardous conditions of property containing hazardous waste or another environmental hazard for which a county holds a certificate of sale but to which a deed may not be issued to the county under section 4(e) of this chapter may file a petition with the county auditor seeking a waiver of the delinquent taxes, special assessments, interest, penalties, and costs assessed against the property and transfer of the title to the property to the petitioner. The petition must:

(1) be on a form prescribed by the state board of accounts; ~~and approved by the state board of tax commissioners;~~

C o p y

(2) state the amount of taxes, special assessments, penalties, and costs assessed against the property for which a waiver is sought;

(3) describe the conditions existing on the property that have prevented the sale or the transfer of title to the county;

(4) describe the plan of the petitioner for elimination of the hazardous condition on the property under IC 13-25-5 and the intended use of the property; and

(5) be accompanied by a fee established by the county auditor for completion of a title search and processing.

(c) Upon receipt of a petition described in subsection (b), the county auditor shall review the petition to determine whether the petition is complete. If the petition is not complete, the county auditor shall return the petition to the petitioner and describe the defects in the petition. The petitioner may correct the defects and file the completed petition with the county auditor. Upon receipt of a completed petition, the county auditor shall forward a copy of the petition to:

(1) the assessor of the township in which the property is located;

(2) the owner;

(3) all persons who have, as of the date of the filing of the petition, a substantial interest of public record in the property; **and**

(4) the county property tax assessment board of appeals. ~~and~~

~~(5) the state board of tax commissioners.~~

(d) Upon receipt of a petition described in subsection (b), the county property tax assessment board of appeals shall, at the county property tax assessment board of appeals' earliest opportunity, conduct a public hearing on the petition. The county property tax assessment board of appeals shall, by mail, give notice of the date, time, and place fixed for the hearing to:

(1) the petitioner;

(2) the owner;

(3) all persons who have, as of the date the petition was filed, a substantial interest of public record in the property; and

(4) the assessor of the township in which the property is located.

In addition, notice of the public hearing on the petition shall be published one (1) time at least ten (10) days before the hearing in a newspaper of countywide circulation and posted at the principal office of the county property tax assessment board of appeals, or at the building where the meeting is to be held.

(e) After the hearing and completion of any additional investigation of the property or of the petitioner that is considered necessary by the county property tax assessment board of appeals, the county board shall

C o p y

give notice, by mail, to the parties listed in subsection (d) of the county property tax assessment board of appeals' ~~recommendation~~ **determination** as to whether the petition should be granted. ~~The county property tax assessment board of appeals shall forward to the state board of tax commissioners a copy of the county property tax assessment board of appeals' recommendation and a copy of the documents submitted to or collected by the county property tax assessment board of appeals at the public hearing or during the course of the county board of appeals' investigation of the petition.~~

(f) ~~Upon receipt by the state board of tax commissioners of a recommendation by the county property tax assessment board of appeals, the state board of tax commissioners shall review the petition and all other materials submitted by the county property tax assessment board of appeals and determine whether to grant the petition.~~ Notice of the determination by the ~~state board of tax commissioners~~ **county property tax assessment board of appeals** and the right to seek an appeal of the determination shall be given by mail to:

(1) the petitioner;

(2) the owner;

(3) all persons who have, as of the date the petition was filed, a substantial interest of public record in the property; **and**

(4) the assessor of the township in which the property is located. ~~and~~

~~(5) the county property tax assessment board of appeals.~~

(g) Any person aggrieved by a determination of the ~~state board of tax commissioners~~ **county property tax assessment board of appeals** under subsection (f) may file an appeal seeking additional review by the ~~state board of tax commissioners~~ **department of state revenue** and a public hearing. In order to obtain a review under this subsection, the aggrieved person must file a petition for appeal with the county auditor in the county where the tract or item of real property is located not more than thirty (30) days after issuance of notice of the ~~state board of tax commissioners' determination.~~ **county property tax assessment board of appeals.** The county auditor shall transmit the petition for appeal to the ~~state board of tax commissioners~~ **department of state revenue** not more than ten (10) days after the petition is filed.

(h) Upon receipt by the ~~state board of tax commissioners~~ **department of state revenue** of an appeal, the ~~state board of tax commissioners~~ **department of state revenue** shall set a date, time, and place for a hearing. The ~~state board of tax commissioners~~ **department of state revenue** shall give notice, by mail, of the date, time, and place fixed for the hearing to:

C o p y

(1) the person filing the appeal;
(2) the petitioner;
(3) the owner;
(4) all persons who have, as of the date the petition was filed, a substantial interest of public record in the property;
(5) the assessor of the township in which the property is located; and
(6) the county property tax assessment board of appeals.

The ~~state board of tax commissioners~~ **department of state revenue** shall give the notices at least ten (10) days before the day fixed for the hearing.

(i) After the hearing, the ~~state board of tax commissioners~~ **department of state revenue** shall give the parties listed in subsection (h) notice by mail of the state board's final determination.

(j) If the ~~state board of tax commissioners~~ **department of state revenue** decides to:

(1) grant the petition submitted under subsection (b) after initial review of the petition under subsection (f) or after an appeal under subsection (h); and
(2) waive the taxes, special assessments, interest, penalties, and costs assessed against the property;

the ~~state board of tax commissioners~~ **department of state revenue** shall issue to the county auditor an order directing the removal from the tax duplicate of the taxes, special assessments, interest, penalties, and costs for which the waiver is granted.

(k) After:

(1) at least thirty (30) days have passed since the issuance of a notice by the ~~state board of tax commissioners to the~~ county property tax assessment board of appeals granting a petition filed under subsection (b), if no appeal has been filed; or
(2) not more than thirty (30) days after receipt by the county property tax assessment board of appeals of a notice of a final determination of the ~~state board of tax commissioners~~ **department of state revenue** granting a petition filed under subsection (b) after an appeal has been filed and heard under subsection (h);

the county auditor shall file a verified petition and an application for an order on the petition in the court in which the judgment of sale was entered asking the court to direct the county auditor to issue a tax deed to the real property. The petition shall contain the certificate of sale issued to the county, a copy of the petition filed under subsection (b), and a copy of the notice of the final determination of the ~~state board of~~

C o p y

~~tax commissioners~~ **department of state revenue** directing the county auditor to remove the taxes, interest, penalties, and costs from the tax duplicate. Notice of the filing of the petition and application for an order on the petition shall be given, by mail, to the owner and any person with a substantial interest of public record in the property. A person owning or having an interest in the property may appear to object to the petition.

(l) The court shall enter an order directing the county auditor to issue a tax deed to the petitioner under subsection (b) if the court finds that the following conditions exist:

(1) The time for redemption has expired.

(2) The property has not been redeemed by the payment of all taxes, special assessments, interest, penalties, and costs owed.

(3) All taxes, special assessments, interest, penalties, and costs have been waived by the state board of tax commissioners or, to the extent not waived, paid by the petitioner under subsection (b).

(4) All notices required by law have been given.

(5) The petitioner under subsection (b) has complied with all the provisions of law entitling the purchaser to a tax deed.

(m) A tax deed issued under this section is uncontestable except by appeal from the order of the court directing the county auditor to issue the tax deed.

SECTION 196. IC 6-1.1-26-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. A person, or his heirs, personal representative, or successors, may file a claim for the refund of all or a portion of a tax installment which he has paid. However, the claim must be:

(1) filed with the auditor of the county in which the taxes were originally paid;

(2) filed within three (3) years after the taxes were first due;

(3) filed on the form prescribed by the state board of accounts; ~~and approved by the state board of tax commissioners;~~ and

(4) based upon one (1) of the following grounds:

~~(i)~~ **(A)** Taxes on the same property have been assessed and paid more than once for the same year.

~~(ii)~~ **(B)** The taxes, as a matter of law, were illegal.

~~(iii)~~ **(C)** There was a mathematical error either in the computation of the assessment upon which the taxes were based or in the computation of the taxes.

SECTION 197. IC 6-1.1-26-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. (a) The county auditor shall forward a claim for refund filed under section 1 of this

C o p y

chapter to the ~~state board of tax commissioners~~ **county property tax control board** for review by the board if:

(1) the claim is for the refund of taxes paid on an assessment made or determined by the ~~state board of tax commissioners;~~ **county property tax control board;** and

(2) the claim is based upon the grounds specified in IC 6-1.1-26-1(4)(ii) or IC 6-1.1-26-1(4)(iii).

(b) The ~~state board of tax commissioners~~ **county property tax control board** shall review each refund claim forwarded to it under this section. The board shall certify its approval or disapproval on the claim and shall return the claim to the county auditor.

(c) Before the ~~state board of tax commissioners~~ **county property tax control board** disapproves a refund claim which is forwarded to it under this section, the board shall notify the claimant of its intention to disapprove the claim and of the time and place fixed for a hearing on the claim. The board shall hold the hearing within thirty (30) days after the date of the notice. The board shall conduct the hearing in the same manner that assessment appeal hearings are conducted. The claimant has a right to be heard at the hearing.

(d) If a person desires to initiate an appeal of the ~~state board of tax commissioners'~~ **county property tax control board's** final determination under this section, the person must do all of the following not more than forty-five (45) days after the ~~state board of tax commissioners~~ **county property tax control board** gives the person notice of the final determination:

(1) File a written notice with the ~~state board of tax commissioners~~ **county property tax control board** 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 198. IC 6-1.1-26-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) A refund claim which is filed under section 1 of this chapter and which is not subject to review by the ~~state board of tax commissioners~~ **county property tax control board** under section 2 of this chapter shall be either approved or disapproved by the county auditor, the county treasurer, and the county assessor.

(b) If the claim for refund is disapproved by either the county auditor, the county treasurer, or the county assessor, the claimant may appeal that decision to the ~~state board of tax commissioners~~ **county property tax control board**. The claimant must initiate the appeal and

C o p y

the state board shall hear the appeal in the same manner that assessment appeals are initiated and heard.

(c) If a person desires to initiate an appeal of the ~~state board of tax commissioners'~~ **county property tax control board's** final determination under this section, the person must do all of the following not more than forty-five (45) days after the ~~state board of tax commissioners~~ **county property tax control board** gives the person notice of the final determination:

(1) File a written notice with the ~~state board of tax commissioners~~ **county property tax control board** 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 199. IC 6-1.1-26-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) A county auditor shall submit a refund claim filed under section 1 of this chapter to the county ~~board of commissioners~~ **property tax control board** for final review after the appropriate county officials either approve or disapprove the claim and, if the claim is disapproved, an appeal to the ~~state board of tax commissioners~~ **county property tax control board** is not initiated under section 3 of this chapter.

(b) The county board of commissioners shall disallow a refund claim if it was disapproved by one (1) of the appropriate county officials and an appeal to the ~~state board of tax commissioners~~ **county property tax control board** was not initiated under section 3 of this chapter.

(c) Except as provided in subsection (b) of this section, the county board of commissioners may either allow or disallow a refund claim which is submitted to it for final review. If the county board disallows a claim, the claimant may appeal that decision to the ~~state board of tax commissioners~~ **county property tax control board**.

(d) The ~~state board of tax commissioners~~ **county property tax control board** shall hear an appeal under subsection (c) in the same manner that assessment appeals are initiated and heard.

(e) If a person desires to initiate an appeal of the ~~state board of tax commissioners'~~ **county property tax control board's** final determination under this section, the person must do all of the following not more than forty-five (45) days after the ~~state board of tax commissioners~~ **county property tax control board** gives the person notice of the final determination:

(1) File a written notice with the ~~state board of tax commissioners~~

Copy

county property tax control board 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 200. IC 6-1.1-26-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) When a claim for refund filed under section 1 of this chapter is allowed either by the county board of commissioners, the ~~state board of tax commissioners,~~ **county property tax control board,** or the Indiana tax court on appeal, the claimant is entitled to a refund. The amount of the refund shall equal the amount of the claim so allowed plus interest at six percent (6%) from the date on which the taxes were paid or payable, whichever is later, to the date of the refund. The county auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount due the claimant under this section.

(b) In the June or December settlement and apportionment of taxes, or both the June and December settlement and apportionment of taxes, immediately following a refund made under this section the county auditor shall deduct the amount refunded from the gross tax collections of the taxing units for which the refunded taxes were originally paid and shall pay the amount so deducted into the general fund of the county. However, the county auditor shall make the deductions and payments required by this subsection not later than the December settlement and apportionment.

SECTION 201. IC 6-1.1-28-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. (a) Subject to the limitations contained in subsection (b), a county on behalf of the property tax assessment board of appeals may employ and fix the compensation of as many field representatives and hearing examiners as are necessary to promptly and efficiently perform the duties and functions of the board. A person employed under this subsection must be a person who is certified in Indiana as a "level two" assessor-appraiser. ~~by the state board of tax commissioners.~~

(b) The number and compensation of all persons employed under this section are subject to the appropriations made for that purpose by the county council.

SECTION 202. IC 6-1.1-31.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. As used in this chapter ~~"board"~~ **"department"** means the ~~state board of tax commissioners.~~ **department of state revenue.**

Copy

SECTION 203. IC 6-1.1-31.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. (a) The ~~board~~ **department of state revenue** shall adopt rules under IC 4-22-2 to prescribe computer specification standards and for the certification of:

(1) computer operating systems;
(2) computer software;
(3) software providers;
(4) computer service providers; and
(5) computer equipment providers.

(b) The rules of the ~~board~~ **department** shall provide for:

(1) the effective and efficient administration of assessment laws;
(2) the prompt updating of assessment data;
(3) the administration of information contained in the sales disclosure form, as required under IC 6-1.1-5.5; and
(4) other information necessary to carry out the administration of the property tax assessment laws.

(c) After December 31, 1998, a county may contract only for computer software and with software providers, computer service providers, and equipment providers that are certified by the ~~board~~ **department** under the rules described in subsection (a).

(d) The initial rules under this section must be adopted under IC 4-22-2 before January 1, 1998.

SECTION 204. IC 6-1.1-31.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) After December 31, 1998, each county shall maintain a state certified computer system that has the capacity to:

(1) process and maintain assessment records;
(2) process and maintain standardized property tax forms;
(3) process and maintain standardized property assessment notices;
(4) maintain complete and accurate assessment records for the county; and
(5) process and compute complete and accurate assessments in accordance with Indiana law.

The county assessor with the recommendation of the township assessors shall select the computer system used by township assessors and the county assessor in the county except in a county with a township assessor elected under IC 36-6-5-1 in every township. In a county with an elected township assessor under IC 36-6-5-1 in every township, the county assessor shall select a computer system based on a majority vote of the township assessors in the county.

(b) All information on the computer system shall be readily

C o p y

accessible to:

(1) township assessors;

(2) the county assessor;

(3) the ~~board;~~ **department;** and

(4) members of the county property tax assessment board of appeals.

(c) The certified system used by the counties must be compatible with the data export and transmission requirements in a standard format prescribed by the ~~board.~~ **department.** The certified system must be maintained in a manner that ensures prompt and accurate transfer of data to the ~~board.~~ **department.**

(d) All standardized property forms and notices on the certified computer system shall be maintained by the township assessor and the county assessor in an accessible location and in a format that is easily understandable for use by persons of the county.

SECTION 205. IC 6-1.1-31.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. The ~~board~~ **department** shall adopt rules and procedures to provide statewide guidelines for standardized forms and notices.

SECTION 206. IC 6-1.1-31.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) The ~~board~~ **department** may revoke a certification issued under section 2 of this chapter for at least three (3) years if it determines:

(1) that information given by an applicant was false; or

(2) the product, provider, or service certified does not meet the minimum requirements of the board.

(b) If a certification is revoked, any Indiana contract that the provider has is void and the contractor may not receive any additional funds under the contract.

(c) An individual at least eighteen (18) years of age who resides in Indiana and any corporation that satisfies the requirements of this chapter and the rules of the ~~board~~ **department** may be certified as:

(1) a software or computer operating system provider;

(2) a service provider; or

(3) a computer equipment provider.

(d) A person may not sell, buy, trade, exchange, option, lease, or rent computer operating systems, software, computer equipment, or service to a county under this chapter without a certification from the ~~state board of tax commissioners.~~ **department of state revenue.**

(e) A contract for computer software, computer equipment, a computer operating program or computer system service providers under this chapter must contain a provision specifying that the contract

C o p y

is void if the provider's certification is revoked.

(f) The ~~board~~ **department** may not limit the number of systems or providers certified by this chapter so long as the system or provider meets the specifications or standards of the ~~board.~~ **department.**

SECTION 207. IC 6-1.1-31.7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. As used in this chapter, ~~"board"~~ **"department"** means the ~~state board of tax commissioners.~~ **department of state revenue.**

SECTION 208. IC 6-1.1-31.7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) The ~~board~~ **department** shall adopt rules under IC 4-22-2 for the certification and regulation of appraisers.

(b) The rules of the ~~board~~ **department** shall provide for the following:

(1) Minimum appraiser qualifications.

(2) Minimum appraiser certification, training, and recertification requirements.

(3) Sanctions for noncompliance with assessing laws and the rules of the ~~board,~~ **department,** including laws and rules that set time requirements for the completion of assessments.

(4) Appraiser contract requirements.

(5) Other provisions necessary to carry out the administration of the property tax assessment laws.

(c) After December 31, 1998, a county or township may contract only with appraisers that are certified by the ~~board~~ **department** under the rules described in subsection (a).

SECTION 209. IC 6-1.1-31.7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) The ~~board~~ **department** may revoke a certification issued under the rules adopted under section 3 of this chapter for at least three (3) years if it determines:

(1) that information given by an appraiser applicant was false; or

(2) the appraiser fails to meet the minimum requirements of the ~~board.~~ **department.**

(b) If a certification is revoked, any Indiana contract that the appraiser has is void and the contractor may not receive any additional funds under the contract.

(c) An individual at least eighteen (18) years of age who resides in Indiana and any corporation that satisfies the requirements of this chapter and the rules of the ~~board~~ **department** may be certified as an appraiser.

(d) A contract for an appraiser under this chapter must contain a

C o p y

provision specifying that the contract is void if the appraiser's certification is revoked.

(e) The ~~board~~ **department** may not limit the number of appraisers certified by this chapter so long as the appraiser meets the specifications or standards of the ~~board.~~ **department.**

SECTION 210. IC 6-1.1-33-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. (a) The division of tax review shall annually determine the variance between:

(1) the total assessed valuation of the property within each assessing district; and

(2) the total true tax value that the ~~state board of tax commissioners~~ **department of state revenue** determines would result if the property within the assessing district were valued in the manner provided by law.

The division's determination must be based on a statistically valid assessment ratio study. The division shall compute and publish the coefficient of dispersion for each assessing district. The coefficient of dispersion shall be published one (1) time in accordance with IC 5-3-1-2(g) at the direction of the ~~state board of tax commissioners.~~ **department of state revenue.**

(b) If part or all of the property in an assessing district is not substantially valued at true tax value, the ~~state board of tax commissioners~~ **department of state revenue** shall take action under IC 6-1.1-4-9, IC 6-1.1-14-5, or IC 6-1.1-35-13 to correct the misvaluation of property.

SECTION 211. IC 6-1.1-34-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. Each year in which a general assessment of real property becomes effective, the ~~state board of tax commissioners~~ **department of state revenue** shall compute a new assessment ratio for each ~~shcool~~ **school** corporation and a new state average assessment ratio. In all other years, the ~~board~~ **department** may compute a new assessment ratio for a school corporation and a new state average assessment ratio if the ~~board~~ **department** finds that there has been sufficient reassessment of one (1) or more classes of property in the school district. When the ~~state board of tax commissioners~~ **department of state revenue** computes a new assessment ratio for a school corporation, the ~~board~~ **department** shall publish the new ratio.

SECTION 212. IC 6-1.1-34-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. A school corporation's assessment ratio for a particular year equals:

(1) the total assessed valuation of the property within the school

C o p y

district; divided by

(2) the total true tax value which the ~~state board of tax commissioners~~ **department of state revenue** determines would result if the property within the school district were valued in the manner provided by law.

SECTION 213. IC 6-1.1-34-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. The state average assessment ratio for a particular year equals:

(1) the sum of the assessed valuations of the property within all the school corporations of this state; divided by

(2) the sum of the true tax values which the ~~state board of tax commissioners~~ **department of state revenue** determines would result if the property within all the school corporations of this state were valued in the manner provided by law.

SECTION 214. IC 6-1.1-34-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. In order to compute the assessment ratio for a school corporation, the ~~state board of tax commissioners~~ **department of state revenue** shall first make a random sampling of the assessed values and true tax values of the following classes of real and personal property:

(1) Residential.

(2) Farm.

(3) Commercial.

(4) Industrial.

SECTION 215. IC 6-1.1-34-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. When computing the assessment ratio for a school corporation, the ~~state board of tax commissioners~~ **department of state revenue** shall weight the ratio to reflect the relative importance of each class of property within the school district. Before calculating a school corporation's assessment ratio, the ~~state board of tax commissioners~~ **department of state revenue** shall discuss the weight to be given to each class of property with:

(1) residents of the school district; and

(2) elected officials or other individuals who are familiar with the economic base of the school district.

SECTION 216. IC 6-1.1-34-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. (a) After the ~~state board of tax commissioners~~ **department of state revenue** calculates a new assessment ratio for a school corporation and before publishing the new ratio, the ~~board~~ **department** shall send a notice of the new assessment ratio to the county auditor, the county assessor, and the

C o p y

governing body of the school corporation. The ~~state board of tax commissioners~~ **department of state revenue** shall send these notices on or before the second Tuesday in May of each year in which the ~~board~~ **department** calculates a new assessment ratio for the school corporation.

(b) Within thirty (30) days after notification of a new assessment ratio, the county auditor, the county assessor, or the governing body of the school corporation may:

(1) examine and verify the ~~state board of tax commissioners'~~ **department of state revenue's** data; and

(2) make suggestions concerning the values established by the ~~board.~~ **department**.

SECTION 217. IC 6-1.1-34-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. Each year in which the ~~state board of tax commissioners~~ **department of state revenue** computes a new assessment ratio for a school corporation, the ~~board~~ **department** shall also compute a new adjustment factor for the school corporation. If the school corporation's assessment ratio for a year is more than ninety-nine percent (99%) but less than one hundred one percent (101%) of the state average assessment ratio for that year, the school corporation's adjustment factor is the number one (1). In all other cases, the school corporation's adjustment factor equals (1) the state average assessment ratio for a year, divided by (2) the school corporation's assessment ratio for that year. The ~~state board of tax commissioners~~ **department of state revenue** shall notify the school corporation of its new adjustment factor on or before July 1st of the year in which the ~~board~~ **department** calculates the new adjustment factor.

SECTION 218. IC 6-1.1-34-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. In order to perform the duties assigned to it under this chapter, the ~~state board of tax commissioners:~~ **department of state revenue:**

(1) shall conduct continuing studies of all property which is subject to assessment in this state;

(2) may request access to all local and state official records;

(3) may secure information from the federal government or from public or private agencies;

(4) may inspect a person's books, records, or property if the item is relevant to information which the ~~board~~ **department** needs in order to implement this chapter; and

(5) may adopt appropriate forms and procedures.

SECTION 219. IC 6-1.1-34-10 IS AMENDED TO READ AS

C o p y

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. If a state or local official or employee does not give the ~~state board of tax commissioners~~ **department of state revenue** access to official records which the ~~board~~ **department** has asked to examine under section 9(2) of this chapter, the official's or employee's action is evidence of misconduct in the office or position which he holds.

SECTION 220. IC 6-1.1-34-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. Information which the ~~state board of tax commissioners~~ **department of state revenue** has obtained from the federal government or a public agency under section 9(3) of this chapter is subject to the provider's rules and regulations, if any, which concern the confidential nature of the information. In addition, the information compiled by the ~~board~~ **department** under this chapter is confidential until publication of the assessment ratio and then loses its confidential character only to the extent that it is used in determining the ratio.

SECTION 221. IC 6-1.1-35-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. The ~~state board of tax commissioners~~ **department of state revenue** shall:

(1) interpret the property tax laws of this state;

(2) instruct property tax officials about their taxation and assessment duties and ensure that the county assessors, township assessors, and assessing officials are in compliance with section 1.1 of this chapter;

(3) see that all property assessments are made in the manner provided by law; and

(4) develop and maintain a manual for all assessing officials and county assessors concerning:

(A) assessment duties and responsibilities of the various state and local officials;

(B) assessment procedures and time limits for the completion of assessment duties;

(C) changes in state assessment laws; and

(D) other matters relevant to the assessment duties of assessing officials, county assessors, and other county officials.

SECTION 222. IC 6-1.1-35-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) The ~~state board of tax commissioners~~ **department of state revenue** may require township assessors, county assessors, or members of the county property tax assessment board of appeals, county auditors, and their employees to attend instructional sessions held by the board or held by

Copy

others but approved by the ~~board.~~ **department.** An assessing official, or an employee who is required to attend an instructional session or who, at the board's request, meets with the ~~board~~ **department** on official business shall receive:

(1) a lodging allowance for each night preceding session attendance not less than the lodging allowance equal to the lesser of:

(A) the cost of a standard room rate at the hotel where the session is held; or

(B) the actual cost of lodging paid;

(2) a subsistence allowance for meals for each day in attendance not less than the subsistence allowance for meals paid to state employees in travel status, but not more than the maximum subsistence allowance permitted under the regulations of the General Services Administration for federal employees in travel status, as reported in the Federal Register;

(3) a mileage allowance equal to that sum per mile paid to state officers and employees. The rate per mile shall change each time the state government changes its rate per mile; and

(4) an allowance equal to the cost of parking at the convention site.

The amount a county assessor, a township assessor, a member of a county property tax assessment board of appeals, or an employee shall receive under subdivision (2) shall be established by the county fiscal body.

(b) If a county assessor, a township assessor, a member of a county property tax assessment board of appeals, or an employee is entitled to receive an allowance under this section, the ~~state board of tax commissioners~~ **department of state revenue** shall furnish the appropriate county auditor with a certified statement which indicates the dates of attendance. The official or employee may file a claim for payment with the county auditor. The county treasurer shall pay the warrant from the county general fund from funds not otherwise appropriated.

(c) In the case of one (1) day instructional sessions, a lodging allowance may be paid only to persons who reside more than fifty (50) miles from the session location. Regardless of the duration of the session, and even though more than one (1) person may have been transported, only one (1) mileage allowance may be paid to an official or employee furnishing the conveyance.

SECTION 223. IC 6-1.1-35-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. If a township

C o p y

assessor does not perform his duties in a competent manner, the county assessor shall, in a written report, inform the ~~state board of tax commissioners~~ **department of state revenue** of that fact.

SECTION 224. IC 6-1.1-35-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 13. (a) The ~~state board of tax commissioners~~ **department of state revenue** may prepare a report, plat, or other property tax record if an official:

(1) fails to make a report which is required under the general assessment provisions of this article; or

(2) fails to deliver a plat or other property tax record to the appropriate officer or board.

The ~~state board of tax commissioners~~ **department of state revenue** may appoint a special representative to prepare the report, plat, or property tax record for the board.

(b) If the ~~state board of tax commissioners~~ **department of state revenue** prepares a report, plat, or property tax record, the ~~board~~ **department** shall certify the expenses incurred by the ~~board,~~ **department,** or by a special representative of the ~~board,~~ **department**, to the township or county which is served by the official who failed to perform his duty. The township or county shall pay the amount of the expenses to the state treasurer within thirty (30) days after the ~~board's~~ **department's** certification. The township or county may collect amounts which it pays under this section from the official who failed to perform his duty.

SECTION 225. IC 6-1.1-35.2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. The ~~state board of tax commissioners~~ **department of state revenue** shall provide training to the members of the county property tax assessment boards of appeals, and the county, township, and trustee assessors (referred to in this chapter as assessing officials) as provided in this chapter.

SECTION 226. IC 6-1.1-35.2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. (a) In any year in which an assessing official, a county assessor, or a member of a county property tax assessment board of appeals takes office for the first time, the ~~state board of tax commissioners~~ **department of state revenue** shall conduct training sessions determined under the rules adopted by the ~~state board of tax commissioners~~ **department of state revenue** under IC 4-22-2 for these new officials. These sessions must be held at sufficient convenient locations throughout Indiana.

(b) Any new assessing official, county assessor, or member of a county property tax assessment board of appeals who attends a required session is entitled to receive the per diem per session set by the ~~state~~

Copy

~~board of tax commissioners~~ **department of state revenue** by rule adopted under IC 4-22-2 and a mileage allowance from the county in which the official resides.

(c) A person is entitled to a mileage allowance under this section only for travel between the person's place of work and the training session nearest to the person's place of work.

SECTION 227. IC 6-1.1-35.2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) Each year the ~~state board of tax commissioners~~ **department of state revenue** shall conduct the continuing education sessions required in the rules adopted by the ~~state board of tax commissioners~~ **department of state revenue** for all assessing officials, county assessors, and all members of, and hearing officers for, the county property tax assessment board of appeals. These sessions must be conducted at sufficient convenient locations throughout Indiana.

(b) Any assessing official, county assessor, or member of, and hearing officers for, the county property tax assessment board of appeals who attends required sessions is entitled to receive a mileage allowance and the per diem per session set by the ~~state board of tax commissioners~~ **department of state revenue** by rule adopted under IC 4-22-2 from the county in which the official resides. A person is entitled to a mileage allowance under this section only for travel between the person's place of work and the training session nearest to the person's place of work.

SECTION 228. IC 6-1.1-35.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. The ~~state board of tax commissioners~~ **department of state revenue** shall conduct an assessor-appraiser examination and certification program.

SECTION 229. IC 6-1.1-35.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. The ~~state board of tax commissioners~~ **department of state revenue** shall design two (2) assessor-appraiser examinations, to be called "level one" and "level two". All citizens of Indiana are eligible to apply for and to be examined under "level one" and "level two" examinations, subject only to the resources and limitations of the ~~state board of tax commissioners~~ **department of state revenue** in conducting the examinations. Both examinations should cover the subjects of real estate appraising, accounting, and property tax law. Successful performance on the level one examination requires the minimum knowledge needed for effective performance as a county or township assessor under this article. Success on the level two examination requires substantial knowledge of the subjects covered in the examination.

Copy

SECTION 230. IC 6-1.1-35.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) The level one examination shall be given in the month of July, and the level two examination shall be given in the month of August. Both level examinations also shall be offered annually ~~immediately following the conference of state board of tax commissioners and~~ at ~~any other~~ times that coordinate with applicable courses of instruction. The ~~state board of tax commissioners~~ **department of state revenue** may also give either or both examinations at other times throughout the year.

(b) Examinations shall be held in Indianapolis at a location chosen by the ~~state board of tax commissioners.~~ **department of state revenue.**

SECTION 231. IC 6-1.1-35.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. The ~~state board of tax commissioners~~ **department of state revenue** shall certify all persons who successfully perform an examination under this chapter and shall furnish them with a certificate that prominently displays the name of the successful examinee and the fact that he is a level one or level two certified Indiana assessor-appraiser.

SECTION 232. IC 6-1.1-35.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. (a) The ~~state board of tax commissioners~~ **department of state revenue** shall establish a fair and reasonable fee for examination and certification under this chapter. However, the fee does not apply to an elected assessing official, a county assessor, a member of, and hearing officers for, a county property tax assessment board of appeals, or an employee of an elected assessing official, county assessor , or county property tax assessment board of appeals who is taking the level one examination or the level two examination for the first time.

(b) The assessing official training account is established as an account within the state general fund. All fees collected by the ~~state board of tax commissioners~~ **department of state revenue** shall be deposited in the account. The account shall be administered by the ~~state board of tax commissioners~~ **department of state revenue** and does not revert to the state general fund at the end of a fiscal year. The ~~state board of tax commissioners~~ **department of state revenue** may use money in the account for testing and training of assessing officials, county assessors, members of a county property tax assessment board of appeals, and employees of assessing officials, county assessors, or the county property tax assessment board of appeals.

SECTION 233. IC 6-1.1-35.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. The ~~state board of tax commissioners~~ **department of state revenue** may adopt rules

C o p y

under IC 4-22-2 to implement this chapter. The ~~state board of tax commissioners~~ **department of state revenue** shall adopt rules to set:

(1) minimum training requirements for certification after December 31, 1998, under this chapter;

(2) continuing education requirements for the renewal of a certification after December 31, 1998, under this chapter; and

(3) procedures for renewing a certification issued under this chapter, including a certification issued before January 1, 1999, for a person who meets the certification requires set under subdivision (2).

The rules must also establish procedures for disciplinary action against a certificate holder that fails to comply with the statutes or rules applicable to the certificate holder.

SECTION 234. IC 6-1.1-35.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. This chapter does not apply to elected assessing officials. The ~~state board of tax commissioners~~ **department of state revenue** may not adopt rules requiring elected assessing officials to take an examination or obtain certification under this chapter.

SECTION 235. IC 6-1.1-36-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) An assessing official, a county assessor, a member of a county property tax assessment board of appeals, or a member of the ~~state board of tax commissioners~~ **department of state revenue** may file an affidavit with a circuit court of this state if:

(1) the official or board member or a representative of the official, **department,** or board has requested that a person give information or produce books or records; and

(2) the person has not complied with the request.

The affidavit must state that the person has not complied with the request.

(b) When an affidavit is filed under subsection (a), the circuit court shall issue a writ which directs the person to appear at the office of the official or board member and to give the requested information or produce the requested books or records. The appropriate county sheriff shall serve the writ. If a person disobeys the writ, he is guilty of contempt of court.

(c) If a writ is issued under this section, the cost incurred in filing the affidavit, in the issuance of the writ, and in the service of the writ shall be charged to the person against whom the writ is issued. If a writ is not issued, all costs shall be charged to the county in which the circuit court proceedings are held, and the board of commissioners of

C o p y

that county shall allow a claim for the costs.

SECTION 236. IC 6-1.1-36-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. In order to discharge their official duties, the following officials may administer oaths and affirmations:

(1) Assessing officials.

(2) County assessors.

(3) County auditors.

(4) Members of a county property tax assessment board of appeals.

(5) ~~Members~~ **Employees** of the ~~state board of tax commissioners.~~ **department of state revenue.**

SECTION 237. IC 6-1.1-36-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. (a) The ~~state board of tax commissioners~~ **county property tax control board** may cancel any property taxes assessed against real property owned by a county, township, city, or town if a petition requesting that the board cancel the taxes is submitted by the auditor, assessor, and treasurer of the county in which the real property is located.

(b) The ~~state board of tax commissioners~~ **county property tax control board** may cancel any property taxes assessed against real property owned by this state if a petition requesting that the board cancel the taxes is submitted by:

(1) the governor; or

(2) the chief administrative officer of the state agency which supervises the real property.

However, if the petition is submitted by the chief administrative officer of a state agency, the governor must approve the petition.

(c) The ~~state board of tax commissioners~~ **county property tax control board** may compromise the amount of property taxes, together with any interest or penalties on those taxes, assessed against the fixed or distributable property owned by a bankrupt railroad, which is under the jurisdiction of:

(1) a federal court under 11 U.S.C. 1163;

(2) Chapter X of the Acts of Congress Relating to Bankruptcy (11 U.S.C. 701-799); or

(3) a comparable bankruptcy law.

(d) After making a compromise under subsection (c) and after receiving payment of the compromised amount, the ~~state board of tax commissioners~~ **department of state revenue** shall distribute to each county treasurer an amount equal to the product of:

(1) the compromised amount; multiplied by

C o p y

(2) a fraction, the numerator of which is the total of the particular county's property tax levies against the railroad for the compromised years, and the denominator of which is the total of all property tax levies against the railroad for the compromised years.

(e) After making the distribution under subsection (d), the ~~state board of tax commissioners~~ **department of state revenue** shall direct the auditors of each county to remove from the tax rolls the amount of all property taxes assessed against the bankrupt railroad for the compromised years.

(f) The county auditor of each county receiving money under subsection (d) shall allocate that money among the county's taxing districts. The auditor shall allocate to each taxing district an amount equal to the product of:

(1) the amount of money received by the county under subsection (d); multiplied by

(2) a fraction, the numerator of which is the total of the taxing district's property tax levies against the railroad for the compromised years, and the denominator of which is the total of all property tax levies against the railroad in that county for the compromised years.

(g) The money allocated to each taxing district shall be apportioned and distributed among the taxing units of that taxing district in the same manner and at the same time that property taxes are apportioned and distributed.

(h) The ~~state board of tax commissioners~~ **department of state revenue** may, with the approval of the attorney general, compromise the amount of property taxes, together with any interest or penalties on those taxes, assessed against property owned by a person that has a case pending under state or federal bankruptcy law. Property taxes that are compromised under this section shall be distributed and allocated at the same time and in the same manner as regularly collected property taxes. The ~~state board of tax commissioners~~ **department of state revenue** may compromise property taxes under this subsection only if:

(1) a petition is filed with the ~~state board of tax commissioners~~ **department of state revenue** that requests the compromise and that is signed and approved by the assessor, auditor, and treasurer of each county, and the assessor of each township, that is entitled to receive any part of the compromised taxes;

(2) the compromise significantly advances the time of payment of the taxes; and

(3) the compromise is in the best interest of the state and the

Copy

taxing units that are entitled to receive any part of the compromised taxes.

(i) A taxing unit that receives funds under this section is not required to include the funds in its budget estimate for any budget year which begins after the budget year in which it receives the funds.

(j) A county treasurer, with the consent of the county auditor and the county assessor, may compromise the amount of property taxes, interest, or penalties owed in a county by an entity that has a case pending under Title 11 of the United States Code (Bankruptcy Code) by accepting a single payment that must be at least seventy-five percent (75%) of the total amount owed in the county.

SECTION 238. IC 6-1.1-37-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. An officer of state or local government who recklessly violates or fails to perform a duty imposed on him under:

(1) IC 6-1.1-10-1(b);
(2) IC 6-1.1-12-6;
(3) IC 6-1.1-12-7;
(4) IC 6-1.1-12-8;
(5) IC 6-1.1-17-1;
(6) IC 6-1.1-17-3(a);
(7) IC 6-1.1-17-5(d)(1);
(8) IC 6-1.1-18-1;
(9) IC 6-1.1-18-5;
(10) IC 6-1.1-18-6;
(11) IC 6-1.1-20-5;
(12) IC 6-1.1-20-6;
(13) IC 6-1.1-20-7;
~~(14) IC 6-1.1-30-5;~~
~~(15) IC 6-1.1-30-14;~~ or
~~(16)~~ **(14)** IC 6-1.1-36-13;

commits a Class A misdemeanor. In addition, the officer is liable for the damages sustained by a person as a result of the officer's violation of the provision or the officer's failure to perform the duty.

SECTION 239. IC 6-1.1-37-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. (a) If a person fails to file a required personal property return on or before the due date, the county auditor shall add a penalty of twenty-five dollars ($25) to the person's next property tax installment. The county auditor shall also add an additional penalty to the taxes payable by the person if he fails to file the personal property return within thirty (30) days after the due date. The amount of the additional penalty is twenty percent (20%)

C o p y

of the taxes finally determined to be due with respect to the personal property which should have been reported on the return.

(b) For purposes of this section, a personal property return is not due until the expiration of any extension period granted by the township assessor under IC 6-1.1-3-7(b).

(c) The penalties prescribed under this section do not apply to an individual or his dependents if he:

(1) is in the military or naval forces of the United States on the assessment date; and

(2) is covered by the federal Soldiers' and Sailors' Civil Relief Act.

(d) If a person subject to IC 6-1.1-3-7(d) fails to include on a personal property return the information, if any, ~~that the state board of tax commissioners requires~~ **required** under IC 6-1.1-3-9 or IC 6-1.1-5-13, the county auditor shall add a penalty to the property tax installment next due for the return. The amount of the penalty is twenty-five dollars ($25).

(e) If the total assessed value that a person reports on a personal property return is less than the total assessed value that the person is required by law to report and if the amount of the undervaluation exceeds five percent (5%) of the value that should have been reported on the return, then the county auditor shall add a penalty of twenty percent (20%) of the additional taxes finally determined to be due as a result of the undervaluation. The penalty shall be added to the property tax installment next due for the return on which the property was undervalued. If a person has complied with all of the requirements for claiming a deduction, an exemption, or an adjustment for abnormal obsolescence, then the increase in assessed value that results from a denial of the deduction, exemption, or adjustment for abnormal obsolescence is not considered to result from an undervaluation for purposes of this subsection.

(f) A penalty is due with an installment under subsection (a), (d), or (e) whether or not an appeal is filed under IC 6-1.1-15-5 with respect to the tax due on that installment.

SECTION 240. IC 6-1.1-37-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. (a) If an installment of property taxes is not completely paid on or before the due date, a penalty equal to ten percent (10%) of the amount of delinquent taxes shall be added to the unpaid portion in the year of the initial delinquency. On May 10 and November 10 of each year following the year of the initial delinquency, an additional penalty equal to ten percent (10%) of any taxes remaining unpaid shall be

Copy

added. These penalties are imposed only on the principal amount of the delinquent taxes. However, if the ~~state board of tax commissioners~~ **department of state revenue** determines that an emergency has occurred which precludes the mailing of the tax statement in any county at the time set forth in IC 6-1.1-22-8, the ~~board~~ **department** shall establish by order a new date on which the installment of taxes in that county is due and no installment is delinquent if paid by the date so established.

(b) If any due date falls on a Saturday, a Sunday, a national legal holiday recognized by the federal government, or a statewide holiday, the act that must be performed by that date is timely if performed by the next succeeding day that is not a Saturday, a Sunday, or one (1) of those holidays.

(c) A payment to the county treasurer is considered to have been paid by the due date if the payment is:

(1) received on or before the due date to the county treasurer or a collecting agent appointed by the county treasurer; or

(2) deposited in the United States mail:

(A) properly addressed to the principal office of the county treasurer;

(B) with sufficient postage; and

(C) certified or postmarked by the United States postal service as mailed on or before the due date (as defined in this section).

For purposes of this subsection, "postmarked" does not mean the date printed by a postage meter that affixes postage to the envelope or package containing a payment.

SECTION 241. IC 6-1.1-38-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. The ~~tax commissioners'~~ agricultural advisory council is established to advise the ~~state board of tax commissioners~~ **county property tax control boards** concerning the assessment of land used for agricultural purposes.

SECTION 242. IC 6-1.1-38-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. The ~~tax commissioners'~~ agricultural advisory council shall meet two (2) years before the commencement of each general reassessment. In addition, the council shall meet at the call of its presiding officer. The ~~state board of tax commissioners~~ **department of state revenue** shall provide the council with a meeting room and clerical assistance.

SECTION 243. IC 6-1.1-38-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. The agricultural advisory council shall advise the ~~state board of tax commissioners~~

C o p y

county property tax control boards regarding the valuation of land for property tax purposes at least one (1) year before the commencement of a general reassessment. The agricultural advisory council shall hold hearings and meetings that it deems necessary to gather evidence concerning the valuation, and may request advice and information from any person or entity.

SECTION 244. IC 6-1.1-38-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. The ~~tax commissioners'~~ agricultural advisory council has only advisory responsibilities. The council does not have the power to alter, amend, or repeal a decision, rule, or regulation of the ~~state board of tax commissioners.~~ **department of state revenue.** The ~~state board of tax commissioners~~ **department of state revenue** shall consider the opinions of the council members; however, the board is not bound by their opinions. This chapter does not restrain the ~~state board of tax commissioners~~ **department of state revenue** from consulting with other persons when the board is developing rules, regulations, or policies.

SECTION 245. IC 6-1.1-39-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) A declaratory ordinance adopted under section 2 of this chapter and confirmed under section 3 of this chapter must include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. The allocation provision must apply to the entire economic development district. The allocation provisions must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the economic development district be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units. However, if the effective date of the allocation provision of a declaratory ordinance is after March 1, 1985, and before January 1, 1986, and if an improvement to property was partially completed on March 1, 1985, the unit may provide in the declaratory ordinance that the taxes attributable to the assessed value of the property as finally determined for March

C o p y

1, 1984, shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, part or all of the property tax proceeds in excess of those described in subdivision (1), as specified in the declaratory ordinance, shall be allocated to the unit for the economic development district and, when collected, paid into a special fund established by the unit for that economic development district that may be used only to pay the principal of and interest on obligations owed by the unit under IC 4-4-8 for the financing of industrial development programs in, or serving, that economic development district. The amount not paid into the special fund shall be paid to the respective units in the manner prescribed by subdivision (1).

(3) When the money in the fund is sufficient to pay all outstanding principal of and interest (to the earliest date on which the obligations can be redeemed) on obligations owed by the unit under IC 4-4-8 for the financing of industrial development programs in, or serving, that economic development district, money in the special fund in excess of that amount shall be paid to the respective taxing units in the manner prescribed by subdivision (1).

(b) Property tax proceeds allocable to the economic development district under subsection (a)(2) must, subject to subsection (a)(3), be irrevocably pledged by the unit for payment as set forth in subsection (a)(2).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the economic development district that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory ordinance is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Notwithstanding any other law, each assessor shall, upon petition of the fiscal body, reassess the taxable property situated upon or in, or added to, the economic development district effective on the next assessment date after the petition.

(e) Notwithstanding any other law, the assessed value of all taxable property in the economic development district, for purposes of tax limitation, property tax replacement (except as provided in IC 6-1.1-21-3(c), IC 6-1.1-21-4(a)(3), and IC 6-1.1-21-5(c)), and formulation of the budget, tax rate, and tax levy for each political

C o p y

subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(f) The state board of accounts and ~~state board of tax commissioners~~ **department of state revenue** shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the ~~state board of tax commissioners~~ **department of state revenue** shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1.

(g) As used in this section, "property taxes" means:

(1) taxes imposed under this article on real property; and

(2) any part of the taxes imposed under this article on depreciable personal property that the unit has by ordinance allocated to the economic development district. However, the ordinance may not limit the allocation to taxes on depreciable personal property with any particular useful life or lives.

If a unit had, by ordinance adopted before May 8, 1987, allocated to an economic development district property taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the ordinance continues in effect until an ordinance is adopted by the unit under subdivision (2).

(h) As used in this section, "base assessed value" means:

(1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (f); plus

(2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the state board of tax commissioners, as finally determined for any assessment date after the effective date of the allocation provision.

Subdivision (2) applies only to economic development districts established after June 30, 1997, and to additional areas established after June 30, 1997.

SECTION 246. IC 6-1.1-40-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. (a) Before a person acquires new manufacturing equipment for which the person

C o p y

wishes to claim a deduction under this chapter, the person must submit to the commission a statement of benefits, in a form prescribed by the ~~state board of tax commissioners.~~ **state board of accounts.** The statement of benefits must include the following information:

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

(2) An estimate of the number of individuals that will be employed or whose employment will be retained by the person as a result of the installation of the new manufacturing equipment and acquisition of inventory and an estimate of the annual salaries of these individuals.

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

(b) The statement of benefits may contain any other information required by the commission. If the person is requesting or will be requesting the designation of a district, the statement of benefits must be submitted at the same time as the request for designation is submitted.

(c) The commission shall review the statement of benefits if required under subsection (b). The commission shall make findings determining whether the estimate of:

(1) the number of individuals that will be employed or whose employment will be retained;

(2) the annual salaries of those individuals;

(3) the value of the new manufacturing equipment and inventory; and

(4) any other benefits about which the commission requires information;

are benefits that can be reasonably expected to result from the installation of the new manufacturing equipment and acquisition of inventory.

SECTION 247. IC 6-1.1-40-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. (a) A person that desires to obtain the deduction provided by section 10 of this chapter must file a certified deduction application, on forms prescribed by the ~~state board of tax commissioners,~~ **state board of accounts,** with:

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

(2) the ~~state board of tax commissioners.~~ **county property tax control board.**

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

Copy

is installed or the inventory is subject to assessment must file the application between March 1 and May 15 of that year. A person that obtains a filing extension under IC 6-1.1-3-7(b) for the year in which the new manufacturing equipment is installed or the inventory is subject to assessment must file the application between March 1 and June 14 of that year.

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

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

(2) A description of the new manufacturing equipment and inventory.

(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) A deduction application must be filed under this section in the year in which the new manufacturing equipment is installed or the inventory is subject to assessment and in each of the immediately succeeding nine (9) years.

(d) The ~~state board of tax commissioners~~ **county property tax control board** shall review and verify the correctness of each application and shall notify the county auditor of the county in which the property is located that the application is approved or denied or that the amount of the deduction is altered. Upon notification of approval of the application or of alteration of the amount of the deduction, the county auditor shall make the deduction.

(e) If the ownership of new manufacturing equipment changes, the deduction provided under section 10 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 7(c) of this chapter; and

(2) files the applications required by this section.

(f) The amount of the deduction is:

(1) the percentage under section 10 of this chapter that would have applied if the ownership of the property had not changed; multiplied by

(2) the assessed value of the equipment for the year the deduction is claimed by the new owner.

SECTION 248. IC 6-1.1-41-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) A political subdivision that decides to establish a fund under this chapter must:

C o p y

(1) give notice of the proposal to the affected taxpayers; and

(2) hold a public hearing on the proposal;

before presenting the proposal to the ~~state board of tax commissioners~~ **county property tax control board** for approval.

(b) Notice of the proposal and of the public hearing shall be given by publication in accordance with IC 5-3-1.

(c) For a cumulative fund authorized under IC 3-11-6 or IC 8-10-5-17, the political subdivision imposing a property tax levy shall post a notice of the proposal and the public hearing in three (3) public places in the political subdivision.

(d) A notice required by this section must describe the tax levy that will be imposed for the fund.

SECTION 249. IC 6-1.1-41-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. A political subdivision that in any year adopts a proposal under this chapter must submit the proposal to the ~~state board of tax commissioners~~ **county property tax control board** before August 2 of that year.

SECTION 250. IC 6-1.1-41-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. The ~~state board of tax commissioners~~ **county property tax control board** shall require that a notice of submission under section 3 of this chapter be given to the taxpayers of the county. The notice shall be published in one (1) publication and posted in the same manner as required by section 3 of this chapter.

SECTION 251. IC 6-1.1-41-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. Not later than noon thirty (30) days after the publication of the notice required by section 3 of this chapter:

(1) at least ten (10) taxpayers in the taxing district, if the fund is authorized under IC 8-10-5-17, IC 8-16-3-1, IC 8-16-3.1-4, IC 14-27-6-48, IC 14-33-21-2, IC 36-8-14-2, IC 36-9-4-48, or IC 36-10-4-36;

(2) at least twenty (20) taxpayers in a county served by a hospital, if the fund is authorized under IC 16-22-4-1;

(3) at least thirty (30) taxpayers in a tax district, if the fund is authorized under IC 36-10-3-21 or IC 36-10-7.5-19;

(4) at least fifty (50) taxpayers in a municipality, if subdivision (1), (2), (3), or (5) does not apply; or

(5) at least one hundred (100) taxpayers in the county, if the fund is authorized by IC 3-11-6;

may file a petition with the county auditor stating their objections to an action described in section 2 of this chapter. Upon the filing of the

C o p y

petition, the county auditor shall immediately certify the petition to the ~~state board of tax commissioners.~~ **county property tax control board.**

SECTION 252. IC 6-1.1-41-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. (a) The ~~state board of tax commissioners~~ **county property tax control board** shall within a reasonable time fix a date for a hearing on a petition filed under section 6 of this chapter.

(b) For a cumulative fund authorized under IC 3-11-6 or IC 36-9-4-48, the hearing must be held in the county affected by the proposed action.

SECTION 253. IC 6-1.1-41-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. The ~~state board of tax commissioners~~ **county property tax control board** shall give notice of the hearing required by section 7 of this chapter to:

(1) the county auditor; and

(2) the first ten (10) taxpayers whose names appear on the petition.

The notice must be given by letter signed by ~~the secretary or any~~ **a** member of the ~~state board of tax commissioners~~ **county property tax control board** and sent by mail with prepaid postage to the auditor and the taxpayers at their usual place of residence at least five (5) days before the date fixed for the hearing.

SECTION 254. IC 6-1.1-41-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. After a hearing upon a proposal, the ~~state board of tax commissioners~~ **county property tax control board** shall certify approval, disapproval, or modification of the proposal to the county auditor. The action of the ~~state board of tax commissioners~~ **county property tax control board** with respect to the proposed levy is final and conclusive.

SECTION 255. IC 6-1.1-41-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12. At least:

(1) ten (10) taxpayers in the tax district, if the fund is authorized under IC 8-10-5-17, IC 8-16-3-1, IC 8-16-3.1-4, IC 14-27-6-48, IC 14-33-21-2, IC 36-8-14-2, IC 36-9-4-48, or IC 36-10-4-36; or

(2) fifty (50) taxpayers in the area where a property tax for a fund is imposed, if subdivision (1) does not apply;

may file with the county auditor, by noon August 1 of a year, a petition for reduction or revision of the levy approved under this chapter. The petition must state the taxpayers' objections to the levy. The county auditor shall certify the petition to the state board of tax commissioners, and the same procedure for notice and hearing must be followed that was required for the original levy. After a hearing on the

Copy

petition, the ~~state board of tax commissioners~~ **county property tax control board** may confirm, reduce, or rescind the levy. The board's action is final and conclusive.

SECTION 256. IC 6-1.1-42-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) A person may apply to a designating body to designate an area as a brownfield revitalization zone.

(b) An application under this section must:

(1) be submitted to the designating body before the initiation of a voluntary remediation under IC 13-25-5;

(2) include sufficient information for the designating body to declare the area a zone; and

(3) be in the form prescribed by the ~~state board of tax commissioners.~~ **department of state revenue.**

SECTION 257. IC 6-1.1-42-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 17. (a) A person may apply for an assessed valuation deduction for:

(1) real property; and

(2) personal property, other than inventory (as defined in IC 6-1.1-3-11);

located in an area designated as a brownfield revitalization zone.

(b) An application for a deduction for an improvement to a brownfield revitalization zone or personal property located in a brownfield revitalization area must:

(1) be submitted to the designating body before the date that the improvement is initiated or, if the deduction is for personal property, the property is brought into the area;

(2) contain sufficient information for the designating body to approve the deduction; and

(3) be submitted in the form prescribed by the ~~state board of tax commissioners.~~ **department of state revenue.**

SECTION 258. IC 6-1.1-42-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 27. (a) A property owner who desires to obtain the deduction provided by section 24 of this chapter must file a certified deduction application, on forms prescribed by the ~~state board of tax commissioners,~~ **department of state revenue,** with the auditor of the county in which the property is located. Except as otherwise provided in subsection (b) or (e), 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

Copy

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 township assessor.

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

(1) The name of each owner of the property.

(2) A certificate of completion of a voluntary remediation under IC 13-25-5-16.

(3) Proof that each owner who is applying for the deduction:

(A) has never had an ownership interest in an entity that contributed; and

(B) has not contributed;

to contamination (as defined in IC 13-11-2-43) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management.

(4) Proof that the deduction was approved by the appropriate designating body.

(5) A description of the property for which a deduction is claimed in sufficient detail to afford identification.

(6) The assessed value of the improvements before remediation and redevelopment.

(7) The increase in the assessed value of improvements resulting from remediation and redevelopment.

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

(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 each subsequent year to which the deduction applies under the resolution adopted under section 24 of this chapter.

(e) A property owner who desires to obtain the deduction provided by section 24 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 is 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 under 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

Copy

the assessor of the township in which the property is located, the county auditor shall, if the property is covered by a resolution adopted under section 24 of this chapter, the county auditor shall make the appropriate deduction.

(g) The amount and period of the deduction provided for property by section 24 of this chapter are not affected by a change in the ownership of the property if the new owner of the property:

(1) is a person that:

(A) has never had an ownership interest in an entity that contributed; and

(B) has not contributed;

to contamination (as defined in IC 13-11-2-43) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management;

(2) continues to use the property in compliance with any standards established under section 7 of this chapter; and

(3) 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 259. IC 6-1.1-42-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 28. (a) Subject to this section, the amount of the deduction which the property owner is entitled to receive under this chapter for a particular year equals the product of:

(1) the increase in the assessed value resulting from the remediation and redevelopment in the zone or the location of personal property in the zone; multiplied by

(2) the percentage determined under subsection (b).

(b) 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%

Copy

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

(c) 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 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.

(3) The amount of the deduction may not exceed the limitations imposed by the designating body under section 23 of this chapter.

(4) The amount of the deduction must be proportionally reduced by the proportionate ownership of the property by a person that:

(A) has an ownership interest in an entity that contributed; or

(B) has contributed;

to contamination (as defined in IC 13-11-2-43) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental management.

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

SECTION 260. IC 6-1.1-42-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 30. (a) Within

Copy

forty-five (45) days after receipt of the information described in section 29 of this chapter, the designating body may determine whether the property owner has substantially complied with the statement of benefits filed under sections 6 and 18 of this chapter.

(b) 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 24 of this chapter, the designating body shall also mail a copy of the notice to the ~~state board of tax commissioners.~~ **department of state revenue.**

(c) On the date specified in the notice described in subsection (b)(2), the designating body shall conduct a hearing for the purpose of 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 24 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;

C o p y

(2) the county auditor; and

(3) the ~~state board of tax commissioners~~ **department of state revenue** if the deduction was granted under section 24 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.

SECTION 261. IC 6-1.1-42-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 32. (a) Each calendar year, the county auditor shall publish the following in a newspaper of general interest and readership and not one of limited subject matter:

(1) A list of the approved deduction applications that were filed under this chapter during that year. The list must contain the following:

(A) The name and address of each person approved for or receiving a deduction that was filed for during the year.

(B) The amount of each deduction that was filed for during the year.

(C) The years for which each deduction that was filed for during the year will be available.

(D) The total amount for all deductions that were filed for and granted during the year.

(2) The total amount of all deductions for real property that were

C o p y

in effect under section 24 of this chapter during the year.

(3) The total amount of all deductions for personal property that were in effect under section 24 of this chapter during the year.

(b) The county auditor shall file the information described in subsection (a)(2) and (a)(3) with the ~~state board of tax commissioners~~ **department of state revenue** each calendar year.

SECTION 262. IC 6-3-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 13. (a) As used in this section, "export income" means the gross receipts from the sale, transfer, or exchange of tangible personal property destined for international markets that is:

(1) manufactured at a plant located within a maritime opportunity district established under IC 6-1.1-40; and

(2) shipped through a port operated by the state.

(b) As used in this section, "export sales ratio" means the quotient of:

(1) the taxpayer's export income; divided by

(2) the taxpayer's gross receipts from the sale, transfer, or exchange of tangible personal property, regardless of its destination.

(c) As used in this section, "taxpayer" means a person or corporation that has export income.

(d) The Indiana port commission established by IC 8-10-1 shall notify the department when a maritime opportunity district is established under IC 6-1.1-40. The notice must include:

(1) the resolution passed by the commission to establish the district; and

(2) a list of all taxpayers located in the district.

(e) The port commission shall also notify the department of any subsequent changes in the list of taxpayers located in the district.

(f) A taxpayer is entitled to a deduction from the taxpayer's adjusted gross income in an amount equal to the lesser of:

(1) the taxpayer's adjusted gross income; or

(2) the product of the export sales ratio multiplied by the percentage set forth in subsection (g).

(g) The percentage to be used in determining the amount a taxpayer is entitled to deduct under this section depends upon the number of years that the taxpayer could have taken a deduction under this section. The percentage to be used in subsection (f) is as follows:

YEAR OF DEDUCTION	PERCENTAGE
1st through 4th	100%
5th	80%

C o p y

6th	60%
7th	40%
8th	20%
9th and thereafter	0%

(h) The department shall determine for each taxpayer claiming a deduction under this section, the taxpayer's export sales ratio for purposes of IC 6-1.1-40. ~~The department shall certify the amount of the ratio to the state board of tax commissioners.~~

SECTION 263. IC 6-3.5-1.1-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2.5. (a) This section applies only to a county having a population of more than thirty-seven thousand (37,000) but less than thirty-seven thousand eight hundred (37,800).

(b) The county council of a county described in subsection (a) may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to fund the operation and maintenance of a jail and juvenile detention center opened after July 1, 1998.

(c) Notwithstanding section 2 of this chapter, if the county council adopts an ordinance under subsection (b), the county council may impose the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) on adjusted gross income. However, a county may impose the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) for only four (4) years. After the county has imposed the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) for four (4) years, the rate is reduced to one percent (1%). If the county council imposes the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%), the county council may decrease the rate or rescind the tax in the manner provided under this chapter.

(d) If a county imposes the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) under this section, the revenue derived from a tax rate of one-tenth percent (0.1%) on adjusted gross income:

(1) shall be paid to the county treasurer;

(2) may be used only to pay the costs of operating a jail and juvenile detention center opened after July 1, 1998; and

(3) may not be considered by the ~~state board of tax commissioners~~ **county property tax control board** in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5.

SECTION 264. IC 6-3.5-1.1-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3.5. (a) This section

C o p y

applies only to a county having a population of more than twelve thousand six hundred (12,600) but less than thirteen thousand (13,000).

(b) The county council of a county described in subsection (a) may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to fund the operation and maintenance of a jail and justice center.

(c) Notwithstanding section 2 of this chapter, if the county council adopts an ordinance under subsection (b), the county council may impose the county adjusted gross income tax at a rate of one and three-tenths percent (1.3%) on adjusted gross income. However, a county may impose the county adjusted gross income tax at a rate of one and three-tenths percent (1.3%) for only four (4) years. After the county has imposed the county adjusted gross income tax at a rate of one and three-tenths percent (1.3%) for four (4) years, the rate is reduced to one percent (1%). If the county council imposes the county adjusted gross income tax at a rate of one and three-tenths percent (1.3%), the county council may decrease the rate or rescind the tax in the manner provided under this chapter.

(d) If a county imposes the county adjusted gross income tax at a rate of one and three-tenths percent (1.3%) under this section, the revenue derived from a tax rate of three-tenths percent (0.3%) on adjusted gross income:

(1) shall be paid to the county treasurer;

(2) may be used only to pay the costs of operating and maintaining a jail and justice center; and

(3) may not be considered by the ~~state board of tax commissioners~~ **county property tax control board** under any provision of IC 6-1.1-18.5, including the determination of the county's maximum permissible property tax levy.

(e) Notwithstanding section 3 of this chapter, the county fiscal body may adopt an ordinance under this section before June 1.

SECTION 265. IC 6-3.5-1.1-9.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9.5. (a) The county council of a county may adopt an ordinance to reduce the required six (6) month balance of that county's special account to a three (3) month balance for that county.

(b) To reduce the balance, a county council must adopt an ordinance. The ordinance must substantially state the following:

"The _____ County council elects to reduce the required county income tax special account balance from a six (6) month balance to a three (3) month balance within ninety (90) days after the adoption of this ordinance.".

C o p y

(c) Not more than thirty (30) days after adopting an ordinance under subsection (b), the county council shall deliver a copy of the ordinance to the budget agency.

(d) Not later than:

(1) sixty (60) days after a county council adopts an ordinance under subsection (b); and

(2) December 31 of each year;

the budget agency shall make the calculation described in subsection (e). Not later than ninety (90) days after the ordinance is adopted, the budget agency shall make an initial distribution to the county auditor of the amount determined under subsection (e) STEP FOUR. Subsequent distributions needed to distribute any amount in the county income tax special account that exceeds a three (3) month balance, as determined under STEP FOUR of subsection (e), shall be made in January of the ensuing calendar year after the calculation is made.

(e) The budget agency shall make the following calculation:

STEP ONE: Determine the cumulative balance in a county's account established under section 8 of this chapter.

STEP TWO: Divide the amount estimated under section 9(b) of this chapter before any adjustments are made under section 9(c) or 9(d) of this chapter by twelve (12).

STEP THREE: Multiply the STEP TWO amount by three (3).

STEP FOUR: Subtract the amount determined in STEP THREE from the amount determined in STEP ONE.

(f) For the purposes of this subsection and subsection (g), "civil taxing unit" includes a city or town that existed on January 1 of the year in which the distribution is made. The county auditor shall distribute an amount received under subsection (d) to the civil taxing units in the same manner as the certified distribution is distributed and not later than thirty (30) days after the county auditor receives the amount. However, the county auditor shall distribute an amount to a civil taxing unit that does not have a property tax levy in the year of the distribution based on an estimate certified by the ~~state board of tax commissioners.~~ **county property tax control board.** The ~~state board of tax commissioners~~ **county property tax control board** shall compute and certify an amount for a civil taxing unit that does not have a property tax levy equal to the amount to be distributed multiplied by a fraction in which:

(1) the numerator of the fraction equals an estimate of the budget of that civil taxing unit for:

(A) that calendar year, if the civil taxing unit has adopted a resolution indicating that the civil taxing unit will not adopt a

C o p y

property tax in the ensuing calendar year; or

(B) the ensuing calendar year, if clause (A) does not apply; and

(2) the denominator of the fraction equals the aggregate attributed levies (as defined in IC 6-3.5-1.1-15) of all civil taxing units of that county for that calendar year plus the sum of the budgets estimated under subdivision (1) for each civil taxing unit that does not have a property tax levy in the year of the distribution.

(g) The civil taxing units may use the amounts received under subsection (f) for any item for which the particular civil taxing unit's certified shares may be used. The amount distributed shall not be included in the computation under IC 6-1.1-18.5-3.

SECTION 266. IC 6-3.5-1.1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12. (a) The part of a county's certified distribution for a calendar year that is to be used as property tax replacement credits shall be allocated by the county auditor among the civil taxing units and school corporations of the county.

(b) Except as provided in section 13 of this chapter, the amount of property tax replacement credits that each civil taxing unit and school corporation in a county is entitled to receive during a calendar year equals the product of:

(1) that part of the county's certified distribution that is dedicated to providing property tax replacement credits for that same calendar year; multiplied by

(2) a fraction:

(A) The numerator of the fraction equals the sum of the total property taxes being collected by the civil taxing unit or school corporation during that calendar year, plus with respect to a civil taxing unit, the amount of federal revenue sharing funds and certified shares received by it during that calendar year to the extent that they are used to reduce its property tax levy below the limit imposed by IC 6-1.1-18.5 for that same calendar year.

(B) The denominator of the fraction equals the sum of the total property taxes being collected by all civil taxing units and school corporations, plus the amount of federal revenue sharing funds and certified shares received by all civil taxing units in the county to the extent that they are used to reduce the civil taxing units' property tax levies below the limits imposed by IC 6-1.1-18.5 for that same calendar year.

(c) ~~The state board of tax commissioners~~ **Each county property tax**

Copy

control board shall provide each county auditor with the amount of property tax replacement credits that each civil taxing unit and school corporation in the auditor's county is entitled to receive. The county auditor shall then certify to each civil taxing unit and school corporation the amount of property tax replacement credits it is entitled to receive (after adjustment made under section 13 of this chapter) during that calendar year. The county auditor shall also certify these distributions to the county treasurer.

SECTION 267. IC 6-3.5-1.1-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 13. (a) If a civil taxing unit or school corporation of an adopting county does not impose a property tax levy that is first due and payable in a calendar year in which property tax replacement credits are being distributed, that civil taxing unit or school corporation is entitled to receive a proportion of the property tax replacement credits to be distributed within the county. The amount such a civil taxing unit or school corporation is entitled to receive during that calendar year equals the product of:

(1) the part of the county's certified distribution that is to be used to provide property tax replacement credits during that calendar year; multiplied by

(2) a fraction:

(A) The numerator of the fraction equals the budget of that civil taxing unit or school corporation for that calendar year.

(B) The denominator of the fraction equals the aggregate budgets of all civil taxing units and school corporations of that county for that calendar year.

(b) If for a calendar year a civil taxing unit or school corporation is allocated a proportion of a county's property tax replacement credits by this section then the formula used in section 12 of this chapter to determine all other civil taxing units' and school corporations' property tax replacement credits shall be changed for that same year by reducing the amount dedicated to providing property tax replacement credits by the amount of property tax replacement credits allocated under this section for that same calendar year. ~~The state board of tax commissioners~~ **Each county property tax control board** shall make any adjustments required by this section and provide them to the appropriate county auditors.

SECTION 268. IC 6-3.5-1.1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 14. (a) In determining the amount of property tax replacement credits civil taxing units and school corporations of a county are entitled to receive during

Copy

a calendar year, the ~~state board of tax commissioners~~ **county property tax control board** shall consider only property taxes imposed on tangible property that was assessed in that county.

(b) If a civil taxing unit or a school corporation is located in more than one (1) county and receives property tax replacement credits from one (1) or more of the counties, then the property tax replacement credits received from each county shall be used only to reduce the property tax rates that are imposed within the county that distributed the property tax replacement credits.

(c) A civil taxing unit shall treat any property tax replacement credits that it receives or is to receive during a particular calendar year as a part of its property tax levy for that same calendar year for purposes of fixing its budget and for purposes of the property tax levy limits imposed by IC 6-1.1-18.5.

(d) A school corporation shall treat any property tax replacement credits that the school corporation receives or is to receive during a particular calendar year as a part of its property tax levy for its general fund, debt service fund, capital projects fund, transportation fund, and special education preschool fund in proportion to the levy for each of these funds for that same calendar year for purposes of fixing its budget and for purposes of the property tax levy limits imposed by IC 6-1.1-19. A school corporation shall allocate the property tax replacement credits described in this subsection to all five (5) funds in proportion to the levy for each fund.

SECTION 269. IC 6-3.5-1.1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 15. (a) As used in this section, "attributed levy" of a civil taxing unit means the sum of:

(1) the ad valorem property tax levy of the civil taxing unit that is currently being collected at the time the allocation is made; plus

(2) the current ad valorem property tax levy of any special taxing district, authority, board, or other entity formed to discharge governmental services or functions on behalf of or ordinarily attributable to the civil taxing unit; plus

(3) the amount of federal revenue sharing funds and certified shares that were used by the civil taxing unit (or any special taxing district, authority, board, or other entity formed to discharge governmental services or functions on behalf of or ordinarily attributable to the civil taxing unit) to reduce its ad valorem property tax ~~levies~~ **rate** below the limits imposed by IC 6-1.1-18.5.

(b) The part of a county's certified distribution that is to be used as certified shares shall be allocated only among the county's civil taxing

C o p y

units. Each civil taxing unit of a county is entitled to receive a percentage of the certified shares to be distributed in the county equal to the ratio of its attributed levy to the total attributed levies of all civil taxing units of the county.

(c) The ~~local government tax control board established by IC 6-1.1-18.5-11~~ **county property tax control board** shall determine the attributed levies of civil taxing units that are entitled to receive certified shares during a calendar year. If the ad valorem property tax levy of any special taxing district, authority, board, or other entity is attributed to another civil taxing unit under subsection (b)(2), then the special taxing district, authority, board, or other entity shall not be treated as having an attributed levy of its own. The ~~local government tax control board~~ **county property tax control board** shall certify the attributed levy amounts to the appropriate county auditor. The county auditor shall then allocate the certified shares among the civil taxing units of his county.

(d) Certified shares received by a civil taxing unit shall be treated as additional revenue for the purpose of fixing its budget for the calendar year during which the certified shares will be received. The certified shares may be allocated to or appropriated for any purpose, including property tax relief or a transfer of funds to another civil taxing unit whose levy was attributed to the civil taxing unit in the determination of its attributed levy.

SECTION 270. IC 6-3.5-6-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 18. (a) The revenue a county auditor receives under this chapter shall be used to:

(1) replace the amount, if any, of property tax revenue lost due to the allowance of an increased homestead credit within the county;

(2) fund the operation of a public communications system and computer facilities district as provided in an election, if any, made by the county fiscal body under IC 36-8-15-19(b);

(3) fund the operation of a public transportation corporation as provided in an election, if any, made by the county fiscal body under IC 36-9-4-42;

(4) make payments permitted under IC 36-7-15.1-17.5;

(5) make payments permitted under subsection (i); and

(6) make distributions of distributive shares to the civil taxing units of a county.

(b) The county auditor shall retain from the payments of the county's certified distribution, an amount equal to the revenue lost, if any, due to the increase of the homestead credit within the county. This money shall be distributed to the civil taxing units and school corporations of

C o p y

the county as though they were property tax collections and in such a manner that no civil taxing unit or school corporation shall suffer a net revenue loss due to the allowance of an increased homestead credit.

(c) The county auditor shall retain the amount, if any, specified by the county fiscal body for a particular calendar year under subsection (i), IC 36-7-15.1-17.5, IC 36-8-15-19(b), and IC 36-9-4-42 from the county's certified distribution for that same calendar year. The county auditor shall distribute amounts retained under this subsection to the county.

(d) All certified distribution revenues that are not retained and distributed under subsections (b) and (c) shall be distributed to the civil taxing units of the county as distributive shares.

(e) The amount of distributive shares that each civil taxing unit in a county is entitled to receive during a month equals the product of:

(1) the amount of revenue that is to be distributed as distributive shares during that month; multiplied by

(2) a fraction. The numerator of the fraction equals the total property taxes that are first due and payable to the civil taxing unit during the calendar year in which the month falls. The denominator of the fraction equals the total property taxes that are first due and payable to all civil taxing units of the county during the calendar year in which the month falls.

(f) The ~~state board of tax commissioners~~ **county property tax control board** shall provide each county auditor with the fractional amount of distributive shares that each civil taxing unit in the auditor's county is entitled to receive monthly under this section.

(g) Notwithstanding subsection (e), if a civil taxing unit of an adopting county does not impose a property tax levy that is first due and payable in a calendar year in which distributive shares are being distributed under this section, that civil taxing unit is entitled to receive a part of the revenue to be distributed as distributive shares under this section within the county. The fractional amount such a civil taxing unit is entitled to receive each month during that calendar year equals the product of:

(1) the amount to be distributed as distributive shares during that month; multiplied by

(2) a fraction. The numerator of the fraction equals the budget of that civil taxing unit for that calendar year. The denominator of the fraction equals the aggregate budgets of all civil taxing units of that county for that calendar year.

(h) If for a calendar year a civil taxing unit is allocated a part of a county's distributive shares by subsection (g), then the formula used in

C o p y

subsection (e) to determine all other civil taxing units' distributive shares shall be changed each month for that same year by reducing the amount to be distributed as distributive shares under subsection (e) by the amount of distributive shares allocated under subsection (g) for that same month. The ~~state board of tax commissioners~~ **county property tax control board** shall make any adjustments required by this subsection and provide them to the appropriate county auditors.

(i) Notwithstanding any other law, a county fiscal body may pledge revenues received under this chapter to the payment of bonds or lease rentals to finance a qualified economic development tax project under IC 36-7-27 in that county or in any other county if the county fiscal body determines that the project will promote significant opportunities for the gainful employment or retention of employment of the county's residents.

SECTION 271. IC 6-3.5-6-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 19. (a) In determining the fractional share of distributive shares the civil taxing units of a county are entitled to receive under section 18 of this chapter during a calendar year, the ~~state board of tax commissioners~~ **county property tax control board** shall consider only property taxes imposed on tangible property subject to assessment in that county.

(b) In determining the amount of distributive shares a civil taxing unit is entitled to receive under section 18(g) of this chapter, the ~~state board of tax commissioners~~ **county property tax control board** shall consider only the percentage of the civil taxing unit's budget that equals the ratio that the total assessed valuation that lies within the civil taxing unit and the county that has adopted the county option tax bears to the total assessed valuation that lies within the civil taxing unit.

(c) The distributive shares to be allocated and distributed under this chapter shall be treated by each civil taxing unit as additional revenue for the purpose of fixing its budget for the budget year during which the distributive shares is to be distributed to the civil taxing unit.

(d) In the case of a civil taxing unit that includes a consolidated city its fiscal body may distribute any revenue it receives under this chapter to any governmental entity located in its county except an excluded city, a township, or a school corporation.

SECTION 272. IC 6-3.5-7-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12. (a) The county auditor shall distribute in the manner specified in this section the certified distribution to the county.

(b) Except as provided in subsections (c) and (h) and section 15 of this chapter, the amount of the certified distribution that the county and

C o p y

each city or town in a county is entitled to receive during May and November of each year equals the product of:

(1) the amount of the certified distribution for that month; multiplied by

(2) a fraction. The numerator of the fraction equals the total property taxes that are first due and payable to the county, city, or town during the calendar year in which the month falls. The denominator of the fraction equals the total property taxes that are first due and payable to the county and all cities and towns of the county during the calendar year in which the month falls.

(c) This subsection applies to a county council or county income tax council that imposes a tax under this chapter after June 1, 1992. The body imposing the tax may adopt an ordinance before July 1 of a year to provide for the distribution of certified distributions under this subsection instead of a distribution under subsection (b). The following apply if an ordinance is adopted under this subsection:

(1) The ordinance is effective January 1 of the following year.

(2) The amount of the certified distribution that the county and each city and town in the county is entitled to receive during May and November of each year equals the product of:

(A) the amount of the certified distribution for the month; multiplied by

(B) a fraction. For a city or town, the numerator of the fraction equals the population of the city or the town. For a county, the numerator of the fraction equals the population of the part of the county that is not located in a city or town. The denominator of the fraction equals the sum of the population of all cities and towns located in the county and the population of the part of the county that is not located in a city or town.

(3) The ordinance may be made irrevocable for the duration of specified lease rental or debt service payments.

(d) The body imposing the tax may not adopt an ordinance under subsection (c) if, before the adoption of the proposed ordinance, any of the following have pledged the county economic development income tax for any purpose permitted by IC 5-1-14 or any other statute:

(1) The county.

(2) A city or town in the county.

(3) A commission, a board, a department, or an authority that is authorized by statute to pledge the county economic development income tax.

(e) The ~~state board of tax commissioners~~ **county property tax control board** shall provide each county auditor with the fractional

C o p y

amount of the certified distribution that the county and each city or town in the county is entitled to receive under this section.

(f) Money received by a county, city, or town under this section shall be deposited in the unit's economic development income tax fund.

(g) In determining the fractional amount of the certified distribution the county and its cities and towns are entitled to receive under subsection (b) during a calendar year, the ~~state board of tax commissioners~~ **county property tax control board** shall consider only property taxes imposed on tangible property subject to assessment in that county.

(h) In a county having a consolidated city, only the consolidated city is entitled to the certified distribution, subject to the requirements of section 15 of this chapter.

SECTION 273. IC 6-3.5-7-13.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 13.1. (a) The fiscal officer of each county, city, or town for a county in which the county economic development tax is imposed shall establish an economic development income tax fund. The revenue received by a county, city, or town under this chapter shall be deposited in the unit's economic development income tax fund.

(b) Except as provided in section 15 of this chapter, revenues from the county economic development income tax may be used as follows:

(1) By a county, city, or town for economic development projects, for paying, notwithstanding any other law, under a written agreement all or a part of the interest owed by a private developer or user on a loan extended by a financial institution or other lender to the developer or user if the proceeds of the loan are or are to be used to finance an economic development project, for the retirement of bonds under section 14 of this chapter for economic development projects, for leases under section 21 of this chapter, or for leases or bonds entered into or issued prior to the date the economic development income tax was imposed if the purpose of the lease or bonds would have qualified as a purpose under this chapter at the time the lease was entered into or the bonds were issued.

(2) By a county, city, or town for:

(A) the construction or acquisition of, or remedial action with respect to, a capital project for which the unit is empowered to issue general obligation bonds or establish a fund under any statute listed in IC 6-1.1-18.5-9.8 **(before its repeal);**

(B) the retirement of bonds issued under any provision of Indiana law for a capital project;

C o p y

(C) the payment of lease rentals under any statute for a capital project;

(D) contract payments to a nonprofit corporation whose primary corporate purpose is to assist government in planning and implementing economic development projects;

(E) operating expenses of a governmental entity that plans or implements economic development projects;

(F) to the extent not otherwise allowed under this chapter, funding substance removal or remedial action in a designated unit; or

(G) funding of a revolving fund established under IC 5-1-14-14.

(c) As used in this section, an economic development project is any project that:

(1) the county, city, or town determines will:

(A) promote significant opportunities for the gainful employment of its citizens;

(B) attract a major new business enterprise to the unit; or

(C) retain or expand a significant business enterprise within the unit; and

(2) involves an expenditure for:

(A) the acquisition of land;

(B) interests in land;

(C) site improvements;

(D) infrastructure improvements;

(E) buildings;

(F) structures;

(G) rehabilitation, renovation, and enlargement of buildings and structures;

(H) machinery;

(I) equipment;

(J) furnishings;

(K) facilities;

(L) administrative expenses associated with such a project, including contract payments authorized under subsection (b)(2)(D);

(M) operating expenses authorized under subsection (b)(2)(E); or

(N) to the extent not otherwise allowed under this chapter, substance removal or remedial action in a designated unit;

or any combination of these.

SECTION 274. IC 6-5.5-8-2 IS AMENDED TO READ AS

Copy

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. (a) On or before February 1, May 1, August 1, and December 1 of each year the auditor of state shall transfer to each county auditor for distribution to the taxing units (as defined in IC 6-1.1-1-21) in the county, an amount equal to one-fourth (1/4) of the sum of the guaranteed amounts for all the taxing units of the county. On or before August 1 of each year the auditor of state shall transfer to each county auditor the supplemental distribution for the county for the year.

(b) A taxing unit's guaranteed distribution for a year is the greater of zero (0) or an amount equal to:

(1) the amount received by the taxing unit under IC 6-5-10 and IC 6-5-11 in 1989; minus

(2) the amount to be received by the taxing unit in the year of the distribution, as determined by the ~~state board of tax commissioners,~~ **county property tax control board,** from property taxes attributable to the personal property of banks, exclusive of the property taxes attributable to personal property leased by banks as the lessor where the possession of the personal property is transferred to the lessee.

(c) The amount of the supplemental distribution for a county for a year shall be determined using the following formula:

STEP ONE: Determine the greater of zero (0) or the difference between:

(A) one-half (1/2) of the taxes that the department estimates will be paid under this article during the year; minus

(B) the sum of all the guaranteed distributions for all taxing units in all counties plus the bank personal property taxes to be received by all taxing units in all counties, as determined under subsection (b)(2) for the year.

STEP TWO: Determine the quotient of:

(A) the amount received under IC 6-5-10 and IC 6-5-11 in 1989 by all taxing units in the county; divided by

(B) the sum of the amounts received under IC 6-5-10 and IC 6-5-11 in 1989 by all taxing units in all counties.

STEP THREE: Determine the product of:

(A) the amount determined in STEP ONE; multiplied by

(B) the amount determined in STEP TWO.

STEP FOUR: Determine the greater of zero (0) or the difference between:

(A) the amount of supplemental distribution determined in STEP THREE for the county; minus

(B) the amount of refunds granted under IC 6-5-10-7 that have

C o p y

yet to be reimbursed to the state by the county treasurer under IC 6-5-10-13.

For the supplemental distribution made on or before August 1 of each year, the department shall adjust the amount of each county's supplemental distribution to reflect the actual taxes paid under this article for the preceding year.

(d) The amount of the supplemental distribution for each taxing unit shall be determined using the following formula:

STEP ONE: Determine the quotient of:

(A) the amount received by the taxing unit under IC 6-5-10 and IC 6-5-11 in 1989; divided by

(B) the sum of the amounts used in STEP ONE (A) for all taxing units located in the county.

STEP TWO: Determine the product of:

(A) the amount determined in STEP ONE; multiplied by

(B) the supplemental distribution for the county, as determined in subsection (c), STEP FOUR.

(e) The county auditor shall distribute the guaranteed and supplemental distributions received under subsection (a) to the taxing units in the county at the same time that the county auditor makes the semiannual distribution of real property taxes to the taxing units.

SECTION 275. IC 6-6-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) As the basis for measuring the tax imposed by this chapter, the bureau shall determine the value of each vehicle as of the time it is first offered for sale as a new vehicle in Indiana. The bureau shall adopt rules for determining the value of vehicles, using the "factory advertised delivered price" or the "port of entry price".

(b) If the bureau is unable to ascertain a value by this method in respect to any vehicle or class of vehicles because the vehicle is a specially constructed vehicle or for any other reason, the bureau shall determine, from any information available, the true tax value. ~~subject to review and adjustment by the state board of tax commissioners.~~

(c) for each vehicle, beginning with the 1990 model year, the bureau shall reduce the value determined under subsection (a) or (b) by dividing:

(1) the price determined under subsection (a) or (b); by

(2) one (1) plus the average percentage increase in new automobile prices using the most recent annual reference to the Consumer Price Index for Private New Automobiles as published by the Bureau of Labor Statistics, United States Department of Labor.

Copy

SECTION 276. IC 6-6-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. For purposes of this chapter, the ~~state board of tax commissioners:~~ **department of state revenue:**

(1) shall prescribe or promulgate the tonnage tax return and any other forms required in order to carry out this chapter;

(2) shall interpret this chapter and instruct a taxing official about his duties under it when requested to do so by the official or by a person affected by this chapter;

(3) shall see that the taxes imposed by this chapter are collected;

(4) shall see that the penalties prescribed under this chapter are enforced; and

(5) may exercise ~~those same~~ powers to subpoena and examine records and witnesses. ~~which the board has under IC 6-1.1-30-13.~~

SECTION 277. IC 7.1-3-24-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. Surviving Spouse or Heir. The surviving spouse or heir of a deceased permittee may be permitted to continue the business conducted by the deceased permittee, without probate proceedings, if the consent of the ~~state board of tax commissioners~~ **department of state revenue** is procured, and if the court having probate jurisdiction shall find that the surviving spouse or heir of the deceased permittee possesses the qualifications required of an applicant for that particular type of permit. A surviving spouse or heir who desires to carry on the business of the deceased permittee, as authorized by this section, must apply for and receive the written consent of the chairman. A copy of the court's findings on the qualifications of the applicant must accompany the application for written consent.

SECTION 278. IC 8-1-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. (a) The commission shall value all property of every public utility actually used and useful for the convenience of the public at its fair value, giving such consideration as it deems appropriate in each case to all bases of valuation which may be presented or which the commission is authorized to consider by the following provisions of this section. As one of the elements in such valuation the commission shall give weight to the reasonable cost of bringing the property to its then state of efficiency. In making such valuation, the commission may avail itself of any information in possession of the ~~state board of tax commissioners~~ **department of state revenue** or of any local authorities. The commission may accept any valuation of the physical property made by the interstate commerce commission of any public

C o p y

utility subject to the provisions of this act.

(b) The lands of such public utility shall not be valued at a greater amount than the assessed value of said lands exclusive of improvements as valued for taxation. In making such valuation no account shall be taken of presumptive value resting on natural resources independent of any structures in relation thereto, the natural resource itself shall be viewed as the public's property. No account shall be taken of good will for presumptive values growing out of the operation of any utility as a going concern, all such values to rest with the municipality by reason of the special and exclusive grants given such utility enterprises. No account shall be taken of construction costs unless such costs were actually incurred and paid as part of the cost entering into the construction of the utility. All public utility valuations shall be based upon tangible property, that is, such property as has value by reason of construction costs, either in materials purchased or in assembling of materials into structures by the labor or (of) workers and the services of superintendents, including engineers, legal and court costs, accounting systems and transportation costs, and also including insurance and interest charges on capital accounts during the construction period. As an element in determining value the commission may also take into account reproduction costs at current prices, less depreciation, based on the items set forth in the last sentence hereof and shall not include good will, going value, or natural resources.

(c) In determining the amount of allowable operating expenses of a utility, the commission may not take into consideration or approve any expense for institutional or image building advertising, charitable contributions, or political contributions.

SECTION 279. IC 8-1-11.1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. (a) For the purpose of raising money to pay for the acquisition of any utility property which said city shall have the right to and shall determine to acquire, or which any such city may take over as trustee for the inhabitants thereof, including any money required to be paid for the purpose of redeeming or extinguishing the capital stock of any utility whose property may be so taken over and for the purpose of paying any outstanding obligations of any utility company subject to which the property of any such utility may be taken over by any such city, or held by it in trust for the inhabitants thereof; or for the purpose of making necessary betterments, improvements, extensions or additions to any utility property owned, or so held in trust, by said city, the board of directors for utilities shall cause to be issued in the name of the said

C o p y

city the bonds of said utility district not to exceed in amount the total cost of any such utility so purchased, or so held in trust, and for the outstanding obligations of any utility subject to which the property is to be taken over and which it is desired to pay off and discharge and/or of any such additions, betterments, improvements, extensions or additions to any utility owned, or so held in trust, and including all expenses necessarily incurred in connection with the acquisition of any such property, the paying off of any such indebtedness or the making of any such improvements, extensions or additions thereto. Such bonds shall be issued in any denominations not more than one thousand dollars ($1,000) each, and shall be payable at such period not longer than thirty (30) years after date, and in such series or series as such board of directors may by resolution determine. Said bonds shall be negotiable as inland bills of exchange, and shall bear interest at any rate, payable semiannually. On adopting a resolution ordering said bonds, said board of directors shall certify a copy of the same to the city controller of said city, who shall thereupon prepare said bonds and the same shall be executed by the mayor of said city and attested by the city controller. Such bonds shall be exempt from taxation for any and all purposes. All of said bonds so issued by the board of directors shall be sold by the city controller to the highest bidder therefor, but in no event for less than par, after giving notice of sale of such bonds by publication in accordance with IC 5-3-1. Any bonds issued pursuant to the provisions of this chapter, whether bonds of said utility district, or mortgage bonds, certificates of indebtedness, or other obligations, as hereinafter provided for in this chapter, shall be valid and binding without obtaining the approval of the commission. ~~or the state board of tax commissioners of the state of Indiana.~~ It shall be unlawful for said board of directors for utilities to cause to be issued under this chapter any bonds of said utility district payable by special taxation when the total issue for that purpose, including the bonds already issued and outstanding and those proposed to be issued, is in excess of two percent (2%) of the total adjusted value of taxable property in the district as determined under IC 36-1-15, and all bonds or obligations issued in violation of this provision shall be void. Said bonds shall not in any respect be a corporate obligation or indebtedness of said city, but shall be and constitute an indebtedness of said utility district as a special taxing district, and said bonds and interest thereon shall be payable out of a special tax levy upon all of the property of said utility district, or from surplus earnings as in this chapter provided; and said bonds shall recite such terms upon their face, together with the purpose for which they are issued. No suit to question the validity of said bonds so issued

C o p y

for said utility district or to prevent their issue and sale shall be instituted after the date set for the sale of said bonds, and all said bonds from and after said date shall be incontestable for any cause whatsoever.

(b) In event any such city shall, pursuant to any contract right so to do, determine to take over the property and business of any utility company by the payment to it of the amount necessary to pay off the stock of such company, the proceeds of any such utility district bonds issued and sold as herein provided may, so far as is necessary, be paid over to any such utility company at the time of the conveyance, transfer, or taking over of its property, for the purpose of enabling such company to discharge its obligations to its stockholders in accordance with the provisions of any such contract.

(c) In addition to the authority granted to issue utility district bonds the board of directors of any such utility district for the purpose of providing necessary funds with which to pay the cost of acquiring any utility property, or paying off any existing indebtedness of or upon any utility property, so acquired, or to pay the expenses of operation of any such utility property, including the cost of any betterments or extensions, may make temporary loans in the form of certificates of indebtedness, which shall be a charge solely against either the particular utility property or against the earnings thereof, or both, on behalf of which the same is borrowed; or said board of directors may authorize the issuance of mortgage bonds secured by a mortgage upon the property or upon the earnings, or both, of the particular utility for whose benefit such moneys are borrowed; and any such certificates of indebtedness and mortgages shall constitute charges as may be indicated aforesaid by the directors when authorizing the same and shall contain such terms and provisions and shall be sold at such price and shall bear such rate of interest as such board of directors may approve.

(d) Such mortgage indebtedness shall not constitute a general obligation of such city, or of such utility district, but the holders thereof shall be entitled to look solely to the mortgaged property and the revenues derived from the operation thereof for the repayment of such indebtedness.

(e) All such certificates of indebtedness and mortgage bonds shall be signed by the mayor of such city and attested by the city controller, and shall on their face show the purpose for which they are issued and the character of the obligation created thereby. All such certificates of indebtedness and mortgage bonds, or either thereof, shall be exempt from all taxation.

C o p y

SECTION 280. IC 8-1-11.1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 15. This chapter being necessary for and intended to secure efficient and economical management and operation of utility properties in any consolidated city taking advantage of the provisions hereof, the said board of directors shall have full power to transact all the business pertaining to said management and operation of each and all such utilities, including the issuance of bonds, mortgages, and other forms of indebtedness. ~~free from all control and supervision of the state board of tax commissioners of Indiana.~~ This chapter shall be liberally construed to effectuate the purpose hereof, and if any one (1) or more sections, clauses, phrases, or parts thereof, of this chapter shall be held invalid, the remaining sections, clauses, phrases, or parts thereof, shall not be affected thereby, and the legislature declares that it would have enacted all other parts of said chapter even if any or all of the aforesaid portions thereof had not been included therein.

SECTION 281. IC 8-1-11.1-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 24. (a) All such revenue obligations shall be valid without the necessity of any approval of or ratification by ~~either~~ the commission. ~~or the state board of tax commissioners of Indiana.~~ The board of directors for utilities, upon adopting a resolution authorizing such revenue obligations, shall certify a copy thereof to the city controller of such city who shall thereupon prepare said revenue obligations, and the same shall be issued in the name of the city and shall be executed by the mayor of said city and attested by the city controller and the clerk of the city-county council. Facsimile signatures may be used in executing such revenue obligations, provided that one or more of the signatures on the revenue obligations shall be manually signed, except that all signatures on interest coupons may be facsimile signatures.

(b) Certificates of indebtedness issued under section 23 of this chapter shall be executed solely by the president of the board of directors without the execution of the mayor. The signature of the president must be attested by the secretary of the board.

(c) Such revenue obligations shall be sold by the city controller of said city subject to the requirements of IC 5-1-11; provided, that any revenue obligations maturing within one (1) year of date of issuance need not be sold at public sale but may be sold in such manner as the board of directors for utilities may determine; and, provided further, that any revenue obligations may be offered for sale and sold to the United States or to any corporation owned or controlled by the United States without notice by publication. No suit to question the validity of

Copy

any revenue obligations so issued or to prevent their issuance or sale shall be instituted after the date fixed for the sale of such revenue obligations and all such revenue obligations from and after such date shall be incontestable, except for fraud, forgery, or violation of constitutional provisions.

SECTION 282. IC 8-1.5-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. Before a municipal legislative body:

(1) proposes to construct or acquire a utility; and

(2) makes a determination as to public convenience and necessity;

it may appropriate out of its general fund an amount not exceeding five percent (5%) of the total estimated cost of constructing or acquiring the utility, as necessary to pay the expenses of a preliminary investigation, surveys, plans, specifications, and appraisals, including engineering and legal expenses in constructing or acquiring the utility. Any action by the municipal legislative body in making an appropriation is final. ~~and not subject to review by the state board of tax commissioners.~~

SECTION 283. IC 8-3-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. In all proceedings by or before the department as provided in this chapter, and in all proceedings in any court in this state as provided in this chapter, the department and such courts shall receive in evidence all schedules of rates and charges and rules in force by such carriers in this state and filed with the department as provided in this chapter and of all such rates and rules as shall be adopted by the department or ordered observed by any court of this state as provided in this chapter without formal proof thereof being made, and the department and such courts shall likewise also receive in evidence the contents of all reports made to the department by such carriers as required in this chapter, and of all official and statistical reports and publications, published by the bureau of statistics in this state, ~~or by the state board of tax commissioners,~~ by the Interstate Commerce Commission, by the department having control of the federal census and of the United States commissioner of corporations, without formal proof being offered concerning authenticity.

SECTION 284. IC 8-14-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) A qualified county which:

(1) has adopted the county motor vehicle excise surtax under IC 6-3.5-4 and the county wheel tax under IC 6-3.5-5;

(2) is imposing the county motor vehicle excise surtax at:

(A) the maximum allowable rate, if the qualified county sets

C o p y

a county motor vehicle excise surtax rate under IC 6-3.5-4-2(a)(1); or

(B) an amount of not less than twenty dollars ($20), if the qualified county sets the county motor vehicle excise surtax at a specific amount under IC 6-3.5-4-2(a)(2); and

(3) has not issued bonds under IC 8-14-9;

may apply to the Indiana department of transportation for a loan from the distressed road fund. ~~At the time of the application, the county shall notify the state board of tax commissioners that it has made the application.~~

(b) The application must include, at a minimum:

(1) a map depicting all roads and streets in the system of the applicant; and

(2) a copy of that county's proposed program of work covering the current and the immediately following calendar year.

SECTION 285. IC 8-14-9-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. (a) Subject to the limitations imposed by this section, the local county road and bridge board may issue bonds in the name of the qualified county for the benefit of the local county road and bridge district. The bonds shall be issued for the purpose of raising money to acquire lands or rights-of-way, and to pay for any capital improvement, necessary for the construction, reconstruction, or operation of roads or bridges, or both, within the district. The local county road and bridge board may appropriate the proceeds of the bonds.

(b) The amount of bonds to be issued may not exceed the estimated cost of:

(1) all lands and rights-of-way to be acquired;

(2) capital improvements;

(3) supervision and inspection fees during the period of construction or reconstruction;

(4) programming, planning, and designing the capital improvements; and

(5) all necessary expenses, including publication of notices, engineering fees, architectural fees, and legal fees, incurred in acquiring property, letting contracts, and selling bonds for the project.

The amount of bonds issued for the project may not exceed the estimated cost determined under section 5(b) of this chapter. In addition, the amount of outstanding bonds issued by a county under this chapter may not exceed two percent (2%) of the adjusted value of taxable property located within the local county road and bridge district

Copy

as determined under IC 36-1-15.

(c) The local county road and bridge board may issue bonds under this chapter only if the issuance of those bonds has been approved by:

(1) the county council of the qualified county; and

(2) the ~~state board of tax commissioners as required by IC 6-1.1-18.5-8.~~ **county property tax control board.**

(d) A local county road and bridge board may issue bonds under this chapter only if:

(1) the county motor vehicle excise surtax (IC 6-3.5-4) and the county wheel tax (IC 6-3.5-5) are in effect in the county in which the local county road and bridge district is located;

(2) the county motor vehicle excise surtax is being imposed at the maximum allowable rate; and

(3) the county in which the local county road and bridge district is located has not obtained a loan under IC 8-14-8.

(e) No bonds may be issued under this section after June 30, 1984.

SECTION 286. IC 8-14-9-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12. All bonds and interest on bonds issued under this chapter are exempt from taxation as provided under IC 6-8-5-1. All general laws relating to:

(1) the filing of a petition **by the issuer** requesting the issuance of bonds;

(2) the right of taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds;

(3) the holding of a referendum;

~~(3)~~ **(4)** the appropriation of the proceeds of the bonds and the approval of the appropriation by the ~~state board of tax commissioners;~~ **county property tax control board;** and

~~(4)~~ **(5)** the sale of bonds at public sale for not less than par value;

are applicable to proceedings under this chapter.

SECTION 287. IC 8-14-11-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12. (a) The executive of a county may apply to the board for a grant from the fund to be used to pay up to eighty percent (80%) of the cost of construction or reconstruction of one (1) or more local bridges. ~~At the time of the application, the county executive shall notify the state board of tax commissioners that the county has made the application.~~

(b) The application must include the following:

(1) A description of the construction or reconstruction projects for which the grant application is made.

(2) The estimated cost of the projects.

(3) The amount of funding the county will provide for the

Copy

projects, which must be at least twenty percent (20%) of the estimated cost of the projects. This amount may include the value of labor and materials to be provided by the county.

(4) Any other information that the board or the department considers necessary.

SECTION 288. IC 8-16-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) To provide for the cumulative bridge fund, county executives and municipal legislative bodies may levy a tax in compliance with IC 6-1.1-41 not to exceed ten cents ($0.10) on each one hundred dollars ($100) assessed valuation of all taxable personal and real property within the county or municipality.

(b) The tax, when collected, shall be held in a special fund to be known as the bridge fund.

(c) An appropriation from the bridge fund may be made without the approval of the ~~state board of tax commissioners~~ **county property tax control board** if:

(1) the county executive requests the appropriation; and

(2) the appropriation is for the purpose of constructing, maintaining, or repairing bridges, approaches, or grade separations.

SECTION 289. IC 8-16-3.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. All contracts of lease may provide that a county has the option to purchase the bridge before the expiration of the lease contract, the terms and conditions of the purchase to be specified in the lease, subject to the approval of the ~~state board of tax commissioners.~~ **county property tax control board.** If the county has not exercised an option to purchase the property covered by the lease contract at the expiration of the lease contract, and upon the full discharge and performance by the county of its obligations under the lease contract, the bridge covered by the lease contract shall become the absolute property of the county and the lessor corporation shall execute proper instruments conveying to the county title to the property.

SECTION 290. IC 8-16-3.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. (a) A county may, in anticipation of the construction of a bridge, make and enter into a contract of lease with the lessor corporation subject to the approval of the ~~state board of tax commissioners~~ **county property tax control board** prior to the actual acquisition of a site and the construction of the bridge, but the contract of lease shall not provide for the payment of any lease rental by the lessee until the bridge is completed and ready

C o p y

for use, at which time the stipulated lease rental may begin.

(b) As a condition of entering into a lease, a county may require a lessor corporation to furnish a bond in a specified amount conditioned upon the completion of the bridge within a specified period of time.

SECTION 291. IC 8-16-3.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. (a) When the lessor corporation and the county have agreed upon the terms and conditions of any lease proposed to be entered into under this chapter and before the final execution of the lease, a notice must be published in accordance with IC 5-3-1 of a hearing before the county executive. The notice must name the day, place, and hour of the hearing and must set forth a brief summary of the principal terms of the lease agreed upon, including the location, name of the proposed lessor corporation and character of the bridge to be leased, the rental to be paid, and the number of years the contract is to be in effect. The proposed lease, drawings, plans, specifications, and estimates for the bridge shall be available for inspection by the public during the ten (10) day period and at the meeting. All interested persons shall have a right to be heard at the time fixed, concerning the necessity for the execution of the lease and whether the rental to the lessor corporation is a fair and reasonable rental for the proposed bridge. The hearing may be adjourned to a later date, and following the hearing the county executive may either authorize the execution of the lease as originally agreed upon or may make modifications as agreed upon with the lessor corporation. However, the lease rentals as set out in the published notice may not be increased. The cost of the publication of the notice shall be borne by lessor corporations.

(b) If the execution of the lease as originally agreed upon, or as modified by agreement, is authorized by the county executive, it shall give notice of the execution of the contract by publication in accordance with IC 5-3-1. Ten (10) or more taxpayers in the lessee county affected by the proposed lease may file a petition in the office of the county auditor of the lessee county, within thirty (30) days after publication of notice of the execution of the lease, setting forth their objections and facts showing that the execution of the lease is unnecessary or unwise, or that the lease rental is not fair and reasonable. Upon the filing of any petition, the county auditor shall certify a copy, together with any other data as may be necessary in order to present the questions involved, to the ~~state board of tax commissioners~~ **county property tax control board** and upon the receipt of the certified petition and information, the ~~state board of tax commissioners~~ **county property tax control board** shall fix a time

C o p y

and place for the hearing in the county not less than five (5) or more than thirty (30) days after receipt of the petition. Notice of the hearing shall be given by the ~~state board of tax commissioners~~ **county property tax control board** to the county commissioners of the lessee county, and to the first ten (10) taxpayer-petitioners appearing on the petition by a letter signed by one (1) member of the ~~state board of tax commissioners,~~ **county property tax control board,** and enclosed with full prepaid postage addressed to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the ~~state board of tax commissioners~~ **county property tax control board** of the appeal, upon the necessity for the execution of said lease and as to whether the rental is fair and reasonable, is final.

(c) No action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease shall be instituted at any time later than thirty (30) days after publication of notice of the execution of the lease by the county executive or if an appeal has been taken to the ~~state board of tax commissioners,~~ **county property tax control board**, then within thirty (30) days after the decision of the board.

SECTION 292. IC 8-18-21-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 13. The annual operating budget of a toll road authority is subject to **IC 6-1.1-17.5 and** review ~~by the county board of tax adjustment and then~~ by the ~~state board of tax commissioners~~ **county property tax control board** as in the case of other political subdivisions.

SECTION 293. IC 8-22-3.5-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 16. (a) This section applies only to an airport development zone that is located in a county described in section 1(5) of this chapter.

(b) Except as described in this section, and notwithstanding any other law, a business or an employee of a business that is located in an airport development zone is entitled to the benefits of the enterprise zone inventory property tax credit under IC 6-1.1-20.8.

(c) The benefits under this section are available only to:

(1) a business new to the airport development zone; or

(2) an existing business in the airport development zone that expands its operation.

(d) To be eligible for the benefits under this section, the business must submit a proposal to the commission for approval. The commission may adopt standards and procedures for the proposal. In addition to other items the commission determines must be included, the proposal must state the percentage of permanent jobs which the

C o p y

business will create in the airport development zone.

(e) A business must obtain the approval of:

(1) the city fiscal body if the business is located in a city; or

(2) the county council if the business is not located within a city;

before the business is entitled to any benefits under this section. A city or county fiscal body may approve by any method benefits under this section for either an individual business or a group of businesses. A city or county fiscal body may adopt standards and procedures to implement this subsection.

(f) If the business receives the approval of:

(1) the commission under subsection (d); and

(2) the appropriate council under subsection (e);

then before June 1 of each year, a business described in subsection (b) must pay a fee equal to the amount of the fee that is required for enterprise zone businesses under IC 4-4-6.1-2(4)(A). If the commission determines that a business has failed to pay the fee required by this subsection, the business is not eligible for any of the benefits described in subsection (b).

(g) A business that receives any of the benefits described in subsection (b) must use all of those benefits, except for the amount of the fee required by subsection (d), for its property or employees in the airport development zone and to assist the commission. If the commission determines that a business has failed to use its benefits in the manner required by this subsection, the business is not eligible for any of the benefits described in subsection (b).

(h) If the commission determines that a business has failed to pay the fee required by subsection (f) or has failed to use benefits in the manner required by subsection (g), the commission shall provide written notice of the determination to the department of state revenue, ~~the state board of tax commissioners,~~ and the county auditor.

SECTION 294. IC 8-22-2-18.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 18.5. (a) The board may negotiate terms and borrow money from any source for the payment of the costs of airport capital improvements, including the acquisition of real property or construction or improvement of revenue producing buildings or facilities located on an airport and owned and operated by the eligible entity, subject to the following requirements:

(1) The loan contract must be approved by resolution of the board and the fiscal body of the eligible entity that established the board.

(2) The loan contract must provide for the repayment of the loan in not more than forty (40) years.

C o p y

(3) The loan contract must state that the indebtedness is that of the board, is payable solely from revenues of the board that are derived from either airport operations or from revenue bonds, and may not be paid by a tax levied on property located within the district.

(4) The loan contract must be submitted to the ~~state board of tax commissioners,~~ **Indiana department of transportation,** which may approve, disapprove, or reduce the amount of the proposed loan contract. The ~~state board of tax commissioners~~ **department** must make a decision on the loan contract within thirty (30) days after the contract is submitted for review. The action taken by the ~~state board of tax commissioners~~ **department** on the proposed loan contract is final.

(b) A loan contract issued under this chapter is issued for essential public and governmental purposes. A loan contract, the interest on the contract, the proceeds received by a holder from the sale of a loan contract to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of the interest and proceeds are exempt from taxation as provided in IC 6-8-5.

SECTION 295. IC 8-22-3-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 16. (a) The board may issue general obligation bonds of the authority for the purpose of procuring funds to pay the cost of acquiring real property, or constructing, enlarging, improving, remodeling, repairing, or equipping buildings, structures, runways, or other facilities, for use as or in connection with or for administrative purposes of the airport. The issuance of the bonds must be authorized by ordinance of the board providing for the amount, terms, and tenor of the bonds and for the time and character of notice and the mode of making sale. If one (1) airport is owned by the authority, an ordinance authorizing the issuance of bonds for a separate second airport is subject to approval as provided in this section. The bonds bear interest and are payable at the times and places that the board determines but running not more than twenty-five (25) years after the date of their issuance, and they must be executed in the name of the authority by the president of the board and attested by the secretary who shall affix to each of the bonds the official seal of the authority. The interest coupons attached to the bonds may be executed by placing on them the facsimile signature of the president of the board.

(b) The issuance of general obligation bonds must be approved by resolution of the following body:

Copy

(1) When the authority is established by an eligible entity, by its fiscal body.

(2) When the authority is established by two (2) or more eligible entities acting jointly, by the fiscal body of each of those entities.

(3) When the authority was established under IC 19-6-2, by the mayor of the consolidated city, and if a second airport is to be funded, also by the city-county council.

(4) When the authority was established under IC 19-6-3, by the county council.

(c) The airport director shall manage and supervise the preparation, advertisement, and sale of the bonds, subject to the authorizing ordinance. Before the sale of the bonds, the airport director shall cause notice of the sale to be published once each week for two (2) consecutive weeks in two (2) newspapers of general circulation published in the district, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold to the highest bidder, in accordance with the procedures for selling public bonds. After the bonds have been properly sold and executed, the airport director shall deliver them to the treasurer of the authority and take his receipt for them, and shall certify to the treasurer the amount which the purchaser is to pay for them, together with the name and address of the purchaser. On payment of the purchase price the treasurer shall deliver the bonds to the purchaser, and the treasurer and airport director or superintendent shall report their actions to the board.

(d) The provisions of **IC 6-1.1-17.5,** IC 6-1.1-20, and IC 5-1 relating to the filing of a petition **by the issuer** requesting the issuance of bonds and giving notice of them, the giving of notice of determination to issue bonds, the giving of notice of hearing on the appropriation of the proceeds of bonds and the right of taxpayers to appeal and be heard on the proposed appropriation, the approval of the appropriation by the ~~state board of tax commissioners,~~ **county property tax control board,** the right of taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds, **the holding of a referendum,** and the sale of bonds at public sale for not less than par value are applicable to proceedings under this chapter for the issuance of general obligation bonds.

(e) Bonds issued under this chapter are not a corporate obligation or indebtedness of any eligible entity but are an indebtedness of the authority as a municipal corporation. An action to question the validity of the bonds issued or to prevent their issue must be instituted not later than the date set for sale of the bonds, and all of the bonds after that

C o p y

date are incontestable.

SECTION 296. IC 8-22-3-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 19. (a) Temporary loans may be made by the board in anticipation of the collection of taxes of the authority actually levied and in course of collection for the fiscal year in which the loans are made. The loans must be authorized by ordinance and evidenced by warrants in the form provided by the authorizing ordinance. The warrants must state the total amount of the issue, the denomination of the warrant, the time and place payable, the rate of interest, the funds in anticipation of which they are issued and out of which they are payable, and a reference to the ordinance authorizing them and the date of its adoption. The ordinance authorizing temporary loans must appropriate and pledge a sufficient amount of the current revenue in anticipation of which they are issued and out of which they are payable. The warrants evidencing the temporary loans must be executed, sold, and delivered as are bonds of the authority.

(b) The board may negotiate terms and borrow money from any source under a loan contract, subject to the following requirements:

(1) The loan contract must be approved by resolution of the board.

(2) The loan contract must provide for the repayment of the loan in not more than forty (40) years.

(3) The loan contract must state that the indebtedness is that of the authority, is payable solely from revenues of the authority that are derived from either airport operations or from revenue bonds, and may not be paid by a tax levied on property located within the district.

(4) The loan contract must be submitted to the ~~state board of tax commissioners,~~ **Indiana department of transportation,** which may approve, disapprove, or reduce the amount of the proposed loan contract. The ~~state board of tax commissioners~~ **department** must make a decision on the loan contract within thirty (30) days after it is submitted for review. The action taken by the ~~state board of tax commissioners~~ **department** on the proposed loan contract is final.

(c) Any loan contract issued under this chapter is issued for essential public and governmental purposes. A loan contract, the interest on it, the proceeds received by a holder from the sale of a loan contract to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of the interest and proceeds are exempt from taxation as provided in IC 6-8-5.

Copy

SECTION 297. IC 8-22-3-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 23. (a) The board shall annually prepare a budget for the purpose of operating and maintenance expenditures of the authority and shall calculate the tax levy necessary to provide funds for the operating expenditures necessary to carry out the powers, duties, and functions of the authority. The budget must be prepared and submitted:

(1) before or at the same time;

(2) in the same manner; and

(3) with notice;

as provided by the statutes relating to the preparation of budgets by eligible entities. The budget is subject to the same review by the county **property** tax ~~adjustment~~ **control** board ~~and the state board of tax commissioners~~ as exists under the general statutes relating to budgets of eligible entities.

(b) If the eligible entity that established the authority is a county, city, or town, the fiscal body of that entity may review and modify the authority's operating and maintenance budget and the tax levy to meet it, in the same manner as the budgets and tax levies of executive departments of that entity are reviewed and modified. This power includes the power to reduce any item of salary.

(c) Whenever a tax levy is required to finance the budget of an authority that was established by a city or town, the fiscal body of the county also may review the budget and tax levy of the authority, unless the district:

(1) lies wholly within, or coincides with, the boundaries of a city or town;

(2) is not the recipient of funds from a county-wide tax levy made specifically for the operating and maintenance budget for that authority; and

(3) was established by the fiscal body of the city or town, acting independently.

However, the budget and tax levy of the authority are subject to review or modification by the fiscal body of the city or town with which it shares territory, in the same manner as the budgets and tax levies of the executive departments of that city or town are reviewed or modified.

(d) If an authority was established by another eligible entity or by two (2) or more eligible entities acting jointly, its operating and maintenance budget and the tax levy to meet it is subject to review and modification by the same body that reviews and modifies the budget of each of those entities in the same manner as the budgets and tax levies of those entities, including reduction of any item of salary.

C o p y

SECTION 298. IC 8-22-3-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 24. The tax levy as finally approved by the ~~state board of tax commissioners~~ **county property tax control board** must be assessed and collected by the county treasurer of the county or counties within which the district is located as other taxes are levied and collected. The county treasurer shall remit all taxes so collected to the treasurer of the authority.

SECTION 299. IC 8-22-3.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. (a) As used in this section, "base assessed value" means:

(1) the net assessed value of all the tangible property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the commission's resolution adopted under section 5 of this chapter; plus

(2) to the extent it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the ~~state board of tax commissioners,~~ **department of state revenue,** as finally determined for any assessment date after the effective date of the allocation provision.

However, subdivision (2) applies only to an airport development zone established after June 30, 1997, and the portion of an airport development zone established before June 30, 1997, that is added to an existing airport development zone.

(b) Except in a county described in section 1(5) of this chapter, a resolution adopted under section 5 of this chapter and confirmed under section 6 of this chapter must include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section.

(c) The allocation provision must:

(1) apply to the entire airport development zone; and

(2) require that any property tax on taxable tangible property subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes in the airport development zone be allocated and distributed as provided in subsections (d) and (e).

(d) Except in a county described in section 1(5) of this chapter, and as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(1) the assessed value of the tangible property for the assessment date with respect to which the allocation and distribution is made; or

C o p y

(2) the base assessed value;

shall be allocated and, when collected, paid into the funds of the respective taxing units.

(e) Except in a county described in section 1(5) of this chapter, all of the property tax proceeds in excess of those described in subsection (d) shall be allocated to the eligible entity for the airport development zone and, when collected, paid into special funds as follows:

(1) The commission may determine that a portion of tax proceeds shall be allocated to a training grant fund to be expended by the commission without appropriation solely for the purpose of reimbursing training expenses incurred by public or private entities in the training of employees for the qualified airport development project.

(2) Except as provided in subsection (f), all remaining tax proceeds shall be allocated to a debt service fund and dedicated to the payment of principal and interest on revenue bonds of the airport authority for a qualified airport development project or to the payment of leases for a qualified airport development project.

(f) Except in a county described in section 1(5) of this chapter, if the tax proceeds allocated to the debt service fund exceed the amount necessary to:

(1) pay principal and interest on airport authority revenue bonds;

(2) pay lease rentals on leases of a qualified airport development project; or

(3) create, maintain, or restore a reserve for airport authority revenue bonds or for lease rentals or leases of a qualified airport development project;

the excess over that amount shall be paid to the respective taxing units in the manner prescribed by subsection (d).

(g) Except in a county described in section 1(5) of this chapter, when money in the debt service fund is sufficient to pay all outstanding principal and interest (to the earliest date on which the obligations can be redeemed) on revenue bonds issued by the airport authority for the financing of qualified airport development projects and all lease rentals payable on leases of qualified airport development projects, money in the debt service fund in excess of that amount shall be paid to the respective taxing units in the manner prescribed by subsection (d).

(h) Except in a county described in section 1(5) of this chapter, property tax proceeds allocable to the debt service fund under subsection (e)(2) must, subject to subsection (g), be irrevocably pledged by the eligible entity for the purpose set forth in subsection (e)(2).

C o p y

(i) Except in a county described in section 1(5) of this chapter, and notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable tangible property situated upon or in, or added to, the airport development zone effective on the next assessment date after the petition.

(j) Except in a county described in section 1(5) of this chapter, and notwithstanding any other law, the assessed value of all taxable tangible property in the airport development zone, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the tangible property as valued without regard to this section; or

(2) the base assessed value.

SECTION 300. IC 8-22-3.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. (a) The state board of accounts ~~and state board of tax commissioners~~ shall make the rules and prescribe the forms and procedures that the state board of accounts ~~and state board of tax commissioners consider~~ **considers** appropriate for the implementation of this chapter.

(b) After each general reassessment under IC 6-1.1-4, the ~~state board of tax commissioners~~ **county property tax control board** shall adjust the base assessed value (as defined in section 9 of this chapter) one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the airport development zone's special funds under section 9 of this chapter.

SECTION 301. IC 8-22-3.5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 14. (a) This section applies only to an airport development zone that is in a:

(1) city described in section 1(2) of this chapter; or

(2) county described in section 1(3) or 1(4) of this chapter.

(b) Notwithstanding any other law, a business or an employee of a business that is located in an airport development zone is entitled to the benefits provided by the following statutes, as if the business were located in an enterprise zone:

(1) IC 6-1.1-20.8.

(2) IC 6-2.1-3-32.

(3) IC 6-3-2-8.

(4) IC 6-3-3-10.

(5) IC 6-3.1-7.

(6) IC 6-3.1-9.

(7) IC 6-3.1-10-6.

C o p y

(c) Before June 1 of each year, a business described in subsection (b) must pay a fee equal to the amount of the fee that is required for enterprise zone businesses under IC 4-4-6.1-2(4)(A). However, notwithstanding IC 4-4-6.1-2(4)(A), the fee shall be paid into the debt service fund established under section 9(e)(2) of this chapter. If the commission determines that a business has failed to pay the fee required by this subsection, the business is not eligible for any of the benefits described in subsection (b).

(d) A business that receives any of the benefits described in subsection (b) must use all of those benefits, except for the amount of the fee required by subsection (c), for its property or employees in the airport development zone and to assist the commission. If the commission determines that a business has failed to use its benefits in the manner required by this subsection, the business is not eligible for any of the benefits described in subsection (b).

(e) If the commission determines that a business has failed to pay the fee required by subsection (c) or has failed to use benefits in the manner required by subsection (d), the commission shall provide written notice of the determination to the department of state revenue, ~~the state board of tax commissioners,~~ **the county property tax control board,** and the county auditor.

SECTION 302. IC 8-22-3.6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) An authority that is located in a:

(1) city having a population of more than one hundred ten thousand (110,000) but less than one hundred twenty thousand (120,000);

(2) county having a population of more than one hundred thousand (100,000) but less than one hundred seven thousand (107,000); or

(3) county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000);

may enter into a lease of an airport project with a lessor for a term not to exceed fifty (50) years and the lease may provide for payments to be made by the airport authority from property taxes levied under IC 8-22-3-17, taxes allocated under IC 8-22-3.5-9, any other revenues available to the airport authority, or any combination of these sources.

(b) A lease may provide that payments by the authority to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased

C o p y

and may not create a debt of the authority or the eligible entity for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the authority only after a public hearing by the board at which all interested parties are provided the opportunity to be heard. After the public hearing, the board may adopt an ordinance authorizing the execution of the lease if it finds that the service to be provided throughout the term of the lease will serve the public purpose of the authority and is in the best interest of the residents of the authority district.

(d) Upon execution of a lease providing for payments by the authority in whole or in part from the levy of property taxes under IC 8-22-3-17, the board shall publish notice of the execution of the lease and its approval in accordance with IC 5-3-1. Fifty (50) or more taxpayers residing in the authority district who will be affected by the lease and who may be of the opinion that no necessity exists for the execution of the lease or that the payments provided for in the lease are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval. The petition must set forth the petitioners' names, addresses, and objections to the lease and the facts showing that the execution of the lease is unnecessary or unwise or that the payments provided for in the lease are not fair and reasonable, as the case may be.

(e) Upon the filing of a petition under subsection (d), the county auditor shall immediately certify a copy of the petition, together with any other data necessary to present the questions involved, to the ~~state board of tax commissioners.~~ **county property tax control board.** Upon receipt of the certified petition and information, the ~~state board of tax commissioners~~ **county property tax control board** shall fix a time and place for a hearing in the authority district, which must be not less than five (5) or more than thirty (30) days after the time is fixed. Notice of the hearing shall be given by the ~~state board of tax commissioners~~ **county property tax control board** to the members of the board, and to the first fifty (50) petitioners on the petition, by a letter signed by one (1) member of the ~~state board of tax commissioners~~ **county property tax control board** and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the ~~state board of tax commissioners~~ **county property tax control board** on the appeal, upon the necessity for the execution of the lease, and as to whether the payments under it are fair and reasonable, is final.

(f) An authority entering into a lease payable from any sources

C o p y

permitted under this chapter may:

(1) pledge the revenue to make payments under the lease pursuant to IC 5-1-14-4; or

(2) establish a special fund to make the payments.

(g) Lease rentals may be limited to money in the special fund so that the obligations of the airport authority to make the lease rental payments are not considered debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(h) Except as provided in this section, no approvals of any governmental body or agency are required before the authority enters into a lease under this section.

(i) An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the later of:

(1) the public hearing described in subsection (c); or

(2) the publication of the notice of the execution and approval of the lease described in subsection (d), if the lease is payable in whole or in part from tax levies.

However, if the lease is payable in whole or in part from tax levies and an appeal has been taken to the ~~state board of tax commissioners,~~ **county property tax control board,** an action to contest the validity or enjoin the performance must be brought within thirty (30) days after the decision of the ~~state board of tax commissioners.~~ **county property tax control board.**

(j) If an authority exercises an option to buy an airport project from a lessor, the authority may subsequently sell the airport project, without regard to any other statute, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the authority through auction, appraisal, or arms length negotiation. If the airport project is sold at auction, after appraisal, or through negotiation, the board shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought within fifteen (15) days of the hearing.

SECTION 303. IC 12-13-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. The ~~state board of tax commissioners~~ **county property tax control board** shall review each county's property tax levy under this section and shall enforce the requirements of this chapter with respect to the levy.

SECTION 304. IC 12-16-14-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. The ~~state board of tax commissioners~~ **county property tax control board** shall review

C o p y

each county's property tax levy under this chapter and shall enforce the requirements of this chapter with respect to that levy.

SECTION 305. IC 12-19-3-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2.1. (a) This section applies to a county having a population of more than sixty-four thousand (64,000) but less than sixty-five thousand (65,000).

(b) Notwithstanding section 2 of this chapter, the county fiscal body may adopt an ordinance before January 1, 1997, to transfer an amount not to exceed five hundred thousand dollars ($500,000) from the county welfare fund to the county's family and children's fund established under IC 12-19-7-3.

(c) A transfer under this section must be approved by the ~~state board of tax commissioners.~~ **county property tax control board.**

(d) A county may not issue bonds to pay for county welfare services in the same budget year that a transfer is made under this section.

SECTION 306. IC 12-19-3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. (a) The county director on the county director's own initiative may appeal to the ~~state board of tax commissioners~~ **county property tax control board** a decision by the county fiscal body ~~or the county board of tax adjustment~~ that:

(1) reduces the county welfare budget or an item of the county welfare budget that is:

(A) submitted by the county director; and

(B) certified by the division to the county office; or

(2) reduces the tax levy that is:

(A) recommended by the county director; and

(B) certified by the division to the county office;

if ~~the county director or the division determines that the reduction will not provide sufficient money to maintain adequately the county welfare services.~~ **the reduction causes the welfare fund portion of the county's tax rate to be less than the welfare portion of the county's tax rate permitted under IC 6-1.1-18.6.**

(b) The county director shall appeal to the ~~state board of tax commissioners~~ **county property tax control board** a decision by the county fiscal body ~~or the county board of tax adjustment~~ that is described in subsection (a) if the division requests in writing that the county director make the appeal.

(c) An appeal under this section shall be taken and heard in the same manner and within the same time prescribed by law for appeals taken by taxpayers or municipal corporations **under IC 6-1.1-17.5.** The notice of the hearing shall be given to the county auditor and to the

Copy

county office.

SECTION 307. IC 12-19-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. (a) Except as provided in subsections (c) and (d), after a hearing under section 10 of this chapter the ~~state board of tax commissioners~~ **county property tax control board** may do the following:

(1) Increase or decrease the amount of the tax levy or the budget or an item of the budget.

(2) Affirm the levy and budget adopted by the county ~~board of tax adjustment~~ **fiscal body** and approved by the division.

(b) The ~~state board of tax commissioners~~ **county property tax control board** may not increase the aggregate amount of the county's part of the budget or tax levy to an amount greater than the amount originally fixed or recommended by the county director or the division.

(c) A proposed tax levy to provide money for a proposed county welfare budget may not be reduced unless the budget item or items affected by the reduction are adjusted accordingly.

(d) The order of the ~~state board of tax commissioners~~ **county property tax control board** under this section is final and ~~the levy fixed by the state board of tax commissioners~~ is the only ~~levy or~~ rate upon which the taxes may be collected.

SECTION 308. IC 12-19-3-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 21. The provisions of ~~laws~~ **IC 6-1.1-17.5** concerning the right of ~~a taxpayer to file a remonstrance and to appeal to the state board of tax commissioners~~ **taxpayers to oppose a decision of the county property tax control board and the holding of a referendum** apply to this chapter. However, the notice of the determination shall be given by one (1) publication, and ~~the taxpayer has~~ **taxpayers have** ten (10) days after the date of publication to file a ~~remonstrance.~~ **request for a referendum.**

SECTION 309. IC 12-19-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) **For purposes of determining a county's maximum permissible property tax rate under IC 6-1.1-18.6,** each county shall ~~impose~~ **use** a welfare administration property tax levy equal to the ~~product of:~~

~~(1)~~ the welfare administration property tax levy imposed for taxes first due and payable in the preceding year. ~~multiplied by~~

~~(2) the greatest of:~~

~~(A) the quotient of:~~

~~(i) the assessed value of all taxable property in the state for the year preceding the year that the property tax levy will be~~

Copy

~~first due and payable; divided by~~

~~(ii) the assessed value of all taxable property in the state in the year preceding the year used in item (i); or~~

~~(B) the quotient of:~~

~~(i) the assessed value of all taxable property in the county in the year preceding the year that the property tax levy will be first due and payable; divided by~~

~~(ii) the assessed value of all taxable property in the county in the year preceding the year used in item (i); or~~

~~(C) one (1).~~

~~(b) If a year in which a statewide general reassessment of real property first becomes effective is the year preceding the year that the property tax levy under this section will be first due and payable, the amount to be used in subsection (a)(2) equals the average of the amounts used in determining the two (2) most recent adjustments in the county's levy under this section.~~

~~(c)~~ **(b)** The ~~state board of tax commissioners~~ **county property tax control board** shall review each county's property tax levy under this section and shall enforce the requirements of this section with respect to that levy.

SECTION 310. IC 12-19-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) For taxes first due and payable in 1995, each county must impose a county family and children property tax levy equal to the amount determined using the following formula:

STEP ONE: Determine the sum of the amounts that were paid by the county minus the amounts reimbursed by the state (including reimbursements made with federal money), as determined by the state board of accounts, in 1991, 1992, and 1993 for the following:

(A) Payments for administrative expenses of the county office of family and children in administering the provision of child services.

(B) Payments for the services described in section 1 of this chapter that were made on behalf of the children described in section 1 of this chapter and for which payment was made from the county welfare fund.

(C) Payment for the facilities, supplies, and equipment needed for the provision of child services as operated by the county office of family and children.

(D) Payment of all other expenses incurred in providing child services that were paid by the county office of family and

C o p y

children.

STEP TWO: Subtract from the amount determined in STEP ONE the sum of the miscellaneous taxes that were allocated to:

(A) the county welfare administration fund and used to pay expenses for administration, facilities, supplies, and equipment for the provision of child services in 1991, 1992, and 1993; and

(B) the county welfare fund, the county general fund, or the county welfare loan fund (whichever of the funds applies) and used to pay the costs of providing child services in 1991, 1992, and 1993.

STEP THREE: Divide the amount determined in STEP TWO by three (3).

STEP FOUR: Calculate the STEP ONE amount and the STEP TWO amount for 1993 expenses only.

STEP FIVE: Adjust the amounts determined in STEP THREE and STEP FOUR by the amount determined by the state board of tax commissioners under subsection (c).

STEP SIX: Determine whether the amount calculated in STEP THREE, as adjusted in STEP FIVE, or the amount calculated in STEP FOUR, as adjusted in STEP FIVE, is greater. Multiply the greater amount by the greater of:

(A) the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the county for property taxes first due and payable in 1995; or

(B) the statewide average assessed value growth quotient using the county assessed value growth quotients determined under IC 6-1.1-18.5-2 for property taxes first due and payable in 1995.

STEP SEVEN: Multiply the amount determined in STEP SIX by the county's assessed value growth quotient for property taxes first due and payable in 1995, as determined under IC 6-1.1-18.5-2.

(b) For taxes first due and payable in each year after 1995, each county shall impose a county family and children property tax levy equal to the product of:

(1) the county family and children property tax levy imposed for taxes first due and payable in the preceding year; multiplied by

(2) the greater of:

(A) the county's assessed value growth quotient for the ensuing calendar year, as determined under IC 6-1.1-18.5-2; or

(B) one (1).

When a year in which a statewide general reassessment of real property

Copy

first becomes effective is the year preceding the year that the property tax levy under this subsection will be first due and payable, the amount to be used in subdivision (2) equals the average of the amounts used in determining the two (2) most recent adjustments in the county's levy under this section.

(c) For taxes first due and payable in 1995 and in 1996, the state board of tax commissioners shall adjust the levy for each county to reflect the county's actual child services expenses incurred in providing child services in 1991, 1992, and 1993. In making this adjustment, the state board of tax commissioners may consider all relevant information, including the county's use of bond and loan proceeds to pay these expenses.

(d) The ~~state board of tax commissioners~~ **county property tax control board** shall review each county's property tax levy under this section and shall enforce the requirements of this section with respect to that levy.

SECTION 311. IC 12-19-7-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 24. The provisions of laws concerning the right of a taxpayer to file a remonstrance and to appeal to the ~~state board of tax commissioners~~ **county property tax control board** apply to this chapter. However, the notice of the determination shall be given in one (1) publication. A taxpayer has ten (10) days after the date of publication to file a remonstrance.

SECTION 312. IC 12-20-21-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. If the board of commissioners determines from the estimated advancements of the county auditor and the levies made by the respective townships for poor relief purposes that there will be insufficient money in the county general fund to provide free and available money during the following year for estimated advancements to townships for poor relief purposes on the basis of the total costs of poor relief granted by the township trustees, as administrators of poor relief, for the previous twelve (12) months:

(1) the board of commissioners may include estimates for the advancements in the county general fund budget;

(2) the county fiscal body may appropriate for the advancement in the budget and levy as adopted by the county fiscal body; and

(3) the ~~state board of tax commissioners~~ **county property tax control board** shall include that amount in the final county general fund levy.

SECTION 313. IC 12-20-22-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. (a) Copies of all

C o p y

township budgets for current poor relief shall, as finally adopted and approved, be placed on file in the office of the county auditor. If an additional appropriation for current poor relief is made by a township:

(1) a certified copy of the action of the township board in making the additional appropriation; and

(2) a certified copy of the order of the ~~state board of tax commissioners~~ **county property tax control board** approving the additional appropriation;

shall be filed in the office of the county auditor.

(b) A county auditor or a township trustee may not pay any poor relief order or claim in excess of the amount appropriated for current poor relief purposes, except as otherwise provided by law.

SECTION 314. IC 12-20-23-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 15. (a) All bonds issued under IC 12-2-5 (before its repeal) or this chapter are the direct general obligations of the county issuing the bonds, payable out of unlimited ad valorem taxes to be levied and collected on all of the taxable property within the county. Each official and body having to do with the levying of taxes for the county shall ensure that sufficient levies are made to meet the principal and interest on the bonds at the time fixed for the payment of the bonds, without regard for the provisions of any other statute. If an official or a body fails or refuses to make or allow a sufficient levy, the bonds and the interest on the bonds are payable out of the general fund of the county without an appropriation being made for the payment.

(b) A tax levy required by IC 12-2-5-6(a) (before its repeal) or subsection (a) may be reduced by the amount the county will receive in reimbursements from each township that receives an advancement of bond proceeds. The ~~state board of tax commissioners~~ **county property tax control board** shall determine the amount the county will receive for each year that the bond principal and interest are payable. However, to the extent that the advancements together with all other township indebtedness exceed two percent (2%) of the adjusted value of the taxable property in the township as determined under IC 36-1-15, the township may not impose an ad valorem property tax levy to reimburse the county and the county is liable for the principal and interest obligations on the bonds.

SECTION 315. IC 12-20-24-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) If the county council determines under section 3 of this chapter to allow the loan to be made, the county auditor shall borrow the money from a financial institution on behalf of the township board.

C o p y

(b) If the county council determines that the township board should not be allowed to borrow money under this chapter, the county council shall inform the township board of the council's decision.

(c) If the county council determines that a township board should not be allowed to borrow money under this chapter, the township board may appeal to the ~~state board of tax commissioners~~ **county property tax control board** for the right to borrow money to pay for the township's poor relief obligations.

SECTION 316. IC 12-20-24-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) If upon appeal under IC 12-2-4.5-4 (before its repeal) or section 4 of this chapter the ~~state board of tax commissioners~~ **county property tax control board** determines that a township board should be allowed to borrow money under IC 12-2-4.5-4 (before its repeal) or this chapter, the ~~state board of tax commissioners~~ **county property tax control board** shall order the county auditor to borrow the money from a financial institution on behalf of the township board and to deposit the money borrowed in the township's poor relief account.

(b) If upon appeal under IC 12-2-4.5-4 (before its repeal) or section 4 of this chapter the ~~state board of tax commissioners~~ **county property tax control board** determines that the township board should not be allowed to borrow money, the board may not do so for that year.

SECTION 317. IC 12-20-24-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. If a loan is approved under IC 12-2-4.5 (before its repeal) or this chapter, the board of commissioners, county council, or ~~state board of tax commissioners~~ **county property tax control board** shall determine the period during which the township shall repay the loan. However, the period may not exceed five (5) years.

SECTION 318. IC 12-20-24-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. A board of commissioners, a county council, or ~~the state board of tax commissioners~~ **a county property tax control board** may not do any of the following:

(1) Approve a request to borrow money made under IC 12-2-4.5 (before its repeal) or this chapter unless the body determines that the township's poor relief account will be exhausted before the account can fund all township obligations incurred under this article.

(2) Recommend or approve a loan that will exceed the estimated amount of the deficit.

SECTION 319. IC 12-20-24-8 IS AMENDED TO READ AS

C o p y

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. (a) If a township board:

(1) appeals before August 1 for permission to borrow money;

(2) receives permission from the board of commissioners, county council, or ~~state board of tax commissioners~~ **county property tax control board** to borrow money before November 1 of that year; and

(3) borrows money under IC 12-2-4.5 (before its repeal) or this chapter;

the county auditor shall levy a property tax beginning in the next succeeding year and continuing for the term of the loan in an amount each year that will be sufficient to pay the principal and interest due on the loan for the year.

(b) If a township board:

(1) appeals after August 1 for permission to borrow money;

(2) receives permission from the board of commissioners, county council, or ~~state board of tax commissioners~~ **county property tax control board** to borrow money; and

(3) borrows money in the year of the appeal under IC 12-2-4.5 (before its repeal) or this chapter;

the county auditor shall levy a property tax beginning in the second succeeding year and continuing for the term of the loan in an amount each year that will be sufficient to pay the principal and interest due on the loan for the year.

(c) The property taxes levied under IC 12-2-4.5-8 (before its repeal) or this section shall be retained by the county treasurer and applied by the county auditor to retire the debt.

SECTION 320. IC 12-20-25-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. (a) Upon receipt of notice from the trustee that the township has become a distressed township, the county fiscal body shall do the following:

(1) Determine whether the township is a distressed township.

(2) If the township is determined to be a distressed township, certify to the governor that the township is a distressed township.

(b) If:

(1) the trustee fails to notify the county fiscal body when the township becomes a distressed township; or

(2) the county fiscal body fails to certify to the governor that the township is a distressed township;

any taxpayer of the township may notify the ~~state board of tax commissioners,~~ **county property tax control board,** which shall make the determination required by subsection (a)(1) and, if appropriate,

Copy

make the certification to the governor required by subsection (a)(2).

SECTION 321. IC 12-20-25-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. Upon receipt of a certification under section 7 of this chapter, the governor shall appoint a four (4) member management committee to assume the township trustee's duties as administrator of poor relief. The committee must consist of one (1) representative from each of the following:

(1) The budget agency. This member serves as chairperson.

(2) The state board of accounts.

(3) The ~~state board of tax commissioners.~~ **county property tax control board.**

(4) The division of family and children.

SECTION 322. IC 12-20-25-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 29. (a) A township poor relief control board is established for each distressed township. The governor shall appoint the following members to the control board:

(1) The budget director or the director's designee, who shall serve as the chairman of the board.

(2) One (1) representative of the state board of accounts.

(3) One (1) representative of the ~~state board of tax commissioners.~~ **county property tax control board.**

(4) One (1) representative of the division of family and children.

(5) One (1) elected public official of the county.

(6) One (1) township trustee.

(7) One (1) individual who:

(A) resides in the county or is employed in the county by an employer paying taxes in the county; and

(B) is or agrees to become familiar with poor relief.

(8) The township trustee of the distressed township, who shall serve as a nonvoting ex officio member of the control board.

(b) The members of the control board serve at the pleasure of the governor.

(c) Each member of the board who is not a state employee or an elected official is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). Such a member is also entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

SECTION 323. IC 12-20-25-36 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 36. (a) Notwithstanding IC 6-1.1-17, if the county fiscal body:

C o p y

(1) adopts an ordinance under section 35(b)(2) of this chapter; or

(2) fails to adopt an ordinance under section 35(b) of this chapter;

the ~~state board of tax commissioners~~ **county property tax control board** shall reduce the county's general fund budget and increase the distressed township's poor relief account budget in an amount sufficient to satisfy the requirements of section 33(a)(2) of this chapter. The ~~state board of tax commissioners~~ **county property tax control board** shall notify the county auditor and county treasurer of the county general fund reduction and the county treasurer shall transfer from the county general fund to the distressed township's poor relief account the amount specified by the ~~state board of tax commissioners.~~ **county property tax control board.**

(b) Notwithstanding IC 6-1.1-18.5, if a county is required to transfer money to a distressed township's poor relief account under subsection (a), the county may not appeal for an excessive levy under IC 6-1.1-18.5 to replace money that is transferred from the county general fund.

SECTION 324. IC 12-20-25-41 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 41. (a) As used in subsection (c), "advance" refers to money provided to a distressed township from the state general fund under section 38 of this chapter.

(b) As used in subsection (c), "support" refers to money provided from the distressed township supplemental poor relief fund established by section 51 of this chapter to pay poor relief claims and the operating costs of the management committee during the period the management committee is in control of the township trustee's office.

(c) The controlled status of a township under this chapter terminates at the end of a year if at that time the county, with respect to each controlled township:

(1) has repaid:

(A) all state advances provided to the county under this chapter; and

(B) state support provided to the county under this chapter if the ~~state board of tax commissioners~~ **county property tax control board** has reduced the county's general fund budget under section 36 of this chapter;

(2) has paid all valid poor relief claims in the distressed township, including the claims approved under section 27 or 28 of this chapter;

(3) will have sufficient money to pay, not more than thirty (30) days after a claim is submitted for payment, all valid poor relief claims in the distressed township that are expected to be

C o p y

submitted in the following year as determined by the control board, excluding any advances from the state, revenues from short term loans from the county or a financial institution under IC 12-2-4.5 (before its repeal) or IC 12-20-24, and proceeds from bonds issued under IC 12-2-1 (before its repeal), IC 12-2-5 (before its repeal), or this article; and

(4) has no bonds outstanding that were issued to pay for poor relief in the distressed township.

(d) Notwithstanding IC 6-3.5-1.1 and IC 6-3.5-6, if the control board finds that:

(1) the requirements of subsection (c)(1), (c)(2), and (c)(4) are satisfied; and

(2) the requirements of subsection (c)(3) cannot be satisfied because the township's maximum permissible ad valorem property tax levy provides insufficient revenue to ensure the payment of all valid poor relief claims in the distressed township that will be incurred during the year following the termination of the controlled status of the township;

the county fiscal body may dedicate to the provision of poor relief, from the county adjusted gross income tax or the county option income tax imposed as a result of adopting a financial plan under section 35 of this chapter, an amount necessary to satisfy the requirements of subsection (c)(3).

(e) If the control board finds that the income tax dedicated under subsection (d) will satisfy the requirements of subsection (c)(3), the controlled status of the township under this chapter terminates at the end of the year in which the control board makes the board's finding.

SECTION 325. IC 12-20-25-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 42. (a) This section applies to a township that was certified a distressed township before January 1, 1988.

(b) The controlled status of the distressed township is terminated on July 1, 1989, if the ~~state board of tax commissioners~~ **county property tax control board** finds that the following conditions exist:

(1) All valid poor relief claims in the distressed township, including the claims approved under IC 12-2-14-22 (before its repeal), IC 12-2-14-23 (before its repeal), or section 27 or 28 of this chapter, have been paid, except for the following:

(A) Claims under litigation before the date of the board's finding.

(B) Obligations owed to other political subdivisions.

(2) The township has no bonds outstanding that were issued to

Copy

pay for poor relief in the distressed township.

(c) Notwithstanding section 4(2) of this chapter, if a township that has had the township's distressed status terminated under subsection (b) uses advances from the county from proceeds of bonds issued under IC 12-2-1 (before its repeal) or this article to pay poor relief claims more than one (1) time in the five (5) years following the termination of the township's distressed status, the township must have the township's civil and poor relief budgets reviewed and approved by the county fiscal body in each year that a tax is levied against the property in the township to repay the advances. The decision of the county fiscal body may be appealed to the ~~state board of tax commissioners.~~ **county property tax control board.**

(d) Notwithstanding IC 12-2-5-6 (before its repeal), IC 12-2-5-8 (before its repeal), IC 12-20-23-15, and IC 12-20-23-19, the aggregate principal amount of any outstanding debt that is incurred to pay poor relief claims during the five (5) years following the termination of the township's distressed status under subsection (b) and that is in excess of one-tenth percent (0.1%) of the assessed valuation of the township is the direct general obligation of the county.

SECTION 326. IC 12-20-25-43 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 43. Notwithstanding IC 6-3.5-1.1 and IC 6-3.5-6, if:

(1) there has been a controlled township in a county;

(2) the township that has been controlled has levied the township's maximum permissible ad valorem property tax levy for poor relief;

(3) the maximum permissible ad valorem property tax levy is insufficient to ensure the payment within thirty (30) days of all valid poor relief claims in the township; and

(4) the county adjusted gross income tax or county option income tax is in effect in the county as a result of adopting a financial plan under this chapter;

the county fiscal body shall dedicate from the county adjusted gross income tax or county option income tax imposed under this chapter an amount of revenue determined by the ~~state board of tax commissioners~~ **county property tax control board** to be necessary to ensure the payment within thirty (30) days of all poor relief claims in the township that has been controlled. The county fiscal body shall distribute any income tax revenues dedicated under this section before the fiscal body makes any other distributions in accordance with this chapter. Notwithstanding section 45 of this chapter, the county fiscal body may not reduce the county option income tax rate below the rate necessary

C o p y

to satisfy the requirements of this section.

SECTION 327. IC 12-20-25-49 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 49. Each distressed township shall take all action necessary to levy the maximum permissible ad valorem property tax levy for poor relief permitted under IC 6-1.1-18.5. If a distressed township fails to take this action, the ~~state board of tax commissioners~~ **county property tax control board** shall adjust, in the board's certificate of levies of governmental entities in the county, the township's proposed levy so that the levy is the maximum permissible ad valorem property tax levy.

SECTION 328. IC 12-20-28-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) The definitions in this section apply to a report that is required to be filed under this section.

(b) As used in this section, "total number of households containing poor relief recipients" means the sum to be determined by counting the total number of individuals who file an application for which relief is granted. A household may be counted only once during a calendar year regardless of the number of times assistance is provided if the same individual makes the application for assistance.

(c) As used in this section, "total number of **poor relief** recipients" means the number of individuals who are members of a household that receives assistance on at least one (1) occasion during the calendar year. An individual may be counted only one (1) time during a calendar year regardless of the:

(1) number of times assistance is provided; or

(2) number of households in which the individual resides during a particular year.

(d) As used in this section, "total number of requests for assistance" means the number of times an individual or a household separately requests any type of township assistance.

(e) The township trustee shall file an annual statistical report on township housing, medical care, utility, and food assistance with the state board of accounts. Except as provided in subsection (i), the report must be made on a form provided by the state board of accounts. The report must contain the following information:

(1) The total number of requests for assistance.

(2) The total number of poor relief recipients and total number of households containing poor relief recipients.

(3) The total value of benefits provided poor relief recipients.

(4) The total number of poor relief recipients and households receiving utility assistance.

C o p y

(5) The total value of benefits provided for the payment of utilities.

(6) The total number of poor relief recipients and households receiving housing assistance.

(7) The total value of benefits provided for housing assistance.

(8) The total number of poor relief recipients and households receiving food assistance.

(9) The total value of food assistance provided.

(10) The total number of poor relief recipients and households provided health care.

(11) The total value of health care provided.

(12) The total number of burials and cremations.

(13) The total value of burials and cremations.

(14) The total number of nights of emergency shelter provided to the homeless.

(15) The total number of referrals of poor relief applicants to other programs.

(16) The total number of training programs or job placements found for poor relief recipients with the assistance of the township trustee.

(17) The number of hours spent by poor relief recipients at workfare.

(18) The total amount of reimbursement for assistance received from:

(A) recipients;

(B) members of recipients' households; or

(C) recipients' estates;

under IC 12-20-6-10, IC 12-20-27-1, or IC 12-20-27-1.5.

(19) The total amount of reimbursement for assistance received from medical programs under IC 12-20-16-2(e).

If the total number or value of any item required to be reported under this subsection is zero (0), the township trustee shall include the notation "0" in the report where the total number or value is required to be reported.

(f) The state board of accounts shall forward a copy of each annual report forwarded to the board under subsection (e) to the ~~state board of tax commissioners~~ **county property tax control board** and the division of family and children.

(g) The division of family and children shall include in the division's periodic reports made to the United States Department of Health and Human Services concerning the Aid to Families with Dependent Children (AFDC) and Supplemental Security Income (SSI) programs

Copy

information forwarded to the division under subsection (f) concerning the total number of poor relief recipients and the total dollar amount of benefits provided.

(h) The ~~state board of tax commissioners~~ **county property tax control board** may not approve the budget of a township trustee who fails to file an annual report under subsection (e) in the preceding calendar year. Before July 1 of each year, the ~~state board of tax commissioners~~ **county property tax control board** shall file a report with the legislative council that compiles and summarizes the information sent to the state board of accounts by township trustees under subsection (e).

(i) This section does not prevent the electronic transfer of data required to be reported under IC 12-2-1-40 (before its repeal) or this section if the following conditions are met:

(1) The method of reporting is acceptable to both the township trustee reporting the information and the governmental entity to which the information is reported.

(2) A written copy of information reported by electronic transfer is on file with the township trustee reporting information by electronic means.

(j) The information required to be reported by the township trustee under this section shall be maintained by the township trustee in accordance with IC 5-15-6.

SECTION 329. IC 12-29-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. All general Indiana statutes relating to the following apply to the issuance of county bonds under this chapter:

(1) The filing of a petition **by the issuer** requesting the issuance of bonds.

(2) The giving of notice of the following:

(A) The filing of the petition requesting the issuance of the bonds.

(B) The determination to issue bonds.

(C) A hearing on the appropriation of the proceeds of the bonds.

(3) The right of taxpayers to appear and be heard on the proposed appropriation.

(4) The approval of the appropriation by the ~~state board of tax commissioners.~~ **county property tax control board.**

(5) The right of taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds.

(6) The holding of a referendum.

Copy

SECTION 330. IC 12-29-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. (a) Subject to subsection (b), a county shall fund the operation of community mental health centers in an amount not less than the amount that would be raised by an annual tax rate of one and thirty-three hundredths cents ($0.0133) on each one hundred dollars ($100) of taxable property within the county, unless a lower tax rate will be adequate to fulfill the county's financial obligations under this chapter in any of the following situations:

(1) If the total population of the county is served by one (1) center.

(2) If the total population of the county is served by more than one (1) center.

(3) If the partial population of the county is served by one (1) center.

(4) If the partial population of the county is served by more than one (1) center.

(b) This subsection applies only to a property tax that is imposed in a county having a population of more than seven hundred thousand (700,000). The tax rate permitted under subsection (a) for taxes first due and payable after calendar year 1995 is the tax rate permitted under subsection (a) as adjusted under this subsection. For each year in which a general reassessment of property will take effect, the ~~state board of tax commissioners~~ **county property tax control board** shall compute the maximum rate permitted under subsection (a) as follows:

STEP ONE: Determine the maximum rate for the year preceding the year in which the general reassessment takes effect.

STEP TWO: Determine the actual percentage increase (rounded to the nearest one-hundredth percent) in the assessed value of the taxable property from the year preceding the year the general reassessment takes effect to the year that the general reassessment is effective.

STEP THREE: Determine the three (3) calendar years that immediately precede the ensuing calendar year and in which a statewide general reassessment of real property does not first become effective.

STEP FOUR: Compute separately, for each of the calendar years determined in STEP THREE, the actual percentage increase (rounded to the nearest one-hundredth percent) in the assessed value of the taxable property from the preceding year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

C o p y

STEP SIX: Determine the greater of the following:

(A) Zero (0).

(B) The result of the STEP TWO percentage minus the STEP FIVE percentage.

STEP SEVEN: Determine the quotient of the STEP ONE tax rate divided by one (1) plus the STEP SIX percentage increase.

This maximum rate is the maximum rate under this section until a new maximum rate is computed under this subsection for the next year in which a general reassessment of property will take effect.

SECTION 331. IC 12-29-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 13. (a) This section applies to a county having a population of not less than four hundred thousand (400,000) but not more than seven hundred thousand (700,000).

(b) In addition to any other appropriation under this article, a county annually may fund each center serving the county from the county's general fund in an amount not exceeding the amount that would be raised by a tax rate of one cent ($0.01) on each one hundred dollars ($100) of taxable property within the county.

(c) The receipts from the tax levied under this section shall be used for the leasing, purchasing, constructing, or operating of community residential facilities for the chronically mentally ill (as defined in IC 12-7-2-167).

(d) Money appropriated under this section must be:

(1) budgeted under IC 6-1.1-17; and

(2) included in the center's budget submitted to the division of mental health.

(e) **The county property tax control board may grant** permission for a levy increase in excess of the levy limitations ~~may be ordered under IC 6-1.1-18.5-15~~ only if the levy increase is approved by the division of mental health for a community mental health center.

SECTION 332. IC 13-18-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. (a) If the offender is a municipal corporation, the cost of:

(1) acquisition, construction, repair, alteration, or extension of the necessary plants, machinery, or works; or

(2) taking other steps that are necessary to comply with the order;

shall be paid out of money on hand available for these purposes or out of the general money of the municipal corporation not otherwise appropriated.

(b) If there is not sufficient money on hand or unappropriated, the necessary money shall be raised by the issuance of bonds. The bond

C o p y

issue is subject only to the approval of the ~~state board of tax commissioners.~~ **county property tax control board.**

SECTION 333. IC 13-21-3-13.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 13.5. (a) This section does not apply to the following:

(1) A nonreverting capital fund established under section 12(24) of this chapter.

(2) A fund established under IC 13-21-7-8.

(3) The waste management district bond fund established under IC 13-21-7-10.

(4) A fund established to secure the payment of principal and interest under IC 13-21-12-1(12).

(b) At the end of each year the district shall prepare a report that provides the following information:

(1) For each fund that contains district money:

(A) the cash balance at the end of the year;

(B) a list of all encumbrances on the fund that the district is legally obligated to pay;

(C) a copy of documentation that supports each encumbrance listed in clause (B);

(D) the fund balance obtained by subtracting the amount under clause (B) from the amount under clause (A); and

(E) the total expenditures from the fund for the year.

(2) The total of all fund balances calculated under subdivision (1)(D).

(3) The total of all fund expenditures reported under subdivision (1)(E).

(c) The district shall provide the report developed under subsection (b) to the department, the ~~state board of tax commissioners,~~ **appropriate county property tax control board,** and the environmental quality service council by February 1 of the year following the year for which the report is made.

SECTION 334. IC 13-21-3-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 21. Before the board of a district may adopt an annual budget, the budget must be:

(1) approved by the ~~state board of tax commissioners;~~ **county property tax control board;** and

(2) sent to:

(A) the executive; and

(B) the fiscal body;

of each county and municipality located within the district as a matter of record.

Copy

SECTION 335. IC 14-27-6-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 40. The provisions of IC 5-1 and IC 6-1.1-20 relating to the following apply to proceedings under this chapter:

(1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.

(2) The giving of notice of determination to issue bonds.

(3) The giving of notice of hearing on the appropriation of the proceeds of bonds and the right of taxpayers to appeal and be heard on the proposed appropriation.

(4) The approval of the appropriation by the ~~state board of tax commissioners.~~ **county property tax control board.**

(5) The right of taxpayers to remonstrate against the issuance of bonds.

(6) The sale of bonds at public sale for not less than the par value.

SECTION 336. IC 14-27-6-46 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 46. (a) The board shall do the following:

(1) Annually prepare a budget for the operation and capital expenditures of the authority.

(2) Calculate the tax levy necessary to provide money for the operating expenditures necessary to carry out the powers, duties, and functions of the authority together with any capital expenditures that are included in the annual budget.

(b) The budget shall be prepared and submitted at the same time and in the same manner as provided by the statutes relating to the preparation of budgets by cities. The budget is subject to the same review by the ~~county tax adjustment board and the state board of tax commissioners~~ **county property tax control board** as under the statutes relating to budgets of cities.

(c) The budgets and the tax levies are subject to review and modification by the fiscal body of a city and county within the district in the same manner as the budgets and tax levies of the executive departments of the city.

SECTION 337. IC 14-27-6-47 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 47. The county treasurer shall assess and collect the tax levy as finally approved by the ~~state board of tax commissioners~~ **county property tax control board** as other taxes are levied and collected. The county treasurer shall remit all taxes so collected to the treasurer of the authority.

SECTION 338. IC 14-33-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. (a) The budget of

C o p y

a district:

(1) must be prepared and submitted:

(A) at the same time;

(B) in the same manner; and

(C) with notice;

as is required by statute for the preparation of budgets by municipalities; and

(2) is subject to the same review by

~~(A) the county board of tax adjustment; and~~

~~(B)~~ the ~~state board of tax commissioners;~~ **county property tax control board**

as is required by statute for the budgets of municipalities.

(b) If a district is established in more than one (1) county:

(1) except as provided in subsection (c), the budget shall be certified to the auditor of the county in which is located the court that had exclusive jurisdiction over the establishment of the district; and

(2) notice must be published in each county having land in the district. Any taxpayer in the district is entitled to be heard before the county **property tax control** board ~~of tax adjustment~~ having jurisdiction.

(c) If one (1) of the counties in a district contains either a first or second class city located in whole or in part in the district, the budget:

(1) shall be certified to the auditor of that county; and

(2) is subject to review at the county level only by the county **property tax control** board ~~of tax adjustment~~ of that county.

SECTION 339. IC 14-33-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) The board shall deduct from the operation and maintenance expenses estimated under section 2 of this chapter the following:

(1) Any revenue actually received during the current year.

(2) Other money not obligated to paying or protecting the bonds or notes of the district.

(b) The board shall carry forward the balance after making the deduction required by subsection (a).

(c) The board shall next determine the amount of interest due and the principal amount of bonds maturing the second year after the year in which the board is meeting. To this amount the board shall add five percent (5%) in the first year the board meets with bonds outstanding to provide for contingencies. After that time and until all bonds are retired, the board shall add the necessary amount to maintain a five percent (5%) contingency reserve.

C o p y

(d) If the board has been forced to borrow money for a short term for a legitimate purpose, the board shall also determine the amount of principal and interest due on the loan.

(e) The board shall then total the balance.

(f) From the assessment roll, the board shall then determine the amount of unpaid installments due in the next year on assessments that have been made and deduct this from the total. The board shall then determine the necessary levy of the special benefits tax to provide money to meet the expenses thus calculated.

(g) After review by the ~~state board of tax commissioners~~ **county property tax control board** as provided in section 1 of this chapter, the board of directors shall certify to the auditor of each county for collection the levy of the tax and the installment of any assessment.

SECTION 340. IC 14-33-9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) Upon approval by the ~~state board of tax commissioners,~~ **county property tax control board,** the board of directors shall certify the tax levy to the auditor of each county having land in the district.

(b) The auditor of each county shall have the levy entered on the tax records of the county treasurer for collection.

(c) The county treasurer shall collect the tax at the same time as other property taxes are collected.

(d) After collection, in June and December, the auditor of each county shall issue a warrant on the county treasurer to transfer the money collected to the board of directors.

SECTION 341. IC 14-33-21-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. The board may levy a special benefits tax in compliance with IC 6-1.1-41 in an amount not to exceed three and thirty-three hundredths cents ($0.0333) on each one hundred dollars ($100) of real property in the district, except the property that is exempt under IC 14-33-7-4. The board shall file with the district plan or part of or amendment to the plan:

(1) the approval of the ~~state board of tax commissioners;~~ **county property tax control board;** and

(2) any action taken to reduce or rescind the tax levy.

SECTION 342. IC 14-33-21-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. The approval of the ~~state board of tax commissioners:~~ **county property tax control board:**

(1) does not have to be filed with the district plan or part of or amendment to the plan at the time of the submission to the commission; and

C o p y

(2) only has to be filed with the court having jurisdiction of the district.

SECTION 343. IC 15-3-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) The township trustee may pay for the chemicals, work, and labor performed in cutting or destroying detrimental plants under this chapter at a rate per hour to be fixed by the township trustee commensurate with local hourly wages.

(b) In all cases in which the infestation of the land with detrimental plants is so great and widespread as in the opinion of the trustee to render such cutting or eradication by hand methods impractical, the trustee shall engage the necessary power machinery or equipment and may pay for the work at a rate per hour fixed by the township trustee commensurate with the local hourly rate.

(c) When the work has been performed, the person doing the work shall file an itemized bill for the work in the office of the trustee of the township, and when the bill has been approved the trustee shall pay the bill out of the township fund. The trustee of the township shall certify the cost or expense of the work, and the cost of the chemicals, adding to such bill twenty dollars ($20) per day for each day that the trustee or the trustee's agent supervises the performance of the services required under this chapter as compensation for services, with a description of the real estate on which the labor was performed.

(d) The certified statement of costs prepared under subsection (c) shall be mailed using certificate of mailing to, or personally served on, the owner or person possessing the real estate. The certified statement shall be mailed to the auditor of state for any real estate owned by the state or to the fiscal officer of another municipality (as defined in IC 5-11-1-16) for real estate owned by the municipality. The statement shall request that the person pay the cost of performing the service under subsection (c) to the township trustee.

(e) If the owner or person in possession of the property does not pay the amount set forth in the statement within ten (10) days after receiving the notice under subsection (d), the township trustee shall file a copy of the certified statement in the office of the county auditor of the county where the real estate is located.

(f) The auditor shall place the amount claimed in the certified statement on the tax duplicate of the real estate. Except as provided in subsections (j) through (l), the amount claimed shall be collected as taxes are collected.

(g) After an amount described in subsection (f) is collected, the funds shall be deposited in the trustee's township funds for use at the

C o p y

discretion of the trustee.

(h) If there is no money available in the township fund for that purpose the township board, upon finding an emergency exists, shall act under IC 36-6-6-14(b) or IC 36-6-6-15 to borrow a sum of money sufficient to meet the emergency.

(i) The trustee, when submitting estimates to the township board for action, shall include in the estimates an item sufficient to cover those expenditures.

(j) This subsection applies to real estate owned by the state. The auditor of state shall issue a warrant to pay the amount set forth in the certified statement of costs for real estate owned by the state and shall charge the appropriate fund for the amount.

(k) This subsection applies to real estate owned by a municipality (as defined in IC 5-11-1-16) other than the township. The fiscal officer of the municipality shall make the necessary appropriation from the appropriate fund to pay the township the amount set forth in the certified statement of costs for real estate owned by the municipality.

(l) This subsection applies to real estate that is exempt from property taxation. The owner of the tax exempt real estate shall pay the amount set forth in the certified statement of costs for the tax exempt real estate. If the owner of the tax exempt real estate fails to pay the amount required by this chapter, the owner is ineligible for the property tax exemption and the ~~state board of tax commissioners~~ **county property tax control board** shall deny the property tax exemption for the real estate.

SECTION 344. IC 15-3-4.6-5.4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5.4. (a) If a person fails to begin a program recommended by the weed control board to control and contain noxious weeds within the time prescribed in section 5 of this chapter, the weed control board may pay for the chemicals, equipment, and labor performed in cutting or destroying noxious weeds under this chapter at a rate per hour to be fixed by the weed control board commensurate with local hourly wages.

(b) When the work has been performed, the person doing the work shall file an itemized bill for the work in the office of the weed control board. When the bill has been approved, the weed control board shall pay the bill from the county general fund, unless the county has established a separate fund for the weed control board. The weed control board shall certify the cost of the work, adding to the bill twenty dollars ($20) per day for each day that a member of the weed control board or the board's agent supervises the performance of the services required under this chapter as compensation for services. The certified

C o p y

statement of costs must include a description of the real estate on which the labor was performed.

(c) The certified statement of costs prepared under subsection (b) must be:

(1) sent by certified mail to; or

(2) personally served on;

the owner or person possessing the real estate. The certified statement must be mailed to the auditor of state for any real estate owned by the state or to the fiscal officer of another municipality (as defined in IC 5-11-1-16) for real estate owned by the municipality. The statement must request that the person pay the cost of performing the service under subsection (b) to the weed control board.

(d) If the owner or person in possession of the property does not pay the amount set forth in the statement within ten (10) days after receiving the notice under subsection (c), the weed control board shall file a copy of the certified statement in the office of the county auditor of the county where the real estate is located.

(e) The auditor shall place the amount claimed in the certified statement on the tax duplicate of the real estate. Except as provided in subsections (g) through (i), the amount claimed shall be collected as taxes are collected.

(f) After an amount described in subsection (e) is collected, the funds must be deposited in the weed control board fund, if one has been established by the county, for use at the discretion of the weed control board. If a weed control board fund has not been established by the county, the funds collected must be deposited in the county general fund.

(g) This subsection applies to real estate owned by the state. The auditor of state shall issue a warrant to pay the amount set forth in the certified statement of costs for real estate owned by the state and shall charge the appropriate fund for the amount.

(h) This subsection applies to real estate owned by a municipality (as defined in IC 5-11-1-16). The fiscal officer of the municipality shall make the necessary appropriation from the appropriate fund to pay the weed control board the amount set forth in the certified statement of costs for real estate owned by the municipality.

(i) This subsection applies to real estate that is exempt from property taxation. The owner of the tax exempt real estate shall pay the amount set forth in the certified statement of costs for the tax exempt real estate. If the owner of the tax exempt real estate fails to pay the amount required by this chapter, the owner is ineligible for the property tax exemption, and the ~~state board of tax commissioners~~ **county**

C o p y

property tax assessment board of appeals shall deny the property tax exemption for the real estate.

SECTION 345. IC 16-22-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. Upon review and approval by the county fiscal body, the county auditor shall file a copy of the resolution and the county fiscal body's action if any with the ~~state board of tax commissioners~~ **county property tax control board** for approval.

SECTION 346. IC 16-22-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. The ~~state board of tax commissioners~~ **county property tax control board** shall publish notice of the submission one (1) time. At least twenty-five (25) taxpayers in the county who will be affected by the proposed tax levy may file a petition with the county auditor not later than ten (10) days after publication, setting forth the taxpayers' objections to the proposed tax levy.

SECTION 347. IC 16-22-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. Upon the filing of a petition, the county auditor shall immediately certify the petition to the ~~state board of tax commissioners.~~ **county property tax control board.**

SECTION 348. IC 16-22-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. (a) The ~~state board of tax commissioners~~ **county property tax control board** shall, within a reasonable time, fix a date for a hearing to be held in the county and give notice of the hearing to the following:

(1) The executive director of the hospital.

(2) The first twenty-five (25) taxpayers whose names appear on the petition.

(b) The notice must be in the form of a letter signed by ~~the secretary or any~~ **a** member of the ~~state board of tax commissioners~~ **county property tax control board** and sent by mail with full prepaid postage to the executive director at the hospital and to each of the taxpayers at the taxpayer's last and usual place of residence at least five (5) days before the date fixed for the hearing.

SECTION 349. IC 16-22-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. After the hearing, the ~~state board of tax commissioners~~ **county property tax control board** shall approve, disapprove, or modify the proposal, and certify the state board's action to the auditor of the county. The state board's action is final.

SECTION 350. IC 16-22-5-12 IS AMENDED TO READ AS

C o p y

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12. If a tax levy is approved by the ~~state board of tax commissioners,~~ **county property tax control board,** the following shall occur:

(1) The county auditor shall include the levy in the annual budget and tax levies of the county for the term fixed in the order of the ~~state board of tax commissioners.~~ **county property tax control board.**

(2) The county fiscal body shall annually levy the tax.

SECTION 351. IC 16-22-5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 14. (a) Except when the county fiscal body reduces or rescinds the tax levy upon request of the board of the hospital, if the tax levy is reduced, rescinded, or not levied by the county fiscal body as fixed in the order of the ~~state board of tax commissioners,~~ **county property tax control board,** the board of the hospital may appeal to the ~~state board of tax commissioners.~~ **county property tax control board.**

(b) An appeal shall be taken and heard in the same manner and within the same time prescribed by law when appeals are taken by taxpayers or municipal corporations. The notice of the hearing shall be given to the county auditor and to the board of the hospital.

(c) Upon the conclusion of the hearing, the ~~state board of tax commissioners~~ **county property tax control board** shall affirm the levy and the annual budget. The order of the ~~state board of tax commissioners~~ **county property tax control board** is final.

SECTION 352. IC 16-22-6-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 21. On the filing of the petition the county auditor shall immediately certify a copy, together with other data necessary to present the questions involved, to the ~~state board of tax commissioners.~~ **county property tax control board.**

SECTION 353. IC 16-22-6-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 22. On receipt of the certified petition and information, the ~~state board of tax commissioners~~ **county property tax control board** shall fix a time and place in the county for the hearing that shall be not less than five (5) or more than fifteen (15) days after receipt. Notice of the hearing shall be given by the ~~state board of tax commissioners~~ **county property tax control board** to the county executive and to the first ten (10) taxpayer petitioners by certified mail sent to the addresses listed on the petition at least five (5) days before the hearing date.

SECTION 354. IC 16-22-6-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 23. An action to

C o p y

contest the validity of the lease or to enjoin the performance of the terms and conditions of the lease may not be instituted more than thirty (30) days after publication of notice of the execution of the lease or, if an appeal is taken to the ~~state board of tax commissioners,~~ **county property tax control board,** not more than thirty (30) days after the decision of the board.

SECTION 355. IC 16-22-6-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 27. (a) As used in this section, "contributing county" means a county without a county hospital that is contiguous to a county with a county hospital.

(b) As used in this section, "lessee county" means a county with a county hospital.

(c) A contributing county may enter into an agreement with a lessee county to reimburse the lessee county for a part of the lease rental each year that is payable by the lessee county upon compliance with this section.

(d) If the county executive of the contributing county finds that the hospital of the lessee county serves the residents of the contributing county and provides needed hospital services to such residents, the county executive may prepare a contribution agreement. Before final execution of the agreement, the auditor of the contributing county shall publish notice of a public hearing to be held in the contributing county by the county executive not less than ten (10) days after publication of the notice. The notice shall be published one (1) time in a newspaper of general circulation and published in the contributing county. The notice must name the day, place, and hour of the hearing and must set forth a summary of the provisions of agreement as to the amount to be paid each year during the term of the lease by the contributing county and where a copy of the proposed agreement may be examined. All persons interested are entitled to be heard at the time fixed on the necessity for the execution of the agreement. The hearing may be adjourned to a later date at a place fixed before adjournment.

(e) Following the hearing, if a majority of the county fiscal body of the contributing county approve the execution of the agreement, the county executive may authorize the execution of the original agreement or may make the modifications agreed upon with the county fiscal body. The authorization shall be by an order entered in the official records of the county executive. The agreement shall be executed:

(1) on behalf of the contributing county by at least a majority of the members of the county executive; and

(2) on behalf of the lessee county by at least a majority of the members of the county executive.

C o p y

(f) If the execution of the original or modified contribution agreement is authorized, notice of the signing shall be published on behalf of the contributing county by publication one (1) time in a newspaper of general circulation and published in the contributing county. At least ten (10) taxpayers in the contributing county whose tax rate will be affected by the proposed agreement may file a petition with the county auditor of the contributing county not more than thirty (30) days after publication of notice of the execution of the agreement. The petition must set forth the objections to the contribution agreement and facts showing that the execution of the contribution agreement is unnecessary and unwise or that the amount of contribution is excessive. On the filing of the petition, the county auditor shall immediately certify a copy together with other data necessary to present the questions involved to the ~~state board of tax commissioners.~~ **county property tax control board.** The ~~state board of tax commissioners~~ **county property tax control board** shall fix a time and place in the county for the hearing not less than five (5) or not more than fifteen (15) days after receipt of the certified petition and information. Notice of the hearing shall be given by the ~~state board of tax commissioners~~ **county property tax control board** to the county executive and to the first ten (10) taxpayer petitioners by certified mail sent to the addresses listed on the petition, at least five (5) days before the date of the hearing.

(g) An action to contest the validity of the contribution agreement or to enjoin the performance of the agreement may not be instituted later than thirty (30) days after publication of notice of the execution of the agreement or, if an appeal has been taken to the ~~state board of tax commissioners,~~ **county property tax control board,** not more than thirty (30) days after the decision of the board.

(h) A contribution agreement may extend for the full term of the lease or for any part and may provide for reimbursement by the contributing county to the lessee county of a part of the lease rental each year in an amount and upon terms and conditions agreed on between the contributing county and the lessee county. The contributing county shall annually levy a tax sufficient to produce each year the necessary funds sufficient to reimburse the lessee county as provided in the contribution agreement. The tax levies provided for in this section shall be reviewable by other bodies vested by law with the authority to ascertain that the levies are sufficient to raise the required payments under the contribution agreement. The annual contribution shall be paid semiannually to the lessee county before the date lease rental payments are due from the lessee county.

C o p y

SECTION 356. IC 16-22-7-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 23. (a) If execution of the original or modified lease is authorized under section 38 of this chapter, notice of the signing shall be published.

(b) Ten (10) taxpayers in the county whose tax rate will be affected by the proposed lease and who believe the lease is unnecessary or the lease rental is not fair and reasonable may file a petition in the office of the county auditor not more than thirty (30) days after publication of notice of the execution of the lease, setting forth the objections and stating facts showing that the lease is unnecessary or unwise or that the lease rental is not fair and reasonable.

(c) On the filing of the petition, the county auditor shall immediately certify a copy, together with other data necessary to present the questions involved, to the ~~state board of tax commissioners.~~ **county property tax control board.**

SECTION 357. IC 16-22-7-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 24. On receipt of the certified petition and information, the ~~state board of tax commissioners~~ **county property tax control board** shall fix a time and place in the county for a hearing of the matter, which shall be not less than five (5) or more than fifteen (15) days after receipt of the certified petition and information. Notice of the hearing shall be given by the ~~state board of tax commissioners~~ **county property tax control board** to the city hospital board and to the first ten (10) taxpayer petitioners on the petition by certified mail sent to the addresses listed on the petition, at least five (5) days before the date of the hearing.

SECTION 358. IC 16-22-7-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 25. An action to contest the validity of the lease or to enjoin the performance of the terms and conditions of the lease may not be instituted later than thirty (30) days after publication of notice of the execution of the lease or, if an appeal is taken to the ~~state board of tax commissioners,~~ **county property tax control board,** not more than thirty (30) days after the decision of the board.

SECTION 359. IC 16-22-8-43 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 43. (a) The board may issue general obligation bonds of the corporation to procure funds to pay the cost of acquiring real property or constructing, enlarging, improving, remodeling, repairing, or equipping buildings and other structures for use as or in connection with hospitals, clinics, health centers, dispensaries, or for administrative purposes. The issuance of the bonds shall be authorized by ordinance of the board providing for

C o p y

the amount, terms, and tenor of the bonds, for the time and character of notice, and the mode of making the sale. The bonds shall be payable not more than forty (40) years after the date of issuance and shall be executed in the name of the corporation by the chairman of the board and attested by the executive director, who shall affix to each of the bonds the official seal of the corporation. The interest coupons attached to the bonds may be executed by facsimile signature of the chairman of the board.

(b) The executive director shall manage and supervise the preparation, advertisement, and sale of bonds, subject to the provisions of the authorizing ordinance. Before the sale of the bonds, the executive director shall publish notice of the sale in accordance with IC 5-3-1, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold to the highest and best bidder. After the bonds have been sold and executed, the executive director shall deliver the bonds to the treasurer of the corporation and take the treasurer's receipt, and shall certify to the treasurer the amount that the purchaser is to pay, together with the name and address of the purchaser. On payment of the purchase price, the treasurer shall deliver the bonds to the purchaser, and the treasurer and executive director shall report the actions to the board.

(c) IC 5-1 and IC 6-1.1-20 apply to the following proceedings:

(1) Notice and filing of the petition requesting the issuance of the bonds.

(2) Notice of determination to issue bonds.

(3) Notice of hearing on the appropriation of the proceeds of the bonds and the right of taxpayers to appeal and be heard.

(4) Approval by the ~~state board of tax commissioners.~~ **county property tax control board.**

(5) The right to remonstrate.

(6) Sale of bonds at public sale for not less than the par value.

(d) The bonds are the direct general obligations of the corporation and are payable out of unlimited ad valorem taxes levied and collected on all the taxable property within the county of the corporation. All officials and bodies having to do with the levying of taxes for the corporation shall see that sufficient levies are made to meet the principal and interest on the bonds at the time fixed for payment.

(e) The bonds are exempt from taxation for all purposes including the gross income tax but the interest is subject to gross income tax.

SECTION 360. IC 16-22-8-51 IS AMENDED TO READ AS

Copy

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 51. The tax levy approved by the ~~state board of tax commissioners~~ **county property tax control board** shall be assessed and collected by the county treasurer of the county within which the corporation is located as other taxes are levied and collected. The county treasurer shall remit all taxes to the treasurer of the corporation.

SECTION 361. IC 16-22-8-55 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 55. (a) The corporation may borrow money on promissory notes issued in the corporation's name, as a municipal corporation, from recognized lending institutions, and pledge as security unlimited ad valorem taxes levied by the corporation and collected on all taxable property within the jurisdiction of the corporation. It is the duty of all officials and bodies with control or discretion over the levying of taxes for the corporation to see that sufficient levies are made to meet the principal and interest on promissory notes. The promissory notes issued under this section shall be treated for taxation purposes the same as bonds issued by a municipal corporation in accordance with IC 6-8-5-1.

(b) Funds obtained by the method provided in this section shall be limited in use to the payment of lease rental for medical, surgical, and related equipment used by the corporation when the board determines that leasing the equipment is more practical and economical than purchasing. The decision to lease rather than purchase is within the sole discretion of the board.

(c) The length, terms, and conditions of promissory notes issued under this section are subject to negotiation between the board or the board's representative and the lending institutions bidding. Before entering into negotiations for the loan, the board of trustees shall publish a notice one (1) time in a newspaper of general circulation in the health and hospital corporation naming a date not less than seven (7) days after the publication of notice on which the board will receive and consider proposals from lending institutions for the making of the loan.

(d) After determination of the board to borrow and to issue promissory notes, and after a determination of the best proposal submitted by lending institutions, the board shall give notice of the board's determination to borrow and to issue promissory notes in the manner provided by IC 6-1.1-20. The taxpayers have the right to appeal the determination to the ~~state board of tax commissioners~~ **county property tax control board** in the manner and within the time provided in IC 6-1.1-20.

SECTION 362. IC 16-23-1-31 IS AMENDED TO READ AS

C o p y

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 31. (a) If the annual budget and appropriations, or any additional appropriations or transfers of money, made or proposed by the board of directors, excluding any cumulative building money:

(1) is not based upon or derived in part from a tax levy on property in the county or city; and

(2) involves only the funds of the hospital derived wholly from other sources than property taxes;

the board only needs to adopt a resolution for the approval of the budget appropriations, additional appropriations, or transfers and file a true copy of the budget appropriations, additional appropriations, or transfers and the resolution in the offices of the county auditor and city clerk-treasurer within seven (7) days after board action for the information of the public.

(b) If the funds are not derived from taxation, the city fiscal body may review, consider, and file objections and take an appeal to the ~~state board of tax commissioners~~ **county property tax control board** upon the following:

(1) An annual budget and any appropriations in the budget and request the reduction or elimination of any item.

(2) Additional appropriations or transfers of funds, or any part of additional appropriations or transfers of funds, within ten (10) days after the certificate has been filed in the clerk-treasurer's office.

The ruling and action of the ~~state board of tax commissioners~~ **county property tax control board** is final and conclusive.

(c) The annual budget and appropriations may be revised by the board of directors by increasing or decreasing items in the budget based on revenues derived from sources other than property taxes and by transfer from any items of the budget and appropriations to other items of the budget, without giving legal notice or any public hearing. However, a copy of each resolution changing the budget or any appropriations or transfers of funds shall be filed with the city clerk-treasurer and county auditor within seven (7) days after the passage of each resolution. The resolution is subject to appeal by the city fiscal body to the ~~state board of tax commissioners~~ **county property tax control board** for final action in the manner and within the period provided in this section.

(d) The governing board shall annually file a condensed annual report of receipts and expenditures of all hospital funds. Expenses or income items may be summarized in a fair and an accurate manner for the information of all taxpayers and citizens. A copy of the annual

C o p y

report covering the preceding calendar year shall be filed in the city clerk-treasurer's office and in the county auditor's office on or before the first Monday in March. Detailed information on the items must be available for inspection by the public at the hospital administrator's office.

SECTION 363. IC 16-23-1-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 39. (a) This section applies to the county fiscal body of a county in which a city hospital is located and maintained.

(b) The county fiscal body may issue and sell bonds and appropriate money, if the fiscal body finds the following:

(1) An emergency exists.

(2) To meet the medical needs of the county residents living inside and outside the corporate limits of the city it is necessary to aid in the following:

(A) The construction, improvement, repair, or remodeling of hospital buildings and grounds.

(B) The construction of an extension or addition to the hospital.

(C) The acquisition of real property for the hospital.

(3) An appropriation of county funds, borrowing of money, and issuance and sale of bonds by the county are in the best interests of all the citizens of the county.

(c) The county fiscal body may issue and sell bonds and appropriate the proceeds to meet the emergency:

(1) without regard to whether the city in which the hospital is located has issued and sold bonds for these purposes or contemplates the issuance and sale of bonds;

(2) as other county bonds are issued and sold under statute; and

(3) subject to approval of the ~~state board of tax commissioners.~~ **county property tax control board.**

(d) The principal derived from the sale of the bonds, upon due appropriation by the county according to statute, shall be paid to the clerk-treasurer of the city to assist in paying the cost of the improvement, repair, remodeling, or construction project of the hospital or for the acquisition of real property, without reappropriation by the fiscal body of the city.

SECTION 364. IC 16-23-1-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 40. (a) The governing board may request a cumulative hospital building fund and a tax rate upon all taxable property in the county in which the hospital is located to finance the fund. If a resolution is approved by majority

C o p y

vote of all members at a regular or special board meeting, the resolution shall be certified to the county auditor, who shall submit the resolution to the county executive for preliminary approval and recommendation. Upon the approval of the county executive, the county auditor shall publish notice of a public hearing before the county council on the establishment of a cumulative hospital building fund and tax rate in each year.

(b) The cumulative building tax rate begins in any calendar year when all proceedings to establish the tax rate have been completed before August 2 in that year. The rate is levied on each one hundred dollars ($100) of taxable property for that year, payable in the next year, and continues each year for a term not exceeding twelve (12) years. The resolution of the board must specify the following:

(1) The number of years.

(2) The effective date when the tax levy begins.

(3) The amount of rate on each one hundred dollars ($100) of taxable property.

(4) Any other pertinent facts considered advisable by the board.

(c) Except as provided in subsections (f) through (i), the rate on each one hundred dollars ($100) may be reduced but not increased by the ~~state board of tax commissioners~~ **county property tax control board** in approving a cumulative building tax rate. The rate as finally fixed by the ~~state board of tax commissioners~~ **county property tax control board** is final. However, the county fiscal body, by three-fourths (3/4) affirmative vote of the county fiscal body's members, may reduce the rate in any given year or years to meet an emergency existing in the county, but the temporary reduction affects the rate only in the year when the action is taken. The rate is automatically restored to the rate's original amount in each succeeding year of the established period except in any other year when another emergency reduction is made. The rate is subject to review each year by the county fiscal body, but the county **property** tax **control** ~~adjustment~~ board ~~and state board of tax commissioners~~ may not reduce the rate below the original rate established and approved by vote of the county fiscal body unless the county fiscal body reduces the rate.

(d) The county fiscal body, city fiscal body, **or the** county **property** tax **control** ~~adjustment~~ board ~~or state board of tax commissioners~~ does not have power or jurisdiction over the annual budget and appropriations, additional appropriations, or transfer of money unless the action involves the expenditure or raising of money derived from property taxes. If the cumulative building fund is the only hospital fund raised by taxation, section 31 of this chapter controls.

C o p y

(e) The cumulative building fund raised may be properly and safely invested or reinvested by the board to produce an income until there is an immediate need for the fund's use. The fund and any income derived from investment or reinvestment of the fund may be used as follows:

(1) To purchase real property and grounds for hospital purposes.

(2) To remodel or make major repairs on any hospital building.

(3) To erect and construct hospital buildings or additions or extensions to the buildings.

(4) For any other major capital improvements, but not for current operating expenses or to meet a deficiency in operating funds.

(f) Not later than August 1 of any year, ten (10) or more taxpayers in the county may file with the county auditor of the county in which the hospital is located a petition for reduction or rescission of the cumulative building tax rate. The petition must set forth the taxpayers' objections to the tax rate. The petition shall be certified to the ~~state board of tax commissioners.~~ **county property tax control board.**

(g) Upon receipt of a petition under subsection (f), the ~~state board of tax commissioners~~ **county property tax control board** shall within a reasonable time fix a date for a hearing on the petition. The hearing must be held in the county in which the hospital is located. Notice of the hearing shall be given to the county fiscal body and to the first ten (10) taxpayers whose names appear on the petition. The notice must be in the form of a letter signed by ~~the secretary or any~~ **a** member of the ~~state board of tax commissioners,~~ **county property tax control board,** sent by mail with full prepaid postage to the county fiscal body and to the taxpayers at their usual places of residence at least five (5) days before the date fixed for the hearing.

(h) After the hearing under subsection (g), the ~~state board of tax commissioners~~ **county property tax control board** shall approve, disapprove, or modify the request for reduction or rescission of the tax rate and shall certify that decision to the county auditor of the county in which the hospital is located.

SECTION 365. IC 16-35-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) For taxes first due and payable in 1992, each county must impose a children with special health care needs property tax levy equal to the amount determined using the following formula:

STEP ONE: Determine the sum of the amounts that were paid by the county minus the amounts reimbursed by the state (including reimbursements made with federal money), as determined by the state board of accounts, in 1988, 1989, and 1990 for the following:

C o p y

(A) Payments for administrative expenses of the county office of family and children in the administration of the children with special health care needs program.

(B) Payment for the facilities, supplies, and equipment needed for the children with special health care needs program as operated by the county office of family and children.

(C) Payment of all other expenses under the children with special health care needs program that were paid by the county office of family and children.

STEP TWO: Subtract from the amount determined in STEP ONE the sum of the miscellaneous taxes that were allocated to:

(A) the county welfare administration fund and used to pay expenses for administration, facilities, supplies, and equipment for the children with special health care needs program in 1988, 1989, and 1990; and

(B) the county welfare fund and used to pay all other costs of the children with special health care needs program in 1988, 1989, and 1990.

STEP THREE: Divide the amount determined in STEP TWO by three (3).

STEP FOUR: Calculate the STEP ONE amount and the STEP TWO amount for 1990 expenses only.

STEP FIVE: Adjust the amounts determined in STEP THREE and STEP FOUR by the amount determined by the state board of tax commissioners under subsection (c).

STEP SIX: Determine whether the amount calculated in STEP THREE, as adjusted in STEP FIVE, or the amount calculated in STEP FOUR, as adjusted in STEP FIVE, is greater. Multiply the greater amount by the greater of:

(A) the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the county for property taxes first due and payable in 1992; or

(B) the statewide average assessed value growth quotient using the county assessed value growth quotients determined under IC 6-1.1-18.5-2 for property taxes first due and payable in 1992.

STEP SEVEN: Multiply the amount determined in STEP SIX by the county's assessed value growth quotient for property taxes first due and payable in 1992, as determined under IC 6-1.1-18.5-2.

(b) For taxes first due and payable in each year after 1992, each county shall impose a children with special health care needs property tax levy equal to the product of:

C o p y

(1) the children with special health care needs property tax levy imposed for taxes first due and payable in the preceding year; multiplied by

(2) the greater of:

(A) the county's assessed value growth quotient for the ensuing calendar year, as determined under IC 6-1.1-18.5-2; or

(B) one (1).

When a year in which a statewide general reassessment of real property first becomes effective is the year preceding the year that the property tax levy under this subsection will be first due and payable, the amount to be used in subdivision (2) equals the average of the amounts used in determining the two (2) most recent adjustments in the county's levy under this section.

(c) For taxes first due and payable in 1992 and in 1993, the state board of tax commissioners shall adjust the levy for each county to reflect the county's actual welfare expenses for administration, facilities, supplies, equipment, and all other costs for the children with special health care needs program in 1988, 1989, and 1990. In making this adjustment, the state board of tax commissioners may consider all relevant information. This includes the county's use of bond and loan proceeds to pay these expenses.

(d) The ~~state board of tax commissioners~~ **county property tax control board** shall review each county's property tax levy under this section and shall enforce the requirements of this section with respect to that levy.

SECTION 366. IC 20-3-11-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 20. Each such board of school commissioners may from time to time, whenever its general fund shall be exhausted or in the board's judgment be in danger of exhaustion, make temporary loans for the use of its general fund to be paid out of the proceeds of taxes theretofore levied by such school city for its general fund. The amount so borrowed in aid of said general fund shall be paid into said general fund and may be used for any purpose for which the said general fund lawfully may be used. Any such temporary loan shall be evidenced by the promissory note or notes of said school city, shall bear interest at not more than seven per cent (7%) per annum, interest payable at the maturity of the note or periodically, as the note may express, and shall mature at such time or times as the board of school commissioners may decide, but not later than one (1) year from the date of the note. No such loan or loans made in any one (1) calendar year shall be for a sum greater than the amount estimated by said board as the proceeds to be received by it from the

C o p y

levy of taxes theretofore made by said school city in behalf of its said general fund. Successive loans may be made in aid of said general fund in any calendar year, but the aggregate amount thereof, outstanding at any one (1) time, shall not exceed such estimated proceeds of taxes levied in behalf of the said general fund.

No such loan shall be made until notice asking for bids therefor shall have been given by newspaper publication, which publication shall be made one (1) time in a newspaper published in said city and said publication shall be at least seven (7) days before the time when bids for such loans will be opened. Bidders shall name the amount of interest they agree to accept not exceeding seven per cent (7%) per annum, and the loan shall be made to the bidder or bidders bidding the lowest rate of interest. The note or notes or warrants shall not be delivered until the full price of the face thereof shall be paid to the treasurer of said school city, and no interest shall accrue thereon before such delivery.

Any such school corporation wishing to make a temporary loan in aid of its general fund, finding that it has need to exercise the power in this section above given to make a temporary loan, which has in its treasury money derived from the sale of bonds, which money derived from the sale of bonds can not or will not, in the due course of the business of said school city, be expended in the then near future, may, if it so elects, temporarily borrow, and without payment of interest, from such bond fund, for the use and aid of said general fund in the manner and to the extent hereinafter expressed, viz.: Such school city shall, by its board of school commissioners, take all the steps required by law to effect such temporary loan up to the point of advertising for bids or offers for such loans; it shall then present to the ~~state board of tax commissioners of the state of Indiana,~~ **county property tax control board** and to the state board of accounts of the state of Indiana, a copy of the corporate action of said school city concerning its desire to make such temporary loan and a petition showing the particular need for such temporary loan, and the amount and the date or dates when said general fund will need such temporary loan, or instalments of such loan, and the date at which such loan, and each instalment thereof, will be needed, and the estimated amounts from taxes to come into said general fund, and the dates when it is expected such proceeds of taxes will be received by such school city in behalf of said general fund, and showing what amount of money said school city has in any fund derived from the proceeds of the sale of bonds, which can not or will not be expended in the then near future, and showing when and to what extent and why money in such bond fund, not soon to be expended, will

C o p y

not be expended in the then near future and requesting that ~~said state board of tax commissioners,~~ **the county property tax control board** and said state board of accounts, respectively, authorize a temporary loan from said bond fund in aid of said general fund.

If ~~said state board of tax commissioners~~ **the county property tax control board** shall find and order that there is need for such temporary loan, and that it should be made, and said state board of accounts shall find that the money proposed to be borrowed will not be needed during the period of the temporary loan by the fund from which it is to be borrowed, and said two (2) ~~state~~ boards shall approve the loan, the business manager and treasurer of said school city shall, upon such approval by said two (2) state boards, take all steps necessary to transfer the amount of such loans, as a temporary loan from the fund to be borrowed from, to said general fund of such school city. The loan so effected shall, for all purposes, be a debt of the school city chargeable against its constitutional debt limit.

Such two (2) ~~state~~ boards may fix the aggregate amount so to be borrowed on any one (1) petition and shall determine at what time or times and in what instalments and for what periods it shall be borrowed. The treasurer and business manager of such school city, from time to time, as money shall be collected from taxes levied in behalf of said general fund, shall credit the same on such loan until the amount borrowed is fully repaid to the lending fund, and they shall at the end of each calendar month report to the board the several amounts so applied from taxes to the payment of such loan.

The school city shall, as often as once a month, report to both of said ~~state~~ boards the amount of money then so borrowed and unpaid, the anticipated like borrowings of the current month, the amount left in the said general fund, and the anticipated drafts upon the lending bond fund for the objects for which that fund was created.

Said two (2) ~~state~~ boards, or either of them, may, if it shall seem to said boards, or to either of them, that the fund from which the loan was made requires the repayment of all or of part of such loan(s) before its maturity or said general fund no longer requires all or some part of the proceeds of such loan, require such school city to repay all or any part of such loan, and, if necessary to perform the requirement, such school city shall exercise its power of making a temporary loan procured from others to raise the money so needed to repay the lending bond fund the amount so ordered repaid.

SECTION 367. IC 20-4-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 18. (a) Whenever the creation of a community school corporation out of an existing

C o p y

corporation would involve no change in its territorial boundaries or in its board of school trustees or other governing body, other than a change, if any, in the time of election or appointment or the time the board members take office, and such creation is consistent with the standards set up pursuant to the provisions of this chapter as modified, if any, by the standards set out in this section, the state board may upon its own motion or upon petition of the governing body of the existing school corporation at any time with hearing in the county where such school corporation is located, after notice by publication at least once in one (1) newspaper of general circulation published in the county where such school corporation is located, at least ten (10) but not more than thirty (30) days prior to the date of such hearing and without action of the county committee declare such existing school corporation to be a community school corporation by adopting a resolution to this effect. Such existing school corporation shall qualify as to size and financial resources if it has an average daily attendance of two hundred seventy (270) or more, in grades nine (9) through twelve (12), or of one thousand (1000) or more, in grades one (1) through twelve (12), and has an assessed valuation per pupil of five thousand dollars ($5,000) or more. For the purposes of this provision the following terms shall have the following meanings:

(1) "County tax" shall be a property tax which is levied at an equal rate in the entire county in which any school corporation is located, other than a tax qualifying as a county-wide tax within the meaning of Acts 1959, c.328, s.2, or any similar statute, and the net proceeds of which are distributed to school corporations in the county.

(2) "Assessed valuation" of any school corporation shall mean the net assessed value of its real and personal property as of March 1, 1964, adjusted in the same manner as such assessed valuation is adjusted for each county by the ~~state board of tax commissioners~~ **county property tax control board** under Acts 1949, c.247, s.5, as now or hereafter amended, unless such statute has been repealed or no longer provides for such adjustment. In the event a county has a county tax, then the assessed valuation of each school corporation in the county shall be increased by the amount of assessed valuation, if any, which would be required to raise an amount of money, equal to the excess of the amount distributed to any school corporation from the county tax over the amount collected from such county tax in such school corporation, using total taxes levied by such school corporation in terms of rate excluding the countywide tax under Acts 1959, c.328, s.2, or any

C o p y

similar statute, and including all other taxes levied by or for such school corporation, including but not limited to the county tax, bond fund levy, lease rental levy, library fund levy, special school fund levy, tuition fund levy, capital projects fund levy, and special funds levies. Such increased valuation shall be based on the excess distributed to the school corporation from the county tax levied for the year 1964 and the total taxes levied for such year, or if the county tax is first applied or is raised for years after 1964, then the excess distributions and total taxes levied for the year in which such tax is first applied or raised. In the event such excess distribution and total taxes levied cannot be determined accurately on or prior to the adoption of the resolution provided in this section, excess distribution and taxes levied shall be estimated by the ~~state board of tax commissioners~~ **county property tax control board** using the last preceding assessed valuations and tax rates or such other information as they shall see fit, certifying such increased assessment to the state board prior to such time. In all cases, the excess distribution shall be determined upon the assumption that the county tax is one hundred percent (100%) collected and all collections are distributed.

(3) "Assessed valuation per pupil" of any school corporation means the assessed valuation of any such school corporation divided by its average daily attendance in grades one (1) through twelve (12).

(4) "Average daily attendance" in any school corporation shall mean the average daily attendance of pupils who are residents in such school corporation and in the particular grades to which such term refers for the school year 1964-1965 in accordance with the applicable regulations of the state superintendent of public instruction, used in determining such average daily attendance in the distribution of the tuition funds by the state to its various school corporations where such funds are distributed on such basis and irrespective of whether such figures are the actual resident daily attendance of such school for the school year.

(b) Such community school corporation shall automatically come into being on either July 1 or January 1 following the date of such approval, whichever is earlier. The state board shall mail by certified United States mail, return receipt requested, a copy of such resolution certified by its director or its secretary to the recorder of the county from which the county committee having jurisdiction of such existing school corporation was appointed and to such county committee. Such

C o p y

resolution may change the time of election or appointment of the board members of such school corporation or the time such board members take office. The recorder shall without cost record such certified resolution in the miscellaneous records of the county. Such recording shall constitute a permanent record of the action of the state board and may be relied on by any person. Unless the resolution otherwise provides no interim board member shall be appointed, the board members in office on the date of such action shall continue to constitute the board of trustees of such school corporation until their successors are qualified, and the terms of their respective office and board membership shall remain unchanged except to the extent that such resolution otherwise provides. For all purposes under this chapter, community school corporation shall be regarded as a school corporation created under the provisions of section 22 of this chapter.

SECTION 368. IC 20-5-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. All powers delegated to the governing body of each school corporation under section 1.2 or 2 of this chapter shall be subject to all the laws subjecting the school corporation to regulation by state agencies, including but not limited to the superintendent of public instruction, state board of accounts, state police department, fire prevention and building safety commission, ~~state board of tax commissioners,~~ water pollution control board, state school bus committee, state department of health, and any local governmental agency to which the state has been delegated a specific authority in matters other than educational matters and other than finance, including but not limited to **county property tax control boards,** plan commissions, zoning boards, and boards dealing with health and safety.

SECTION 369. IC 20-5-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. Bonds issued by a school corporation shall be sold at not less than par value, at public sale as provided by IC 5-1-11, at any rate or rates of interest determined by the bidding. If the net interest cost exceeds eight percent (8%) per year, the bonds shall not be issued until such issuance is approved by the ~~state board of tax commissioners.~~ **county property tax control board.**

SECTION 370. IC 20-5-4-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. ~~(1)~~ **(a)** Prior to the end of each calendar year the ~~state board of tax commissioners~~ **county property tax control board** shall review the bond and lease rental levies, or any levies which replace such levies, of each school corporation, payable in the next succeeding year, and the

Copy

appropriations from such levies from which the school corporation is to pay the amount, if any, of principal and interest on its general obligation bonds and of its lease rentals under IC 21-5-11 through IC 21-5-12, during such succeeding year (such amounts being referred to in this section as its "debt service obligations"). In the event such levies and appropriations of the school corporation are not sufficient to pay the debt service obligations, the state board shall establish for each school corporation bond and lease, rental levies, or any levies which replace such levies and appropriations which are sufficient to pay such debt service obligations.

~~(2)~~ **(b)** Upon the failure of any school corporation to pay any of its debt service obligations during any calendar year when due, the treasurer of state upon being notified of such failure by any claimant shall make such payment from the funds of the state to the extent, but not in excess, of any amounts appropriated by the general assembly for the calendar year for distribution to such school corporation from state funds, deducting such payment from such amounts thus appropriated. Such deducting being made, first from property tax relief funds to the extent thereof, second from all other funds except tuition support and third from tuition support.

~~(3)~~ **(c)** This section shall be interpreted liberally so that the state of Indiana shall to the extent legally valid ensure that the debt service obligations of each school corporation shall be paid, but nothing contained in this section shall be construed to create a debt of the state of Indiana.

SECTION 371. IC 20-5-28-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. (a) A school corporation in Indiana may purchase buildings, lands, or lands and buildings for school purposes, and for that purpose improve the buildings or land.

(b) An existing building, other than a building obtained under IC 5-17-2 (before its repeal) or IC 4-13-1.7, permitting the purchase of suitable surplus government buildings, may not be purchased for use as a school building unless the building was originally constructed for use by the school corporation and used for that purpose for a period of five (5) years or more next preceding the acquisition as provided in this chapter.

(c) Notwithstanding any provisions in this chapter limiting the purchase of school buildings, a school corporation may purchase suitable buildings, lands, or lands and suitable buildings adjacent to school property for school purposes, and for that purpose improve the buildings or land after giving notice to the taxpayers of the intention of

C o p y

the school corporation to purchase. The taxpayers of the school corporation have the same right of appeal to the ~~state board of tax commissioners~~ **appropriate county property tax control board** under the same procedure as provided for in ~~IC 6-1.1-20-5 through IC 6-1.1-20-6.~~ **IC 6-1.1-17.5.**

SECTION 372. IC 20-8.1-6.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) Where a transfer is ordered to commence in a school year, where the transferor corporation has net additional costs over savings (on account of any transfer ordered) allocable to the calendar year in which the school year begins, and where the transferee corporation has no budgeted funds for such net additional costs, they may be recovered by one (1) or more of the following methods in addition to any other methods provided by applicable law:

(1) An emergency loan made pursuant to IC 20-5-4-6 to be paid, however, out of the debt service levy and fund, or a loan from any state fund made available therefor.

(2) An advance in such calendar year of state funds, which would otherwise become payable to the transferee corporation after such calendar year pursuant to applicable law.

(3) A grant or grants in such calendar year from any funds of the state made available therefor.

(b) The net additional costs shall be certified by the ~~state board of tax commissioners,~~ **county property tax control board** and any grant shall be made solely after affirmative recommendation of the ~~tax control board created by IC 6-1.1-19-4.1.~~ **county property tax control board.** Repayment of any advance or loan from the state shall be made in accordance with ~~IC 6-1.1-19-4.5(d).~~ **subsection (c).** ~~The use of any of the methods enumerated above shall not subject the transferor corporation to the provisions of IC 6-1.1-19-4.7.~~

(c) The county property tax control board may decide that the school corporation should be authorized, for a specified calendar year, and solely for the purpose of enabling the school corporation to repay the loan or advance, to collect an excessive tax levy. A decision under this subsection must specify the amount of the excessive tax levy. The county property tax control board may authorize the school corporation, for a specified calendar year, to make an excessive levy. The board's authorization order to the affected school corporation must specify the amount of the authorized excessive levy. The board shall take appropriate steps to ensure that the proceeds of the excessive tax levy are used only for loan repayment purposes. A county property tax control board

C o p y

may not authorize a school corporation to collect an excessive levy for more than one (1) calendar year in any period of four (4) consecutive calendar years.

SECTION 373. IC 20-14-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) A copy of the resolution adopting the merger described in section 2.1(e) of this chapter must be filed with:

(1) the county recorder in each county in which merging library districts are located; and

(2) the Indiana state library.

(b) After the resolution adopting the merger is filed, each library board that is not the board of the primary library shall appoint four (4) members to serve with the primary library board on an interim board.

(c) The interim board has the same duties and powers of a public library board under IC 20-14-3.

(d) After the resolution adopting the merger is filed, the budgets of the merging libraries shall be combined for the remainder of the current year and shall be administered by the interim board.

(e) The interim board described in subsection (b) is dissolved on December 31 of the year in which the merger takes place.

(f) The members of a merged library board shall be appointed in accordance with IC 20-14-2.5 and the terms of office for the members of the merged library board begin January 1 following the dissolution of the interim board.

(g) If a merger takes place after December 31 but before July 1 of the ensuing year, the interim library board described in subsection (b) shall present a new budget and tax rate to the ~~state board of tax commissioners~~ **county property tax control board** to receive a new tax levy for the merged library district.

(h) If a merger takes place after June 30 but before January 1 of the ensuing year, the merged library board described in subsection (f) shall present a new budget and tax rate to the ~~state board of tax commissioners~~ **county property tax control board** to receive a new tax levy for the merged library district.

SECTION 374. IC 20-14-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. (a) For any public library established:

(1) by private donation;

(2) in a city having a population of more than one hundred twenty thousand (120,000) but less than one hundred fifty thousand (150,000);

(3) that contains at least twenty-five thousand (25,000) volumes;

Copy

(4) that has real property valued at at least one hundred thousand dollars ($100,000); and

(5) that is open and free to the residents of the city;

a tax shall be levied and collected annually by the city according to IC 6-1.1.

(b) The city legislative body shall levy the tax required under subsection (a) in an amount not less than sixty-seven hundredths of one cent ($0.0067) nor more than one and sixty-seven hundredths cents ($0.0167) upon each one hundred dollars ($100) of the assessed valuation of all the real and personal property in the city. ~~When the city levies this tax, it shall be treated as if it was a public library for purposes of IC 6-1.1-18.5-13, and it may increase its levy to the same extent as a public library under that section.~~ **The city may increase the levy in accordance with the requirements of IC 6-1.1-17.5 and IC 6-1.1-18.5.**

(c) The tax shall be paid to the trustees of the library, and the trustees shall expend the tax for the support, operation, and maintenance of the library. The trustees shall keep the tax separate from all other funds. The trustees shall record the amount of taxes received, to whom and when paid out, and for what purpose in a book kept by them. The trustees shall make an annual report of these matters to the legislative body of the city.

SECTION 375. IC 20-14-10-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. (a) In the event the execution of the lease as originally agreed upon, or as modified by agreement, is authorized by the library board, the library board shall give notice of the signing of the lease by publication one (1) time in a newspaper of general circulation printed in the English language in the district of the public corporation or in each public corporation district if the proposed lease is a joint lease. If no newspaper is published in the district, then the notice shall be published in any newspaper of general circulation published in the county.

(b) Fifty (50) or more taxpayers in the public corporation or corporations who will be affected by the proposed lease and who are of the opinion that no necessity exists for the execution of the lease, or that the proposed rental provided for is not a fair and reasonable rental, may file a petition in the office of the county auditor of the county in which the public corporation or corporations are located. The petition must be filed within thirty (30) days after the publication of notice of the execution of the lease and must set forth objections and facts showing that the execution of the lease is unnecessary or unwise, or that the lease rental is not fair and reasonable, as the case may be.

C o p y

(c) Upon the filing of a petition, the county auditor shall immediately certify to the ~~state board of tax commissioners~~ **county property tax control board** a copy of the petition, together with such other data that may be necessary in order to present the questions involved. Upon the receipt of the certified petition and information, the ~~state board of tax commissioners~~ **county property tax control board** shall fix a time and place for a hearing of the matter not less than five (5) nor more than thirty (30) days after its receipt of the petition and information. The hearing shall be held in the public corporation or corporations, or in the county where the public corporations are located.

(d) Notice of the hearing shall be given by the ~~state board of tax commissioners~~ **county property tax control board** to the members of the library board and to the first ten (10) taxpayer-petitioners on the petition by a letter signed by one (1) member of the state board of tax commissioners. The postage of the notice shall be prepaid, and the notice shall be addressed to the persons at their usual place of residence, and mailed at least five (5) days before the date of the hearing. The decision of the ~~state board of tax commissioners~~ **county property tax control board** on the appeal, regarding the necessity for the execution of the lease and whether the rental is fair and reasonable, is final. Any lease may be amended by the parties by following the procedure provided under this chapter.

(e) Any action to contest the validity of the lease or any amendment to the lease or to enjoin the performance of any of the terms and conditions of the lease must be brought within thirty (30) days after publication of notice of the execution of the lease or any amendment to the lease by the library board of the public corporation or corporations. If an appeal has been taken to the ~~state board of tax commissioners,~~ **county property tax control board,** then action must be brought within thirty (30) days after the decision of that board.

SECTION 376. IC 20-14-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) Before a library board may collect property taxes for a capital projects fund in a particular year, the library board must, after January 1 and before May 15 of the immediately preceding year, hold a public hearing on a proposed plan, pass a resolution to adopt a plan, and submit the plan for approval or rejection by the fiscal body designated in section 6 of this chapter.

(b) The ~~state board of tax commissioners~~ **county property tax control board** shall prescribe the format of the plan. A plan must apply to at least the three (3) years immediately following the year the plan

C o p y

is adopted. A plan must estimate for each year to which it applies the nature and amount of proposed expenditures from the capital projects fund. A plan must estimate:

(1) the source of all revenue to be dedicated to the proposed expenditures in the upcoming budget year; and

(2) the amount of property taxes to be collected in that year and retained in the fund for expenditures proposed for a later year.

(c) If a hearing is scheduled under subsection (a), the governing body shall publish the proposed plan and a notice of the hearing in accordance with IC 5-3-1-2(b).

SECTION 377. IC 20-14-13-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. (a) If the library board passes a resolution under section 5 of this chapter and the appropriate fiscal body or bodies approve the plan, the library board shall submit the resolution and the plan to the ~~state board of tax commissioners.~~ **county property tax control board.** If the ~~state board of tax commissioners~~ **county property tax control board** determines that:

(1) the library board has correctly advertised the plan under section 5(c) of this chapter;

(2) the plan was adopted by the library board and approved by the appropriate fiscal body or bodies; and

(3) the plan conforms to the format prescribed by the ~~state board of tax commissioners;~~ **county property tax control board;**

the ~~state board of tax commissioners~~ **county property tax control board** shall require notice of the submission to be given to the taxpayers of the library district in accordance with IC 5-3-1-2(b).

(b) Ten (10) or more taxpayers who will be affected by the adopted plan may file a petition with the county auditor of a county in which the library district is located not later than ten (10) days after the publication, setting forth their objections to the proposed plan. The county auditor shall immediately certify the petition to the ~~state board of tax commissioners.~~ **county property tax control board.**

SECTION 378. IC 20-14-13-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. The ~~state board of tax commissioners~~ **county property tax control board** shall, within a reasonable time, fix a date for a hearing on the petition filed under section 7(b) of this chapter. The hearing shall be held in a county in which the library district is located. The ~~state board of tax commissioners~~ **county property tax control board** shall notify:

(1) the library board; and

(2) the first ten (10) taxpayers whose names appear upon the

C o p y

petition;

at least five (5) days before the date fixed for the hearing.

SECTION 379. IC 20-14-13-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. The ~~state board of tax commissioners~~ **county property tax control board** may approve appropriations from the capital projects fund only if the appropriations conform to a plan that has been adopted and approved in compliance with this chapter.

SECTION 380. IC 20-14-13-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. (a) A library board may amend an adopted and approved plan to:

(1) provide money for the purposes described in section 4(b)(4) of this chapter; or

(2) supplement money accumulated in the capital projects fund for those purposes.

(b) When an emergency arises that results in costs that exceed the amount accumulated in the fund for the purposes described in section 4(b)(4) of this chapter, the library board must immediately apply to the ~~state board of tax commissioners~~ **county property tax control board** for a determination that an emergency exists. If the ~~state board of tax commissioners~~ **county property tax control board** determines that an emergency exists, the library board may adopt a resolution to amend the plan. The amendment is not subject to the deadline and the procedures for adoption described in section 5 of this chapter. However, the amendment is subject to modification by the ~~state board of tax commissioners.~~ **county property tax control board.**

(c) An amendment adopted under this section may require the payment of eligible emergency costs from:

(1) money accumulated in the capital projects fund for other purposes; or

(2) money to be borrowed from other funds of the library board or from a financial institution.

The amendment may also provide for an increase in the property tax rate for the capital projects fund to restore money to the fund or to pay principal and interest on a loan. However, before the property tax rate for the fund may be increased, the library board must submit and obtain the approval of the appropriate fiscal body or bodies, as provided in section 6 of this chapter. An increase to the property tax rate for the capital projects fund is effective for property taxes first due and payable for the year next certified by the ~~state board of tax commissioners~~ **county property tax control board** under IC 6-1.1-17-16. However, the property tax rate may not exceed the

C o p y

maximum rate established under section 12 of this chapter.

SECTION 381. IC 21-2-3.2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. Before altering or constructing the building or addition, the proposed action must be submitted for approval to the ~~state board of tax commissioners.~~ **county property tax control board.** The board shall set the proposal for hearing and have ten (10) days' notice of the hearing given to the taxpayers of the taxing district by:

(1) one (1) publication in each of two (2) newspapers of opposite political parties published in the taxing district;

(2) one (1) publication if only one (1) newspaper is published;

(3) publication in two (2) newspapers representing the two (2) leading political parties published in the county and having a general circulation in the taxing district if no newspaper is published in the district; or

(4) publication in one (1) newspaper if only one (1) paper is published in the county.

The ~~state board of tax commissioners~~ **county property tax control board** shall conduct the hearing in the taxing district. After the hearing upon the proposal, the board shall certify its approval or disapproval to the auditor of the county and to the township trustee.

SECTION 382. IC 21-2-3.2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. Upon approval by the ~~state board of tax commissioners,~~ **county property tax control board,** the township trustee may, with the consent of the township board, issue and sell the bonds of the civil township in an amount sufficient to pay for the alteration, construction, or addition described in section 2 of this chapter. The trustee may levy a tax on the taxable property of the township in an amount sufficient to discharge the bonds issued and sold. The bonds may not bear a maturity date more than twenty (20) years from the date of issue.

SECTION 383. IC 21-2-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. A tax levy shall be established by the governing body of each school corporation for the 1968 calendar year and all succeeding calendar years sufficient to pay all debt service obligations. If the advertised levy is insufficient to produce revenue to meet all debt service obligations for any calendar year, the ~~state board of tax commissioners~~ **county property tax control board** is hereby authorized to establish a levy greater than advertised, if necessary, to meet such obligations.

SECTION 384. IC 21-2-5.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. The procedure for

C o p y

establishing a repair and replacement fund is the same as the procedure to be used in making an additional appropriation under IC 6-1.1-18-5. The resolution of the governing body must be in the form prescribed by the state board of ~~tax commissioners~~ **accounts** and must contain at least the following:

(1) The annual amount permitted to be expended from the fund each year.

(2) The duration of the fund, which may not exceed five (5) years.

(3) That the sources for the fund for each year shall be from either the general fund or the capital projects fund, or both.

SECTION 385. IC 21-2-5.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) The repair and replacement fund may be reduced or rescinded before its expiration by resolution of the governing body of the school corporation.

(b) Not later than August 1 of any year, ten (10) or more taxpayers in the taxing district may file with the county auditor of the county in which the taxing district is located a petition for reduction or rescission of the fund. The petition must set forth the taxpayers' objections to the fund. The petition shall be certified to the ~~state board of tax commissioners.~~ **county property tax control board.**

(c) Upon receipt of a petition under subsection (b), the ~~state board of tax commissioners~~ **county property tax control board** shall, within a reasonable time, fix a date for a hearing on the petition. The hearing must be held in the county in which the taxing district is located. Notice of the hearing shall be given to the executive officer of the taxing unit and to the first ten (10) taxpayers whose names appear on the petition. The notice must be in the form of a letter signed by ~~the secretary or any~~ **a** member of the ~~state board of tax commissioners,~~ **county property tax control board,** sent by mail with full prepaid postage to the executive officer and the taxpayers at their usual places of residence at least five (5) days before the date fixed for the hearing.

(d) After the hearing under subsection (c), the ~~state board of tax commissioners~~ **county property tax control board** shall approve, disapprove, or modify the request for reduction or rescission of the fund and shall certify that decision to the county auditor of the county in which the taxing district is located.

(e) If the repair and replacement fund is rescinded under this section, any balance remaining shall be transferred to the school corporation's capital projects fund under IC 21-2-15.

SECTION 386. IC 21-2-11.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. (a) Each calendar year, the governing body of each school corporation shall establish a

C o p y

school transportation fund which shall be the exclusive fund used by the school corporation for the payment of costs attributable to transportation listed in subsection (b)(1) through (b)(7), as authorized under IC 20, of school children during the school year ending in the calendar year. The following accounts are established within the school transportation fund:

(1) An operating costs account from which the costs attributable to transportation listed in subsection (b)(1) through (b)(7) shall be paid.

(2) A school bus replacement account from which the costs attributable to transportation listed in subsection (b)(8) through (b)(9) shall be paid.

(b) The costs attributable to transportation include the following:

(1) The salaries paid bus drivers, transportation supervisors, mechanics and garage employees, clerks, and other transportation-related employees.

(2) Contracted transportation service, other than costs payable from the school bus replacement account under subsection (e).

(3) Wages of independent contractors.

(4) Contracts with common carriers.

(5) Pupil fares.

(6) Transportation-related insurance.

(7) Other expenses of operating the school corporation's transportation service, including gasoline, lubricants, tires, repairs, contracted repairs, parts, supplies, equipment, and other related expenses.

(8) Amounts paid for the replacement of school buses, either through a purchase agreement or under a lease agreement.

(9) The costs of contracted transportation service payable from the school bus replacement account under subsection (e).

(c) Beginning January 1, 1996, portions, percentages, or parts of salaries of teaching personnel or principals are not attributable to transportation. However, parts of salaries of instructional aides who are assigned to assist with the school transportation program are attributable to transportation. The costs described in this subsection (other than instructional aide costs) may not be budgeted for payment or paid from the school transportation fund.

(d) Costs for a calendar year are those costs attributable to transportation for school children during the school year ending in the calendar year.

(e) Before the last Thursday in August in the year preceding the first school year in which a proposed contract commences, the governing

C o p y

body of a school corporation may elect to designate a portion of a transportation contract (as defined in IC 20-9.1-1-8), fleet contract (as defined in IC 20-9.1-1-8.2), or common carrier contract (as defined in IC 20-9.1-1-9) as an expenditure payable from the school bus replacement account. An election under this section must be made in a transportation plan approved by the ~~state board of tax commissioners~~ **county property tax control board** under section 3.1 of this chapter. The election applies throughout the term of the contract. The amount that may be paid from the school bus replacement account in a school year is equal to the fair market lease value ~~of~~ **in** the school year of each school bus, school bus chassis, or school bus body used under the contract, as substantiated by invoices, depreciation schedules, and other documented information available to the school corporation. The allocation of costs under this subsection to the school bus replacement account must comply with the allocation guidelines adopted by the ~~state board of tax commissioners~~ **county property tax control board** and the accounting standards prescribed by the state board of accounts.

SECTION 387. IC 21-2-11.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) Subject to subsection (b), each school corporation may levy for the calendar year a property tax for the school transportation fund's operating costs account sufficient to pay all operating costs attributable to transportation that:

(1) are not paid from other revenues available to the fund as specified in section 4 of this chapter; and

(2) are listed in section 2(b)(1) through 2(b)(7) of this chapter.

(b) For taxes first due and payable in 1996, the property tax levy for the fund's operating costs account may not exceed the amount determined using the following formula:

STEP ONE: Determine the sum of the expenditures attributable to operating costs listed in section 2(b)(1) through 2(b)(7) of this chapter that were made by the school corporation as determined by the state board of tax commissioners for all operating costs attributable to transportation that are not paid from other revenues available to the fund for school years ending in 1993, 1994, and 1995.

STEP TWO: Divide the amount determined in STEP ONE by three (3).

STEP THREE: Determine the greater of:

(A) the STEP TWO amount; or

(B) the school corporation's actual transportation fund levy attributable to operating costs for property taxes first due and

C o p y

payable in 1995.

STEP FOUR: Multiply the amount determined in STEP THREE by one and five-hundredths (1.05).

(c) For each year after 1996, the levy for the fund's operating account may not exceed the levy for the previous year multiplied by the assessed value growth quotient determined using the following formula:

STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year and in which a statewide general reassessment of real property does not first become effective.

STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth) of the school corporation's total assessed value of all taxable property in the particular calendar year, divided by the school corporation's total assessed value of all taxable property in the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).

STEP FOUR: Determine the greater of the result computed in STEP THREE or one and five-hundredths (1.05).

STEP FIVE: Determine the lesser of the result computed in STEP FOUR or one and one-tenth (1.1).

If the assessed values of taxable property used in determining a school corporation's property taxes that are first due and payable in a particular calendar year are significantly increased over the assessed values used for the immediately preceding calendar year's property taxes due to the settlement of litigation concerning the general reassessment of that school corporation's real property, then for purposes of determining that school corporation's assessed value growth quotient for an ensuing calendar year, the ~~state board of tax commissioners~~ **county property tax control board** shall replace the quotient described in STEP TWO for that particular calendar year. The ~~state board of tax commissioners~~ **county property tax control board** shall replace that quotient with one that as accurately as possible will reflect the actual growth in the school corporation's assessed values of real property from the immediately preceding calendar year to that particular calendar year. The maximum property levy limit computed under this section for the operating account shall be reduced to reflect the transfer of costs from the operating account of the transportation fund to the school bus replacement account of the transportation fund

C o p y

under section 2(e) of this chapter. The total reduction in the operating account maximum property tax levy may not exceed the amount of the fair market lease value of the contracted transportation service expenditures paid from the operating account before the transfer.

(d) Each school corporation may levy for the calendar year a tax for the school transportation fund's school bus replacement account in accordance with the school bus acquisition plan adopted under section 3.1 of this chapter.

(e) The tax rate and levy shall be established as a part of the annual budget for the calendar year in accord with IC 6-1.1-17.

SECTION 388. IC 21-2-11.5-3.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3.1. (a) Before a governing body may collect property taxes for the school transportation fund's school bus replacement account in a particular calendar year, the governing body must, after January 1 and not later than September 20 of the immediately preceding year for all years before 1999 and not later than January 31 for 1999 and all subsequent years.

(1) conduct a public hearing on; and

(2) pass a resolution to adopt;

a plan under this section.

(b) The ~~state board of tax commissioners~~ **county property tax control board** shall prescribe the format of the plan. A plan must apply to at least the ten (10) budget years immediately following the year the plan is adopted. A plan must at least include the following:

(1) An estimate for each year to which it applies of the nature and amount of proposed expenditures from the transportation fund's school bus replacement account.

(2) A presumption that the minimum useful life of a school bus is not less than ten (10) years.

(3) An identification of:

(A) the source of all revenue to be dedicated to the proposed expenditures in the upcoming budget year; and

(B) the amount of property taxes to be collected in that year and the unexpended balance to be retained in the account for expenditures proposed for a later year.

(4) If the school corporation is seeking to:

(A) acquire; or

(B) contract for transportation services that will provide;

additional school buses or school buses with a larger seating capacity as compared to the number and type of school buses from the prior school year, evidence of a demand for increased transportation services within the school corporation. Clause (B)

C o p y

does not apply if contracted transportation services are not paid from the school bus replacement account.

(5) If the school corporation is seeking to:

(A) replace an existing school bus earlier than ten (10) years after the existing school bus was originally acquired; or

(B) require a contractor to replace a school bus;

evidence that the need exists for the replacement of the school bus. Clause (B) does not apply if contracted transportation services are not paid from the school bus replacement account.

(6) Evidence that the school corporation that seeks to acquire additional school buses under this section is acquiring or contracting for the school buses only for the purposes specified in subdivision (4) or for replacement purposes.

(c) After reviewing the plan, the ~~state board of tax commissioners~~ **county property tax control board** shall certify its approval, disapproval, or modification of the plan to the governing body and the auditor of the county. ~~The state board of tax commissioners may seek the recommendation of the school property tax control board with respect to this determination.~~ The action of the ~~state board of tax commissioners~~ **county property tax control board** with respect to the plan is final.

(d) The ~~state board of tax commissioners~~ **county property tax control board** may approve appropriations from the transportation fund's school bus replacement account only if the appropriations conform to a plan that has been adopted in compliance with this section.

(e) A governing body may amend a plan adopted under this section. When an amendment to a plan is required, the governing body must declare the nature of and the need for the amendment and must show cause as to why the original plan no longer meets the transportation needs of the school corporation. The governing body must then conduct a public hearing on and pass a resolution to adopt the amendment to the plan. The plan, as proposed to be amended, must comply with the requirements for a plan under subsection (b). This amendment to the plan is not subject to the deadline for adoption described in subsection (a). However, the amendment to the plan must be submitted to the ~~state board of tax commissioners~~ **property tax control board** for its consideration and is subject to approval, disapproval, or modification in accordance with the procedures for adopting a plan set forth in this section.

(f) If a public hearing is scheduled under this section, the governing body shall publish a notice of the public hearing and the proposed plan

C o p y

or amendment to the plan in accordance with IC 5-3-1-2(b).

SECTION 389. IC 21-2-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. As used in this chapter:

(a) "County" means a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) "County auditor", "county treasurer", and "county council" mean, respectively, the auditor, treasurer, and county council of the county.

(c) "School corporation" means any school corporation of the state of Indiana which has under its jurisdiction any territory located in the county.

(d) "County supplemental school financing tax" means the tax to be levied by the board of county commissioners under this chapter.

(e) "County school distribution fund" means the county fund into which the receipts from the county supplemental financing tax shall be credited and from which distributions to the school corporations shall be charged.

(f) "Average daily membership" or "ADM" has the meaning set forth in IC 21-3-1.6-1.1.

(g) "Additional count" or "additional count per pupil" of a school corporation, or comparable language, means the additional count for certain pupils as set out in section 3.1 of this chapter and as determined at the times for calculating ADM.

(h) "Assessed valuation" of any school corporation means the net assessed value of its real and taxable personal property adjusted by a percentage factor. For each school corporation this factor shall be the most recent adjustment factor computed by the ~~state board of tax commissioners~~ **county property tax control board** pursuant to IC 6-1.1-34.

(i) "School year" means a year beginning July 1 and ending the next June 30.

(j) The "entitlement" of a school corporation is that portion of the county school distribution fund to which any school corporation is entitled for any calendar year and on the basis of which the county supplemental school financing tax is set under the provisions of this chapter.

(k) "Eligible pupil" has the meaning set forth in IC 21-3-1.6-1.1.

SECTION 390. IC 21-2-12-4.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4.1. (a) Each calendar year, commencing in 1976, the county council shall impose on account of this fund the county school supplemental financing tax

C o p y

on the real and personal property subject to taxation by the county at the same time it adopts the county's budget, tax levy, and tax rate for the next calendar year under IC 6-1.1-17. The council shall set a rate for this tax which will produce the aggregate amount of the entitlements of the school corporations for the next calendar year as set out in section 6.1 of this chapter. In no event, however, may the amount of such levy be greater than the total dollar amount of that levy for 1972, payable in the calendar year 1973, assuming one hundred percent (100%) tax collection, multiplied by the ADA ratio (as defined in IC 6-1.1-19-1(d)).

(b) On or before July 10 of each year, the state superintendent of public instruction shall certify to the county auditor the consolidated ADA ratio of the school corporations in the county, the number of pupils in ADM and additional count of each school corporation in the county for the immediately preceding school year, and an estimate of these statistics for the succeeding school year. The county auditor shall compute the amount of the county supplemental school tax to be levied each year and on or before August 1 certify the amount to the county council. The rate required by this chapter shall be advertised and fixed by the county council in the same manner as other rates, and the tax rate shall be subject to all applicable law relating to review by the county **property** tax ~~adjustment~~ **control** board. ~~and the state board of tax commissioners.~~ The ~~state board of tax commissioners~~ **county property tax control board** shall, however, certify the county supplemental school financing tax rate required by this chapter at the time it certifies the other county rates. The ~~state board of tax commissioners~~ **county property tax control board** shall raise or lower this rate to the rate provided in this chapter, whether below or above the rate advertised by the county.

SECTION 391. IC 21-2-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. The following terms wherever used and referred to in this chapter shall have the following meanings unless otherwise indicated by the context:

(a) The term "average daily membership (ADM)" has the same meaning as defined in IC 21-3-1.6-1.1(d).

(b) "County" means a county having a population of more than thirty-eight thousand five hundred (38,500) but less than thirty-nine thousand (39,000) and any area attached thereto for school purposes.

(c) "County auditor" means the auditor of the county.

(d) "School corporation" means any school corporation of the state of Indiana which has under its jurisdiction any territory located in the county or assigned to the county for school purposes.

C o p y

(e) "County supplemental school financing tax" means the tax to be levied by the board of county commissioners under this chapter for all areas assigned to the county for school purposes.

(f) "County school distribution fund" means the county fund into which the receipts from the county supplemental financing tax shall be credited and from which distribution to the school corporation shall be charged.

(g) "Assessed valuation" of any school corporation means the net assessed value of its real and taxable personal property adjusted by a percentage factor. This factor shall be computed by the ~~state board of tax commissioners~~ **county property tax control board** on a township-wide basis for each township in the county and areas assigned thereto for school purposes in the same manner that the ~~state board of tax commissioners~~ **county property tax control board** computes a factor for the various counties of the state under IC 6-1.1-34. In determining the assessed valuation of any school corporation, the factor for any township shall be applied to the assessed valuation of the real and taxable personal property of each school corporation lying within such township and school areas attached thereto.

(h) "School year" means school year as defined in IC 20-10.1-2-1.

(i) The "entitlement" of a school corporation is that portion of the county school distribution fund to which any school corporation is entitled for any calendar year and on the basis of which the county supplemental school financing tax is set under the provisions of this chapter.

(j) "Receiving school corporation" means any school corporation receiving an entitlement under this chapter which exceeds the amount of the tax, provided for in section 5 of this chapter, collected on the assessed valuation of such school corporation.

(k) "Paying school corporation" means any school corporation in which the tax provided for in section 5 of this chapter, collected on the assessed valuation of such school corporation, exceeds the amount of the entitlement payable to such school corporation under this chapter.

(l) "Total school tax rate" means the sum of the tax rates levied for all school purposes.

SECTION 392. IC 21-2-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) The board of county commissioners of any such county of this state referred to in section 3 of this chapter shall levy a tax at a rate which shall be sufficient to annually provide adequate funds to carry out the purposes of this chapter, which tax levy and rate shall be known as the county

C o p y

supplemental school financing tax. The various officials and employees of any such county and the school corporations therein charged with the duty of levying, collecting, and receiving other property tax funds for county and/or school purposes are hereby authorized and directed to take the appropriate and respective steps as otherwise required by law for the levying, collecting, and receiving of taxes in order that the said county supplemental school financing tax shall be levied, collected, and received. The receipts from the county supplemental school financing tax shall be credited into the county school distribution fund and paid from this fund by the auditor to the various school corporations of the county and areas attached thereto for school purposes in accordance with the terms and conditions of this chapter.

(b) Whenever the area of a school corporation of any such county shall extend into an adjoining county, the tax rate fixed by such board of county commissioners, aforesaid, shall control for the levying and assessment of such tax in the area so extending into such adjoining county. In such case, the board of county commissioners of such adjoining county and the county officials thereof shall take all appropriate and necessary action as otherwise required by law for the levying, collecting, and receiving of such taxes, and the payment thereof, into such school distribution fund, aforesaid, for distribution of same under the provisions of this chapter.

(c) On or before July 10 of each year the state superintendent of public instruction shall deliver to any such county auditor a certified statement of the number of pupils in average daily attendance in grades 1 through 12 residing in each school corporation in any such county or areas attached thereto for school purposes for the immediately preceding school year. Upon the receipt of such information, the county auditor shall compute the amount to be distributed to each of said school corporations from the receipts of the tax levy provided, based upon the formula set forth in this chapter.

(d) The county auditor shall annually issue a warrant to the county treasurer ordering the payment to the respective school corporations of any such county of the various amounts in the county school distribution fund at each semiannual tax settlement period during the year in which the said tax shall have been collected.

(e) The various school corporations in any such county including areas attached thereto for school purposes and the proper officials and employees thereof shall receive the receipts so distributed by the county treasurer in the same manner as other tax receipts are received, and such receipts shall be available to such school corporations for any purpose or purposes for which school expenditures are authorized by

C o p y

law. The purpose or purposes for which such receipts shall be used shall rest within the discretion of the administrative officer or governing board of each such school corporation. The budgets of the various school corporations shall, however, reflect the anticipated receipts from said tax and appropriations shall be made from such receipts as other appropriations are made.

(f) The first of any such county tax rate shall be levied in the year 1965 to be collected in the year 1966 and in each year thereafter in accordance with the various provisions of this chapter. The tax levy authorized in this chapter to be made shall be subject to all laws relative to review by the county **property** tax ~~adjustment~~ **control** board. ~~and the state board of tax commissioners.~~

SECTION 393. IC 21-2-13-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. The amount to be raised by the county supplemental school financing tax shall be determined in any calendar year by the county auditor and certified to by the board of county commissioners prior to the time for making the county budgets in such year. Such amount shall be the total of the entitlements of all school corporations in the county or areas attached thereto for school purposes. The entitlement of each school corporation, thus calculated in each calendar year shall be an amount equal to the result of the following two (2) steps:

STEP ONE: Calculate the quotient of:

(A) the total amount deposited in the county school distribution fund in calendar year 1979 or the first year in which a deposit was made, whichever is later; divided by

(B) the total average daily membership (ADM) of the immediately preceding school year of schools which received money under the fund in 1979.

STEP TWO: Calculate the product of:

(A) the result obtained in STEP ONE; multiplied by

(B) the ADM of the immediately preceding school year of the school corporation which received money under the fund in 1979.

The entitlement of any receiving school corporation shall not have the effect of reducing the total school tax rate in such school corporation below the total school tax rate prevailing in any paying school corporation, and any entitlement payable hereunder shall be reduced so as not to produce such effect. However, the entitlement of a receiving school corporation which levies its maximum general fund tax levy shall not be affected by that receiving school corporation's tax rate. The board of county commissioners shall levy a rate on all the real and

C o p y

taxable personal property in the county which is sufficient to raise the total of such entitlements in the same manner as other county rates are levied. In the event the board of county commissioners shall fail in any year to levy the rate required by this section, it shall be the duty of the ~~state board of tax commissioners~~ **county property tax control board** to certify the amount of such levy to the county auditor, and such certified rate shall be the county supplemental school financing tax for such year. The county supplemental school financing tax shall be collected and received by the treasurer of the county in the same manner as other county property taxes are collected.

SECTION 394. IC 21-2-13-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. ~~The state board of tax commissioners~~ **Each county property tax control board** and the state superintendent of public instruction shall make certifications of any information in their possession, or any other certifications required by this chapter which will facilitate its execution.

SECTION 395. IC 21-2-14-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. All funds unobligated by contracts in the cumulative building fund and all receipts of the cumulative building fund levy made in 1971, payable in 1972, of each school corporation to which this chapter applies, may be transferred by the board of school trustees or other governing body to a new fund to be known as the supplemental school operating reserve fund. The board of school trustees or other governing body shall levy a tax for such fund at not less than the rate which was levied for the cumulative building fund until such fund may be discontinued as provided in section 11 of this chapter. Such tax shall be levied at such rate for such period despite the provisions of any other law. It shall not be ~~reviewed by the county board of tax adjustment nor~~ reduced by the ~~state board of tax commissioners,~~ **department of state revenue** but shall be imposed by the ~~state board of tax commissioners~~ **department of state revenue** if the board of school trustees fails to levy it. During the time a school corporation has a supplemental school operating reserve fund it shall not have a cumulative building fund, except for funds then in the cumulative building fund unobligated by outstanding contracts. All other construction funds shall be appropriated out of its general fund.

SECTION 396. IC 21-2-14-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. (a) The loan provided in section 4 of this chapter shall be initiated by a resolution of the governing body of the school corporation in an amount which, together with the outstanding obligations of the school corporation,

C o p y

shall not exceed its maximum permissible debt under the Indiana constitution. Such resolution shall not be effective until it is approved by the ~~State~~ **county property tax control** board upon petition of the governing body of the school corporation.

(b) The provisions of all general laws relating to the filing of petitions requesting issuance of bonds or other evidences of indebtedness (herein referred to as "the loan") and giving of notice of determination to issue bonds, the approval of the appropriation by the ~~State Board of Tax Commissioners,~~ **county property tax control board,** and the right of taxpayers to ~~remonstrate on~~ **oppose** the issuance or sale of the loan as provided under **IC 6-1.1-17.5, the holding of a referendum, and** IC 6-1.1-20 ~~shall not be~~ **are** applicable ~~or shall not be~~ **and are** a prerequisite to the validity of such loan, unless the obligation is a lease or lease purchase agreement described in IC 6-1.1-20.

(c) After the petition has been approved by the ~~State~~ **county property tax control** board, the loan may be effected either by a loan from a financial institution evidenced by notes or by the issuance of bonds. The loan or the issuance of bonds shall be made only by public bidding after notice, in accordance with IC 5-1-11. The loan or bonds shall be sold at par and bear interest as determined by the bidding. Any bonds issued shall, except as otherwise provided in this section, be governed by IC 20-5-4. Any such bonds or loan may be secured by a pledge of the supplemental school operating reserve fund and the tax levy for such fund, or any unobligated part thereof; and shall be further secured as debt service obligations as provided in IC 20-5-4-10(2).

SECTION 397. IC 21-2-14-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. (a) Any loan made under the provisions of section 6 of this chapter shall be repaid out of the supplemental school operating reserve fund levy which shall not be reduced during the term of the loan. In the event the governing body of the school corporation enters any order reducing such levy, the ~~state board of tax commissioners~~ **county property tax control board** is hereby mandated to reinstate such levy at the times it certifies the annual levies for such school corporation.

(b) The amount of any reductions of any distribution, otherwise due the school corporation from the state, in repayment of the advances provided in section 6 of this chapter may be transferred by the school corporation by resolution of the governing body from its supplemental school operating reserve fund to its general fund.

SECTION 398. IC 21-2-14-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. An appropriation

C o p y

by the school corporation shall not be a prerequisite to the validity of the loan or advancement provided by sections 5 through 7 of this chapter. The money obtained from such loan or advancement shall, however, not be expended by such school corporation until an additional or emergency appropriation is obtained therefor as provided under applicable law. The obtaining of such additional appropriations, however, shall not require the action of any county tax adjustment board, but shall require only the approval, after appropriate advertising, of the ~~state board of tax commissioners.~~ **county property tax control board.**

SECTION 399. IC 21-2-14-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. After a school corporation has paid all loans, bonds, and advances authorized by this chapter and is able to appropriate money for its general fund not to exceed its estimated available revenues as approved by the ~~state board of tax commissioners,~~ **county property tax control board,** it shall terminate its supplemental school operation reserve fund and may, pursuant to applicable law, reinstate the tax levy for its cumulative building fund, as if the supplemental school operation reserve fund levy had been a cumulative building fund levy.

SECTION 400. IC 21-2-15-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) Before a governing body may collect property taxes for a capital projects fund in a particular year, the governing body must, after January 1 and not later than September 20 of the immediately preceding year for all years before 1999 and not later than January 31 for 1999 and all subsequent years hold a public hearing on a proposed plan and then pass a resolution to adopt a plan.

(b) The ~~state board of tax commissioners~~ **county property tax control board** shall prescribe the format of the plan. A plan must apply to at least the three (3) years immediately following the year the plan is adopted. A plan must estimate for each year to which it applies the nature and amount of proposed expenditures from the capital projects fund. A plan must estimate:

(1) the source of all revenue to be dedicated to the proposed expenditures in the upcoming calendar year; and

(2) the amount of property taxes to be collected in that year and retained in the fund for expenditures proposed for a later year.

(c) If a hearing is scheduled under subsection (a), the governing body shall publish the proposed plan and a notice of the hearing in accordance with IC 5-3-1-2(b).

SECTION 401. IC 21-2-15-6 IS AMENDED TO READ AS

C o p y

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. (a) The governing body shall publish a notice of the adoption of the plan in accordance with IC 5-3-1-2(b). This publication must be made no later than twenty (20) days after the county auditor posts and publishes the notice of the school corporation's tax rate for the ensuing calendar year.

(b) ~~In the first year that a plan is proposed, ten (10) or more taxpayers who will be affected by the adopted plan may file a petition with the county auditor of a county in which the school corporation is located not later than ten (10) days after the publication, setting forth their objections to the proposed plan. After the first year a plan is proposed, ten (10) or more taxpayers who will be affected by the adopted plan may file a petition with the county auditor of a county in which the school corporation is located not later than ten (10) days after the publication, setting forth their objections to any item in the proposed plan that does not concern a construction project that had previously been included in an adopted capital project fund plan. The county auditor shall immediately certify the petition to the state board of tax commissioners.~~

The appropriate county property tax control board shall, within a reasonable time, fix a date for a hearing on the adopted plan, which shal be held in a county in which the school corporation is located.

SECTION 402. IC 21-2-15-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. The ~~state board of tax commissioners~~ **county property tax control board** shall, within a reasonable time, fix a date for a hearing on the petition, filed under section 6(b) of this chapter, which shall be held in a county in which the school corporation is located. The ~~state board of tax commissioners~~ **county property tax control board** shall notify:

(1) the governing body; and

(2) the first ten (10) taxpayers whose names appear upon the petition;

at least five (5) days before the date fixed for the hearing.

SECTION 403. IC 21-2-15-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. After a hearing ~~upon the petition~~ under ~~section 7~~ **section 6** of this chapter, the ~~state board of tax commissioners~~ **county property tax control board** shall certify its approval, disapproval, or modification of the plan to the governing body and the auditor of the county. ~~The state board of tax commissioners may seek the recommendation of the school property tax control board with respect to this determination.~~ The action of the ~~state board of tax commissioners~~ **county property tax control board** with respect to the plan is final, **subject to the appeal permitted by**

Copy

IC 6-1.1-17.5.

SECTION 404. IC 21-2-15-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. ~~The state board of tax commissioners~~ **A school corporation** may ~~approve~~ **make** appropriations from the capital projects fund only if they conform to a plan that has been adopted in compliance with this chapter.

SECTION 405. IC 21-2-15-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. (a) A governing body may amend a plan adopted under section 5 of this chapter to:

(1) provide money for the purposes described in section 4 of this chapter; or

(2) supplement money accumulated in the capital projects fund for those purposes.

(b) When an amendment to a plan is required by reason other than the occurrence of an emergency, the governing body must hold a public hearing on the proposed amendment. At this hearing, the governing body must declare the nature of and the need for the amendment and then pass a resolution to adopt the amendment to the plan. The plan, as proposed to be amended, must comply with the requirements for a plan under section 5(b) of this chapter, and the governing body must publish the proposed amendment to the plan and notice of the hearing in accordance with IC 5-3-1-2(b). This amendment to the plan is not subject to the deadline for adoption described in section 5(a) of this chapter. However, the amendment to the plan must be submitted to the ~~state board of tax commissioners~~ **county property tax control board** for its consideration and is subject to approval, disapproval, or modification in accordance with the procedures for adopting a plan set forth in sections 6 through 8 of this chapter.

(c) When an emergency arises that results in costs that exceed the amount accumulated in the fund for the purposes described in section 4(b)(4) of this chapter, the governing body is not required to comply with subsection (b), but instead must immediately apply to the ~~state board of tax commissioners~~ **county property tax control board** for a determination that an emergency exists. If the board determines that an emergency exists, the governing body may adopt a resolution to amend the plan. The amendment is not subject to the deadline and the procedures for adoption described in section 5 of this chapter. However, the amendment is subject to modification by the ~~state board of tax commissioners.~~ **county property tax control board.**

(d) An amendment adopted under this section may require the payment of eligible costs from:

(1) money accumulated in the capital projects fund for other

C o p y

purposes; or

(2) money to be borrowed from other funds of the school corporation or from a financial institution. The amendment may also require an increase in the property tax rate for the capital projects fund to restore money to the fund or to pay principal and interest on a loan. Any increase to the property tax rate for the capital projects fund is effective for property taxes first due and payable for the year next certified by the ~~state board of tax commissioners under IC 6-1.1-17-16.~~ **county property tax control board.** However, the property tax rate may not exceed the maximum rate established under section 11 of this chapter.

SECTION 406. IC 21-2-15-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. (a) To provide for the capital projects fund, the governing body may, for each year in which a plan adopted under section 5 of this chapter is in effect, impose a property tax rate that does not exceed forty-one and sixty-seven hundredths cents ($0.4167) on each one hundred dollars ($100) of assessed valuation of the school corporation. This actual rate must be advertised in the same manner as other property tax rates.

(b) The maximum property tax rate levied by each school corporation must be adjusted each time a general reassessment of property takes effect.

(c) The new maximum rate under this section is the tax rate determined under STEP SEVEN of the following formula:

STEP ONE: Determine the maximum rate for the school corporation for the year preceding the year in which the general reassessment takes effect.

STEP TWO: Determine the actual percentage increase (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value of the taxable property from the year preceding the year the general reassessment takes effect to the year that the general reassessment is effective.

STEP THREE: Determine the three (3) calendar years that immediately precede the ensuing calendar year and in which a statewide general reassessment of real property does not first become effective.

STEP FOUR: Compute separately, for each of the calendar years determined in STEP THREE, the actual percentage increase (rounded to the nearest one-hundredth percent (0.01%)) in the assessed value of the taxable property from the preceding year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

C o p y

STEP SIX: Determine the greater of the following:

(A) Zero (0).

(B) The result of the STEP TWO percentage minus the STEP FIVE percentage.

STEP SEVEN: Determine the quotient of the STEP ONE tax rate divided by the sum of one (1) plus the STEP SIX percentage increase.

(d) The ~~state board of tax commissioners~~ **department of state revenue** shall compute the maximum rate allowed under subsection (c) and provide the rate to each school corporation.

SECTION 407. IC 21-3-1.6-1.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1.1. As used in this chapter:

(a) "School corporation" means any local public school corporation established under Indiana law.

(b) "School year" means a year beginning July 1 and ending the next succeeding June 30.

(c) "State distribution" due a school corporation means the amount of state funds to be distributed to a school corporation in any calendar year under this chapter.

(d) "Average daily membership" or "ADM" of a school corporation means the number of eligible pupils enrolled in the school corporation or in a transferee corporation on a day to be fixed annually by the Indiana state board of education. Such day shall fall within the first thirty (30) days of the school term. If, however, extreme patterns of student in-migration, illness, natural disaster, or other unusual conditions in a particular school corporation's enrollment on the particular day thus fixed, cause the enrollment to be unrepresentative of the school corporation's enrollment throughout a school year, the Indiana state board of education may designate another day for determining the school corporation's enrollment. The Indiana state board of education shall monitor changes, which occur after the fall count, in the number of students enrolled in programs for children with disabilities and shall, before December 2 of that same year, make an adjusted count of students enrolled in programs for children with disabilities. The superintendent of public instruction shall certify the adjusted count to the budget committee before February 5 of the following year. In determining the ADM, each kindergarten pupil shall be counted as one-half (1/2) pupil. Where a school corporation commences kindergarten in a school year, the ADM of the current and prior calendar years shall be adjusted to reflect the enrollment of the kindergarten pupils. "Current ADM" of a school corporation used in

Copy

computing its state distribution in a calendar year means the ADM of the school year ending in the calendar year. "ADM of the previous year" or "ADM of the prior year" of a school corporation used in computing its state distribution in a calendar year means the ADM of the school corporation for the school year ending in the preceding calendar year.

(e) "Additional count" of a school corporation, or comparable language, means the aggregate of the additional counts of the school corporation for certain pupils as set out in section 3 of this chapter and as determined at the times for calculating ADM. "Current additional count" means the additional count of the school corporation for the school year ending in the calendar year. "Prior year additional count" of a school corporation used in computing its state distribution in a calendar year means the additional count of the school corporation for the school year ending in the preceding calendar year.

(f) "Adjusted assessed valuation" of any school corporation used in computing state distribution for a calendar year means the assessed valuation in the school corporation, adjusted as provided in IC 6-1.1-34. The amount of the valuation shall also be adjusted downward by the ~~state board of tax commissioners~~ **county property tax control board** to the extent it consists of real or personal property owned by a railroad or other corporation under the jurisdiction of a federal court under the federal bankruptcy laws (11 U.S.C. 101 et seq.) if as a result of the corporation being involved in a bankruptcy proceeding the corporation is delinquent in payment of its Indiana real and personal property taxes for the year to which the valuation applies. If the railroad or other corporation in some subsequent calendar year makes payment of the delinquent taxes, then the state superintendent of public instruction shall prescribe adjustments in the distributions of state funds pursuant to this chapter as are thereafter to become due to a school corporation affected by the delinquency as will ensure that the school corporation will not have been unjustly enriched under the provisions of P.L.382-1987(ss).

(g) "General fund" means a school corporation fund established under IC 21-2-11-2.

(h) "Teacher" means every person who is required as a condition of employment by a school corporation to hold a teacher's license issued or recognized by the state, except substitutes and any person paid entirely from federal funds.

(i) "Teacher ratio" of a school corporation used in computing state distribution in any calendar year means the ratio assigned to the school corporation pursuant to section 2 of this chapter.

C o p y

(j) "Eligible pupil" means a pupil enrolled in a school corporation if:

(1) the school corporation has the responsibility to educate the pupil in its public schools without the payment of tuition;

(2) subject to subdivision (5), the school corporation has the responsibility to pay transfer tuition under IC 20-8.1-6.1, because the pupil is transferred for education to another school corporation (the "transferee corporation");

(3) the pupil is enrolled in a school corporation as a transfer student under IC 20-8.1-6.1-3 or entitled to be counted for ADM or additional count purposes as a resident of the school corporation when attending its schools under any other applicable law or regulation;

(4) the state is responsible for the payment of transfer tuition to the school corporation for the pupil under IC 20-8.1-6.1; or

(5) all of the following apply:

(A) The school corporation is a transferee corporation.

(B) The pupil does not qualify as a qualified pupil in the transferee corporation under subdivision (3) or (4).

(C) The transferee corporation's attendance area includes a state licensed private or public health care facility, child care facility, or foster family home where the pupil was placed:

(i) by or with the consent of the division of family and children;

(ii) by a court order; or

(iii) by a child placing agency licensed by the division of family and children.

(k) "General fund budget" of a school corporation means the amount of the budget approved for a given year by the ~~state board of tax commissioners~~ **county property tax control board** and used by the ~~state board of tax commissioners~~ **county property tax control board** in certifying a school corporation's general fund tax levy and tax rate for the school corporation's general fund as provided for in IC 21-2-11.

SECTION 408. IC 21-3-1.7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. As used in this chapter, "tuition support levy" means with respect to a school corporation for a year the maximum general fund ad valorem property tax levy for the school corporation determined under IC 6-1.1-19-1.5 reduced by the following:

(1) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year

C o p y

by two (2) years.

(2) The original amount of any excessive tax levy the school corporation imposed as a result of the passage, during the preceding year, of a referendum under IC 6-1.1-19-4(e)(1)(bb) or IC 6-1.1-19-4.5(c) **(before its repeal)** for taxes first due and payable during the year.

(3) The portion of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

SECTION 409. IC 21-4-20-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 1. Whenever it is found by the board of school trustees or other proper authorities of any school city or school town that an emergency exists for the borrowing of money with which to meet the current expenses of the schools of such school town or school city, the board of school trustees or other proper authorities of such school city or school town may make temporary loans in anticipation of the current revenues of such school town or school city to an amount not exceeding fifty per cent (50%) of the amount of taxes actually levied and in the course of collection for the fiscal year in which such loans are made. Revenues shall be deemed to be current and taxes shall be deemed to have been actually levied and in the course of collection when the budget levy and rate shall have been finally approved by the ~~state board of tax commissioners:~~ **county property tax control board.** Provided, however, That in all second and third class school cities, no such loans shall be borrowed in excess of the sum of twenty thousand dollars ($20,000) until the letting of the same shall have been advertised once each week for two (2) successive weeks in two (2) newspapers of general circulation published in such school city, and until sealed bids have been submitted at a regular meeting of the school board of such school city, pursuant to such notices, stipulating the rate of interest to be charged by such bidder, and Provided, further, That such school loans shall be made with the bidder submitting the lowest rate of interest and submitting with his bid an affidavit showing that no collusion exists between himself and any other bidder for such loan.

SECTION 410. IC 21-5-11-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. (a) When the lessor corporation and the school corporation or corporations have agreed upon the terms and conditions of any lease proposed to be entered into pursuant to the terms and conditions of this chapter and before the final execution of such lease a notice shall be given by

C o p y

publication to all persons interested of a hearing to be held before the board of school trustees, the township board, or the body or bodies vested with authority to approve the lease, or a joint meeting thereof, which hearing shall be on a day not earlier than ten (10) days if new construction is proposed or thirty (30) days if improvement or expansion is proposed after the publication of such notice. The notice of such hearing shall be published one (1) time in a newspaper of general circulation printed in the English language in the school corporation, or one (1) of the same if the proposed lease be a joint lease, or if no such paper be published therein, then in any newspaper of general circulation published in the county. Such notice shall name the day, place, and hour of such hearing and shall set forth a brief summary of the principal terms of the lease agreed upon, including the location, name of the proposed lessor corporation and character of the property to be leased, the rental to be paid, and the number of years the contract is to be in effect. The proposed lease, drawings, plans, specifications, and estimates for such school building or buildings shall be available for inspection by the public during said ten (10) day or thirty (30) day period and at said meeting.

(b) All persons interested shall have a right to be heard at the time fixed, upon the necessity for the execution of such lease and whether the rental provided for therein to be paid to the lessor corporation is a fair and reasonable rental for the proposed building. Such hearing may be adjourned to a later date or dates, and within thirty (30) days following the termination of such hearing the board of school trustees, township board, or governing body or bodies of such school corporation or corporations may by a majority vote of all its members either authorize the execution of such lease as originally agreed upon, or make such modifications therein as may be agreed upon with such lessor corporation, but in no event shall the lease rentals as set out in the published notice be increased. The cost of the publication of the notice shall be borne by **the** lessor corporation.

(c) In the event the execution of the lease as originally agreed upon, or as modified by agreement, is authorized by such board of school trustees, township board, or governing body or bodies of such school corporation or corporations, such board or governing body shall give notice of the signing of said contract by publication one (1) time in a newspaper of general circulation printed in the English language in the school corporation, or one (1) of the same if the proposed lease be a joint lease, or if no such newspaper be published therein, then in any newspaper of general circulation published in the county. Fifty (50) or more taxpayers in such school corporation or corporations who will be

C o p y

affected by the proposed lease and who may be of the opinion that no necessity exists for the execution of such lease, or that the proposed rental provided for therein is not a fair and reasonable rental, may file a petition in the office of the county auditor of the county in which such school corporation or corporations is located, within thirty (30) days after publication of notice of the execution of such lease, setting forth their objections thereto and facts showing that the execution of the lease is unnecessary or unwise, or that the lease rental is not fair and reasonable, as the case may be. Upon the filing of any such petition, the county auditor shall immediately certify a copy thereof, together with such other data as may be necessary in order to present the questions involved, to the ~~state board of tax commissioners,~~ **county property tax control board,** and upon the receipt of such certified petition and information, the ~~state board of tax commissioners~~ **county property tax control board** shall fix a time and place for the hearing of such matter which shall not be less than five (5) nor more than thirty (30) days thereafter, and said hearing shall be held in the school corporation or corporations, or in the county where such school corporations are located. Notice of the hearing shall be given by the ~~state board of tax commissioners~~ **county property tax control board** to the members of the board of school trustees, township board, or governing body or bodies of such school corporation or corporations, and to the first fifty (50) taxpayer-petitioners upon such petition by a letter signed by one (1) member of the ~~state board of tax commissioners,~~ **county property tax control board,** and enclosed with full prepaid postage addressed to such persons at their usual place of residence, at least five (5) days before the date of such hearing. The decision of the ~~state board of tax commissioners~~ **county property tax control board** on such appeal, upon the necessity for the execution of said lease and as to whether the rental is fair and reasonable, shall be final.

(d) No action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease shall be instituted at any time later than thirty (30) days after publication of notice of the execution of the lease by the board of school trustees, township board, or governing body or bodies of such corporation or corporations; or if an appeal has been taken to the ~~state board of tax commissioners,~~ **county property tax control board,** then within thirty (30) days after the decision of said board.

SECTION 411. IC 21-5-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) Except as provided in subsection (d), all contracts of lease shall provide that such school corporation or corporations shall have an option to:

C o p y

(1) renew the lease for a further term on like conditions; and

(2) purchase the property covered by the lease contract;

the terms and conditions of the purchase to be specified in the lease, subject to the approval of the ~~state board of tax commissioners.~~ **county property tax control board.**

(b) If the option to purchase the property covered by the lease is exercised, such school corporation or corporations, for the purpose of procuring funds to pay the purchase price thereof, may issue and sell bonds under the provisions of the general statute governing the issue and sale of bonds of such school corporation or corporations. The purchase price may not be more than the purchase price set forth in the lease contract with:

(1) two percent (2%) thereof as prepayment penalty for purchase within the first five (5) years of the lease term; or

(2) one percent (1%) thereof as prepayment penalty for purchase in the second five (5) years of the lease term;

and thereafter the purchase shall be without prepayment penalty.

(c) However:

(1) if the school corporation has not or corporations have not exercised an option to purchase the property covered by the lease contract at the expiration of the lease contract; and

(2) upon the full discharge and performance by the school corporation of its or corporations of their obligations under the lease contract;

the property covered by the lease contract shall thereupon become the absolute property of the school corporation or corporations and the lessor corporation shall execute proper instruments conveying to the school corporation or corporations good and merchantable title thereto.

(d) If a school corporation that is located in a county having a population of more than thirty-six thousand (36,000) but less than thirty-six thousand seven hundred (36,700) enters into a contract of lease with a religious organization or the organization's agent as authorized under section 2 of this chapter, the contract of lease is not required to include on behalf of the school corporation an option to purchase the property covered by the lease contract, but must include an option to renew the lease. In this case the property covered by the lease contract is not required to become the absolute property of the school corporation as provided in subsection (c).

SECTION 412. IC 21-5-12-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. Such school corporation or corporations may, in anticipation of the acquisition of a site and the construction and erection of such a school building or

Copy

buildings, including the necessary equipment and appurtenances thereof, make and enter into a contract of lease with such lessor corporation subject to the approval of the ~~state board of tax commissioners~~ **county property tax control board** prior to the actual acquisition of such site and the construction and erection of such building or buildings, but such contract of lease so entered into shall not provide for the payment of any lease rental by the lessee or lessees until the completion of such building or buildings ready for occupancy, at which time the stipulated lease rental may begin. The lessor corporation in such contract of lease shall furnish a bond to the approval of such lessee or lessees conditioned on the final completion of such building or buildings within a period not to exceed one (1) year from the date of the execution of such contract of lease, unavoidable delays excepted.

SECTION 413. IC 21-5-12-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 7. (a) When the lessor corporation and the school corporation or corporations have agreed upon the terms and conditions of any lease proposed to be entered into pursuant to the terms and conditions of this chapter and before the final execution of such lease a notice shall be given by publication to all persons interested of a hearing to be held before the board of school trustees, the township board, or the body or bodies vested with authority to approve the lease, or a joint meeting thereof, which hearing shall be on a day not earlier than ten (10) days if new construction is proposed or thirty (30) days if improvement or expansion is proposed after the publication of such notice. The notice of such hearing shall be published one (1) time in a newspaper of general circulation printed in the English language in the school corporation, or one (1) of the same if the proposed lease be a joint lease, or if no such paper be published therein, then in any newspaper of general circulation published in the county. Such notice shall name the day, place, and hour of such hearing and shall set forth a brief summary of the principal terms of the lease agreed upon, including the location, name of the proposed lessor corporation and character of the property to be leased, the rental to be paid, and the number of years the contract is to be in effect. The proposed lease, drawings, plans, specifications, and estimates for such school building or buildings shall be available for inspection by the public during said ten (10) day or thirty (30) day period and at said meeting. All persons interested shall have a right to be heard at the time fixed, upon the necessity for the execution of such lease and whether the rental provided for therein be paid to the lessor corporation is a fair and reasonable rental for the

C o p y

proposed building. Such hearing may be adjourned to a later date or dates, and within thirty (30) days following the termination of such hearing the board of school trustees, township board, or governing body or bodies of such school corporation or corporations may by a majority vote of all its members either authorize the execution of such lease as originally agreed upon or may make such modifications therein as may be agreed upon with such lessor corporation, but in no event shall the lease rentals as set out in the published notice be increased. The cost of the publication of the notice shall be borne by lessor corporations.

(b) In the event the execution of the lease as originally agreed upon, or as modified by agreement, is authorized by such board of school trustees, township board, or governing body or bodies of such school corporation or corporations, such board or governing body shall give notice of the signing of said contract by publication one (1) time in a newspaper of general circulation printed in the English language in the school corporation, or one (1) of the same if the proposed lease be a joint lease, or if no such newspaper be published therein, then in any newspaper of general circulation published in the county. Ten (10) or more taxpayers in such school corporation or corporations, who will be affected by the proposed lease and who may be of the opinion that no necessity exists for the execution of such lease, or that the proposed rental provided for therein is not a fair and reasonable rental, may file a petition in the office of the county auditor of the county in which such school corporation or corporations is located, within thirty (30) days after publication of notice of the execution of such lease, setting forth their objections thereto and facts showing that the execution of the lease is unnecessary or unwise, or that the lease rental is not fair and reasonable as the case may be. Upon the filing of any such petition, the county auditor shall immediately certify a copy thereof, together with such other data as may be necessary in order to present the questions involved, to the ~~state board of tax commissioners,~~ **county property tax control board,** and upon the receipt of such certified petition and information, the ~~state board of tax commissioners~~ **county property tax control board** shall fix a time and place for the hearing of such matter which shall not be less than five (5) nor more than thirty (30) days thereafter, and said hearing shall be in the school corporation or corporations, or in the county where such school corporations are located. Notice of the hearing shall be given by the ~~state board of tax commissioners~~ **county property tax control board** to the members of the board of school trustees, township board, or governing body or bodies of such school corporation or corporations, and to the first ten

C o p y

(10) taxpayer-petitioners upon such petition by a letter signed by one (1) member of the ~~state board of tax commissioners,~~ **county property tax control board,** and enclosed with full prepaid postage addressed to such persons at their usual place of residence, at least five (5) days before the date of such hearing. The decision of the ~~state board of tax commissioners~~ **county property tax control board** on such appeal, upon the necessity for the execution of said lease and as to whether the rental is fair and reasonable, shall be final.

(c) No action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease shall be instituted at any time later than thirty (30) days after publication of notice of the execution of the lease by the board of school trustees, township board, or governing body or bodies of such school corporation or corporations; or if an appeal has been taken to the ~~state board of tax commissioners,~~ **county property tax control board,** then within thirty (30) days after the decision of said board.

SECTION 414. IC 25-26-14-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 14. (a) After September 14, 1992, a person may not engage in wholesale distributions of legend drugs without having a license from the board and paying any reasonable fee required by the board.

(b) The board may not issue or renew the license of a wholesale drug distributor that does not comply with this chapter.

(c) The board may require a separate license for:

(1) each facility directly or indirectly owned or operated by the same business in Indiana; or

(2) a parent entity with divisions, subsidiaries, or affiliate companies in Indiana when operations are conducted at more than one (1) location and there exists joint ownership and control among all the entities.

(d) An agent or employee of any licensed wholesale drug distributor does not need a license and may lawfully possess pharmaceutical drugs when acting in the usual course of business or employment.

(e) The issuance of a license under this chapter does not affect tax liability imposed by the department of state revenue ~~or the state board of tax commissioners~~ on any wholesale drug distributor.

(f) The board may adopt rules that permit out-of-state wholesale drug distributors to obtain a license on the basis of reciprocity if:

(1) an out-of-state wholesale drug distributor possesses a valid license granted by another state and the legal standards for licensure in the other state are comparable to the standards under this chapter; and

C o p y

(2) the other state extends reciprocity to wholesale drug distributors licensed in Indiana.

SECTION 415. IC 33-3-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2. (a) The tax court is a court of limited jurisdiction. The tax court has exclusive jurisdiction over any case that arises under the tax laws of this state and that is an initial appeal of a final determination made by:

(1) the department of state revenue with respect to a listed tax (as defined in IC 6-8.1-1-1); or

(2) ~~the state board of tax commissioners.~~ **a county property tax control board.**

(b) The tax court also has any other jurisdiction conferred by statute.

(c) The cases over which the tax court has exclusive original jurisdiction are referred to as original tax appeals in this chapter. The tax court does not have jurisdiction over a case unless:

(1) the case is an original tax appeal; or

(2) the tax court has otherwise been specifically assigned jurisdiction by statute.

(d) A taxpayer that appeals to the tax court shall, at the time the appeal is filed, elect to have all evidentiary hearings in the appeal conducted in one (1) of the following counties:

(1) Allen County.

(2) Jefferson County.

(3) Lake County.

(4) Marion County.

(5) St. Joseph County.

(6) Vanderburgh County.

(7) Vigo County.

(e) A taxpayer that is an appellee in an appeal to the tax court shall, within thirty (30) days after it receives notice of the appeal, elect to have all evidentiary hearings in the appeal conducted in a county listed in subsection (d).

(f) The tax court does not have jurisdiction over a case that is an appeal from a final determination made by the department of state revenue under IC 4-32 other than a final determination concerning the gaming card excise tax established under IC 4-32-15.

SECTION 416. IC 33-3-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. (a) A taxpayer who wishes to initiate an original tax appeal must file a petition in the tax court to set aside the final determination of the department of state revenue or ~~the state board of tax commissioners.~~ **a county property tax control board.** If a taxpayer fails to comply with any statutory

C o p y

requirement for the initiation of an original tax appeal, the tax court does not have jurisdiction to hear the appeal.

(b) A taxpayer who wishes to enjoin the collection of a tax pending the original tax appeal must file a petition with the tax court to enjoin the collection of the tax. The petition must set forth a summary of:

(1) the issues that the petitioner will raise in the original tax appeal; and

(2) the equitable considerations for which the tax court should order the collection of the tax to be enjoined.

(c) After a hearing on the petition filed under subsection (b), the tax court may enjoin the collection of the tax pending the original tax appeal, if the tax court finds that:

(1) the issues raised by the original tax appeal are substantial;

(2) the petitioner has a reasonable opportunity to prevail in the original tax appeal; and

(3) the equitable considerations favoring the enjoining of the collection of the tax outweigh the state's interests in collecting the tax pending the original tax appeal.

(d) This section does not apply to a final determination of the department of state revenue under IC 4-32 other than a final determination concerning the gaming card excise tax established under IC 4-32-15.

SECTION 417. IC 33-3-5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12. (a) The tax court shall establish a small claims docket for processing:

(1) claims for refunds from the department of state revenue that do not exceed five thousand dollars ($5,000) for any year; and

(2) appeals of final determinations of assessed value made by ~~the state board of tax commissioners~~ **a county property tax control board** that do not exceed forty-five thousand dollars ($45,000).

(b) The tax court shall adopt rules and procedures under which cases on the small claims docket are heard and decided.

SECTION 418. IC 33-3-5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 14. With respect to determinations as to whether any issues or evidence may be heard in an original tax appeal that was not heard in the administrative hearing or proceeding, the tax court is governed by the law that applied before the creation of the tax court to appeals to trial courts of final determinations made by the department of state revenue and ~~the state board of tax commissioners.~~ **a county property tax control board.**

SECTION 419. IC 33-3-5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 15. (a) The tax court

C o p y

shall render its decisions in writing.

(b) A decision of the tax court remanding the matter of assessment of property under IC 6-1.1-15-8 to ~~the state board of tax commissioners~~ **a county property tax control board** shall specify the issues on remand on which the ~~state board of tax commissioners~~ **county property tax control board** is to act.

(c) The decisions of the tax court may be appealed directly to the supreme court.

SECTION 420. IC 36-1-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) The fiscal body of a political subdivision may, by ordinance or resolution, permit the transfer of a prescribed amount, for a prescribed period, to a fund in need of money for cash flow purposes from another fund of the political subdivision if all these conditions are met:

(1) It must be necessary to borrow money to enhance the fund that is in need of money for cash flow purposes.

(2) There must be sufficient money on deposit to the credit of the other fund that can be temporarily transferred.

(3) Except as provided in subsection (b), the prescribed period must end during the budget year of the year in which the transfer occurs.

(4) The amount transferred must be returned to the other fund at the end of the prescribed period.

(5) Only revenues derived from the levying and collection of property taxes or special taxes or from operation of the political subdivision may be included in the amount transferred.

(b) If the fiscal body of a political subdivision determines that an emergency exists that requires an extension of the prescribed period of a transfer under this section, the prescribed period may be extended for not more than six (6) months beyond the budget year of the year in which the transfer occurs if the fiscal body does the following:

(1) Passes an ordinance or a resolution that contains the following:

(A) A statement that the fiscal body has determined that an emergency exists.

(B) A brief description of the grounds for the emergency.

(C) The date the loan will be repaid that is not more than six (6) months beyond the budget year in which the transfer occurs.

(2) Immediately forwards the ordinance or resolution to the state board of accounts and the ~~state board of tax commissioners.~~ **county property tax control board.**

C o p y

SECTION 421. IC 36-1-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. Notwithstanding sections 6, 12, 16, and 17 of this chapter, the following procedure shall be followed whenever a lease does not contain an option to purchase:

(1) The term of the lease may not be longer than ten (10) years; however, a lease may be for a longer term if the lease is approved by the ~~state board of tax commissioners.~~ **county property tax control board.**

(2) The lease must provide that the lease is subject to annual appropriation by the appropriate fiscal body.

(3) The leasing agent must have a copy of the lease filed and kept in a place available for public inspection.

A leasing agent may lease part of a structure.

SECTION 422. IC 36-1-10-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 14. (a) If lease rentals are payable, in whole or in part, from property taxes, ten (10) or more taxpayers in the political subdivision who disagree with the execution of a lease under this chapter may file a petition in the office of the county auditor of the county in which the leasing agent is located, within thirty (30) days after publication of notice of the execution of the lease. The petition must state the taxpayer's objections and the reasons why the lease is unnecessary or unwise.

(b) The county auditor shall immediately certify a copy of the petition, together with other data necessary to present the questions involved, to the ~~state board of tax commissioners.~~ **county property tax control board.** Upon receipt of the certified petition and other data, the ~~state board of tax commissioners~~ **county property tax control board** shall fix a time and place for the hearing of the matter. The hearing shall be held not less than five (5) nor more than thirty (30) days after the receipt of the certified documents.

(c) The hearing shall be held in the political subdivision where the petition arose.

(d) Notice of the hearing shall be given by the ~~state board of tax commissioners~~ **county property tax control board** to the leasing agent and to the first ten (10) taxpayer petitioners listed on the petition by a letter signed by one (1) member of the state board of tax commissioners. The letter shall be sent to the first ten (10) taxpayer petitioners at their usual place of residence at least five (5) days before the date of the hearing. The decision by the ~~state board of tax commissioners~~ **county property tax control board** on the objections presented in the petition is final.

SECTION 423. IC 36-1-10-15 IS AMENDED TO READ AS

C o p y

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 15. An action to contest the validity of a lease under this chapter, or to enjoin performance under the lease, must be brought within thirty (30) days after publication of notice of the execution of the lease by the leasing agent or, if an appeal has been taken to the ~~state board of tax commissioners,~~ **county property tax control board,** then within thirty (30) days after the decision of the ~~state board of tax commissioners.~~ **county property tax control board.**

SECTION 424. IC 36-1-10-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 16. (a) A political subdivision or agency owning a structure with respect to which its revenue bonds are outstanding, may, to refinance those bonds, convey the structure to the lessor in fee simple and lease it from the lessor in accordance with this chapter, subject to the approval of the ~~state board of tax commissioners.~~ **county property tax control board.**

(b) The price of a purchase under this section must be at least the sum of:

(1) the principal amount of the outstanding revenue bonds;

(2) interest on those bonds to the maturity date of bonds not subject to redemption before maturity, and to the first redemption date of bonds subject to redemption before maturity; and

(3) the redemption premiums on all bonds subject to redemption before maturity.

An amount not less than this sum shall be deposited in trust for the payment of the outstanding revenue bonds in a manner consistent with the ordinance or trust agreement under which the bonds were issued. The money deposited in the trust, and investment income from it, not required for the payment of the bonds, shall be applied to the payment of the obligations issued by the lessor for the acquisition of the structure, and to a corresponding reduction of rentals for the leasing agent.

(c) Each lease entered into under this section must include an option permitting the political subdivision or agency to purchase the structure at a price not exceeding the amount required to retire all outstanding obligations issued by the lessor to acquire the property covered by the lease. The lease and sale of a parking facility under this section does not preclude the lease of air rights.

SECTION 425. IC 36-1-15-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. ~~The state board of tax commissioners~~ **Each county property tax control board** shall compute, in conjunction with the approvals required under ~~IC 6-1.1-18.5-8(b) and IC 6-1.1-19-8,~~ **IC 6-1.1-17.5,** an adjusted value

C o p y

of the taxable property within each political subdivision. The ~~state board of tax commissioners~~ **county property tax control board** may request a certification of net assessed valuation from the county auditor in order to make a calculation under this section.

SECTION 426. IC 36-1-15-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. The ~~state board of tax commissioners~~ **county property tax control board** shall do the following:

(1) Maintain a schedule of the adjusted value of taxable property of each political subdivision.

(2) Provide the political subdivision and the county auditor for the county in which a political subdivision is located with the latest adjusted value of taxable property determined for the political subdivision.

SECTION 427. IC 36-1-15-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. ~~The state board of tax commissioners~~ **A member of a county property tax control board** ~~are~~ **is** not liable for an erroneous determination or computation made by the ~~state~~ board under this chapter.

SECTION 428. IC 36-2-15-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) The county assessor shall perform the functions assigned by statute to the county assessor, including the following:

(1) Countywide equalization.

(2) Selection and maintenance of a countywide computer system.

(3) Certification of gross assessments to the county auditor.

(4) Discovery of omitted property.

(b) The county assessor shall perform the functions of an assessing official under IC 36-6-5-2 in a township with a township assessor-trustee if the township assessor-trustee:

(1) fails to make a report that is required by law;

(2) fails to deliver a property tax record to the appropriate officer or board;

(3) fails to deliver an assessment to the county assessor; or

(4) fails to perform any other assessing duty as required by statute or rule of the ~~state board of tax commissioners;~~ **department of state revenue;**

within the time period prescribed by statute or rule of the ~~state board of tax commissioners~~ **department of state revenue** or within a later time that is necessitated by reason of another official failing to perform the official's functions in a timely manner.

(c) A township with a township trustee-assessor may, with the

Copy

consent of the township board, enter into an agreement with:

(1) the county assessor; or

(2) another township assessor in the county;

to perform any of the functions of an assessing official. A township trustee-assessor may not contract for the performance of any function for a period of time that extends beyond the completion of the township trustee-assessor's term of office.

SECTION 429. IC 36-3-5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. (a) This section applies whenever a special taxing district of the consolidated city has the power to issue bonds, notes, or warrants.

(b) Before any bonds, notes, or warrants of a special taxing district may be issued, the issue must be approved by resolution of the legislative body of the consolidated city.

(c) Any bonds of a special taxing district must be issued in the manner prescribed by statute for that district, and the board of the department having jurisdiction over the district shall:

(1) hold all required hearings;

(2) adopt all necessary resolutions; and

(3) appropriate the proceeds of the bonds;

in that manner. However, the legislative body shall levy each year the special tax required to pay the principal of and interest on the bonds and any bank paying charges.

(d) Notwithstanding any other statute, bonds of a special taxing district may:

(1) be dated;

(2) be issued in any denomination;

(3) mature at any time or times not exceeding fifty (50) years after their date; and

(4) be payable at any bank or banks;

as determined by the board. The interest rate or rates that the bonds will bear must be determined by bidding, notwithstanding IC 5-1-11-3.

(e) Bonds of a special taxing district are subject to the provisions of IC 5-1, **IC 6-1.1-17.5,** and IC 6-1.1-20 relating to the filing of a petition requesting the issuance of bonds and giving notice of the petition, the giving of notice of a hearing on the appropriation of the proceeds of bonds, the right of taxpayers to appear and be heard on the proposed appropriation, the approval of the appropriation by the ~~state board of tax commissioners,~~ **county property tax control board,** the right of taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds, **the holding of a referendum,** and the sale of bonds at public sale.

SECTION 430. IC 36-5-2-11 IS AMENDED TO READ AS

Copy

FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 11. (a) The legislative body may issue bonds for the purpose of procuring money to be used in the exercise of the powers of the town and for the payment of town debts. However, a town may not issue bonds to procure money to pay current expenses.

(b) Bonds issued under this section are payable in the amounts and at the times determined by the legislative body.

(c) Bonds issued under this section are subject to the provisions of IC 5-1, **IC 6-1.1-17.5,** and IC 6-1.1-20 relating to the filing of a petition requesting the issuance of bonds and giving notice of the petition, the giving of notice of a hearing on the appropriation of the proceeds of bonds, the right of taxpayers to appear and be heard on the proposed appropriation, the approval of the appropriation by the ~~state board of tax commissioners,~~ **county property tax control board,** the right of taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds, **the holding of a referendum,** and the sale of bonds at public sale for not less than their par value.

(d) The legislative body may, by ordinance, make loans of money for not more than five (5) years and issue notes for the purpose of refunding those loans. The loans may be made only for the purpose of procuring money to be used in the exercise of the powers of the town, and the total amount of outstanding loans under this subsection may not exceed five percent (5%) of the town's total tax levy in the current year (excluding amounts levied to pay debt service and lease rentals). Loans under this subsection shall be made as follows:

(1) The ordinance authorizing the loans must pledge to their payment a sufficient amount of tax revenues over the ensuing five (5) years to provide for refunding the loans.

(2) The loans must be evidenced by notes of the town in terms designating the nature of the consideration, the time and place payable, and the revenues out of which they will be payable.

(3) The interest accruing on the notes to the date of maturity may be added to and included in their face value or be made payable periodically, as provided in the ordinance.

Notes issued under this subsection are not bonded indebtedness for purposes of **IC 6-1.1-17.5 and** IC 6-1.1-18.5.

SECTION 431. IC 36-6-6-14.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 14.5. (a) If the legislative body issues a special order under section 14 of this chapter authorizing the executive to borrow money, not less than ten (10) taxpayers in the township who disagree with the special order may file a petition in the office of the county auditor not more than thirty (30)

C o p y

days after notice of the special order is given. The petition must state the taxpayers' objections and the reasons why the taxpayers believe the special order to be unnecessary or unwise.

(b) The county auditor shall immediately certify a copy of the petition, together with other data necessary to present the questions involved, to the ~~state board of tax commissioners.~~ **county property tax control board.** Upon receipt of the certified petition and other data, the ~~state board of tax commissioners~~ **county property tax control board** shall fix a time and place for the hearing of the matter. The hearing shall be held not less than five (5) and not more than thirty (30) days after the receipt of the certified documents.

(c) The hearing shall be held in the county where the petition arose.

(d) Notice of the hearing shall be given by the ~~state board of tax commissioners~~ **county property tax control board** to the township and to the first ten (10) taxpayer petitioners listed on the petition by letter. The letter shall be sent to the first ten (10) taxpayer petitioners at the taxpayer's usual place of residence at least five (5) days before the date of the hearing. The decision by the ~~state board of tax commissioners~~ **county property tax control board** on the objections presented in the petition is final.

SECTION 432. IC 36-7-14-25.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 25.1. (a) In addition to other methods of raising money for property acquisition or redevelopment in a blighted area, and in anticipation of the special tax to be levied under section 27 of this chapter, the taxes allocated under section 39 of this chapter, or other revenues of the district, or any combination of these sources, the redevelopment commission may, by resolution, issue the bonds of the special taxing district in the name of the unit. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

(1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;

(2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;

(3) capitalized interest permitted by this chapter and a debt service reserve for the bonds to the extent the redevelopment commission determines that a reserve is reasonably required; and

(4) expenses that the redevelopment commission is required or

C o p y

permitted to pay under IC 8-23-17.

(b) If the redevelopment commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, the commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable, subject to the requirements of the bond resolution for registering the bonds. The resolution authorizing the bonds must state:

(1) the denominations of the bonds;

(2) the place or places at which the bonds are payable; and

(3) the term of the bonds, which may not exceed fifty (50) years.

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the redevelopment commission.

(d) The redevelopment commission shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds must be executed by the appropriate officer of the unit, and attested by the municipal or county fiscal officer.

(f) The bonds are exempt from taxation for all purposes.

(g) The municipal or county fiscal officer shall give notice of the sale of the bonds by publication in accordance with IC 5-3-1. The municipal fiscal officer, or county fiscal officer or executive, shall sell the bonds to the highest bidder, but may not sell them for less than ninety-seven percent (97%) of their par value. However, bonds payable solely or in part from tax proceeds allocated under section 39(b)(2) of this chapter, or other revenues of the district may be sold at a private negotiated sale.

(h) Except as provided in subsection (i), a redevelopment commission may not issue the bonds when the total issue, including bonds already issued and to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the special taxing district, as determined under IC 36-1-15.

(i) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the redevelopment commission:

(1) from a special tax levied upon all of the property in the taxing district, as provided by section 27 of this chapter;

(2) from the tax proceeds allocated under section 39(b)(2) of this

C o p y

chapter;

(3) from other revenues available to the redevelopment commission; or

(4) from a combination of the methods stated in subdivisions (1) through (3).

If the bonds are payable solely from the tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(j) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(k) All laws relating to the giving of notice of the issuance of bonds, the giving of notice of a hearing on the appropriation of the proceeds of the bonds, the right of taxpayers to appear and be heard on the proposed appropriation, and the approval of the appropriation by the ~~state board of tax commissioners~~ **county property tax control board** apply to all bonds issued under this chapter that are payable from the special benefits tax levied pursuant to section 27 of this chapter or from taxes allocated under section 39 of this chapter.

(l) All laws relating to the filing of petitions requesting the issuance of bonds and the right of taxpayers to remonstrate against the issuance of bonds apply to bonds issued under this chapter, except for bonds payable solely from tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources.

(m) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(n) Any amount remaining in the debt service reserve after all of the bonds of the issue for which the debt service reserve was established have matured shall be deposited in the allocation fund established under section 39(b)(2) of this chapter.

(o) If bonds are issued under this chapter that are payable solely or in part from revenues to the redevelopment commission from a project or projects, the redevelopment commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and

C o p y

proper and not in violation of law, including covenants setting forth the duties of the redevelopment commission. The redevelopment commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the redevelopment commission that are payable solely from revenues of the commission shall contain a statement to that effect in the form of bond.

SECTION 433. IC 36-7-14-25.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 25.2. (a) A redevelopment commission may enter into a lease of any property that could be financed with the proceeds of bonds issued under this chapter with a lessor for a term not to exceed fifty (50) years and the lease may provide for payments to be made by the redevelopment commission from special benefits taxes levied under section 27 of this chapter, taxes allocated under section 39 of this chapter, any other revenues available to the redevelopment commission, or any combination of these sources.

(b) A lease may provide that payments by the redevelopment commission to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the redevelopment commission only after a public hearing by the redevelopment commission at which all interested parties are provided the opportunity to be heard. After the public hearing, the redevelopment commission may adopt a resolution authorizing the execution of the lease on behalf of the unit if it finds that the service to be provided throughout the term of the lease will serve the public purpose of the unit and is in the best interests of its residents. Any lease approved by a resolution of the redevelopment commission must be approved by an ordinance of the fiscal body of the unit.

(d) Upon execution of a lease providing for payments by the redevelopment commission in whole or in part from the levy of special benefits taxes under section 27 of this chapter and upon approval of the lease by the unit's fiscal body, the redevelopment commission shall publish notice of the execution of the lease and its approval in accordance with IC 5-3-1. Fifty (50) or more taxpayers residing in the redevelopment district who will be affected by the lease and who may be of the opinion that no necessity exists for the execution of the lease

C o p y

or that the payments provided for in the lease are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval. The petition must set forth the petitioners' names, addresses, and objections to the lease and the facts showing that the execution of the lease is unnecessary or unwise or that the payments provided for in the lease are not fair and reasonable, as the case may be.

(e) Upon the filing of the petition, the county auditor shall immediately certify a copy of it, together with such other data as may be necessary in order to present the questions involved, to the ~~state board of tax commissioners.~~ **county property tax control board.** Upon receipt of the certified petition and information, the ~~state board of tax commissioners~~ **county property tax control board** shall fix a time and place for a hearing in the redevelopment district, which must be not less than five (5) or more than thirty (30) days after the time is fixed. Notice of the hearing shall be given by the ~~state board of tax commissioners~~ **county property tax control board** to the members of the fiscal body, to the redevelopment commission, and to the first fifty (50) petitioners on the petition by a letter signed by one (1) member of the ~~state board of tax commissioners~~ **county property tax control board** and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the state board of tax commissioners on the appeal, upon the necessity for the execution of the lease, and as to whether the payments under it are fair and reasonable, is final.

(f) A redevelopment commission entering into a lease payable from allocated taxes under section 39 of this chapter or other available funds of the redevelopment commission may:

(1) pledge the revenue to make payments under the lease pursuant to IC 5-1-14-4; and

(2) establish a special fund to make the payments.

(g) Lease rentals may be limited to money in the special fund so that the obligations of the redevelopment commission to make the lease rental payments are not considered debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(h) Except as provided in this section, no approvals of any governmental body or agency are required before the redevelopment commission enters into a lease under this section.

(i) An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the publication of the notice of the execution and approval of the lease. However, if the lease is payable in whole or in

C o p y

part from tax levies and an appeal has been taken to the ~~state board of tax commissioners,~~ **county property tax control board,** an action to contest the validity or enjoin the performance must be brought within thirty (30) days after the decision of the ~~state board of tax commissioners.~~ **county property tax control board.**

(j) If a redevelopment commission exercises an option to buy a leased facility from a lessor, the redevelopment commission may subsequently sell the leased facility, without regard to any other statute, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the redevelopment commission through auction, appraisal, or arms length negotiation. If the facility is sold at auction, after appraisal, or through negotiation, the redevelopment commission shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought within fifteen (15) days of the hearing.

SECTION 434. IC 36-7-14-27.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 27.5. (a) The redevelopment commission may borrow money in anticipation of receipt of the proceeds of taxes levied for the redevelopment district bond fund and not yet collected, and may evidence this borrowing by issuing warrants of the redevelopment district. However, the aggregate principal amount of warrants issued in anticipation of and payable from the same tax levy or levies may not exceed an amount equal to eighty percent (80%) of that tax levy or levies, as certified by the state board of tax commissioners, or as determined by multiplying the rate of tax as finally approved **by the redevelopment commission** by the total assessed valuation (after deducting all mortgage deductions) within the redevelopment district, as most recently certified by the county auditor.

(b) The warrants may be authorized and issued at any time after the tax or taxes in anticipation of which they are issued have been levied by the redevelopment commission. For purposes of this section, taxes for any year are considered to be levied upon adoption by the commission of a resolution prescribing the tax levies for the year. However, the warrants may not be delivered and paid for before final approval of the tax levy or levies by the ~~county board of tax adjustment~~ **redevelopment commission** or, if appealed, by the ~~state board of tax commissioners,~~ **county property tax control board under IC 6-1.1-17.5,** unless the issuance of the warrants has been approved by the ~~state board of tax commissioners.~~ **county property tax control board.**

(c) All action that this section requires or authorizes the

C o p y

redevelopment commission to take may be taken by resolution, which need not be published or posted. The resolution takes effect immediately upon its adoption by the redevelopment commission. An action to contest the validity of tax anticipation warrants may not be brought later than ten (10) days after the sale date.

(d) In their resolution authorizing the warrants, the redevelopment commission must provide that the warrants mature at a time or times not later than December 31 after the year in which the taxes in anticipation of which the warrants are issued are due and payable.

(e) In their resolution authorizing the warrants, the redevelopment commission may provide:

(1) the date of the warrants;
(2) the interest rate of the warrants;
(3) the time of interest payments on the warrants;
(4) the denomination of the warrants;
(5) the form either registered or payable to bearer, of the warrants;
(6) the place or places of payment of the warrants, either inside or outside the state;
(7) the medium of payment of the warrants;
(8) the terms of redemption, if any, of the warrants, at a price not exceeding par value and accrued interest;
(9) the manner of execution of the warrants; and
(10) that all costs incurred in connection with the issuance of the warrants may be paid from the proceeds of the warrants.

(f) The warrants shall be sold for not less than par value, after notice inviting bids has been published under IC 5-3-1. The redevelopment commission may also publish the notice in other newspapers or financial journals.

(g) Warrants and the interest on them are not subject to any limitation contained in section 25.1 of this chapter, and are payable solely from the proceeds of the tax levy or levies in anticipation of which the warrants were issued. The authorizing resolution must pledge a sufficient amount of the proceeds of the tax levy or levies to the payment of the warrants and the interest.

SECTION 435. IC 36-7-14-39 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 39. (a) As used in this section:

"Allocation area" means that part of a blighted area to which an allocation provision of a declaratory resolution adopted under section 15 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

C o p y

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the ~~state board of tax commissioners,~~ **department of state revenue,** as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a blighted area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the state board of tax commissioners, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a blighted area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development

C o p y

area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded portion of the area added after June 30, 1995.

(6) If an allocation area established in a blighted area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded portion of the area added after June 30, 1997.

Except as provided in section 39.3 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A declaratory resolution adopted under section 15 of this chapter before January 1, 2006, may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution before January 1, 2006, in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the blighted area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of

C o p y

the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into an allocation fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds which are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 27 of this chapter.

(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements in or serving that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 25.2 of this chapter.

(G) Reimburse the unit for expenditures made by it for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this chapter) in or serving that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility in or serving that allocation area under any lease entered into under IC 36-1-10.

(I) Pay all or a portion of a property tax replacement credit to taxpayers in an allocation area as determined by the redevelopment commission. This credit equals the amount

C o p y

determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of twenty percent (20%) of each county's total county tax levy payable that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; times

(B) the total amount of the taxpayer's property taxes levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 39.5 of this chapter in the same year.

(J) Pay expenses incurred by the redevelopment commission for local public improvements that are in the allocation area or serving the allocation area. Public improvements include buildings, parking facilities, and other items described in section 25.1(a) of this chapter.

(K) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the ~~state board of tax commissioners.~~ **department of state revenue.**

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

The allocation fund may not be used for operating expenses of the

Copy

commission.

(3) Except as provided in subsection (g), before July 15 of each year the commission shall do the following:

(A) Determine the amount, if any, by which the base assessed value when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2).

(B) Notify the county auditor of the amount, if any, of the amount of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1). The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (2) or lessors under section 25.3 of this chapter.

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the redevelopment commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

C o p y

(g) If any part of the allocation area is located in an enterprise zone created under IC 4-4-6.1, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. The amount sufficient for purposes specified in subsection (b)(2) for the year shall be determined based on the pro rata portion of such current property tax proceeds from the portion of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(2), except that where reference is made in subsection (b)(2) to allocation area it shall refer for purposes of payments from the special zone fund only to that portion of the allocation area that is also located in the enterprise zone. Those programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) The state board of accounts and ~~state board of tax commissioners~~ **department of state revenue** shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the ~~state board of tax commissioners~~ **appropriate county property tax control board** shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the redevelopment

C o p y

district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The ~~state board of tax commissioners~~ **county property tax control board** may prescribe procedures for county and township officials to follow to assist the ~~state~~ board in making the adjustments.

SECTION 436. IC 36-7-14.5-12.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12.5. (a) This section applies only to an authority in a county having a United States government military base that is scheduled for closing or is completely or partially inactive or closed.

(b) In order to accomplish the purposes set forth in section 11(b) of this chapter, an authority may create an economic development area:

(1) by following the procedures set forth in IC 36-7-14-41 for the establishment of an economic development area by a redevelopment commission; and

(2) with the same effect as if the economic development area was created by a redevelopment commission.

However, an authority may not include in an economic development area created under this section any area that was declared a blighted area, an urban renewal area, or an economic development area under IC 36-7-14.

(c) In order to accomplish the purposes set forth in section 11(b) of this chapter, an authority may do the following in a manner that serves an economic development area created under this section:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of economic development areas located within the corporate boundaries of the unit.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of economic development areas on the terms and conditions that the authority considers best for the unit and the unit's inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for redevelopment purposes.

(5) Repair and maintain structures acquired for redevelopment purposes.

C o p y

(6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.

(7) Survey or examine any land to determine whether the land should be included within an economic development area to be acquired for redevelopment purposes and to determine the value of that land.

(8) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any economic development area within the jurisdiction of the authority.

(9) Institute or defend in the name of the unit any civil action, but all actions against the authority must be brought in the circuit or superior court of the county where the authority is located.

(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the authority.

(11) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit subject to the same conditions and procedures that apply to the exercise of the power of eminent domain by a redevelopment commission under IC 36-7-14.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(13) Appoint clerks, guards, laborers, and other employees the authority considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(14) Prescribe the duties and regulate the compensation of employees of the authority.

(15) Provide a pension and retirement system for employees of the authority by using the public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(16) Discharge and appoint successors to employees of the authority subject to subdivision (13).

(17) Rent offices for use of the department or authority, or accept the use of offices furnished by the unit.

(18) Equip the offices of the authority with the necessary furniture, furnishings, equipment, records, and supplies.

C o p y

(19) Design, order, contract for, and construct, reconstruct, improve, or renovate the following:

(A) Any local public improvement or structure that is necessary for redevelopment purposes or economic development within the corporate boundaries of the unit.

(B) Any structure that enhances development or economic development.

(20) Contract for the construction, extension, or improvement of pedestrian skyways (as defined in IC 36-7-14-12.2(c)).

(21) Accept loans, grants, and other forms of financial assistance from, or contract with, the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(22) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the authority and the execution of the powers of the authority under this chapter.

(23) Take any action necessary to implement the purpose of the authority.

(24) Provide financial assistance, in the manner that best serves the purposes set forth in section 11(b) of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the unit.

(d) An authority may designate all or a portion of an economic development area created under this section as an allocation area by following the procedures set forth in IC 36-7-14-39 for the establishment of an allocation area by a redevelopment commission. The allocation provision may modify the definition of "property taxes" under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of designated taxpayers in accordance with the procedures applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3 applies to such a modification. An allocation area established by an authority under this section is a special taxing district authorized by the general assembly to enable the unit to provide special benefits to taxpayers in the allocation area by promoting economic development that is of public use and benefit. For allocation areas established for an economic development area created under this section after June 30, 1997, and to the expanded portion of an allocation area for an economic development area that was established before June 30, 1997, and that is expanded under this section after June 30, 1997, the net

Copy

assessed value of property that is assessed as residential property under the rules of the state board of tax commissioners, as finally determined for any assessment date, must be allocated. All of the provisions of IC 36-7-14-39, IC 36-7-14-39.1, and IC 36-7-14-39.5 apply to an allocation area created under this section, except that the authority shall be vested with the rights and duties of a commission as referenced in those sections, and except that, notwithstanding IC 36-7-14-39(b)(2), property tax proceeds paid into the allocation fund may be used by the authority only to do one (1) or more of the following:

(1) Pay the principal of and interest and redemption premium on any obligations incurred by the special taxing district or any other entity for the purpose of financing or refinancing military base reuse activities in or serving or benefitting that allocation area.

(2) Establish, augment, or restore the debt service reserve for obligations payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the authority (including lease rental revenues).

(3) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(4) Reimburse any other governmental body for expenditures made by it for local public improvements or structures in or serving or benefitting that allocation area.

(5) Pay all or a portion of a property tax replacement credit to taxpayers in an allocation area as determined by the authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of the twenty percent (20%) of each county's total county tax levy payable that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the total amount of the taxpayer's property taxes levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in

Copy

full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under IC 36-7-14-39.5 in the same year.

(6) Pay expenses incurred by the authority for local public improvements or structures that are in the allocation area or serving or benefiting the allocation area.

(7) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(A) in the allocation area; and

(B) on a parcel of real property that has been classified as industrial property under the rules of the ~~state board of tax commissioners.~~ **department of state revenue.**

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in clause (B). The reimbursements under this subdivision must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made. The allocation fund may not be used for operating expenses of the authority.

(e) In addition to other methods of raising money for property acquisition, redevelopment, or economic development activities in or directly serving or benefitting an economic development area created by an authority under this section, and in anticipation of the taxes allocated under subsection (d), other revenues of the authority, or any combination of these sources, the authority may, by resolution, issue the bonds of the special taxing district in the name of the unit. Bonds issued under this section may be issued in any amount without limitation. The following apply if such a resolution is adopted:

(1) The authority shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(2) The bonds must be executed by the appropriate officer of the unit and attested by the unit's fiscal officer.

(3) The bonds are exempt from taxation for all purposes.

(4) Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.

(5) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the authority:

C o p y

(A) from the tax proceeds allocated under subsection (d);
(B) from other revenues available to the authority; or
(C) from a combination of the methods stated in clauses (A) and (B).

(6) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(7) Laws relating to the filing of petitions requesting the issuance of bonds and the right of taxpayers to remonstrate against the issuance of bonds do not apply to bonds issued under this section.

(8) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(9) If bonds are issued under this chapter that are payable solely or in part from revenues to the authority from a project or projects, the authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority. The authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the authority that are payable solely from revenues of the authority shall contain a statement to that effect in the form of bond.

(f) Notwithstanding section 8(a) of this chapter, an ordinance adopted under section 11(b) of this chapter may provide, or be amended to provide, that the board of directors of the authority shall be composed of not fewer than three (3) nor more than seven (7) members, who must be residents of the unit appointed by the executive of the unit.

(g) The acquisition of real and personal property by an authority under this section is not subject to the provisions of IC 5-22, IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the purchase of property by public bodies or their agencies.

(h) An authority may negotiate for the sale, lease, or other disposition of real and personal property without complying with the provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other

C o p y

statute governing the disposition of public property.

(i) Notwithstanding any other law, utility services provided within an economic development area established under this section are subject to regulation by the appropriate regulatory agencies unless the utility service is provided by a utility that provides utility service solely within the geographic boundaries of an existing or a closed military installation, in which case the utility service is not subject to regulation for purposes of rate making, regulation, service delivery, or issuance of bonds or other forms of indebtedness. However, this exemption from regulation does not apply to utility service if the service is generated, treated, or produced outside the boundaries of the existing or closed military installation.

SECTION 437. IC 36-7-15.1-17.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 17.1. (a) A commission may enter into a lease of any property that may be financed with the proceeds of bonds issued under this chapter with a lessor for a term not to exceed fifty (50) years. The lease may provide for payments to be made by the commission from special benefits taxes levied under section 19 of this chapter, taxes allocated under section 26 of this chapter, any other revenue available to the commission, or any combination of these sources.

(b) A lease may provide that payments by the commission to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the commission only after a public hearing by the commission at which all interested parties are given the opportunity to be heard. Notice of the hearing must be given by publication in accordance with IC 5-3-1. After the public hearing, the commission may adopt a resolution authorizing the execution of the lease on behalf of the unit if it finds that the service to be provided throughout the term of the lease will serve the public purpose of the unit and is in the best interests of its residents. Any lease approved by a resolution of the commission must be approved by an ordinance of the fiscal body of the unit.

(d) Upon execution of a lease providing for payments by the commission in whole or in part from the levy of special benefits taxes under section 19 of this chapter and upon approval of the lease by the fiscal body, the commission shall publish notice of the execution of the lease and its approval in accordance with IC 5-3-1. Fifty (50) or more

Copy

taxpayers residing in the district who will be affected by the lease and who may be of the opinion that no necessity exists for the execution of the lease or that the payments provided for in the lease are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval. The petition must set forth the petitioners' names, addresses, and objections to the lease and the facts showing that the execution of the lease is unnecessary or unwise or that the payments provided for in the lease are not fair and reasonable, as the case may be. Upon the filing of the petition, the county auditor shall immediately certify a copy of it, together with such other data as may be necessary in order to present the questions involved, to the ~~state board of tax commissioners.~~ **county property tax control board.** Upon receipt of the certified petition and information, the ~~state board of tax commissioners~~ **county property tax control board** shall fix a time and place for the hearing in the redevelopment district, which must be not less than five (5) or more than thirty (30) days after the time for the hearing is fixed. Notice of the hearing shall be given by the ~~state board of tax commissioners~~ **county property tax control board** to the members of the fiscal body, to the commission, and to the first fifty (50) petitioners on the petition by a letter signed by one (1) member of the ~~state board of tax commissioners~~ **county property tax control board** and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the ~~state board of tax commissioners~~ **county property tax control board** on the appeal, upon the necessity for the execution of the lease and as to whether the payments under it are fair and reasonable, is final.

(e) A commission entering into a lease payable from allocated taxes under section 26 of this chapter or revenues or other available funds of the commission may:

(1) pledge the revenue to make payments under the lease pursuant to IC 5-1-14-4; and

(2) establish a special fund to make the payments.

Lease rentals may be limited to money in the special fund so that the obligations of the commission to make the lease rental payments are not considered a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(f) Except as provided in this section, no approvals of any governmental body or agency are required before the commission enters into a lease under this section.

(g) An action to contest the validity of the lease or to enjoin the

C o p y

performance of any of its terms and conditions must be brought within thirty (30) days after the publication of the notice of the execution and approval of the lease. However, if the lease is payable in whole or in part from tax levies and an appeal has been taken to the ~~state board of tax commissioners,~~ **county property tax control board,** an action to contest the validity or to enjoin performance must be brought within thirty (30) days after the decision of the state board of tax commissioners.

(h) If a commission exercises an option to buy a leased facility from a lessor, the commission may subsequently sell the leased facility, without regard to any other statute, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the commission through auction, appraisal, or arms length negotiation. If the facility is sold at auction, after appraisal, or through negotiation, the commission shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought within fifteen (15) days after the hearing.

SECTION 438. IC 36-7-15.1-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 26. (a) As used in this section:

"Allocation area" means that part of a blighted area to which an allocation provision of a resolution adopted under section 8 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the ~~state board of tax commissioners,~~ **department of state revenue,** as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a blighted area:

Copy

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the state board of tax commissioners, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a blighted area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded portion of the area added after June 30, 1995.

(6) If an allocation area established in a blighted area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded portion of the area added after June 30, 1997.

Except as provided in section 26.2 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage

C o p y

of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A resolution adopted under section 8 of this chapter before January 1, 2006, may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution before January 1, 2006, in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision that may not be more than thirty (30) years after the date on which the allocation provision is established. However, if bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the blighted area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

Copy

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 19 of this chapter.

(D) Pay the principal of and interest on bonds issued by the consolidated city to pay for local public improvements in that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 17.1 of this chapter.

(G) Reimburse the consolidated city for expenditures for local public improvements (which include buildings, parking facilities, and other items set forth in section 17 of this chapter) in that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility in that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the ~~state board of tax commissioners.~~ **department of state revenue.**

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

The special fund may not be used for operating expenses of the commission.

(3) Before July 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the base assessed value when multiplied by the estimated tax rate of the allocated area will exceed the amount of assessed value

C o p y

needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2) and subsection (g).

(B) Notify the county auditor of the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (2).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(2).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 4-4-6.1, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived

C o p y

from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(2). However, where reference is made in subsection (b)(2) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that portion of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and ~~state board of tax commissioners~~ **department of state revenue** shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the ~~state board of tax commissioners~~ **appropriate county property tax control board** shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(2) than would otherwise have been

C o p y

received if the general reassessment had not occurred. The ~~state board of tax commissioners~~ **county property tax control board** may prescribe procedures for county and township officials to follow to assist the ~~state~~ board in making the adjustments.

SECTION 439. IC 36-7-15.1-26.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 26.5. (a) As used in this section, "adverse determination" means a determination by the fiscal officer of the consolidated city that the granting of credits described in subsection (g) or (h) would impair any contract with or otherwise adversely affect the owners of outstanding bonds payable from the allocation area special fund.

(b) As used in this section, "allocation area" has the meaning set forth in section 26 of this chapter.

(c) As used in this section, "special fund" refers to the special fund into which property taxes are paid under section 26 of this chapter.

(d) As used in this section, "taxing district" has the meaning set forth in IC 6-1.1-1-20.

(e) Except as provided in subsections (g), (h), and (i), each taxpayer in an allocation area is entitled to an additional credit for property taxes that, under IC 6-1.1-22-9, are due and payable in May and November of that year. One-half (1/2) of the credit shall be applied to each installment of property taxes. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of twenty percent (20%) of each county's total county tax levy payable that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the total amount of the taxpayer's property taxes levied in the taxing district that would have been allocated to an allocation fund under section 26 of this chapter had the additional credit described in this section not been given.

The additional credit reduces the amount of proceeds allocated to the redevelopment district and paid into the special fund.

(f) The credit for property tax replacement under IC 6-1.1-21-5 and

Copy

the additional credits under subsections (e), (g), (h), and (i), unless the credits under subsections (g) and (h) are partial credits, shall be computed on an aggregate basis for all taxpayers in a taxing district that contains all or part of an allocation area. Except as provided in subsections (h) and (i), the credit for property tax replacement under IC 6-1.1-21-5 and the additional credits under subsections (e), (g), (h), and (i) shall be combined on the tax statements sent to each taxpayer.

(g) This subsection applies to an allocation area if allocated taxes from that area were pledged to bonds, leases, or other obligations of the commission before May 8, 1989. A credit calculated using the method provided in subsection (e) may be granted under this subsection. The credit provided under this subsection is first applicable for the allocation area for property taxes first due and payable in 1992. The following apply to the determination of the credit provided under this subsection:

(1) Before June 15 of each year, the fiscal officer of the consolidated city shall determine and certify the following:

(A) All amounts due in the following year to the owners of outstanding bonds payable from the allocation area special fund.

(B) All amounts that are:

(i) required under contracts with bond holders; and

(ii) payable from the allocation area special fund to fund accounts and reserves.

(C) An estimate of the amount of personal property taxes available to be paid into the allocation area special fund under section 26.9(c) of this chapter.

(D) An estimate of the aggregate amount of credits to be granted if full credits are granted.

(2) Before June 15 of each year, the fiscal officer of the consolidated city shall determine if the granting of the full amount of credits in the following year would impair any contract with or otherwise adversely affect the owners of outstanding bonds payable from the allocation area special fund.

(3) If the fiscal officer of the consolidated city determines under subdivision (2) that there would not be an impairment or adverse effect:

(A) the fiscal officer of the consolidated city shall certify the determination; and

(B) the full credits shall be applied in the following year, subject to the determinations and certifications made under section 26.7(b) of this chapter.

C o p y

(4) If the fiscal officer of the consolidated city makes an adverse determination under subdivision (2), the fiscal officer of the consolidated city shall determine whether there is an amount of partial credits that, if granted in the following year, would not result in the impairment or adverse effect. If the fiscal officer determines that there is an amount of partial credits that would not result in the impairment or adverse effect, the fiscal officer shall do the following:

(A) Determine the amount of the partial credits.

(B) Certify that determination.

(5) If the fiscal officer of the consolidated city certifies under subdivision (4) that partial credits may be paid, the partial credits shall be applied pro rata among all affected taxpayers in the following year.

(6) An affected taxpayer may appeal any of the following to the circuit or superior court of the county in which the allocation area is located:

(A) A determination by the fiscal officer of the consolidated city that:

(i) credits may not be paid in the following year; or

(ii) only partial credits may be paid in the following year.

(B) A failure by the fiscal officer of the consolidated city to make a determination by June 15 of whether full or partial credits are payable under this subsection.

(7) An appeal of a determination must be filed not later than thirty (30) days after the publication of the determination.

(8) An appeal of a failure by the fiscal officer of the consolidated city to make a determination of whether the credits are payable under this subsection must be filed by July 15 of the year in which the determination should have been made.

(9) All appeals under subdivision (6) shall be decided by the court within sixty (60) days.

(h) This subsection applies to an allocation area if allocated taxes from that area were pledged to bonds, leases, or other obligations of the commission before May 8, 1989. A credit calculated using the method in subsection (e) and in subdivision (2) of this subsection may be granted under this subsection. The following apply to the credit granted under this subsection:

(1) The credit is applicable to property taxes first due and payable in 1991.

(2) For purposes of this subsection, the amount of a credit for 1990 taxes payable in 1991 with respect to an affected taxpayer

C o p y

is equal to:

(A) the amount of the quotient determined under STEP TWO of subsection (e); multiplied by

(B) the total amount of the property taxes payable by the taxpayer that were allocated in 1991 to the allocation area special fund under section 26 of this chapter.

(3) Before June 15, 1991, the fiscal officer of the consolidated city shall determine and certify an estimate of the aggregate amount of credits for 1990 taxes payable in 1991 if the full credits are granted.

(4) The fiscal officer of the consolidated city shall determine whether the granting of the full amounts of the credits for 1990 taxes payable in 1991 against 1991 taxes payable in 1992 and the granting of credits under subsection (g) would impair any contract with or otherwise adversely affect the owners of outstanding bonds payable from the allocation area special fund for an allocation area described in subsection (g).

(5) If the fiscal officer of the consolidated city determines that there would not be an impairment or adverse effect under subdivision (4):

(A) the fiscal officer shall certify that determination; and

(B) the full credits shall be applied against 1991 taxes payable in 1992 or the amount of the credits shall be paid to the taxpayers as provided in subdivision (12), subject to the determinations and certifications made under section 26.7(b) of this chapter.

(6) If the fiscal officer of the consolidated city makes an adverse determination under subdivision (4), the fiscal officer shall determine whether there is an amount of partial credits for 1990 taxes payable in 1991 that, if granted against 1991 taxes payable in 1992 in addition to granting of the credits under subsection (g), would not result in the impairment or adverse effect.

(7) If the fiscal officer of the consolidated city determines under subdivision (6) that there is an amount of partial credits that would not result in the impairment or adverse effect, the fiscal officer shall determine the amount of partial credits and certify that determination.

(8) If the fiscal officer of the consolidated city certifies under subdivision (7) that partial credits may be paid, the partial credits shall be applied pro rata among all affected taxpayers against 1991 taxes payable in 1992.

(9) An affected taxpayer may appeal any of the following to the

C o p y

circuit or superior court of the county in which the allocation area is located:

(A) A determination by the fiscal officer of the consolidated city that:

(i) credits may not be paid for 1990 taxes payable in 1991; or

(ii) only partial credits may be paid for 1990 taxes payable in 1991.

(B) A failure by the fiscal officer of the consolidated city to make a determination by June 15, 1991, of whether credits are payable under this subsection.

(10) An appeal of a determination must be filed not later than thirty (30) days after the publication of the determination. Any such appeal shall be decided by the court within sixty (60) days.

(11) An appeal of a failure by the fiscal officer of the consolidated city to make a determination of whether credits are payable under this subsection must be filed by July 15, 1991. Any such appeal shall be decided by the court within sixty (60) days.

(12) If 1991 taxes payable in 1992 with respect to a parcel are billed to the same taxpayer to which 1990 taxes payable in 1991 were billed, the county treasurer shall apply to the tax bill for 1991 taxes payable in 1992 both the credit provided under subsection (g) and the credit provided under this subsection, along with any credit determined to be applicable to the tax bill under subsection (i). In the alternative, at the election of the county auditor, the county may pay to the taxpayer the amount of the credit by May 10, 1992, and the amount shall be charged to the taxing units in which the allocation area is located in the proportion of the taxing units' respective tax rates for 1990 taxes payable in 1991.

(13) If 1991 taxes payable in 1992 with respect to a parcel are billed to a taxpayer other than the taxpayer to which 1990 taxes payable in 1991 were billed, the county treasurer shall do the following:

(A) Apply only the credits under subsections (g) and (i) to the tax bill for 1991 taxes payable in 1992.

(B) Give notice by June 30, 1991, by publication two (2) times in three (3) newspapers in the county with the largest circulation of the availability of a refund of the credit under this subsection.

A taxpayer entitled to a credit must file an application for refund of the credit with the county auditor not later than November 30,

C o p y

1991.

(14) A taxpayer who files an application by November 30, 1991, is entitled to payment from the county treasurer in an amount that is in the same proportion to the credit provided under this subsection with respect to a parcel as the amount of 1990 taxes payable in 1991 paid by the taxpayer with respect to the parcel bears to the 1990 taxes payable in 1991 with respect to the parcel. This amount shall be paid to the taxpayer by May 10, 1992, and shall be charged to the taxing units in which the allocation area is located in the proportion of the taxing units' respective tax rates for 1990 taxes payable in 1991.

(i) This subsection applies to an allocation area if allocated taxes from that area were pledged to bonds, leases, or other obligations of the commission before May 8, 1989. The following apply to the credit granted under this subsection:

(1) A prior year credit is applicable to property taxes first due and payable in each year from 1987 through 1990 (the "prior years").

(2) The credit for each prior year is equal to:

(A) the amount of the quotient determined under STEP TWO of subsection (e) for the prior year; multiplied by

(B) the total amount of the property taxes paid by the taxpayer that were allocated in the prior year to the allocation area special fund under section 26 of this chapter.

(3) Before January 31, 1992, the county auditor shall determine the amount of credits under subdivision (2) with respect to each parcel in the allocation area for all prior years with respect to which:

(A) taxes were billed to the same taxpayer for taxes payable in each year from 1987 through 1991; or

(B) an application was filed by November 30, 1991, under subdivision (8) for refund of the credits for prior years.

A report of the determination by parcel shall be sent by the county auditor to the ~~state board of tax commissioners~~ **county property tax control board** and the budget agency within five (5) days of such determination.

(4) Before January 31, 1992, the county auditor shall determine the quotient of the amounts determined under subdivision (3) with respect to each parcel divided by six (6).

(5) Before January 31, 1992, the county auditor shall determine the quotient of the aggregate amounts determined under subdivision (3) with respect to all parcels divided by twelve (12).

(6) Except as provided in subdivisions (7) and (9), in each year in

C o p y

which credits from prior years remain unpaid, credits for the prior years in the amounts determined under subdivision (4) shall be applied as provided in this subsection.

(7) If taxes payable in the current year with respect to a parcel are billed to the same taxpayer to which taxes payable in all of the prior years were billed and if the amount determined under subdivision (3) with respect to the parcel is at least five hundred dollars ($500), the county treasurer shall apply the credits provided for the current year under subsections (g) and (h) and the credit in the amount determined under subdivision (4) to the tax bill for taxes payable in the current year. However, if the amount determined under subdivision (3) with respect to the parcel is less than five hundred dollars ($500) (referred to in this subdivision as "small claims"), the county may, at the election of the county auditor, either apply a credit in the amount determined under subdivision (3) or subdivision (4) to the tax bill for taxes payable in the current year or pay either amount to the taxpayer. If title to a parcel transfers in a year in which a credit under this subsection is applied to the tax bill, the transferor may file an application with the county auditor within thirty (30) days of the date of the transfer of title to the parcel for payments to the transferor at the same times and in the same amounts that would have been allowed as credits to the transferor under this subsection if there had not been a transfer. If a determination is made by the county auditor to refund or credit small claims in the amounts determined under subdivision (3) in 1992, the county auditor may make appropriate adjustments to the credits applied with respect to other parcels so that the total refunds and credits in any year will not exceed the payments made from the state property tax replacement fund to the prior year credit fund referred to in subdivision (11) in that year.

(8) If taxes payable in the current year with respect to a parcel are billed to a taxpayer that is not a taxpayer to which taxes payable in all of the prior years were billed, the county treasurer shall do the following:

(A) Apply only the credits under subsections (g) and (h) to the tax bill for taxes payable in the current year.

(B) Give notice by June 30, 1991, by publication two (2) times in three (3) newspapers in the county with the largest circulation of the availability of a refund of the credit.

A taxpayer entitled to the credit must file an application for refund of the credit with the county auditor not later than

C o p y

November 30, 1991. A refund shall be paid to an eligible applicant by May 10, 1992.

(9) A taxpayer who filed an application by November 30, 1991, is entitled to payment from the county treasurer under subdivision (8) in an amount that is in the same proportion to the credit determined under subdivision (3) with respect to a parcel as the amount of taxes payable in the prior years paid by the taxpayer with respect to the parcel bears to the taxes payable in the prior years with respect to the parcel.

(10) In each year on May 1 and November 1, the state shall pay to the county treasurer from the state property tax replacement fund the amount determined under subdivision (5).

(11) All payments received from the state under subdivision (10) shall be deposited into a special fund to be known as the prior year credit fund. The prior year credit fund shall be used to make:

(A) payments under subdivisions (7) and (9); and

(B) deposits into the special fund for the application of prior year credits.

(12) All amounts paid into the special fund for the allocation area under subdivision (11) are subject to any pledge of allocated property tax proceeds made by the redevelopment district under section 26(d) of this chapter, including but not limited to any pledge made to owners of outstanding bonds of the redevelopment district of allocated taxes from that area.

(13) By January 15, 1993, and by January 15 of each year thereafter, the county auditor shall send to the ~~state board of tax commissioners~~ **county property tax control board** and the budget agency a report of the receipts, earnings, and disbursements of the prior year credit fund for the prior calendar year. If in the final year that credits under subsection (i) are allowed any balance remains in the prior year credit fund after the payment of all credits payable under this subsection, such balance shall be repaid to the treasurer of state for deposit in the property tax replacement fund.

(14) In each year, the county shall limit the total of all refunds and credits provided for in this subsection to the total amount paid in that year from the property tax replacement fund into the prior year credit fund and any balance remaining from the preceding year in the prior year credit fund.

SECTION 440. IC 36-7-15.1-26.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 26.7. (a) The definitions set forth in section 26.5 of this chapter apply to this section.

C o p y

(b) Between November 15 and December 1 of each year following 1990, the fiscal officer of the consolidated city shall confirm the determinations and certifications required under section 26.5(g) and 26.5(h) of this chapter for the year. The determinations and certifications made for a year under this subsection govern the application of credits in the following year.

(c) An affected taxpayer may appeal any of the following in the circuit or superior court of the county in which the allocation area is located:

(1) A determination by the fiscal officer of the consolidated city under subsection (b) that:

(A) credits may not be paid in the following year: or

(B) only partial credits may be paid in the following year.

(2) A failure by the fiscal officer of the consolidated city to make, within the time required under subsection (b), a determination of whether credits are payable.

(d) An appeal under subsection (c) of a determination must be made not later than thirty (30) days after the date of publication of the determination. An appeal under subsection (c) of a failure by the fiscal officer of the consolidated city to make a determination of whether the credits are payable must be filed not later than December 31 of the year in which the determination should have been made under subsection (b). Any appeal under subsection (c) shall be decided by the court within sixty (60) days.

(e) All certifications made under this section or under section 26.5 of this chapter shall be made to the commission, county auditor, county treasurer, ~~state board of tax commissioners,~~ **county property tax control board,** and the budget agency.

SECTION 441. IC 36-7-15.1-26.9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 26.9. (a) The definitions set forth in section 26.5 of this chapter apply to this section.

(b) The fiscal officer of the consolidated city shall publish in the newspaper in the county with the largest circulation all determinations made under section 26.5 or 26.7 of this chapter that result in the allowance or disallowance of credits. The publication of a determination made under section 26.5 of this chapter shall be made not later than June 20 of the year in which the determination is made. The publication of a determination made under section 26.7 of this chapter shall be made not later than December 5 of the year in which the determination is made.

(c) If credits are granted under section 26.5(g) or 26.5(h) of this chapter, whether in whole or in part, property taxes on personal

Copy

property (as defined in IC 6-1.1-1-11) that are equal to the aggregate amounts of the credits for all taxpayers in the allocation area under section 26.5(g) and 26.5(h) of this chapter shall be:

(1) allocated to the redevelopment district;

(2) paid into the special fund for that allocation area; and

(3) used for the purposes specified in section 26 of this chapter.

(d) The county auditor shall adjust the estimate of assessed valuation that the auditor certifies under IC 6-1.1-17-1 for all taxing units in which the allocation area is located. The county auditor may amend this adjustment at any time before the earliest date a taxing unit must publish the unit's proposed property tax rate under IC 6-1.1-17-3 in the year preceding the year in which the credits under section 26.5(g) or 26.5(h) of this chapter are paid. The auditor's adjustment to the assessed valuation shall be:

(1) calculated to produce an estimated assessed valuation that will offset the effect that paying personal property taxes into the allocation area special fund under subsection (c) would otherwise have on the ability of a taxing unit to achieve the taxing unit's tax levy in the following year; and

(2) used by the county ~~board of tax adjustment,~~ **property tax control board,** the state board of tax commissioners, and each taxing unit in determining each taxing unit's tax rate and tax levy in the following year.

(e) The amount by which a taxing unit's levy is adjusted as a result of the county auditor's adjustment of assessed valuation under subsection (d), and the amount of the levy that is used to make direct payments to taxpayers under section 26.5(h) of this chapter, is not part of the total county tax levy under IC 6-1.1-21-2(g) and is not subject to IC 6-1.1-20.

(f) The ad valorem property tax ~~levy~~ **rate** limits imposed by IC 6-1.1-18.5-3 and IC 6-1.1-19-1.5 do not apply to ad valorem property taxes imposed that are used to offset the effect of paying personal property taxes into an allocation area special fund during the taxable year under subsection (d) or to make direct payments to taxpayers under section 26.5(h) of this chapter. For purposes of computing the ad valorem property tax ~~levy~~ **rate** limits imposed under IC 6-1.1-18.5-3 and IC 6-1.1-19-1.5, a taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed to offset the effect of paying personal property taxes into an allocation area special fund under subsection (d) or to make direct payments to taxpayers under section 26.5(h) of this chapter.

(g) Property taxes on personal property that are deposited in the

Copy

allocation area special fund:

(1) are subject to any pledge of allocated property tax proceeds made by the redevelopment district under section 26(d) of this chapter, including but not limited to any pledge made to owners of outstanding bonds of the redevelopment district of allocated taxes from that area; and

(2) may not be treated as property taxes used to pay interest or principal due on debt under IC 6-1.1-21-2(g)(1)(D).

SECTION 442. IC 36-7-29-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 16. (a) District bonds may be issued by a board under this chapter without following any procedures set forth in any other statute except that the board must:

(1) adopt a bond resolution after a public hearing following public notice of the hearing published in accordance with IC 5-3-1;

(2) publish notice of the determination to issue district bonds in accordance with IC 6-1.1-20-5;

(3) obtain the approval for the appropriation of the proceeds of the district bonds as set forth in IC 6-1.1-18-5 if the appropriation is an additional appropriation; and

(4) obtain the approval of the ~~state board of tax commissioners~~ **county property tax control board** for a tax levy under IC 6-1.1-18.5-8.

(b) The bond resolution must contain a finding that substance removal or remedial action at the qualified site will be of public utility and benefit because the conditions at the qualified site are detrimental to the social and economic interests of the district.

SECTION 443. IC 36-7-30-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 25. (a) The following definitions apply throughout this section:

(1) "Allocation area" means that part of a military base reuse area to which an allocation provision of a declaratory resolution adopted under section 10 of this chapter refers for purposes of distribution and allocation of property taxes.

(2) "Base assessed value" means:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the adoption date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A) or (C), the net assessed value of any and all parcels or classes of parcels identified as part of the base assessed value in the declaratory resolution or an amendment thereto, as finally determined for

Copy

any subsequent assessment date; plus

(C) to the extent that it is not included in clause (A) or (B), the net assessed value of property that is assessed as residential property under the rules of the state board of tax commissioners, as finally determined for any assessment date after the effective date of the allocation provision.

Clause (C) applies only to allocation areas established in a military reuse area after June 30, 1997, and to the portion of an allocation area that was established before June 30, 1997, and that is added to an existing allocation area after June 30, 1997.

(3) "Property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A declaratory resolution adopted under section 10 of this chapter before the date set forth in IC 36-7-14-39(b) pertaining to declaratory resolutions adopted under IC 36-7-14-15 may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution in accordance with the procedures set forth in section 13 of this chapter. The allocation provision may apply to all or part of the military base reuse area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivision (1) shall be allocated to the military base reuse district and, when collected, paid into an allocation fund for that allocation area that may be used by the military base reuse district and only to do one (1) or more of the following:

(A) Pay the principal of and interest and redemption premium on any obligations incurred by the military base reuse district or any other entity for the purpose of financing or refinancing

C o p y

military base reuse activities in or directly serving or benefiting that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the reuse authority, including lease rental revenues.

(C) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(D) Reimburse any other governmental body for expenditures made for local public improvements (or structures) in or directly serving or benefiting that allocation area.

(E) Pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the reuse authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(i) that part of the twenty percent (20%) of each county's total county tax levy payable that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(ii) the STEP ONE sum.

STEP THREE: Multiply:

(i) the STEP TWO quotient; times

(ii) the total amount of the taxpayer's property taxes levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 27 of this chapter in the same year.

(F) Pay expenses incurred by the reuse authority for local public improvements or structures that were in the allocation area or directly serving or benefiting the allocation area.

(G) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

Copy

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the ~~state board of tax commissioners.~~ **department of state revenue.**

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made not more than three (3) years after the date on which the investments that are the basis for the increment financing are made.

The allocation fund may not be used for operating expenses of the reuse authority.

(3) Except as provided in subsection (g), before July 15 of each year the reuse authority shall do the following:

(A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (2) plus the amount necessary for other purposes described in subdivision (2).

(B) Notify the county auditor of the amount, if any, of the amount of excess property taxes that the reuse authority has determined may be paid to the respective taxing units in the manner prescribed in subdivision (1). The reuse authority may not authorize a payment to the respective taxing units under this subdivision if to do so would endanger the interest of the holders of bonds described in subdivision (2) or lessors under section 19 of this chapter. Property taxes received by a taxing unit under this subdivision are eligible for the property tax replacement credit provided under IC 6-1.1-21.

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by a taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the military base reuse district under subsection (b)(2) may, subject to subsection (b)(3), be irrevocably pledged by the military base reuse district for payment as set forth in subsection (b)(2).

C o p y

(e) Notwithstanding any other law, each assessor shall, upon petition of the reuse authority, reassess the taxable property situated upon or in or added to the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and the making of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 4-4-6.1, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish an allocation fund for the purposes specified in subsection (b)(2) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(2) for the year. The amount sufficient for purposes specified in subsection (b)(2) for the year shall be determined based on the pro rata part of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that does not have obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(2) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) that are derived from property in the enterprise zone in the fund. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(2), except that where reference is made in subsection (b)(2) to allocation area it shall refer for purposes of payments from the special zone fund only to that portion of the allocation area that is also located in the enterprise zone. The programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

C o p y

(h) After each general reassessment under IC 6-1.1-4, the ~~state board of tax commissioners~~ **appropriate county property tax control board** shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the military base reuse district under this section. However, the adjustment may not include the effect of property tax abatements under IC 6-1.1-12.1, and the adjustment may not produce less property tax proceeds allocable to the military base reuse district under subsection (b)(2) than would otherwise have been received if the general reassessment had not occurred. The ~~state board of tax commissioners~~ **county property tax control board** may prescribe procedures for county and township officials to follow to assist the state board in making the adjustments.

SECTION 444. IC 36-8-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) If the local board determines that the total amount of money available for a year will be insufficient to pay the benefits, pensions, and retirement allowances the local board is obligated to pay under this chapter, the local board shall, before the date on which the budget of the municipality is adopted, prepare an itemized estimate in the form prescribed by the state board of accounts of the amount of money that will be receipted into and disbursed from the 1925 fund during the next fiscal year. The estimated receipts consist of the items enumerated in section 4(a) of this chapter. The estimated disbursements consist of an estimate of the amount of money that will be needed by the local board during the next fiscal year to defray the expenses and obligations incurred and that will be incurred by the local board in making the payments prescribed by this chapter to retired members, to members who are eligible to and expect to retire during the ensuing fiscal year, and to the dependents of deceased members.

(b) The local board may provide in its annual budget and pay all necessary expenses of operating the 1925 fund, including the payment of all costs of litigation and attorney fees arising in connection with the fund, as well as the payment of benefits and pensions. Notwithstanding any other law, neither the municipal legislative body ~~the county board of tax adjustment,~~ nor the ~~state board of tax commissioners~~ **county property tax control board** may reduce an item of expenditure.

(c) At the time when the estimates are prepared and submitted, the local board shall also prepare and submit a certified statement showing:

(1) the name, age, and date of retirement of each retired member and the monthly and yearly amount of the payment to which the retired member is entitled;

C o p y

(2) the name and age of each member who is eligible to and expects to retire during the next fiscal year, the date on which the member expects to retire, and the monthly and yearly amount of the payment that the member will be entitled to receive; and

(3) the name and age of each dependent, the date on which the dependent became a dependent, the date on which the dependent will cease to be a dependent by reason of his attaining the age at which dependents cease to be dependents, and the monthly and yearly amount of the payment to which the dependent is entitled.

(d) The total receipts shall be deducted from the total expenditures stated in the itemized estimate and the amount of the excess of the estimated expenditures over the estimated receipts shall be paid by the municipality in the same manner as other expenses of the municipality are paid. A tax levy shall be made annually for this purpose, as provided in subsection (e). The estimates submitted shall be prepared and filed in the same manner and form and at the same time that estimates of other municipal offices and departments are prepared and filed.

(e) The municipal legislative body shall levy an annual tax in the amount and at the rate that are necessary to produce the revenue to pay that part of the police pensions that the municipality is obligated to pay. All money derived from the levy is for the exclusive use of the police pensions and benefits. The amounts in the estimated disbursements, if found to be correct and in conformity with the data submitted in the certified statement, are a binding obligation upon the municipality. The legislative body shall make a levy for them that will yield an amount equal to the estimated disbursements, less the amount of the estimated receipts. Notwithstanding any other law, ~~neither the county board of tax adjustment nor~~ the ~~state board of tax commissioners~~ **county property tax control board** may **not** reduce the levy.

SECTION 445. IC 36-8-7-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 14. (a) The local board shall meet annually and prepare an itemized estimate, in the form prescribed by the state board of accounts, of the amount of money that will be receipted into and disbursed from the 1937 fund during the next fiscal year. The estimated receipts consist of the items enumerated in section 8 of this chapter. The estimated disbursements must be divided into two (2) parts, designated as part 1 and part 2.

(b) Part 1 of the estimated disbursements consists of an estimate of the amount of money that will be needed by the local board during the next fiscal year to defray the expenses and obligations incurred and that will be incurred by the local board in making the payments prescribed

C o p y

by this chapter to retired members, to members who are eligible to and expect to retire during the next fiscal year, and to the dependents of deceased members. Part 2 of the estimated disbursements consists of an estimate of the amount of money that will be needed to pay death benefits and other expenditures that are authorized or required by this chapter.

(c) At the time when the estimates are prepared and submitted, the local board shall also prepare and submit a certified statement showing the following:

(1) The name, age, and date of retirement of each retired member and the monthly and yearly amount of the payment to which the retired member is entitled.

(2) The name and age of each member who is eligible to and expects to retire during the next fiscal year, the date on which the member expects to retire, and the monthly and yearly amount of the payment that the member will be entitled to receive.

(3) The name and the age of each dependent, the date on which the dependent became a dependent, the date on which the dependent will cease to be a dependent by reason of attaining the age at which dependents cease to be dependents, and the monthly and yearly amount of the payment to which the dependent is entitled.

(4) The amount that would be required for the next fiscal year to maintain level cost funding during the active fund members' employment on an actuarial basis.

(5) The amount that would be required for the next fiscal year to amortize accrued liability for active members, retired members, and dependents over a period determined by the local board, but not to exceed forty (40) years.

(d) The total receipts shall be deducted from the total expenditures as listed in the itemized estimate. The amount of the excess of the estimated expenditures over the estimated receipts shall be paid by the unit in the same manner as other expenses of the unit are paid, and an appropriation shall be made annually for that purpose. The estimates submitted shall be prepared and filed in the same manner and form and at the same time that estimates of other offices and departments of the unit are prepared and filed.

(e) The estimates shall be made a part of the annual budget of the unit. When revising the estimates, the executive, the fiscal officer, and other fiduciary officers may not reduce the items in part 1 of the estimated disbursements.

(f) The unit's fiscal body shall make the appropriations necessary to

C o p y

pay that proportion of the budget of the 1937 fund that the unit is obligated to pay under subsection (d). In addition, the fiscal body may make appropriations for purposes of subsection (c)(4), (c)(5), or both. All appropriations shall be made to the local board for the exclusive use of the 1937 fund. The amounts listed in part 1 of the estimated disbursements, if found to be correct and in conformity with the data submitted in the certified statement, are a binding obligation upon the unit. Notwithstanding any other law, ~~neither the county board of tax adjustment nor~~ the ~~state board of tax commissioners~~ **county property tax control board** may **not** reduce the appropriations made to pay the amount equal to estimated disbursements minus estimated receipts.

SECTION 446. IC 36-8-7-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 22. The 1937 fund may not be, either before or after an order for distribution to members of the fire department or to the surviving spouses or guardians of a child or children of a deceased, disabled, or retired member, held, seized, taken, subjected to, detained, or levied on by virtue of an attachment, execution, judgment, writ, interlocutory or other order, decree, or process, or proceedings of any nature issued out of or by a court in any state for the payment or satisfaction, in whole or in part, of a debt, damages, demand, claim, judgment, fine, or amercement of the member or his surviving spouse or children. The 1937 fund shall be kept and distributed only for the purpose of pensioning the persons named in this chapter. The local board may, however, annually expend an amount from the 1937 fund that it considers proper for the necessary expenses connected with the fund. Notwithstanding any other law, neither the fiscal body ~~the county board of tax adjustment,~~ nor the ~~state board of tax commissioners~~ **county property tax control board** may reduce these expenditures.

SECTION 447. IC 36-8-7.5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 10. (a) If the local board determines that the total amount of money available for a year will be insufficient to pay the benefits, pensions, and retirement allowances the local board is obligated to pay under this chapter, the local board shall, before the date on which the budget of the police special service district is adopted, prepare an itemized estimate in the form prescribed by the state board of accounts of the amount of money that will be receipted into and disbursed from the 1953 fund during the next fiscal year. The estimated receipts consist of the items enumerated in section 8 of this chapter. The estimated disbursements consist of an estimate of the amount of money that will be needed by the local board during the next fiscal year to defray the expenses and obligations

C o p y

incurred and that will be incurred by the local board in making the payments prescribed by this chapter to retired members, to members who are eligible and expect to retire during the ensuing fiscal year, and to the dependents of deceased members.

(b) At the time when the estimates are prepared and submitted, the local board shall also prepare and submit a certified statement showing:

(1) the estimated number of beneficiaries from the 1953 fund during the ensuing fiscal year in each of the various classifications of beneficiaries as prescribed in this chapter, and the names and amount of benefits being paid to those actively on the list of beneficiaries at that time;

(2) the name, age, and length of service of each member of the police department who is eligible to and expects to retire during the ensuing fiscal year, and the monthly and yearly amounts of the payment that the member will be entitled to receive;

(3) the name and age of each dependent of a member of the police department who is then receiving benefits, the date on which the dependent commenced drawing benefits, and the date on which the dependent will cease to be a dependent by reason of his attaining the age limit prescribed by this chapter, and the monthly and yearly amounts of the payments to which each of the dependents is entitled.

(c) After the amounts of receipts and disbursements shown in the itemized estimate are fixed and approved by the executive, fiscal officer, legislative body and other bodies, as provided by law for other municipal funds, the total receipts shall be deducted from the total expenditures stated in the itemized estimate, and the amount of the excess shall be paid by the police special service district in the same manner as other expenses of the district are paid. The legislative body shall levy a tax and the money derived from the levy shall, when collected, be credited exclusively to the 1953 fund. The tax shall be levied in the amount and at the rate that is necessary to produce sufficient revenue to equal the deficit. Notwithstanding any other law, ~~neither the county board of tax adjustment nor~~ the ~~state board of tax commissioners~~ **county property tax control board** may **not** reduce the tax levy.

SECTION 448. IC 36-8-11-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 18. (a) The board shall annually budget the necessary money to meet the expenses of operation and maintenance of the district, including repairs, fees, salaries, depreciation on all depreciable assets, rents, supplies, contingencies, bond redemption, and all other expenses lawfully

C o p y

incurred by the district. After estimating expenses and receipts of money, the board shall establish the tax levy required to fund the estimated budget.

(b) The budget must be approved by the fiscal body of the county ~~the county board of tax adjustment,~~ and **reviewed by** the ~~state board of tax commissioners.~~ **county property tax control board.**

(c) ~~Upon approval~~ **After final review** by the ~~state board of tax commissioners,~~ **county property tax control board,** the board shall certify the approved tax levy to the auditor of the county having land within the district. The auditor shall have the levy entered on the county treasurer's tax records for collection. After collection of the taxes the auditor shall issue his warrant on the treasurer to transfer the revenues collected to the board, as provided by statute.

SECTION 449. IC 36-8-11-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 19. The ~~state board of tax commissioners,~~ **county property tax control board,** when approving a rate and levy fixed by the board, shall verify that a duplication of tax levies does not exist between a fire protection district and a municipality or township within the boundaries of the district, so that taxpayers do not bear two (2) levies for the same service, except as provided by section 20 of this chapter.

SECTION 450. IC 36-8-11-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 26. After a sufficient appropriation for the purchase of firefighting apparatus and equipment, including housing, is made and is available, the district's fiscal officer, with the approval of the board and the county fiscal body, may purchase the firefighting apparatus and equipment for the district on an installment conditional sale or mortgage contract running for a period not exceeding:

(1) six (6) years; or

(2) fifteen (15) years for a district that:

(A) has a total assessed value of twenty million dollars ($20,000,000) or less, as determined by the ~~state board of tax commissioners;~~ **county property tax control board;** and

(B) is purchasing the firefighting equipment with funding from the:

(i) state or its instrumentalities; or

(ii) federal government or its instrumentalities.

The purchase shall be amortized in equal or approximately equal installments payable on January 1 and July 1 each year.

SECTION 451. IC 36-8-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. (a) The executive

C o p y

of a township, with the approval of the legislative body, may do the following:

(1) Purchase firefighting and emergency services apparatus and equipment for the township, provide for the housing, care, maintenance, operation, and use of the apparatus and equipment to provide services within the township but outside the corporate boundaries of municipalities, and employ full-time or part-time personnel to operate the apparatus and equipment and to provide services in that area.

(2) Contract with a municipality in the township or in a contiguous township that maintains adequate firefighting or emergency services apparatus and equipment to provide fire protection or emergency services for the township in accordance with IC 36-1-7.

(3) Cooperate with a municipality in the township or in a contiguous township in the purchase, maintenance, and upkeep of firefighting or emergency services apparatus and equipment for use in the municipality and township in accordance with IC 36-1-7.

(4) Contract with a volunteer fire company that has been organized to fight fires in the township for the use and operation of firefighting apparatus and equipment that has been purchased by the township in order to save the private and public property of the township from destruction by fire, including use of the apparatus and equipment in an adjoining township by the company if the company has made a contract with the executive of the adjoining township for the furnishing of firefighting service within the township.

(5) Contract with a volunteer fire company that maintains adequate firefighting service in accordance with IC 36-8-12.

(b) This subsection applies only to townships that provide fire protection or emergency services or both under subsection (a)(1) and to municipalities that have all municipal territory completely within a township and do not have a full-time paid fire department. A township may provide fire protection or emergency services or both without contracts inside the corporate boundaries of the municipalities if before July 1 of a year the following occur:

(1) The legislative body of the municipality adopts an ordinance to have the township provide the services without a contract.

(2) The township legislative body passes a resolution approving the township's provision of the services without contracts to the municipality.

C o p y

In a township providing services to a municipality under this section, the legislative body of either the township or a municipality in the township may opt out of participation under this subsection by adopting an ordinance or a resolution, respectively, before July 1 of a year.

(c) This subsection applies only to a township that:

(1) is located in a county containing a consolidated city;

(2) has at least three (3) included towns (as defined in IC 36-3-1-7) that have all municipal territory completely within the township on January 1, 1996; and

(3) provides fire protection or emergency services, or both, under subsection (a)(1);

and to included towns (as defined in IC 36-3-1-7) that have all the included town's municipal territory completely within the township. A township may provide fire protection or emergency services, or both, without contracts inside the corporate boundaries of the municipalities if before August 1 of the year preceding the first calendar year to which this subsection applies the township legislative body passes a resolution approving the township's provision of the services without contracts to the municipality. The resolution must identify the included towns to which the resolution applies. In a township providing services to a municipality under this section, the legislative body of the township may opt out of participation under this subsection by adopting a resolution before July 1 of a year. A copy of a resolution adopted under this subsection shall be submitted to the executive of each included town covered by the resolution, **the** county auditor, and **the** ~~state board of tax commissioners.~~ **county property tax control board.**

SECTION 452. IC 36-8-13-4.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4.6. (a) For townships and municipalities that elect to have the township provide fire protection and emergency services under section 3(b) of this chapter, the ~~state board of tax commissioners~~ **county property tax control board** shall adjust each township's and each municipality's maximum permissible levy in the year following the year in which the change is elected, as determined under IC 6-1.1-18.5-3, to reflect the change from providing fire protection under a contract between the municipality and the township to allowing the township to impose a property tax levy on the taxable property located within the corporate boundaries of each municipality. Each municipality's maximum permissible property tax levy shall be reduced by the amount of the municipality's property tax levy that was imposed by the municipality to meet the obligations to the township under the fire protection contract. The township's maximum permissible property tax levy shall

C o p y

be increased by the product of:

(1) one and five-hundredths (1.05); multiplied by

(2) the amount the township received:

(A) in the year in which the change is elected; and

(B) as fire protection contract payments from all municipalities whose levy is decreased under this section.

(b) For purposes of determining a township's or municipality's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5-3 for years following the first year after the year in which the change is elected, a township's or municipality's maximum permissible ad valorem property tax levy is the levy after the adjustment made under subsection (a).

SECTION 453. IC 36-8-13-4.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4.7. (a) For a township that elects to have the township provide fire protection and emergency services under section 3(c) of this chapter, the ~~state board of tax commissioners~~ **county property tax control board** shall adjust the township's maximum permissible levy in the year following the year in which the change is elected, as determined under IC 6-1.1-18.5-3, to reflect the change from providing fire protection or emergency services under a contract between the municipality and the township to allowing the township to impose a property tax levy on the taxable property located within the corporate boundaries of each municipality. For the ensuing calendar year, the township's maximum permissible property tax levy shall be increased by the product of:

(1) one and five-hundredths (1.05); multiplied by

(2) the amount the township contracted or billed to receive, regardless of whether the amount was collected:

(A) in the year in which the change is elected; and

(B) as fire protection or emergency service payments from the municipalities or residents of the municipalities covered by the election under section 3(c) of this chapter.

The maximum permissible levy for a general fund or other fund of a municipality covered by the election under section 3(c) of this chapter shall be reduced for the ensuing calendar year to reflect the change to allowing the township to impose a property tax levy on the taxable property located within the corporate boundaries of the municipality. The total reduction in the maximum permissible levies for all electing municipalities must equal the amount that the maximum permissible levy for the township is increased under this subsection for contracts or billings, regardless of whether the amount was collected, less the amount actually paid from sources other than property tax revenue.

C o p y

(b) For purposes of determining a township's and each municipality's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5-3 for years following the first year after the year in which the change is elected, a township's and each municipality's maximum permissible ad valorem property tax levy is the levy after the adjustment made under subsection (a).

(c) The township may use the amount of a maximum permissible property tax levy computed under this section in setting budgets and property tax levies for any year in which the election in section 3(c) of this chapter is in effect. A county **property tax control** board ~~of tax adjustment~~ may not reduce a budget or tax levy solely because the budget or levy is based on the maximum permissible property tax levy computed under this section.

(d) Section 4.6 of this chapter does not apply to a property tax levy or a maximum property tax levy subject to this section.

SECTION 454. IC 36-8-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. After a sufficient appropriation has been made and approved and is available for the purchase of firefighting apparatus and equipment, including housing, the township executive, with the approval of the township legislative body, may purchase it for the township on an installment conditional sale or mortgage contract running for a period not exceeding:

(1) six (6) years; or

(2) fifteen (15) years for a township that:

(A) has a total assessed value of twenty million dollars ($20,000,000) or less, as determined by the ~~state board of tax commissioners;~~ **county property tax control board;** and

(B) is purchasing the firefighting equipment with funding from the:

(i) state or its instrumentalities; or

(ii) federal government or its instrumentalities.

The purchase shall be amortized in equal or approximately equal installments payable on January 1 and July 1 each year.

SECTION 455. IC 36-8-13-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6.5. (a) If the executive and the legislative body determine that money should be borrowed under section 6 of this chapter, not less than ten (10) taxpayers in the township who disagree with the determination may file a petition in the office of the county auditor not more than thirty (30) days after notice of the determination is given. The petition must state the taxpayers' objections and the reasons why the taxpayers believe the borrowing to be unnecessary or unwise.

C o p y

(b) The county auditor shall immediately certify a copy of the petition, together with other data necessary to present the questions involved, to the ~~state board of tax commissioners.~~ **county property tax control board.** Upon receipt of the certified petition and other data, the ~~state board of tax commissioners~~ **county property tax control board** shall fix a time and place for the hearing of the matter. The hearing shall be held not less than five (5) and not more than thirty (30) days after the receipt of the certified documents.

(c) The hearing shall be held in the county where the petition arose.

(d) Notice of the hearing shall be given by the ~~state board of tax commissioners~~ **county property tax control board** to the township and to the first ten (10) taxpayer petitioners listed on the petition by letter. The letter shall be sent to the first ten (10) taxpayer petitioners at the taxpayer's usual place of residence at least five (5) days before the date of the hearing. The decision by the ~~state board of tax commissioners~~ **county property tax control board** on the objections presented in the petition is final.

SECTION 456. IC 36-8-15-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 19. (a) This subsection applies to a county not having a consolidated city. For the purpose of raising money to fund the operation of the district, the county fiscal body may impose, for property taxes first due and payable during each year after the adoption of an ordinance establishing the district, an ad valorem property tax levy on property within the district. The property tax rate for that levy may not exceed fifteen cents ($0.15) on each one hundred dollars ($100) of assessed valuation.

(b) This subsection applies to a county having a consolidated city. The county fiscal body may elect to fund the operation of the district from part of the certified distribution, if any, that the county is to receive during a particular calendar year under IC 6-3.5-6-17. To make such an election, the county fiscal body must adopt an ordinance before September 1 of the immediately preceding calendar year. The county fiscal body must specify in the ordinance the amount of the certified distribution that is to be used to fund the operation of the district. If the county fiscal body adopts such an ordinance, it shall immediately send a copy of the ordinance to the county auditor.

(c) Subject to subsections (d), (e), and (f), if an ordinance or resolution is adopted changing the territory covered by the district or the number of public agencies served by the district, the ~~local government tax control board~~ **appropriate county property tax control board** shall, for property taxes first due and payable during the year after the adoption of the ordinance, adjust the maximum

C o p y

permissible ad valorem property tax ~~levy~~ **rate** limits of the district and the units participating in the district.

(d) If a unit by ordinance or resolution joins the district or elects to have its public safety agencies served by the district, the ~~local government tax control board~~ **appropriate county property tax control board** shall reduce the maximum permissible ad valorem property tax ~~levy~~ **rate** of the unit for property taxes first due and payable during the year after the adoption of the ordinance or resolution. The reduction shall be based on the amount budgeted by the unit for public safety communication services in the year in which the ordinance was adopted. If such an ordinance or resolution is adopted, the district shall refer its proposed budget, ad valorem property tax levy, and property tax rate for the following year to the board, which shall review and set the budget, levy, and rate as though the district were covered by IC 6-1.1-18.5-7.

(e) If a unit by ordinance or resolution withdraws from the district or rescinds its election to have its public safety agencies served by the district, the ~~local government tax control board~~ **appropriate county property tax control board** shall reduce the maximum permissible ad valorem property tax ~~levy~~ **rate** of the district for property taxes first due and payable during the year after the adoption of the ordinance or resolution. The reduction shall be based on the amounts being levied by the district within that unit. If such an ordinance or resolution is adopted, the unit shall refer its proposed budget, ad valorem property tax levy, and property tax rate for public safety communication services to the board, which shall review and set the budget, levy, and rate as though the unit were covered by IC 6-1.1-18.5-7.

(f) The adjustments provided for in subsections (c), (d), and (e) do not apply to a district or unit located in a particular county if the county fiscal body of that county does not impose an ad valorem property tax levy under subsection (a) to fund the operation of the district.

SECTION 457. IC 36-8-19-8.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8.5. (a) Participating units may agree to establish an equipment replacement fund under this section to be used to purchase fire protection equipment that will be used to serve the entire territory. To establish the fund, the legislative bodies of all participating units must adopt identical ordinances after January 1 but before April 1 authorizing the provider unit to establish the fund. The ordinance must include at least the following:

(1) The name of each participating unit and the provider unit.

(2) An agreement to impose a uniform tax rate upon all of the taxable property within the territory for the equipment

Copy

replacement fund.

(3) The contents of the agreement to establish the fund.

An ordinance adopted under this section takes effect July 1 of the year the ordinance is adopted.

(b) If a fund is established, the participating units may agree to:

(1) impose a property tax to provide for the accumulation of money in the fund to purchase fire protection equipment;

(2) incur debt to purchase fire protection equipment and impose a property tax to retire the loan; or

(3) transfer an amount from the fire protection territory fund to the fire equipment replacement fund not to exceed five percent (5%) of the levy for the fire protection territory fund for that year;

or any combination of these options. The property tax rate for the levy imposed under this section may not exceed ten cents ($0.10). Before debt may be incurred, the fiscal bodies of all participating units must adopt identical ordinances specifying the amount and purpose of the debt. In addition, the ~~state board of tax commissioners~~ **county property tax control board** must approve the incurrence of the debt using the same standards as applied to the incurrence of debt by civil taxing units.

(c) Money in the fund may be used by the provider unit only for those purposes set forth in the agreement among the participating units that permits the establishment of the fund.

SECTION 458. IC 36-8-19-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 9. (a) The ~~state board of tax commissioners,~~ **county property tax control board,** when approving a rate and levy fixed by the provider unit, shall verify that a duplication of tax levies does not exist within participating units, so that taxpayers do not bear two (2) levies for the same service, except as provided by subsection (b) or (c).

(b) A unit that incurred indebtedness for fire protection services before becoming a participating unit under this chapter shall continue to repay that indebtedness by levies within the boundaries of the unit until the indebtedness is paid in full.

(c) A unit that agreed to the borrowing of money to purchase fire protection equipment while a participating unit under this chapter shall continue to repay the unit's share of that indebtedness by imposing a property tax within the boundaries of the unit until the indebtedness is paid in full. The ~~state board of tax commissioners~~ **county property tax control board** shall determine the amount of the indebtedness that represents the unit's fair share, taking into account the equipment purchased, the useful life of the equipment, the depreciated value of the

C o p y

equipment, and the number of years the unit benefited from the equipment.

SECTION 459. IC 36-9-3-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 29. The board shall prepare an annual budget for the authority's operating and maintenance expenditures and necessary capital expenditures. Each annual budget is subject to review ~~and modification~~ by the ~~county board of tax adjustment and the state board of tax commissioners~~ **county property tax control board** under IC 6-1.1-17.

SECTION 460. IC 36-9-3-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 31. (a) This section applies to an authority that includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) The authority may issue revenue or general obligation bonds under this section.

(c) The board may issue revenue bonds of the authority for the purpose of procuring money to pay the cost of acquiring real or personal property for the purpose of this chapter. The issuance of bonds must be authorized by resolution of the board and approved by the county fiscal bodies of the counties in the authority before issuance. The resolution must provide for the amount, terms, and tenor of the bonds, and for the time and character of notice and mode of making sale of the bonds.

(d) The bonds are payable at the times and places determined by the board, but they may not run more than thirty (30) years after the date of their issuance and must be executed in the name of the authority by an authorized officer of the board and attested by the secretary. The interest coupons attached to the bonds may be executed by placing on them the facsimile signature of the authorized officer of the board.

(e) The president of the authority shall manage and supervise the preparation, advertisement, and sale of the bonds, subject to the authorizing ordinance. Before the sale of bonds, the president shall cause notice of the sale to be published in accordance with IC 5-3-1, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold in accordance with IC 5-1-11. After the bonds have been properly sold and executed, the executive director or president shall deliver them to the controller of the authority and take his receipt for them, and shall certify to the treasurer the amount that the purchaser is to pay, together with the name and address of the purchaser. On

C o p y

payment of the purchase price the controller shall deliver the bonds to the purchaser, and the controller and executive director or president shall report their actions to the board.

(f) General obligation bonds issued under this section are subject to the provisions of IC 5-1, **IC 6-1.1-17.5,** and IC 6-1.1-20 relating to the filing of a petition requesting the issuance of bonds, the appropriation of the proceeds of bonds, the right of taxpayers to appeal and be heard on the proposed appropriation, the approval of the appropriation by the ~~state board of tax commissioners,~~ **county property tax control board,** the right of taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds, **the holding of a referendum,** and the sale of bonds for not less than their par value.

(g) Notice of the filing of a petition requesting the issuance of bonds, notice of determination to issue bonds, and notice of the appropriation of the proceeds of the bonds shall be given by posting in the offices of the authority for a period of one (1) week and by publication in accordance with IC 5-3-1.

(h) The bonds are not a corporate indebtedness of any unit, but are an indebtedness of the authority as a municipal corporation. A suit to question the validity of the bonds issued or to prevent their issuance may not be instituted after the date set for sale of the bonds, and after that date the bonds may not be contested for any cause.

(i) The bonds issued under this section and the interest on them are exempt from taxation for all purposes except the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

SECTION 461. IC 36-9-4-45 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 45. (a) Bonds issued under this chapter:

(1) shall be issued in the denomination;

(2) are payable over a period not to exceed thirty (30) years from the date of the bonds; and

(3) mature;

as determined by the ordinance authorizing the bond issue.

(b) All bonds issued under this chapter, the interest on them, and the income from them are exempt from taxation to the extent provided by IC 6-8-5-1.

(c) The provisions of IC 6-1.1-20 relating to filing petitions requesting the issuance of bonds and giving notice of those petitions, giving notice of a hearing on the appropriation of the proceeds of the bonds, the right of taxpayers to appear and be heard on the proposed appropriation, the approval of the appropriation by the ~~state board of~~

Copy

~~tax commissioners,~~ **county property tax control board,** and the right of taxpayers to remonstrate against the issuance of bonds apply to the issuance of bonds under this chapter.

(d) A suit to question the validity of bonds issued under this chapter or to prevent their issue and sale may not be instituted after the date set for the sale of the bonds, and the bonds are incontestable after that date.

SECTION 462. IC 36-9-4-47 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 47. (a) The board of directors of a public transportation corporation may:

(1) borrow money in anticipation of receipt of the proceeds of taxes that have been levied by the board and have not yet been collected; and

(2) evidence this borrowing by issuing warrants of the corporation.

The money that is borrowed may be used by the corporation for payment of principal and interest on its bonds or for payment of current operating expenses.

(b) The warrants:

(1) bear the date or dates;

(2) mature at the time or times on or before December 31 following the year in which the taxes in anticipation of which the warrants are issued are due and payable;

(3) bear interest at the rate or rates and are payable at the time or times;

(4) may be in the denominations;

(5) may be in the forms, either registered or payable to bearer;

(6) are payable at the place or places, either inside or outside Indiana;

(7) are payable in the medium of payment;

(8) are subject to redemption upon the terms, including a price not exceeding par and accrued interest; and

(9) may be executed by the officers of the corporation in the manner;

provided by resolution of the board of directors. The resolution may also authorize the board to pay from the proceeds of the warrants all costs incurred in connection with the issuance of the warrants.

(c) The warrants may be authorized and issued at any time after the board of directors levies the tax or taxes in anticipation of which the warrants are issued.

(d) The warrants may be sold for not less than par value after notice inviting bids has been published in accordance with IC 5-3-1. The board of directors may also publish the notice inviting bids in other

C o p y

newspapers or financial journals.

(e) After the warrants are sold, they may be delivered and paid for at one (1) time or in installments.

(f) The aggregate principal amount of warrants issued in anticipation of and payable from the same tax levy or levies may not exceed eighty percent (80%) of the levy or levies ~~as the amount of the levy or levies is certified by the state board of tax commissioners, or as is~~ determined by multiplying the rate of tax as finally approved by the total assessed valuation of taxable property within the taxing district of the public transportation corporation as most recently certified by the county auditor.

(g) For purposes of this section, taxes for any year are considered to be levied when the board of directors adopts the ordinance prescribing the tax levies for the year. However, warrants may not be delivered and paid for before final approval of a tax levy or levies by the ~~county board of tax adjustment~~ **board of directors** (or, if appealed, by the ~~state board of tax commissioners)~~ **county property tax control board)** unless the issuance of the warrants has been approved by the ~~state board of tax commissioners.~~ **county property tax control board.**

(h) The warrants and the interest on them are not subject to sections 43 and 44 of this chapter and are payable solely from the proceeds of the tax levy or levies in anticipation of which the warrants were issued. The authorizing resolution must pledge a sufficient amount of the proceeds of the tax levy or levies to the payment of the warrants and the interest.

(i) All actions of the board of directors under this section may be taken by resolution, which need not be published or posted. The resolution takes effect immediately upon its adoption by a majority of the members of the board of directors.

(j) An action to contest the validity of any tax anticipation warrants may not be brought later than ten (10) days after the sale date.

SECTION 463. IC 36-9-4-51 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 51. (a) The board of directors of a public transportation corporation shall prepare an annual budget for the expenditures of the corporation.

(b) This subsection applies only when a municipality, having operated an urban mass transportation system under a department of municipal government, establishes a public transportation corporation under section 10 of this chapter to maintain that system. The annual operating and maintenance budget for the corporation shall be subject to review and modification by the legislative body of the municipality.

(c) A public transportation corporation may not impose a property

C o p y

tax levy on property that it has not taxed before January 1, 1982, and that lies outside the corporate boundaries of the municipality without the approval of the fiscal body or county council of the county in which the municipality is located.

(d) The budget and any tax levies prepared by the board shall be prepared and submitted at the same time, in the same manner, and with the same notice as is prescribed by IC 6-1.1-17 for the annual budget of the municipality. The county **property** tax ~~adjustment~~ **control** board ~~and the state board of tax commissioners~~ may review the budget and tax levies in the same manner by which they review budgets and tax levies of the municipality.

SECTION 464. IC 36-9-4-57 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 57. (a) The board of directors of a public transportation corporation may, by resolution, establish an improvement reserve fund for the purpose of accumulating money over two (2) or more fiscal years for the following:

(1) The purchase of specified real property.

(2) The purchase of specified major equipment, including buses.

(3) The making of improvements to real property owned by the public transportation corporation.

(b) Transfers that are placed in an improvement reserve fund established under this section must be included in the annual budget of the public transportation corporation.

(c) The board of directors of a public transportation corporation may make an expenditure of money from an improvement reserve fund only after:

(1) holding a public meeting in accordance with section 22 of this chapter;

(2) the adoption by the board of a resolution under subsection (d); and

(3) approval by the ~~state board of tax commissioners.~~ **county property tax control board.**

(d) A resolution for expenditure from an improvement reserve fund established under this section must include the following:

(1) The specific amount of the expenditure.

(2) The specific use of the expenditure.

(3) A finding by the board of directors that the proposed use of funds complies with the restrictions under subsection (a).

(e) The money in the improvement reserve fund may not be considered in determining the corporation's property tax levy under this chapter or IC 6-1.1.

(f) The money in the improvement reserve fund at the end of the

C o p y

fiscal year does not revert to the general fund.

SECTION 465. IC 36-9-12-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) Money deposited in the special fund under section 4 of this chapter may be expended only upon a specific appropriation made for that purpose by the municipal legislative body in the same manner that it appropriates other public money.

(b) The municipal works board or board of transportation shall prepare an itemized estimate of the money necessary for the operation of parking meters for the ensuing year at the regular time of making and filing budget estimates for other departments of the municipality. These estimates shall be made and presented to the municipal legislative body in the same manner as other department estimates.

(c) An appropriation under this section is not subject to review by the county **property** tax ~~adjustment~~ **control** board, ~~or the state board of tax commissioners,~~ and the general statutes regarding appropriation of funds do not affect this chapter.

SECTION 466. IC 36-9-13-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 28. (a) If the terms and conditions of a proposed lease are approved under section 27 of this chapter, notice of the approval of the lease shall be given on behalf of the eligible entity by publication in accordance with IC 5-3-1. Ten (10) or more taxpayers in the eligible entity:

(1) whose tax rate will be affected by the proposed lease; and

(2) who are of the opinion that there is no necessity for the lease, or that the method of determining the lease rental is not fair and reasonable;

may file a petition in the office of the county auditor within thirty (30) days after publication of notice of the approval of the lease. The petition must set forth their objections to the lease and facts showing that the lease is unnecessary or unwise, or that the method of determining the lease rental is not fair and reasonable.

(b) Upon the filing of a petition under subsection (a), the county auditor shall immediately certify a copy of it, together with any other data necessary to present the questions involved, to the ~~state board of tax commissioners.~~ **county property tax control board.** Not less than five (5) nor more than fifteen (15) days after receipt of the certified petition and data, the board shall fix a time and place in the county for the hearing of the matter. The board shall give notice of the hearing to the eligible entity and to the first ten (10) petitioners on the petition by registered mail, at least five (5) days before the date of the hearing.

(c) The decision of the ~~state board of tax commissioners~~ **county**

C o p y

property tax control board on a petition under this section is final.

(d) An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be instituted within thirty (30) days after publication of notice of the approval of the lease, or if an appeal has been taken to the ~~state board of tax commissioners,~~ **county property tax control board,** within thirty (30) days after the decision of the board.

SECTION 467. IC 36-9-13-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 35. The annual operating budget of a building authority is subject to review by the ~~county board of tax adjustment~~ **county property tax control board as provided in IC 6-1.1-17.5,** and then by the state board of tax commissioners as in the case of other political subdivisions.

SECTION 468. IC 36-9-16-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 4. (a) A cumulative building fund or cumulative capital improvement fund may be established by a resolution that is:

(1) adopted by the unit's legislative body; and

(2) approved by the ~~state board of tax commissioners.~~ **county property tax control board.**

(b) Notice of the proposed levy to provide money for the cumulative building fund or cumulative capital improvement fund shall be given to all taxpayers in the unit before the proposed action is presented to the ~~state board of tax commissioners~~ **county property tax control board** for approval. Notice shall be given by publication of the proposal in accordance with IC 5-3-1.

(c) If, after the public hearing, the proposed action is submitted for approval to the ~~state board of tax commissioners,~~ **county property tax control board,** the board shall require notice of that submission to be given to the taxing district involved in the manner prescribed by subsection (b).

(d) Fifty (50) or more taxpayers in the taxing district who will be affected by the tax rate may, not later than ten (10) days after the publication of the notice, file with the county auditor a petition setting forth their objections to the proposed levy. The county auditor shall immediately certify the petition to the ~~state board of tax commissioners,~~ **county property tax control board,** which, within a reasonable time, shall fix a date for a hearing on the petition. The hearing shall be held in the county in which the unit is located. Notice of the hearing shall be given to the executive of the unit and to the first ten (10) taxpayers whose names appear upon the petition, by a letter signed by the secretary or any member of the board and sent by mail to the executive

Copy

and the taxpayers at their usual place of residence at least five (5) days before the date fixed for the hearing.

(e) After a hearing upon the proposal, the ~~state board of tax commissioners~~ **county property tax control board** shall certify its approval, disapproval, or modification of the proposed tax levy to the auditor of the county in which the unit is located. The action of the board with respect to the proposed levy is final and conclusive.

SECTION 469. IC 36-9-16-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 6. (a) The unit's fiscal body may levy a tax not to exceed thirty-three cents ($0.33) on each one hundred dollars ($100) of taxable property within the taxing district to provide for a cumulative capital improvement fund. The tax may be levied annually for any period not to exceed ten (10) years and may be decreased or increased from year to year, except that the tax may not be increased above the levy approved by the ~~state board of tax commissioners.~~ **county property tax control board.**

(b) Surplus money in other accounts of the unit, or other sources, and money acquired from other activities of the unit, or other sources, may, by resolution of the legislative body and with the approval of the ~~state board of tax commissioners,~~ **county property tax control board,** be added to the cumulative capital improvement fund.

(c) Appropriations may be made:

(1) as provided by law from the cumulative capital improvement fund for purposes of this chapter; or

(2) for a contribution to an authority established under IC 36-7-23.

SECTION 470. IC 36-9-27-110 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 110. (a) Whenever this chapter provides for the mailing of a notice to owners of affected land, the notice shall be addressed to the owner at his home address as last entered by the county auditor for property tax purposes. If the owner is a railroad company or utility and is not assessed for taxes locally, the notice shall be addressed to the ~~state board of tax commissioners~~ **secretary of state** for forwarding to the railroad company or utility. If the owner is a unit or a school corporation, the notice shall be addressed to the persons authorized by law to accept service of process in civil actions on behalf of that owner. If the owner is the state, copies of the notice shall be addressed to the department or agency, if any, charged by law with the maintenance, supervision, or control over the state owned land that is affected.

(b) Whenever sections 54 through 65 of this chapter provide for the service of any document upon the attorney for a petitioner, the service

C o p y

shall be made by personally handing the document to the attorney, by leaving the document at the attorney's address, or by mailing the document to the address of the attorney as set forth in the petition.

SECTION 471. IC 36-9-30-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 27. In anticipation of the acquisition of a site and the construction and erection of solid waste disposal facilities, including the necessary equipment and appurtenances, a unit may enter into a lease with option to purchase with a lessor corporation, subject to the approval of the ~~state board of tax commissioners.~~ **county property tax control board.** Such a lease may not provide for the payment of any lease rental by the lessee until the facilities are completed and ready for solid waste disposal. The lessor corporation shall agree in the lease to furnish a bond satisfactory to the lessee and conditioned upon final completion of the facilities within the period specified in the lease, except for unavoidable delays.

SECTION 472. IC 36-9-31-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 3. In order to provide for the collection and disposal of waste in the consolidated city and for the management, operation, acquisition, and financing of facilities for waste disposal, the board may exercise the following powers on behalf of the city, in addition to the powers specifically set forth elsewhere in this chapter:

(1) To sue and be sued.

(2) To exercise the power of eminent domain as provided in IC 32-11 within the corporate boundaries of the city; however, the power of eminent domain may not be exercised to acquire the property of any public utility used for the production or distribution of energy.

(3) To provide for the collection of waste accumulated within the service district and to provide for disposal of waste accumulated within the waste disposal district, including contracting with persons for collection, disposal, or waste storage, and the recovery of byproducts from waste, and granting these persons the right to collect and dispose of any such wastes and store and recover byproducts from them.

(4) To plan, design, construct, finance, manage, own, lease, operate, and maintain facilities for waste disposal.

(5) To enter into all contracts or agreements necessary or incidental to the collection, disposal, or recovery of byproducts from waste, such as put or pay contracts, contracts and agreements for the design, construction, operation, financing, ownership, or maintenance of facilities or the processing or

Copy

disposal of waste or the sale or other disposition of any products generated by a facility. Notwithstanding any other statute, any such contract or agreement may be for a period not to exceed forty (40) years.

(6) To enter into agreements for the leasing of facilities in accordance with IC 36-1-10; however, any such agreement having an original term of five (5) or more years is subject to approval by the ~~state board of tax commissioners~~ **county property tax control board** under IC 6-3.5. Such an agreement may be executed before approval, but if the ~~state board of tax commissioners~~ **county property tax control board** does not approve the agreement it is void.

(7) To purchase, lease, or otherwise acquire real or personal property.

(8) To contract for architectural, engineering, legal, or other professional services.

(9) To exclusively control, within the city, the collection, transportation, storage, and disposal of waste and, subject to the provisions of sections 6 and 8 of this chapter, to fix fees in connection with these matters.

(10) To determine exclusively the location and character of any facility, subject to local zoning ordinances and environmental management laws (as defined in IC 13-11-2-71).

(11) To sell or lease to any person any facility or part of it.

(12) To make and contract for plans, surveys, studies, and investigations.

(13) To enter upon property to make surveys, soundings, borings, and examinations.

(14) To accept gifts, grants, or loans of money, other property, or services from any source, public or private, and to comply with their terms.

(15) To issue from time to time waste disposal district bonds to finance the cost of facilities as provided in section 9 of this chapter.

(16) To issue from time to time revenue bonds to finance the cost of facilities as provided in section 10 of this chapter.

(17) To issue from time to time waste disposal development bonds to finance the cost of facilities as provided in section 11 of this chapter.

(18) To issue from time to time notes in anticipation of grants or in anticipation of the issuance of bonds to finance the cost of facilities as provided in section 13 of this chapter.

C o p y

(19) To establish fees for the collection and disposal of waste, subject to the provisions of sections 6 and 8 of this chapter.

(20) To levy a tax within the service district to pay costs of operation in connection with waste collection, waste disposal, and animal control, subject to regular budget and tax levy procedures.

(21) To levy a tax within the waste disposal district to pay costs of operation in connection with waste disposal, subject to regular budget and tax levy procedures.

(22) To borrow in anticipation of taxes.

(23) To employ staff engineers, clerks, secretaries, and other employees in accordance with an approved budget.

(24) To issue requests for proposals and requests for qualifications as provided in section 4 of this chapter.

(25) To require all persons located within the service district or waste disposal district to deposit waste at sites designated by the board.

(26) To otherwise do all things necessary for the collection and disposal of waste and the recovery of byproducts from it.

SECTION 473. IC 36-9-31-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 5. (a) Any put or pay contract may provide for payments to be made by the consolidated city under the contract from:

(1) the levy of taxes;

(2) revenues;

(3) any other available funds of the consolidated city; or

(4) any combination of the foregoing.

(b) A put or pay contract may further provide that payments by the consolidated city to the other person to the contract are required only to the extent and only for the period or periods that person is able to accept and dispose of waste in accordance with the contract had such waste been delivered to the person.

(c) A put or pay contract may be entered into by the consolidated city extending for a period of five (5) years or more only after a public hearing by the board, at which all interested persons shall be heard. After the public hearing, the board may adopt a resolution authorizing the execution of the contract on behalf of the city if it finds that the estimated amount of waste to be provided throughout the term of the contract will not be less than the specified amount of waste required to be provided by the contract.

(d) A put or pay contract providing for payments by the consolidated city in whole or in part from the levy of taxes is not valid unless approved by ordinance of the city-county legislative body. Upon

Copy

execution of such a contract and approval by the legislative body, the board shall cause notice of the execution of the contract and its approval to be given by public notice. Fifty (50) or more taxpayers residing in the city who will be affected by the contract and who may be of the opinion that no necessity exists for the execution of the contract or that the payments provided for in the contract are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval, setting forth their names, addresses, and objections to the contract and the facts showing that the execution of the contract is unnecessary or unwise or that the payments provided for in the contract are not fair and reasonable, as the case may be. Upon the filing of the petition, the county auditor shall immediately certify a copy of it, together with such other data as may be necessary in order to present the questions involved, to the ~~state board of tax commissioners.~~ **county property tax control board.** Upon receipt of the certified petition and information, the ~~state board of tax commissioners~~ **county property tax control board** shall fix a time and place for the hearing of the matter, which must be not less than five (5) nor more than thirty (30) days thereafter in the city. Notice of the hearing shall be given by the ~~state board of tax commissioners~~ **county property tax control board** to the members of the board and to the first fifty (50) taxpayer-petitioners upon the petition by a letter signed by one (1) member of the ~~state board of tax commissioners~~ **county property tax control board** and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the ~~state board of tax commissioners~~ **county property tax control board** on the appeal, upon the necessity for the execution of the contract, and as to whether the payments under it are fair and reasonable, is final.

(e) An action to contest the validity of the contract or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the publication of notice of the execution and approval of the contract, or if an appeal has been taken to the ~~state board of tax commissioners,~~ **county property tax control board,** then within thirty (30) days after the decision of the board.

(f) After the consolidated city has entered into a put or pay contract under this section, the city-county legislative body shall annually levy a tax sufficient to produce each year the necessary amount, with other amounts available, if any, that is sufficient to pay the amounts that the contract provides are to be paid from the levy of taxes. The tax levies provided for in this chapter are reviewable by other bodies vested by

C o p y

law with authority to ascertain that the levies are sufficient to raise the amount that, with other amounts available, is sufficient to meet the payments under the contract payable from the levy of taxes.

SECTION 474. IC 36-10-3-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 24. (a) In order to raise money to pay for land to be acquired for any of the purposes named in this chapter, to pay for an improvement authorized by this chapter, or both, and in anticipation of the special benefit tax to be levied as provided in this chapter, the board shall cause to be issued, in the name of the unit, the bonds of the district. The bonds may not exceed in amount the total cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the costs of supervision and inspection during the period of construction of a work. The expenses to be covered in the bond issue include all expenses of every kind actually incurred preliminary to acquiring the land and the construction of the work, such as the cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other necessary expenses. If more than one (1) resolution or proceeding of the board under section 23 of this chapter is confirmed whereby different parcels of land are to be acquired, or more than one (1) contract for work is let by the board at approximately the same time, the cost involved under all of the resolutions and proceedings may be included in one (1) issue of bonds.

(b) The bonds may be issued in any denomination not less than one thousand dollars ($1,000) each, in not less than five (5) nor more than forty (40) annual series. The bonds are payable one (1) series each year, beginning at a date after the receipt of taxes from a levy made for that purpose. The bonds are negotiable. The bonds may bear interest at any rate, payable semiannually. After adopting a resolution ordering bonds, the board shall certify a copy of the resolution to the unit's fiscal officer. The fiscal officer shall prepare the bonds and the unit's executive shall execute them, attested by the fiscal officer.

(c) The bonds and the interest on them are exempt from taxation as prescribed by IC 6-8-5-1. Bonds issued under this section are subject to the provisions of IC 5-1**, IC 6-1.1-17.5,** and IC 6-1.1-20 relating to the filing of a petition requesting the issuance of bonds, the right of taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds, **the holding of a referendum,** the appropriation of the proceeds of the bonds and approval by the ~~state board of tax commissioners,~~ **county property tax control board,** and the sale of bonds at public sale for not less than their par value.

Copy

(d) The board may not have bonds of the district issued under this section that are payable by special taxation when the total issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the district as determined under IC 36-1-15. All bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the unit, but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. The bonds must recite the terms upon their face, together with the purposes for which they are issued.

SECTION 475. IC 36-10-7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 8. (a) This section applies to all townships having a population of less than two thousand (2,000).

(b) The township executive may lease, purchase, accept by grant, devise, bequest, or other conveyance to the township, or otherwise acquire land for park purposes and may make necessary improvements only as provided by this section.

(c) The legislative body may establish a township park and may, by resolution, appropriate from the general fund of the township the necessary money to lease, purchase, accept, or otherwise acquire land for park purposes or make improvements thereon. The executive shall then lease, purchase, accept, or acquire the land for park purposes or shall make improvements thereon as directed in the resolution. However, the costs of the park grounds or of the improvements provided for in the resolution may not exceed in one (1) year one-fifth of one percent (0.2%) of the adjusted value of all taxable property of the township as determined under IC 36-1-15.

(d) If a park has been established under this section, the executive shall have the park maintained and may make improvements and construct and maintain facilities for the comfort and convenience of the public. However, the executive annually may not spend more than one cent ($0.01) on each one hundred dollars ($100) of assessed valuation of taxable property in the township as it appears on the tax duplicates of the auditor of the county in which the township is located. The money shall be paid from the general fund of the township.

(e) If the general fund of the township is insufficient to meet the expenses of acquiring or improving the land for park purposes, the executive shall call a special meeting of the legislative body by written notice to each member of the legislative body at least three (3) days before the date of the meeting. The notice must state the time, place,

C o p y

and purpose of the meeting. The legislative body shall meet and determine whether an emergency exists for the issuance of the warrants or bonds of the township. The legislative body shall, by resolution, authorize the issuance and sale of the warrants or bonds of the township in an amount not exceeding two percent (2%) of the adjusted value of all taxable property in the township as determined under IC 36-1-15. The amount of bonds may not exceed the total estimated cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings. The proceeds from the sale of the bonds shall be deposited in the general fund of the township. The bonds become due and payable not less than two (2) nor more than ten (10) years after the date of issuance, may bear interest at any rate, and may not be sold for less than par value. The bonds shall be sold after giving notice of the sale of bonds in accordance with IC 5-3-1. The bonds and the interest thereon are exempt from taxation as provided by IC 6-8-5 and are subject to the provisions of IC 6-1.1-20 relating to the filing of a petition requesting the issuance of bonds, the appropriation of the proceeds of the bonds, and the approval by the ~~state board of tax commissioners.~~ **county property tax control board.**

(f) The legislative body shall, at its next annual meeting after authorization of bonds and annually each following year, levy a sufficient tax against all the taxable property of the township to pay the principal of the bonds, together with accruing interest, as they become due. The executive shall apply the money received from the levy only to the payment of bonds and interest as they become due.

(g) In addition to the levy required by subsection (f), the legislative body shall, when a park has been established under this section and at every annual meeting after establishment, levy a tax not exceeding one cent ($0.01) on each one hundred dollars ($100) of taxable property in the township. The levy required by this subsection shall be used by the executive for the maintenance and improvement of the park. The executive may not expend more for maintenance and improvement of the park than the amount collected by the levy except:

(1) upon petition by fifty-one percent (51%) of the taxpayers of the township; or

(2) when warrants or bonds are to be issued under this section to finance the expenses of improvements.

The amount received from the levy shall be deposited in the general fund of the township.

(h) A park established under this section shall be kept open to the public in accordance with rules prescribed by the executive.

C o p y

(i) If the executive determines that land or other property used for park purposes under this section should be disposed of and that the park should no longer be maintained, the executive shall appoint three (3) disinterested appraisers to appraise the property. The property shall then be disposed of either at public or private sale for at least its appraised value.

(j) This subsection applies if the township sells the property by acceptance of bids. A bid submitted by a trust (as defined in IC 30-4-1-1(a)) must identify each:

(1) beneficiary of the trust; and

(2) settlor empowered to revoke or modify the trust.

(k) All money from the sale of park property, less the expenses incurred in making the appraisal and sale, shall be paid into the general fund of the township.

SECTION 476. IC 36-10-7.5-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 22. (a) To raise money to pay for land to be acquired for any of the purposes named in this chapter or to pay for an improvement authorized by this chapter and in anticipation of the special benefit tax to be levied as provided in this chapter, the legislative body shall issue in the name of the township the bonds of the district. The bonds may not exceed in amount the total cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the costs of supervision and inspection during the period of construction of a work. The expenses to be covered in the bond issue include all expenses of every kind actually incurred preliminary to acquiring the land and the construction of the work, such as the cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other necessary expenses. If more than one (1) resolution or proceeding of the legislative body under this chapter is confirmed whereby different parcels of land are to be acquired or more than one (1) contract for work is let by the executive at approximately the same time, the cost involved under all of the resolutions and proceedings may be included in one (1) issue of bonds.

(b) The bonds may be issued in any denomination not less than one thousand dollars ($1,000) each, in not less than five (5) nor more than forty (40) annual series. The bonds are payable one (1) series each year, beginning at a date after the receipt of taxes from a levy made for that purpose. The bonds are negotiable. The bonds may bear interest at any rate, payable semiannually. After adopting a resolution ordering bonds, the legislative body shall certify a copy of the resolution to the

Copy

township's fiscal officer. The fiscal officer shall prepare the bonds and the executive shall execute the bonds, attested by the fiscal officer.

(c) The bonds and the interest on the bonds are exempt from taxation as prescribed by IC 6-8-5-1. Bonds issued under this section are subject to the provisions of IC 5-1**, IC 6-1.1-17.5,** and IC 6-1.1-20 relating to the filing of a petition requesting the issuance of bonds, the right of taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds, **the holding of a referendum,** the appropriation of the proceeds of the bonds with the approval of the ~~state board of tax commissioners,~~ **county property tax control board,** and the sale of bonds at public sale for not less than the par value of the bonds.

(d) The legislative body may not have bonds of the district issued under this section that are payable by special taxation when the total issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the total adjusted value of the taxable property in the district as determined under IC 36-1-15. All bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the township but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. A bond must recite the terms upon the face of the bond, together with the purposes for which the bond is issued.

SECTION 477. IC 36-10-8-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 16. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county or, if the authority was created under IC 18-7-18 (before its repeal on February 24, 1982), also of the city, if the board determines that the estimated annual net income of the capital improvement, plus the estimated annual tax revenues to be derived from any tax revenues made available for this purpose, will not be sufficient to satisfy and pay the principal of and interest on all bonds issued under this chapter, including the bonds then proposed to be issued.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the county executive authorizing the issuance of general obligation bonds, or, if the authority was created under IC 18-7-18 (before its repeal on February 24, 1982), by the fiscal body of the city authorizing the issuance of general obligation bonds. The resolution must set forth an itemization of the funds and assets received by the board, together with the board's valuation and certification of the

C o p y

cost. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the proper officers, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, as the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) Upon receipt of the resolution and certificate the proper officers may adopt them and take all action necessary to issue the bonds in accordance with the resolution. An action to contest the validity of bonds issued under this section may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

(1) the filing of a petition requesting the issuance of bonds and giving notice;

(2) the right of taxpayers to ~~remonstrate against~~ **oppose** the issuance of bonds;

(3) the giving of notice of the determination to issue bonds;

(4) the giving of notice of a hearing on the appropriation of the proceeds of bonds;

(5) the right of taxpayers to appear and be heard on the proposed appropriation;

(6) the approval of the appropriation by the ~~state board of tax commissioners; and~~ **county property tax control board;**

(7) the sale of bonds at public sale; **and**

(8) the holding of a referendum;

apply to the issuance of bonds under this section.

SECTION 478. IC 36-10-9-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 15. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the board of commissioners of the county authorizing the issuance of general obligation bonds. The resolution must state the date or dates on which the principal of the bonds is payable, the

C o p y

maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the board of commissioners of the county, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, at the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) Upon receipt of the resolution and certificate, the board of commissioners of the county may adopt them and take all action necessary to issue the bonds in accordance with the resolution. An action to contest the validity of bonds issued under this section may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

(1) the filing of a petition requesting the issuance of bonds and giving notice;

(2) the right of taxpayers to remonstrate against the issuance of bonds;

(3) the giving of notice of the determination to issue bonds;

(4) the giving of notice of a hearing on the appropriation of the proceeds of bonds;

(5) the right of taxpayers to appear and be heard on the proposed appropriation;

(6) the approval of the appropriation by the ~~state board of tax commissioners; and~~ **county property tax control board;**

(7) the sale of bonds at public sale for not less than par value; **and**

(8) the holding of a referendum;

are applicable to the issuance of bonds under this section.

SECTION 479. IC 36-10-10-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 12. A lease under this chapter must provide for the payment of the lease rental by the city from the levy of taxes against the real and personal property located within the city. The lease is subject to approval by the ~~state board of tax commissioners~~ **county property tax control board** under IC 6-3.5. The lease may be executed before approval; however, if the ~~state board of tax commissioners~~ **county property tax control board** does not approve the lease, it is void.

C o p y

SECTION 480. IC 36-10-10-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 14. (a) If the execution of the lease is authorized, notice of the execution shall be given on behalf of the city by publication one (1) time in a newspaper of general circulation printed in the English language and published in the city. Fifty (50) or more taxpayers in the city whose tax rate will be affected by the proposed lease and who may be of the opinion that no necessity exists for the execution of the lease, or that the lease rental is not fair and reasonable, may file a petition in the office of the city clerk within fifteen (15) days after publication of notice of the execution of the lease, setting forth their objections and the facts supporting those objections.

(b) Upon the filing of a petition, the city clerk shall immediately certify a copy, together with other data that is necessary in order to present the questions involved, to the ~~state board of tax commissioners.~~ **county property tax control board.** Upon receipt of a certified petition and information, the ~~state board of tax commissioners~~ **county property tax control board** shall set a time and place for the hearing of the matter in the city where the petition originated. The hearing shall be held at least five (5) but not more than fifteen (15) days after receipt of the petition by the ~~state~~ board. Notice of the hearing shall be given by the ~~state~~ board to the city executive and to the first ten (10) taxpayer petitioners on the petition by certified mail sent to the addresses listed on the petition at least five (5) days before the date of the hearing. After the hearing, the ~~state board of tax commissioners~~ **county property tax control board** shall promptly issue its decision on the petition.

SECTION 481. IC 36-10-10-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 15. An action to contest the validity of the lease or to enjoin the performance of any of the terms and conditions of the lease may not be brought at any time later than fifteen (15) days after publication of notice of the execution of the lease, or if an appeal has been taken to the ~~state board of tax commissioners,~~ **county property tax control board,** then fifteen (15) days after the decision of the board.

SECTION 482. IC 36-10-11-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 17. (a) Ten (10) or more taxpayers whose tax rate will be affected by the lease may file a petition in the office of the county auditor within thirty (30) days after publication of notice of the execution of the lease. The petition must set forth their objections and the facts showing:

(1) that the lease is unnecessary or unwise; or

(2) that the lease rental is not fair and reasonable.

C o p y

(b) Upon the filing of a petition, the county auditor shall certify a copy, together with other data that is necessary in order to present the questions involved, to the ~~state board of tax commissioners.~~ **county property tax control board.** Upon receipt of a certified petition and information, the ~~state board of tax commissioners~~ **county property tax control board** shall set a time and place for the hearing of the matter. The hearing shall be held at least five (5) but not more than fifteen (15) days after receipt of the petition by the ~~state~~ board. Notice of the hearing shall be given by the ~~state~~ board to the governmental entity and to the first ten (10) petitioners at least five (5) days before the date of the hearing. The hearing shall determine the necessity of the lease and whether the lease rental is fair and reasonable.

SECTION 483. IC 36-10-11-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 18. An action to contest the validity of the lease or to enjoin the performance of the lease may not be brought later than thirty (30) days after publication of notice of the execution of the lease or thirty (30) days after the decision of the ~~state board of tax commissioners,~~ **county property tax control board,** whichever is later.

SECTION 484. THE FOLLOWING ARE REPEALED [EFFECTIVE MARCH 1, 2001]: IC 6-1.1-17-6; IC 6-1.1-17-7; IC 6-1.1-17-8; IC 6-1.1-17-9; IC 6-1.1-17-10; IC 6-1.1-17-11; IC 6-1.1-17-13; IC 6-1.1-17-14; IC 6-1.1-17-15; IC 6-1.1-17-16; IC 6-1.1-17-16.5; IC 6-1.1-17-17; IC 6-1.1-18-3; IC 6-1.1-18.5-2; IC 6-1.1-18.5-9; IC 6-1.1-18.5-9.5; IC 6-1.1-18.5-9.8; IC 6-1.1-18.5-10; IC 6-1.1-18.5-10.1; IC 6-1.1-18.5-10.2; IC 6-1.1-18.5-10.3; IC 6-1.1-18.5-10.4; IC 6-1.1-18.5-11; IC 6-1.1-18.5-12; IC 6-1.1-18.5-13; IC 6-1.1-18.5-13.5; IC 6-1.1-18.5-14; IC 6-1.1-18.5-15; IC 6-1.1-18.5-16; IC 6-1.1-18.5-18; IC 6-1.1-18.5-19; IC 6-1.1-19-2; IC 6-1.1-19-3; IC 6-1.1-19-4.1; IC 6-1.1-19-4.3; IC 6-1.1-19-4.5; IC 6-1.1-19-4.7; IC 6-1.1-19-4.9; IC 6-1.1-19-7; IC 6-1.1-20-4; IC 6-1.1-20-5; IC 6-1.1-20-6; IC 6-1.1-20-7; IC 6-1.1-28-8; IC 6-1.1-29; IC 6-1.1-30; IC 6-1.1-31; IC 6-1.1-33; IC 6-1.1-34-12; IC 6-1.1-35-2; IC 8-14-8-6; IC 8-14-11-13; IC 12-7-2-187; IC 13-21-3-15; IC 20-14-13-14; IC 21-2-15-14.

SECTION 485. [EFFECTIVE MARCH 1, 2001] **This act applies to property taxes first due and payable after December 31, 2001.**

SECTION 486. [EFFECTIVE MARCH 1, 2001] **(a) Notwithstanding the provisions of 6-1.1-17-3, as amended by this act, the duties formerly performed by the state board of tax commissioners under that section shall be performed by the department of state revenue.**

C o p y

(b) Notwithstanding the provisions of IC 6-1.1-17-1, as amended by this act, IC 6-1.1-17-11, and IC 21-2, as amended by this act, the duties formerly performed by the state board of tax commissioners under those provisions shall be performed by the appropriate county property tax control board.

(c) On March 1, 2001, all property and personnel of the state board of tax commissioners become the property and personnel of the department of state revenue.

C o p y