

# COMMITTEE REPORT

MR. PRESIDENT:

**The Senate Committee on Finance, to which was referred House Bill No. 1005, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:**

- 1           Replace the effective date in SECTION 44 with "[EFFECTIVE
- 2           JANUARY 1, 1999 (RETROACTIVE)]".
- 3           Page 1, delete lines 1 through 17.
- 4           Page 2, delete lines 1 through 33.
- 5           Delete page 3.
- 6           Page 4, delete lines 1 through 4, begin a new paragraph and insert:
- 7           "SECTION 2. IC 6-1.1-4-9 IS AMENDED TO READ AS
- 8           FOLLOWS [EFFECTIVE JANUARY 1, 1999 (RETROACTIVE)]:
- 9           Sec. 9. (a) In order to maintain a just and equitable valuation of real
- 10          property, the state board of tax commissioners may adopt a resolution
- 11          declaring its belief that it is necessary to reassess all or a portion of the
- 12          real property located within this state. If the board adopts a
- 13          reassessment resolution and if either a township or a larger area is
- 14          involved, the board shall hold a hearing concerning the necessity for
- 15          the reassessment at the courthouse of the county in which the property
- 16          is located. The board shall give notice of the time and place of the
- 17          hearing in the manner provided in section 10 of this chapter. After the
- 18          hearing, or if the area involved is less than a township after the
- 19          adoption of the board's resolution, the board may order any

1 reassessment it deems necessary, **including the imposition of**  
 2 **conditions contained in this section on the conduct of the next**  
 3 **regularly scheduled general reassessment conducted under section**  
 4 **4 of this chapter.** The order shall specify the time within which the  
 5 reassessment must be completed and the date the reassessment will  
 6 become effective **and may contain additional conditions that the**  
 7 **board finds appropriate for the orderly performance of the**  
 8 **reassessment, including outside supervision of the reassessment by**  
 9 **the board or its designees.**

10 (b) **All costs of a special reassessment shall be paid from the**  
 11 **county's reassessment fund. The board may increase the**  
 12 **reassessment fund levy of the county under section 27 of this**  
 13 **chapter to meet the costs of a reassessment ordered under this**  
 14 **section, and the board is entitled to reimbursement for its expenses**  
 15 **from the fund. All expenditures relating to a reassessment ordered**  
 16 **under this section shall be made pursuant to a budget approved in**  
 17 **advance by the board."**

18 Page 4, line 16, delete "One (1)" and insert "**Each**".

19 Page 4, line 16, delete "from the county to be appointed" and insert  
 20 "**, when the respective township land values for that township**  
 21 **assessor's township are under consideration. A township assessor**  
 22 **servicing under this subdivision shall vote on all matters relating to**  
 23 **the land values of that township assessor's township."**

24 Page 4, delete line 17.

25 Page 4, line 20, delete "In the case of a tie vote, the" and insert  
 26 "**The**".

27 Page 4, line 21, before "to" insert "**only**".

28 Page 4, line 21, delete "the" and insert "**a**".

29 Page 6, delete lines 38 through 42.

30 Page 7, delete lines 1 through 10.

31 Page 7, line 17, reset in roman "With respect to the general  
 32 reassessment of real property which".

33 Page 7, reset in roman lines 18 through 21.

34 Page 7, line 22, reset in roman "an amount equal to".

35 Page 7, line 22, after "(3/14)" insert "**one fourth (1/4)**".

36 Page 7, line 22, reset in roman "of the estimated cost of the".

37 Page 7, reset in roman line 23.

38 Page 7, line 24, reset in roman "(c)".

- 1 Page 7, line 25, reset in roman "2003,".
- 2 Page 7, line 25, delete "2009,".
- 3 Page 7, line 25, reset in roman "fourth".
- 4 Page 7, line 25, delete "eighth".
- 5 Page 7, line 28, reset in roman "three (3)".
- 6 Page 7, line 28, delete "seven (7)".
- 7 Page 7, line 29, reset in roman "one-fourth (1/4)".
- 8 Page 7, line 30, delete "one-eighth (1/8)".
- 9 Page 7, line 31, reset in roman "(d)".
- 10 Page 7, line 31, delete "(c)".
- 11 Page 7, line 34, reset in roman "(e)".
- 12 Page 7, line 34, delete "(d)".
- 13 Page 7, delete lines 38 through 42.
- 14 Delete pages 8 through 9.
- 15 Page 10, delete lines 1 through 34.
- 16 Page 15, delete lines 34 through 42.
- 17 Page 16, delete lines 1 through 11.
- 18 Page 16, line 13, reset in bold "NEW".
- 19 Page 21, delete lines 14 through 42.
- 20 Delete pages 22 through 23.
- 21 Page 24, delete lines 1 through 12.
- 22 Page 30, line 26, reset in roman "certified deduction application".
- 23 Page 30, line 26, delete "schedule,".
- 24 Page 30, line 27, after "with" insert ":".
- 25 Page 30, line 27, delete "the person's".
- 26 Page 30, delete lines 28 through 30.
- 27 Page 30, line 42, delete "schedule" and insert "**deduction**
- 28 **application**".
- 29 Page 31, line 2, delete "schedule." and insert "**deduction**
- 30 **application.**".
- 31 Page 31, line 2, delete "A person failing to file the required schedule
- 32 at".
- 33 Page 31, delete lines 3 through 4.
- 34 Page 31, line 5, delete "designating body before July 10 of each
- 35 year.".
- 36 Page 31, line 8, delete "schedule" and insert "**deduction**
- 37 **application**".
- 38 Page 31, line 10, reset in roman "deduction application".

- 1 Page 31, line 10, delete "schedule".
- 2 Page 31, line 22, reset in roman "deduction application".
- 3 Page 31, line 22, delete "schedule".
- 4 Page 31, line 28, reset in roman "deduction application".
- 5 Page 31, line 28, delete "schedule".
- 6 Page 31, line 31, reset in roman "deduction application".
- 7 Page 31, line 31, delete "schedule".
- 8 Page 31, line 36, reset in roman "deduction application".
- 9 Page 31, line 37, delete "schedule".
- 10 Page 31, line 38, reset in roman "deduction application".
- 11 Page 31, line 38, delete "schedule".
- 12 Page 31, line 40, reset in roman "deduction application".
- 13 Page 31, line 40, delete "schedule".
- 14 Page 32, delete lines 25 through 42.
- 15 Page 33, delete lines 1 through 26.
- 16 Page 37, line 29, delete "." and insert "**except as provided in**
- 17 **subsection (h).**".
- 18 Page 37, line 36, after "(400,000)." insert "**The board of appeals**
- 19 **shall have a written record of the hearing and prepare a written**
- 20 **statement of findings and a decision on each item within one**
- 21 **hundred twenty (120) days of the hearing.**".
- 22 Page 38, line 4, delete "In addition,".
- 23 Page 38, delete lines 5 through 6.
- 24 Page 38, line 7, delete "chapter and shall be forwarded with the
- 25 petition for review.".
- 26 Page 38, line 9, delete "The notice must".
- 27 Page 38, delete lines 10 through 11.
- 28 Page 38, line 40, reset in roman "and".
- 29 Page 38, line 41, delete ", and the affected taxing units required to
- 30 be notified" and insert ":".
- 31 Page 38, delete line 42.
- 32 Page 41, line 37, strike "eight hundred" and insert "**fifty**".
- 33 Page 41, line 37, strike "\$800,000);" and insert "**(\$50,000);**".
- 34 Page 41, line 38, strike "ten" and insert "**one**".
- 35 Page 41, line 38, strike "(10%)" and insert "**(1%)**".
- 36 Page 41, line 42, delete "." and insert "**or elected township**
- 37 **assessor.**".
- 38 Page 43, line 8, delete "." and insert "**or elected township**

- 1 **assessor."**
- 2 Page 47, delete lines 11 through 42.
- 3 Page 48, delete lines 1 through 10.
- 4 Page 52, delete lines 14 through 42.
- 5 Delete page 53.
- 6 Page 54, delete lines 1 through 7.
- 7 Page 54, delete lines 37 through 42.
- 8 Page 55, delete line 1.
- 9 Page 56, line 33, delete "annually" and insert "**each year, at the**
- 10 **times prescribed in subsection (a),"**
- 11 Page 57, delete lines 13 through 29.
- 12 Page 60, delete lines 24 through 29.
- 13 Page 62, delete lines 25 through 26.
- 14 Page 62, delete lines 40 through 42.
- 15 Delete page 63.
- 16 Page 64, delete lines 1 through 36.
- 17 Page 65, delete lines 11 through 42.
- 18 Page 66, delete lines 1 through 7.
- 19 Page 66, between lines 11 and 12, begin a new paragraph and insert:
- 20 "SECTION 54. P.L.63-1993, SECTION 2, IS AMENDED TO
- 21 READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: SECTION 2. (a)
- 22 Notwithstanding IC 5-14-3, a sales disclosure form under IC 6-1.1-5.5,
- 23 as added by this act, is not a public record and may only be used by the
- 24 state board of tax commissioners or persons acting on behalf of the
- 25 state board of tax commissioners for the purpose of performing a study
- 26 under SECTION 3 of this act. Information contained on the form may
- 27 not be used in a:
- 28 (1) review of an assessment under IC 6-1.1-8, IC 6-1.1-13,
- 29 IC 6-1.1-14, or IC 6-1.1-15;
- 30 (2) petition for a correction of error under IC 6-1.1-15-12; or
- 31 (3) petition for refund under IC 6-1.1-26.
- 32 (b) Notwithstanding IC 6-1.1-5.5-8, as added by this act, the county
- 33 recorder shall maintain a sales disclosure form filed under
- 34 IC 6-1.1-5.5-3 until the state board of tax commissioners issues
- 35 permission to destroy the form.
- 36 (c) This SECTION ~~expires December 31, 1999:~~ **applies to**
- 37 **assessments made before March 1, 2001.**
- 38 SECTION 55. P.L.63-1993, SECTION 3, IS AMENDED TO READ

1 AS FOLLOWS [EFFECTIVE JULY 1, 1999]: SECTION 3. (a) The  
2 state board of tax commissioners shall conduct a study to determine the  
3 impact of converting the current property tax assessment system to a  
4 system based on fair market value. The board shall determine the fiscal,  
5 legal, and administrative impact on state and local government, and the  
6 fiscal impact on the owners of the various classifications of property in  
7 Indiana. A fair market value system is a system that analyzes sales of  
8 comparable properties, income information, and reproduction cost to  
9 arrive at the proper valuation of property for property tax assessment  
10 purposes.

11 (b) The board shall report the design of the study to the general  
12 assembly on or before December 1, 1993.

13 (c) The board shall collect data from a sufficient sampling of  
14 various classifications of property throughout Indiana. County officials  
15 shall cooperate in the study by furnishing data as required by the board.

16 (d) The board shall study the assessing systems, including  
17 methodology, structure, and procedure, in other states that use a  
18 property tax assessment system based on fair market value.

19 (e) The board shall perform the study and report the results and the  
20 board's recommendations for implementation of a property tax system  
21 based on fair market value to the general assembly on or before  
22 December 1, 1996.

23 (f) The report and data collected in the study may not be used in a:

- 24 (1) review of an assessment under IC 6-1.1-8, IC 6-1.1-13,  
25 IC 6-1.1-14, or IC 6-1.1-15;  
26 (2) petition for a correction of error under IC 6-1.1-15-12; or  
27 (3) petition for refund under IC 6-1.1-26.

- 1 (g) This SECTION ~~expires December 31, 1999.~~ **applies to**
- 2 **assessments made before March 1, 2001."**
- 3 Renumber all SECTIONS consecutively.  
(Reference is to HB 1005 as reprinted February 19, 1999.)

**and when so amended that said bill do pass.**

Committee Vote: Yeas 9, Nays 2.

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**Borst**

**Chairperson**