



January 27, 2000

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## HOUSE BILL No. 1111

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DIGEST OF HB 1111 (Updated January 26, 2000 12:44 PM - DI 58)

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

**Synopsis:** Property tax deductions. Provides that a person may claim both the property tax deduction for persons age 65 and older and the property tax deduction for persons who are blind or disabled. Allows persons to claim both deductions beginning with property taxes assessed in 2000. Reconciles conflicts between statutes enacted by the 1999 general assembly (shown in italicized type).

**Effective:** Upon passage; March 1, 2001; March 2, 2001.

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**Adams T, Munson, Mellinger,  
Herrell**

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January 10, 2000, read first time and referred to Committee on Ways and Means.  
January 26, 2000, reported — Do Pass.

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HB 1111—LS 6148/DI 73+



January 27, 2000

Second Regular Session 111th General Assembly (2000)

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 1999 General Assembly.

## HOUSE BILL No. 1111

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

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

- 1 SECTION 1. IC 6-1.1-12-9, AS AMENDED BY P.L.155-1999,  
2 SECTION 1, (CURRENT VERSION) IS AMENDED TO READ AS  
3 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) An individual  
4 may obtain a deduction from the assessed value of the individual's real  
5 property, or mobile home which is not assessed as real property, if:  
6 (1) the individual is at least sixty-five (65) years of age on or  
7 before December 31 of the calendar year preceding the year in  
8 which the deduction is claimed;  
9 (2) the combined adjusted gross income (as defined in Section 62  
10 of the Internal Revenue Code) of:  
11 (A) the individual and the individual's spouse; or  
12 (B) the individual and all other individuals with whom:  
13 (i) the individual shares ownership; or  
14 (ii) the individual is purchasing the property under a  
15 contract;  
16 as joint tenants or tenants in common;  
17 for the calendar year preceding the year in which the deduction is

HB 1111—LS 6148/DI 73+



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1 claimed did not exceed twenty-five thousand dollars (\$25,000);  
 2 (3) the individual has owned the real property or mobile home for  
 3 at least one (1) year before claiming the deduction; or the  
 4 individual has been buying the real property under a contract that  
 5 provides that the individual is to pay the property taxes on the real  
 6 property or mobile home for at least one (1) year before claiming  
 7 the deduction, and the contract or a memorandum of the contract  
 8 is recorded in the county recorder's office;

9 (4) the individual and any individuals covered by subdivision  
 10 (2)(B) reside on the real property or in the mobile home;

11 (5) the assessed value of the real property or mobile home does  
 12 not exceed twenty-three thousand dollars (\$23,000); and

13 (6) the individual receives no other property tax deduction for the  
 14 year in which the deduction is claimed, except the deductions  
 15 provided by sections 1, **11**, 37, and 38 of this chapter.

16 (b) Except as provided in subsection (h), in the case of real property,  
 17 an individual's deduction under this section equals the lesser of:

- 18 (1) one-half (1/2) of the assessed value of the real property; or  
 19 (2) two thousand dollars (\$2,000).

20 (c) Except as provided in subsection (h), in the case of a mobile  
 21 home which is not assessed as real property, an individual's deduction  
 22 under this section equals the lesser of:

- 23 (1) one-half (1/2) of the assessed value of the mobile home; or  
 24 (2) two thousand dollars (\$2,000).

25 (d) An individual may not be denied the deduction provided under  
 26 this section because the individual is absent from the real property or  
 27 a mobile home while in a nursing home or hospital.

28 (e) For purposes of this section, if real property or a mobile home is  
 29 owned by:

- 30 (1) tenants by the entirety;  
 31 (2) joint tenants; or  
 32 (3) tenants in common;

33 only one (1) deduction may be allowed. However, the age requirement  
 34 is satisfied if any one (1) of the tenants is at least sixty-five (65) years  
 35 of age.

36 (f) A surviving spouse is entitled to the deduction provided by this  
 37 section if:

- 38 (1) the surviving spouse is at least sixty (60) years of age on or  
 39 before December 31 of the calendar year preceding the year in  
 40 which the deduction is claimed;  
 41 (2) the surviving spouse's deceased husband or wife was at least  
 42 sixty-five (65) years of age at the time of a death;

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1 (3) the surviving spouse has not remarried; and

2 (4) the surviving spouse satisfies the requirements prescribed in  
3 subsection (a)(2) through (a)(6).

4 (g) An individual who has sold real property to another person  
5 under a contract that provides that the contract buyer is to pay the  
6 property taxes on the real property may not claim the deduction  
7 provided under this section against that real property.

8 (h) In the case of tenants covered by subsection (a)(2)(B), if all of  
9 the tenants are not at least sixty-five (65) years of age, the deduction  
10 allowed under this section shall be reduced by an amount equal to the  
11 deduction multiplied by a fraction. The numerator of the fraction is the  
12 number of tenants who are not at least sixty-five (65) years of age, and  
13 the denominator is the total number of tenants.

14 SECTION 2. IC 6-1.1-12-9, AS AMENDED BY P.L.155-1999,  
15 SECTION 1, P.L.6-1997, SECTION 46, AND P.L.155-1999,  
16 SECTION 2, (DELAYED VERSION) IS AMENDED AND IS  
17 CORRECTED TO READ AS FOLLOWS [EFFECTIVE MARCH 1,  
18 2001]: Sec. 9. (a) An individual may obtain a deduction from the  
19 assessed value of the individual's real property, or mobile home which  
20 is not assessed as real property, if:

21 (1) the individual is at least sixty-five (65) years of age on or  
22 before December 31 of the calendar year preceding the year in  
23 which the deduction is claimed;

24 (2) the combined adjusted gross income (as defined in Section 62  
25 of the Internal Revenue Code) of:

26 (A) the individual and the individual's spouse; or

27 (B) the individual and all other individuals with whom:

28 (i) the individual shares ownership; or

29 (ii) the individual is purchasing the property under a  
30 contract;

31 as joint tenants or tenants in common;

32 for the calendar year preceding the year in which the deduction is  
33 claimed did not exceed ~~twenty~~ *twenty-five* thousand dollars  
34 (~~\$20,000~~); (*\$25,000*);

35 (3) the individual has owned the real property or mobile home for  
36 at least one (1) year before claiming the deduction; or the  
37 individual has been buying the real property under a contract that  
38 provides that the individual is to pay the property taxes on the real  
39 property or mobile home for at least one (1) year before claiming  
40 the deduction, and the contract or a memorandum of the contract  
41 is recorded in the county recorder's office;

42 (4) the individual and any individuals covered by subdivision

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- 1 (2)(B) reside on the real property or in the mobile home;  
 2 (5) the assessed value of the real property or mobile home does  
 3 not exceed ~~sixty-three~~ *sixty-nine* thousand dollars ~~(\$63,000);~~  
 4 *(\$69,000)*; and  
 5 (6) the individual receives no other property tax deduction for the  
 6 year in which the deduction is claimed, except the deductions  
 7 provided by sections 1, **11**, 37, and 38 of this chapter.
- 8 (b) Except as provided in subsection (h), in the case of real property,  
 9 an individual's deduction under this section equals ~~three~~ *the lesser of:*  
 10 *(1) one-half (1/2) of the assessed value of the real property; or*  
 11 *(2) six thousand dollars ~~(\$3,000); (\$6,000).~~*
- 12 (c) Except as provided in subsection (h), in the case of a mobile  
 13 home which is not assessed as real property, an individual's deduction  
 14 under this section equals the lesser of:  
 15 (1) one-half (1/2) of the assessed value of the mobile home; or  
 16 (2) ~~three~~ *six* thousand dollars ~~(\$3,000); (\$6,000).~~
- 17 (d) An individual may not be denied the deduction provided under  
 18 this section because the individual is absent from the real property or  
 19 a mobile home while in a nursing home or hospital.
- 20 (e) For purposes of this section, if real property or a mobile home is  
 21 owned by:  
 22 (1) tenants by the entirety;  
 23 (2) joint tenants; or  
 24 (3) tenants in common;  
 25 only one (1) deduction may be allowed. However, the age requirement  
 26 is satisfied if any one (1) of the tenants is at least sixty-five (65) years  
 27 of age.
- 28 (f) A surviving spouse is entitled to the deduction provided by this  
 29 section if:  
 30 (1) the surviving spouse is at least sixty (60) years of age on or  
 31 before December 31 of the calendar year preceding the year in  
 32 which the deduction is claimed;  
 33 (2) the surviving spouse's deceased husband or wife was at least  
 34 sixty-five (65) years of age at the time of a death;  
 35 (3) the surviving spouse has not remarried; and  
 36 (4) the surviving spouse satisfies the requirements prescribed in  
 37 subsection (a)(2) through (a)(6).
- 38 (g) An individual who has sold real property to another person  
 39 under a contract that provides that the contract buyer is to pay the  
 40 property taxes on the real property may not claim the deduction  
 41 provided under this section against that real property.
- 42 (h) In the case of tenants covered by subsection (a)(2)(B), if all of

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1 the tenants are not at least sixty-five (65) years of age, the deduction  
 2 allowed under this section shall be reduced by an amount equal to the  
 3 deduction multiplied by a fraction. The numerator of the fraction is the  
 4 number of tenants who are not at least sixty-five (65) years of age, and  
 5 the denominator is the total number of tenants.

6 SECTION 3. IC 6-1.1-12-9, AS AMENDED BY P.L.155-1999,  
 7 SECTION 2 (DELAYED VERSION), IS AMENDED TO READ AS  
 8 FOLLOWS [EFFECTIVE MARCH 2, 2001]: Sec. 9. (a) An individual  
 9 may obtain a deduction from the assessed value of the individual's real  
 10 property, or mobile home which is not assessed as real property, if:

11 (1) the individual is at least sixty-five (65) years of age on or  
 12 before December 31 of the calendar year preceding the year in  
 13 which the deduction is claimed;

14 (2) the combined adjusted gross income (as defined in Section 62  
 15 of the Internal Revenue Code) of:

16 (A) the individual and the individual's spouse; or

17 (B) the individual and all other individuals with whom:

18 (i) the individual shares ownership; or

19 (ii) the individual is purchasing the property under a  
 20 contract;

21 as joint tenants or tenants in common;

22 for the calendar year preceding the year in which the deduction is  
 23 claimed did not exceed twenty-five thousand dollars (\$25,000);

24 (3) the individual has owned the real property or mobile home for  
 25 at least one (1) year before claiming the deduction; or the  
 26 individual has been buying the real property under a contract that  
 27 provides that the individual is to pay the property taxes on the real  
 28 property or mobile home for at least one (1) year before claiming  
 29 the deduction, and the contract or a memorandum of the contract  
 30 is recorded in the county recorder's office;

31 (4) the individual and any individuals covered by subdivision  
 32 (2)(B) reside on the real property or in the mobile home;

33 (5) the assessed value of the real property or mobile home does  
 34 not exceed sixty-nine thousand dollars (\$69,000); and

35 (6) the individual receives no other property tax deduction for the  
 36 year in which the deduction is claimed, except the deductions  
 37 provided by sections 1, **11**, 37, and 38 of this chapter.

38 (b) Except as provided in subsection (h), in the case of real property,  
 39 an individual's deduction under this section equals the lesser of:

40 (1) one-half (1/2) of the assessed value of the real property; or

41 (2) six thousand dollars (\$6,000).

42 (c) Except as provided in subsection (h), in the case of a mobile

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1 home which is not assessed as real property, an individual's deduction  
2 under this section equals the lesser of:

- 3 (1) one-half (1/2) of the assessed value of the mobile home; or  
4 (2) six thousand dollars (\$6,000).

5 (d) An individual may not be denied the deduction provided under  
6 this section because the individual is absent from the real property or  
7 a mobile home while in a nursing home or hospital.

8 (e) For purposes of this section, if real property or a mobile home is  
9 owned by:

- 10 (1) tenants by the entirety;  
11 (2) joint tenants; or  
12 (3) tenants in common;

13 only one (1) deduction may be allowed. However, the age requirement  
14 is satisfied if any one (1) of the tenants is at least sixty-five (65) years  
15 of age.

16 (f) A surviving spouse is entitled to the deduction provided by this  
17 section if:

- 18 (1) the surviving spouse is at least sixty (60) years of age on or  
19 before December 31 of the calendar year preceding the year in  
20 which the deduction is claimed;  
21 (2) the surviving spouse's deceased husband or wife was at least  
22 sixty-five (65) years of age at the time of a death;  
23 (3) the surviving spouse has not remarried; and  
24 (4) the surviving spouse satisfies the requirements prescribed in  
25 subsection (a)(2) through (a)(6).

26 (g) An individual who has sold real property to another person  
27 under a contract that provides that the contract buyer is to pay the  
28 property taxes on the real property may not claim the deduction  
29 provided under this section against that real property.

30 (h) In the case of tenants covered by subsection (a)(2)(B), if all of  
31 the tenants are not at least sixty-five (65) years of age, the deduction  
32 allowed under this section shall be reduced by an amount equal to the  
33 deduction multiplied by a fraction. The numerator of the fraction is the  
34 number of tenants who are not at least sixty-five (65) years of age, and  
35 the denominator is the total number of tenants.

36 SECTION 4. [EFFECTIVE UPON PASSAGE] (a)  
37 **Notwithstanding IC 6-1.1-12-10.1, a person who:**

- 38 (1) was not eligible to claim a deduction under IC 6-1.1-12-9  
39 before its amendment by this act; and  
40 (2) is eligible to claim a deduction under IC 6-1.1-12-9 after its  
41 amendment by this act;

42 may, before September 1, 2000, file with the county auditor for

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- 1 **2000 property taxes that are first due and payable after December**
- 2 **31, 2000, the statement required by IC 6-1.1-12-10.1.**
- 3 **(b) This SECTION expires January 1, 2002.**
- 4 **SECTION 5. An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1111, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

BAUER, Chair

Committee Vote: yeas 21, nays 1.

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