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# SENATE BILL No. 120

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 14-12-2-26; IC 14-12-2-36.

**Synopsis:** Heritage trust tax replacement program. Requires the Indiana heritage trust fund or a private entity managing a project, if any, to make payments in lieu of property taxes (beginning with property taxes first due and payable after December 31, 2000) on all land that: (1) is purchased with money from the fund; (2) consists of at least 500 acres; and (3) is removed from the tax rolls when purchased by the fund.

**Effective:** July 1, 2000.

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January 20, 2000, read first time and referred to Committee on Finance.

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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.

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# SENATE BILL No. 120



A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources.

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

- 1 SECTION 1. IC 14-12-2-26 IS AMENDED TO READ AS
- 2 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 26. (a) The following
- 3 accounts are established within the fund:
- 4 (1) The state parks account. Money in this account may be used
- 5 only to purchase property for state park purposes.
- 6 (2) The state forests account. Money in this account may be used
- 7 only to purchase property for state forest purposes.
- 8 (3) The nature preserves account. Money in this account may be
- 9 used only to purchase property for nature preserve purposes.
- 10 (4) The fish and wildlife account. Money in this account may be
- 11 used only to purchase property for fish or wildlife management
- 12 purposes.
- 13 (5) The outdoor recreation account. Money in this account may be
- 14 used only to purchase property for outdoor recreation, historic
- 15 site, or archeological site purposes.
- 16 (6) The stewardship account. Money in this account may be used
- 17 only for the following purposes:



- 1 (A) Maintenance of property acquired under this chapter.  
 2 (B) Costs of removal of structures, debris, and other property  
 3 that is unsuitable for the intended use of the property to be  
 4 acquired.  
 5 (C) Costs of site preparation related to any of the following:  
 6 (i) The public use of the property, such as fences, rest  
 7 rooms, public ways, trails, and signs.  
 8 (ii) Protecting or preserving the property's natural  
 9 environment.  
 10 (iii) Returning the property to the property's natural state.  
 11 (D) Not more than ten percent (10%) of the money in the  
 12 account for the promotion of the purposes of the Indiana  
 13 heritage trust program.  
 14 **(E) To make payments required under section 36 of this**  
 15 **chapter to taxing units containing property purchased in**  
 16 **any part with money from the fund.**  
 17 (7) The discretionary account. Subject to section 31 of this  
 18 chapter, money in this account may be used for any purpose for  
 19 which the accounts listed in subdivisions (1) through (6) may be  
 20 used.  
 21 **(b) If insufficient money exists in the stewardship account to**  
 22 **make the payments required by subsection (a)(6)(E), money may**  
 23 **be used from any other account in the fund to make the payments.**  
 24 SECTION 2. IC 14-12-2-36 IS ADDED TO THE INDIANA CODE  
 25 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 26 1, 2000]: **Sec. 36. (a) This section applies to one (1) or more parcels**  
 27 **of real property:**  
 28 **(1) in which an interest in the real property was acquired in**  
 29 **one (1) or more transactions that involved an expenditure**  
 30 **from the fund;**  
 31 **(2) that consists in the aggregate of at least five hundred (500)**  
 32 **contiguous acres, including any improvements to the real**  
 33 **property;**  
 34 **(3) that is used for a purpose described in section 1 of this**  
 35 **chapter; and**  
 36 **(4) that is currently exempt from assessment and property**  
 37 **taxation under IC 6-1.1 but was not:**  
 38 **(A) exempt from assessment and property taxation; or**  
 39 **(B) assessed at a nominal value under IC 6-1.1-6 through**  
 40 **IC 6-1.1-6.7;**  
 41 **on any of the three (3) assessment dates immediately**  
 42 **preceding the date on which the real property was acquired**

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1 with money from the fund.

2 (b) The fund or a person described in section 22(2) of this  
3 chapter shall annually make a payment in lieu of property taxes for  
4 real property described in subsection (a). The state is not obligated  
5 to make a payment under this section from a source other than  
6 money in the fund. If the real property is transferred to the federal  
7 government, the obligation to make payments under this section  
8 terminates.

9 (c) A payment in lieu of property taxes must be calculated in the  
10 amount that is equal to the greater of the following:

11 (1) The amount that would have been levied by taxing units on  
12 the real property if the property were not subject to an  
13 exemption from property taxation.

14 (2) The amount that was levied on the real property for the  
15 last year in which the property was assessed and taxed at full  
16 true tax or market value under IC 6-1.1.

17 (d) Payments under this section must be:

18 (1) based on the assessed value of the real property described  
19 in subsection (a);

20 (2) imposed, collected, and distributed among taxing units in  
21 the same manner and at the same time as property taxes; and

22 (3) treated for all substantive and procedural provisions of  
23 law as property taxes.

24 However, the assessment provisions in IC 6-1.1-6 through  
25 IC 6-1.1-6.7 do not apply to the calculation of a payment under this  
26 section, and a payment under this section is not eligible for a  
27 property tax replacement credit under IC 6-1.1-21 or IC 6-3.5-1.1.

28 SECTION 3. [EFFECTIVE JULY 1, 2000] IC 14-12-2-36, as  
29 added by this act, applies only to payments in lieu of property taxes  
30 first due and payable after December 31, 2000.

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