

SENATE BILL No. 263

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-12.1-3.

Synopsis: Tax abatement for certain residential property. Allows property tax abatement for residential property that is located in the unincorporated area of a county if the designating body makes a finding that the facility is needed to serve elderly persons or disabled persons.

Effective: July 1, 2000.

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January 10, 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. 263



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 6-1.1-12.1-3, AS AMENDED BY P.L.4-2000,
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2000]: Sec. 3. (a) An applicant must provide a statement of
4 benefits to the designating body. If the designating body requires
5 information from the applicant for economic revitalization area status
6 for use in making its decision about whether to designate an economic
7 revitalization area, the applicant shall provide the completed statement
8 of benefits form to the designating body before the hearing required by
9 section 2.5(c) of this chapter. Otherwise, the statement of benefits form
10 must be submitted to the designating body before the initiation of the
11 redevelopment or rehabilitation for which the person desires to claim
12 a deduction under this chapter. The state board of tax commissioners
13 shall prescribe a form for the statement of benefits. The statement of
14 benefits must include the following information:
15 (1) A description of the proposed redevelopment or rehabilitation.
16 (2) An estimate of the number of individuals who will be
17 employed or whose employment will be retained by the person as



1 a result of the redevelopment or rehabilitation and an estimate of
2 the annual salaries of these individuals.

3 (3) An estimate of the value of the redevelopment or
4 rehabilitation.

5 With the approval of the state board of tax commissioners, the
6 statement of benefits may be incorporated in a designation application.
7 Notwithstanding any other law, a statement of benefits is a public
8 record that may be inspected and copied under IC 5-14-3-3.

9 (b) The designating body must review the statement of benefits
10 required under subsection (a). The designating body shall determine
11 whether an area should be designated an economic revitalization area
12 or whether a deduction should be allowed, based on (and after it has
13 made) the following findings:

14 (1) Whether the estimate of the value of the redevelopment or
15 rehabilitation is reasonable for projects of that nature.

16 (2) Whether the estimate of the number of individuals who will be
17 employed or whose employment will be retained can be
18 reasonably expected to result from the proposed described
19 redevelopment or rehabilitation.

20 (3) Whether the estimate of the annual salaries of those
21 individuals who will be employed or whose employment will be
22 retained can be reasonably expected to result from the proposed
23 described redevelopment or rehabilitation.

24 (4) Whether any other benefits about which information was
25 requested are benefits that can be reasonably expected to result
26 from the proposed described redevelopment or rehabilitation.

27 (5) Whether the totality of benefits is sufficient to justify the
28 deduction.

29 A designating body may not designate an area an economic
30 revitalization area or approve a deduction unless the findings required
31 by this subsection are made in the affirmative.

32 (c) Except as provided in subsections (a) through (b), the owner of
33 property which is located in an economic revitalization area is entitled
34 to a deduction from the assessed value of the property. If the area is a
35 residentially distressed area, the period is not more than five (5) years.
36 For all other economic revitalization areas designated before July 1,
37 2000, the period is three (3), six (6), or ten (10) years. For all economic
38 revitalization areas designated after June 30, 2000, the period is the
39 number of years determined under subsection (d). The owner is entitled
40 to a deduction if:

41 (1) the property has been rehabilitated; or

42 (2) the property is located on real estate which has been

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1 redeveloped.
 2 The owner is entitled to the deduction for the first year, and any
 3 successive year or years, in which an increase in assessed value
 4 resulting from the rehabilitation or redevelopment occurs and for the
 5 following years determined under subsection (d). However, property
 6 owners who had an area designated an urban development area
 7 pursuant to an application filed prior to January 1, 1979, are only
 8 entitled to a deduction for a five (5) year period. In addition, property
 9 owners who are entitled to a deduction under this chapter pursuant to
 10 an application filed after December 31, 1978, and before January 1,
 11 1986, are entitled to a deduction for a ten (10) year period.

12 (d) For an area designated as an economic revitalization area after
 13 June 30, 2000, that is not a residentially distressed area, the designating
 14 body shall determine the number of years for which the property owner
 15 is entitled to a deduction. However, the deduction may not be allowed
 16 for more than ten (10) years. This determination shall be made:

- 17 (1) as part of the resolution adopted under section 2.5 of this
 18 chapter; or
 19 (2) by resolution adopted within sixty (60) days after receiving a
 20 copy of a property owner's certified deduction application from
 21 the county auditor. A certified copy of the resolution shall be sent
 22 to the county auditor who shall make the deduction as provided
 23 in section 5 of this chapter.

24 A determination about the number of years the deduction is allowed
 25 that is made under subdivision (1) is final and may not be changed by
 26 following the procedure under subdivision (2).

27 (e) Except for deductions related to redevelopment or rehabilitation
 28 of real property in a county containing a consolidated city or a
 29 deduction related to redevelopment or rehabilitation of real property
 30 initiated before December 31, 1987, in areas designated as economic
 31 revitalization areas before that date, a deduction for the redevelopment
 32 or rehabilitation of real property may not be approved for the following
 33 facilities:

- 34 (1) Private or commercial golf course.
 35 (2) Country club.
 36 (3) Massage parlor.
 37 (4) Tennis club.
 38 (5) Skating facility (including roller skating, skateboarding, or ice
 39 skating).
 40 (6) Racquet sport facility (including any handball or racquetball
 41 court).
 42 (7) Hot tub facility.



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- 1 (8) Suntan facility.
 2 (9) Racetrack.
 3 (10) Any facility the primary purpose of which is:
 4 (A) retail food and beverage service;
 5 (B) automobile sales or service; or
 6 (C) other retail;
 7 unless the facility is located in an economic development target
 8 area established under section 7 of this chapter.
 9 (11) Residential, unless:
 10 (A) the facility is a multifamily facility that contains at least
 11 twenty percent (20%) of the units available for use by low and
 12 moderate income individuals;
 13 (B) the facility is located in an economic development target
 14 area established under section 7 of this chapter; **or**
 15 (C) the area is designated as a residentially distressed area; **or**
 16 **(D) the facility is located in the unincorporated area of a**
 17 **county and the designating body makes a finding that the**
 18 **facility is needed to serve elderly persons or disabled**
 19 **persons, or both.**
 20 (12) A package liquor store that holds a liquor dealer's permit
 21 under IC 7.1-3-10 or any other entity that is required to operate
 22 under a license issued under IC 7.1. However, this subdivision
 23 does not apply to an applicant that:
 24 (A) was eligible for tax abatement under this chapter before
 25 July 1, 1995; or
 26 (B) is described in IC 7.1-5-7-11.

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