

SENATE BILL No. 267

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-4; IC 6-1.1-31.5-2.

Synopsis: Reassessment. Extends the general reassessment of real property that began July 1, 1999, so that it will be effective for assessments on March 1, 2004 (instead of March 1, 2001). Provides for the annual adjustment of the assessed value of real property beginning with the 2001 assessment date.

Effective: July 1, 2000.

**Hume, Nugent, Young R, Mrvan,
Wolf**

January 10, 2000, read first time and referred to Committee on Finance.



Introduced

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.

SENATE BILL No. 267

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 6-1.1-4-4 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 4. (a) A general
3 reassessment, involving a physical inspection of all real property in
4 Indiana, shall begin July 1, 1999, **and shall be completed not later**
5 **than March 1, 2004. This reassessment shall be the basis for taxes**
6 **payable in 2005.**

7 (b) **A general reassessment, involving a physical inspection of all**
8 **real property in Indiana, shall begin July 1, 2006,** and each fourth
9 year thereafter. Each reassessment shall be completed on or before
10 March 1 of the immediately following ~~odd-numbered~~ **even-numbered**
11 year, and shall be the basis for taxes payable in the year following the
12 year in which the general assessment is to be completed.

13 ~~(b)~~ (c) In order to ensure that assessing officials and members of
14 each county property tax assessment board of appeals are prepared for
15 a general reassessment of real property, the state board of tax
16 commissioners shall give adequate advance notice of the general
17 reassessment to the county and township taxing officials of each

2000

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1 county.

2 SECTION 2. IC 6-1.1-4-4.5 IS ADDED TO THE INDIANA CODE
3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
4 1, 2000]: **Sec. 4.5. (a) The state board of tax commissioners shall
5 adopt rules establishing a system for annually adjusting the
6 assessed value of real property to account for changes in value in
7 those years since a general reassessment of property last took
8 effect.**

9 **(b) The system must be applied to adjust assessed values
10 beginning with the 2001 assessment date and each year thereafter
11 that is not a year in which a reassessment becomes effective.**

12 **(c) The system must have the following characteristics:**

13 **(1) Promote uniform and equal assessment of real property
14 within and across classifications.**

15 **(2) Apply all objectively verifiable factors used in mass
16 valuation techniques that are reasonably expected to affect
17 the value of real property in Indiana.**

18 **(3) Prescribe as many adjustment percentages and whatever
19 categories of percentages the board finds necessary to achieve
20 objectively verifiable updated just valuations of real property.
21 An adjustment percentage for a particular classification may
22 be positive or negative.**

23 **(4) Prescribe procedures, including computer software
24 programs, that permit the application of the adjustment
25 percentages in an efficient manner by assessing officials.**

26 SECTION 3. IC 6-1.1-4-27 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JULY 1, 2000]: **Sec. 27. (a) The auditor of
28 each county shall establish a property reassessment fund. The county
29 treasurer shall deposit all collections resulting from the property taxes
30 that the county is required to levy under this section in the county's
31 property reassessment fund.**

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

39 **(c) (b) With respect to a general reassessment of real property that
40 is to commence on July 1, 2003; 2006, and each fourth year thereafter,
41 the county council of each county shall, for property taxes due in the
42 year that the general reassessment is to commence and the three (3)**



1 years preceding that year, levy against all the taxable property in the
 2 county an amount equal to one-fourth (1/4) of the estimated cost of the
 3 general reassessment.

4 ~~(c)~~ (c) The state board of tax commissioners shall give to each
 5 county council notice, before January 1, of the tax levies required by
 6 this section.

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

11 SECTION 4. IC 6-1.1-31.5-2 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 2. (a) The board shall
 13 adopt rules under IC 4-22-2 to prescribe computer specification
 14 standards and for the certification of:

- 15 (1) computer operating systems;
- 16 (2) computer software;
- 17 (3) software providers;
- 18 (4) computer service providers; and
- 19 (5) computer equipment providers.

20 (b) The rules of the board shall provide for **the following:**

- 21 (1) The effective and efficient administration of assessment laws.
- 22 (2) The prompt updating of assessment data **in a manner that the**
 23 **assessments may be updated under IC 6-1.1-4-4.5 using the**
 24 **most recent valuation standards, beginning in 2001.**
- 25 (3) The administration of information contained in the sales
 26 disclosure form, as required under IC 6-1.1-5.5. ~~and~~
- 27 (4) **Any** other information necessary to carry out the
 28 administration of the property tax assessment laws.

29 (c) After December 31, 1998, a county may contract only for
 30 computer software and with software providers, computer service
 31 providers, and equipment providers that are certified by the board
 32 under the rules described in subsection (a).

33 (d) The initial rules under this section must be adopted under
 34 IC 4-22-2 before January 1, 1998.

35 SECTION 5. [EFFECTIVE JULY 1, 2000] (a) **The definitions in**
 36 **IC 6-1.1-1 apply throughout this SECTION.**

37 (b) **The state board of tax commissioners or a local assessing**
 38 **official may delay any duty imposed by statute or rule (including**
 39 **the deadlines set forth in IC 6-1.1-4-21) that is related to the**
 40 **general reassessment that began July 1, 1999, but is extended until**
 41 **2004 by subsection (c). An action taken by the state board of tax**
 42 **commissioners or an assessing official to extend or otherwise delay**



1 any of the duties imposed for the implementation of a general
2 reassessment of real property that began July 1, 1999, is legalized
3 and validated.

4 (c) The general reassessment that began July 1, 1999, under
5 IC 6-1.1-4-4, as effective before the effective date of this act, is
6 extended and shall instead be completed for the March 1, 2004,
7 assessment date. A property tax levy imposed under IC 6-1.1-4-27
8 for the general reassessment postponed by this subsection is valid.
9 Any information collected or other analysis performed by an
10 assessing official or the state board of tax commissioners for the
11 general reassessment that began on July 1, 1999, may be used for
12 the reassessment of real property that must be completed before
13 March 1, 2004. Money deposited in the general reassessment fund
14 of the county imposing a property tax under IC 6-1.1-4-27 may be
15 used by a political subdivision only for the purposes described in
16 IC 6-1.1-4-28 and to implement this act. The state board of tax
17 commissioners shall consider any funds accumulated from the tax
18 imposed under IC 6-1.1-4-27 in 1994, 1995, 1996, 1997, 1998, 1999,
19 and 2000 in setting tax rates under IC 6-1.1-4-27, as amended by
20 this act, in 2001 and 2002.

