

Adopted	Rejected
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## COMMITTEE REPORT

**YES:** 17  
**NO:** 10

**MR. SPEAKER:**

*Your Committee on Ways and Means, to which was referred House Bill 1002, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, between the enacting clause and line 1, begin a new  
2 paragraph and insert:  
3 "SECTION 1. IC 6-1.1-4-39, AS ADDED BY P.L.1-2004,  
4 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 UPON PASSAGE]: Sec. 39. (a) For assessment dates after February  
6 ~~28, 2005~~, **29, 2004**, except as provided in subsection (c), the true tax  
7 value of real property regularly used to rent or otherwise furnish  
8 residential accommodations for periods of thirty (30) days or more and  
9 that has more than four (4) rental units is the lowest valuation  
10 determined by applying each of the following appraisal approaches:  
11 (1) Cost approach that includes an estimated reproduction or  
12 replacement cost of buildings and land improvements as of the  
13 date of valuation together with estimates of the losses in value that

1 have taken place due to wear and tear, design and plan, or  
2 neighborhood influences.

3 (2) Sales comparison approach, using data for generally  
4 comparable property.

5 (3) Income capitalization approach, using an applicable  
6 capitalization method and appropriate capitalization rates that are  
7 developed and used in computations that lead to an indication of  
8 value commensurate with the risks for the subject property use.

9 (b) The gross rent multiplier method is the preferred method of  
10 valuing:

11 (1) real property that has at least one (1) and not more than four  
12 (4) rental units; and

13 (2) mobile homes assessed under IC 6-1.1-7.

14 (c) A township assessor is not required to appraise real property  
15 referred to in subsection (a) using the three (3) appraisal approaches  
16 listed in subsection (a) if the township assessor and the taxpayer agree  
17 before notice of the assessment is given to the taxpayer under section  
18 22 of this chapter to the determination of the true tax value of the  
19 property by the assessor using one (1) of those appraisal approaches.

20 (d) To carry out this section, the department of local government  
21 finance may adopt rules for assessors to use in gathering and  
22 processing information for the application of the income capitalization  
23 method and the gross rent multiplier method. A taxpayer must verify  
24 under penalties for perjury any information provided to the assessor for  
25 use in the application of either method."

26 Page 1, line 14, strike "one-half (1/2)" and insert "**fifty-five percent**  
27 **(55%)**".

28 Renumber all SECTIONS consecutively.

(Reference is to HB 1002 as introduced.)

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

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Representative Crawford