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# HOUSE BILL No. 1055

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1-31.

**Synopsis:** Neighborhood assessment factor. Directs the department of local government finance to amend its Real Property Assessment Guidelines to prevent the delineation of neighborhoods using different standards and to prevent assessment disparities between adjoining comparable residential real properties in adjoining neighborhoods.

**Effective:** Upon passage.

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January 13, 2004, read first time and referred to Committee on Ways and Means.

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Second Regular Session 113th General Assembly (2004)

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 2003 Regular Session of the General Assembly.

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# HOUSE BILL No. 1055



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 6-1.1-31-6.5 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE UPON PASSAGE]: **Sec. 6.5. (a) This section applies**  
4 **for assessments determined for assessment dates after December**  
5 **31, 2004.**

6 (b) The department of local government finance shall, for the  
7 purposes described in subsection (c), amend in the department's  
8 Real Property Assessment Guidelines for 2002, Version A, as in  
9 effect on December 1, 2003, the manner in which a neighborhood  
10 is defined and delineated for purposes of the assessment of  
11 residential real property, including the application of a  
12 neighborhood factor for the assessment of residential real property  
13 improvements.

14 (c) The purposes of the amendment under subsection (b) are to:  
15 (1) establish a method for the delineation of neighborhoods  
16 that prevents the delineation of neighborhoods using different  
17 standards; and



- 1           **(2) ensure that the neighborhood delineation does not result**
- 2           **in assessment disparities between adjoining residential real**
- 3           **properties that are:**
- 4               **(A) comparable with respect to factors used to determine**
- 5               **the assessment other than the neighborhood; and**
- 6               **(B) separated by the neighborhood boundary.**
- 7           **(d) Assessing officials shall use the neighborhood standards as**
- 8           **amended under subsection (b).**

9           SECTION 2. IC 6-1.1-31-9, AS AMENDED BY P.L.90-2002,  
 10          SECTION 225, IS AMENDED TO READ AS FOLLOWS  
 11          [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Except as provided in  
 12          subsection (b) **and section 6.5 of this chapter**, the department of local  
 13          government finance may not adopt rules for the appraisal of real  
 14          property in a general reassessment after July 1 of the year before the  
 15          year in which the general reassessment is scheduled to begin.

16          (b) If rules for the appraisal of real property in a general  
 17          reassessment are timely adopted under subsection (a) and are then  
 18          disapproved by the attorney general for any reason under IC 4-22-2-32,  
 19          the department of local government finance may modify the rules to  
 20          cure the defect that resulted in disapproval by the attorney general, and  
 21          may then take all actions necessary under IC 4-22-2 to readopt and to  
 22          obtain approval of the rules. This process may be repeated as necessary  
 23          until the rules are approved.

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