

SENATE MOTION

MR. PRESIDENT:

I move that Senate Bill 1 be amended to read as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 taxation and to make an appropriation.
- 4 Page 50, between lines 35 and 36, begin a new paragraph and insert:
- 5 "SECTION 31. IC 6-1.1-20.6 IS ADDED TO THE INDIANA CODE
- 6 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON
- 7 PASSAGE]:
- 8 **Chapter 20.6. Farmland Credit**
- 9 **Sec. 1. This chapter applies to an area of land that meets all the**
- 10 **following criteria:**
- 11 **(1) Consists of one (1) or more contiguous tracts in the same**
- 12 **county, disregarding any intervening public ways.**
- 13 **(2) Includes agricultural land.**
- 14 **(3) Contains total farm acreage of at least ten (10) acres.**
- 15 **(4) Is at least fifty percent (50%) devoted to farm production**
- 16 **activities on a regular, substantial, and continuing basis**
- 17 **during the year immediately preceding an assessment date.**
- 18 **(5) Is actively farmed during the year immediately preceding**
- 19 **an assessment date by eligible individuals.**
- 20 **Sec. 2. As used in this chapter, "actively farm" means the**
- 21 **following:**
- 22 **(1) Personal participation on a regular, substantial, and**
- 23 **continuing basis, on land that is not leased to another person,**
- 24 **in any of the following:**
- 25 **(A) Inspecting the farm production activities of the farm**
- 26 **operation periodically, furnishing at least fifty percent**
- 27 **(50%) of the value of the tools, and paying at least fifty**
- 28 **percent (50%) of the direct cost of production.**
- 29 **(B) Regularly and frequently making or taking an**

1 important part in making management decisions
2 substantially contributing to or affecting the success of
3 the farm production activities.

4 (C) Performing physical work that significantly
5 contributes to the farm production activities.

6 (2) Leasing the land to another person if the individuals who
7 engaged in the activities described in subdivision (1) on the
8 leased land are eligible individuals described in section 6(c)
9 of this chapter.

10 Sec. 3. As used in this chapter, "agricultural land" means land
11 assessed as agricultural land under IC 6-1.1-4-13.

12 Sec. 4. As used in this chapter, "application" refers to an
13 application under this chapter.

14 Sec. 5. As used in this chapter, "eligible farm" refers to land
15 described in section 1 of this chapter.

16 Sec. 6. (a) As used in this chapter, "eligible individuals" means
17 any combination of individuals described in subsection (b) or (c).

18 (b) The following owners are eligible individuals:

19 (1) An individual who owns at least a fifty-one percent (51%)
20 ownership interest in land that is the subject of an
21 application.

22 (2) Related individuals who together:

23 (A) own at least a fifty-one percent (51%) ownership
24 interest in the land that is the subject of an application; or

25 (B) have at least fifty-one percent (51%) of the ownership
26 and control rights for an entity that has a one hundred
27 percent (100%) ownership interest in the land that is the
28 subject of an application;

29 or will qualify under clause (A) or (B) after any tangible or
30 intangible interest of a deceased related individual is
31 distributed from the deceased related individual's estate.

32 (c) For purposes of leased agricultural land, the following are
33 eligible individuals:

34 (1) An individual who has at least a fifty-one percent (51%)
35 contract interest in a lease of land that is the subject of an
36 application; or

37 (2) related individuals who together:

38 (A) have at least a fifty-one percent (51%) contract
39 interest in the lease of land that is the subject of an
40 application; or

41 (B) have at least fifty-one percent (51%) of the ownership
42 and control rights for an entity that has a one hundred
43 percent (100%) contract interest in a lease of land that is
44 the subject of an application.

1 **Sec. 7. As used in this chapter, "farm production activities"**
2 **means any combination of the following:**

- 3 (1) **Production of crops, fruits, or timber.**
- 4 (2) **Raising livestock.**
- 5 (3) **If the land is tillable land, participation in a federal set**
6 **aside program of the United States Department of**
7 **Agriculture that withdraws land from production.**
- 8 (4) **If the land is tillable land, participation in a regular**
9 **practice of allowing land to be out of production for the**
10 **purpose of restoring nutrients to the soil or reversing the**
11 **effects of overgrazing.**

12 **Sec. 8. As used in this chapter, "farmland credit" refers to a**
13 **credit granted under this chapter.**

14 **Sec. 9. As used in this chapter, "maximum eligible acreage"**
15 **means two hundred fifty (250) acres.**

16 **Sec. 10. As used in this chapter, "related individuals" means**
17 **individuals who are related to each other as:**

- 18 (1) **spouse;**
- 19 (2) **child;**
- 20 (3) **stepchild;**
- 21 (4) **grandchild;**
- 22 (5) **great grandchild;**
- 23 (6) **parent;**
- 24 (7) **grandparent;**
- 25 (8) **great grandparent;**
- 26 (9) **brother;**
- 27 (10) **sister;**
- 28 (11) **uncle;**
- 29 (12) **aunt;**
- 30 (13) **niece;**
- 31 (14) **nephew; or**
- 32 (15) **spouse of an individual described in subdivisions (1)**
33 **through (14).**

34 **Sec. 11. As used in this chapter, "tax liability" has the meaning**
35 **set forth in IC 6-1.1-21-5.**

36 **Sec. 12. As used in this chapter, "tillable land" means tillable**
37 **land as determined under the rules of the department of local**
38 **government finance.**

39 **Sec. 13. As used in this chapter, "total farm acreage" means**
40 **total farm acreage as determined under this rules adopted by the**
41 **department of local government finance for the assessment of**
42 **agricultural land.**

43 **Sec 14. The owners of an eligible tract are entitled to a**
44 **farmland credit against the tax liability imposed on an eligible**

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farm.

Sec. 15. The amount of the farmland credit is equal to the amount determined under STEP SIX of the following formula:

STEP ONE: Determine the assessed valuation of the total farm acreage in the eligible farm.

STEP TWO: Divide the STEP ONE amount by the total farm acreage in the eligible farm.

STEP THREE: Multiply the STEP TWO amount by the lesser of the following:

(A) The total farm acreage in the eligible farm.

(B) The maximum eligible acreage.

STEP FOUR: Determine the statewide farmland credit amount certified under section 26 of this chapter.

STEP FIVE: Multiply the STEP THREE amount by the STEP FOUR amount.

STEP SIX: Determine the lesser of the following:

(A) The owner's tax liability for the eligible farm.

(B) The STEP FIVE amount.

Sec. 16. The county auditor shall apply the farmland credit to the tracts in an eligible farm in the manner prescribed by the department of local government finance.

Sec. 17. An eligible farm that would otherwise qualify for a farmland credit under this chapter is ineligible if:

(1) any owner is an owner of another eligible farm that is granted a farmland credit under this chapter; or

(2) any shareholder, partner, member, or beneficiary of an owner is:

(A) an owner; or

(B) a shareholder, partner, member, or beneficiary of an entity that is an owner;

of any other eligible farm that is granted a farmland credit under this chapter.

Sec. 18. The owners of an eligible farm, or an owner acting as the agent of all of the owners of an eligible farm, that desire to claim the farmland credit provided by this chapter must file a certified application, under penalty of perjury, on forms and in the manner prescribed by the department of local government finance, with the county auditor of the county in which the eligible farm is located.

Sec. 19. The application must include the following information:

(1) The parcel numbers or key numbers for the eligible farm.

(2) The name of the townships in which the eligible farm is located.

(3) The total farm acreage in the eligible farm.

- 1 **(4) The names of the owners of the eligible farm.**
- 2 **(5) The names of each shareholder, partner, member, or**
- 3 **beneficiary of any entity that is an owner of the eligible**
- 4 **farm.**
- 5 **(6) Whether:**
- 6 **(A) an owner;**
- 7 **(B) a shareholder, partner, member, or beneficiary of the**
- 8 **owner; or**
- 9 **(C) any entity in which a shareholder, partner, member,**
- 10 **or beneficiary of the owner is a shareholder, partner,**
- 11 **member, or beneficiary;**
- 12 **has applied for or been granted a farmland credit for another**
- 13 **eligible farm.**
- 14 **(7) Any other information required by the department of**
- 15 **local government finance.**

16 **Sec. 20. A statement filed before May 11 in a year:**

- 17 **(1) first applies to taxes first due and payable in the**
- 18 **immediately succeeding year; and**
- 19 **(2) unless the land that is the subject of the farmland credit**
- 20 **ceases to qualify for the farmland credit, each year**
- 21 **thereafter.**

22 **Sec. 21. The county auditor shall approve farmland credits for**

23 **eligible farms that qualify for a farmland credit under this**

24 **chapter.**

25 **Sec. 22. As soon as practicable after an application is approved,**

26 **the county auditor shall submit to the department of local**

27 **government, in the form required by the department of local**

28 **government, the information concerning an application that is**

29 **prescribed by the department of local government finance.**

30 **Sec. 23. The department of local government finance shall**

31 **establish a program to assist county auditors in determining**

32 **whether eligible farms are disqualified under section 17 of this**

33 **chapter from receiving a farmland credit.**

34 **Sec. 24. If:**

- 35 **(1) land ceases in any part to qualify for a farmland credit**
- 36 **under this chapter;**
- 37 **(2) there is a change in:**
- 38 **(A) the ownership of the land that is the subject of a**
- 39 **farmland credit; or**
- 40 **(B) the ownership of an entity that is an owner of the land**
- 41 **that is the subject of a farmland credit; or**
- 42 **(3) ownership of an individual who is receiving the farmland**
- 43 **credit provided by this chapter changes the use of the**
- 44 **individual's real property or structures, buildings, and**

1 **improvements;**
 2 **the owners, after the change, shall notify the county auditor of**
 3 **the county where the eligible farm is located of the changes, in**
 4 **the form prescribed by the department of local government**
 5 **finance, not more than sixty (60) days after the date of the**
 6 **change. If the notice is not filed as required by this section, the**
 7 **owners of the land that is the subject of the farmland credit are**
 8 **liable for the amount of any farmland credit that is applied to the**
 9 **tax liability imposed on the land after the change.**

10 **Sec. 25. Before April 1 of each year containing an assessment**
 11 **date, the county auditor of each county shall certify to the**
 12 **department of local government finance the amount of the**
 13 **assessed valuation on the assessment date that qualifies for the**
 14 **farmland credit.**

15 **Sec. 26. Not later than August 1 of each year containing an**
 16 **assessment date, the department of local government finance**
 17 **shall certify the statewide farmland credit amount determined**
 18 **under STEP TWO of the following formula that will apply to**
 19 **property taxes imposed for the assessment date:**

20 **STEP ONE: Determine the sum of the assessed valuation**
 21 **certified under section 27 of this chapter, as adjusted (if**
 22 **necessary) by the department of local government finance to**
 23 **conform with the requirements of this chapter.**

24 **STEP TWO: Divide seventy million dollars (\$70,000,000) by**
 25 **the STEP ONE amount.**

26 **Sec. 27. Before February 1 of each year, a county auditor shall**
 27 **certify to the department of local government finance the amount**
 28 **of farmland credits allowed in the county for tax liability first due**
 29 **and payable in the year.**

30 SECTION 32. IC 6-1.1-20.9-2, AS AMENDED BY
 31 P.L.192-2002(ss), SECTION 38, IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JANUARY 1, 2004]: Sec. 2. (a) Except as
 33 otherwise provided in section 5 of this chapter, an individual who on
 34 March 1 of a particular year either owns or is buying a homestead
 35 under a contract that provides the individual is to pay the property taxes
 36 on the homestead is entitled each calendar year to a credit against the
 37 property taxes which the individual pays on the individual's homestead.
 38 However, only one (1) individual may receive a credit under this chapter
 39 for a particular homestead in a particular year.

40 (b) **Subject to IC 6-1.1-21-5**, the amount of the credit to which the
 41 individual is entitled equals the product of:

42 (1) the percentage prescribed in subsection (d); multiplied by
 43 (2) the amount of the individual's property tax liability, as that term
 44 is defined in IC 6-1.1-21-5, which is:

45 (A) attributable to the homestead during the particular calendar

1 year; and

2 (B) determined after the application of the property tax
3 replacement credit under IC 6-1.1-21;

4 (c) For purposes of determining that part of an individual's property
5 tax liability that is attributable to the individual's homestead, all
6 deductions from assessed valuation which the individual claims under
7 IC 6-1.1-12 or IC 6-1.1-12.1 for property on which the individual's
8 homestead is located must be applied first against the assessed value of
9 the individual's homestead before those deductions are applied against
10 any other property.

11 (d) The percentage of the credit referred to in subsection (b)(1) is
12 as follows:

| 13 YEAR | 14 PERCENTAGE OF THE CREDIT |
|------------------------|--------------------------------|
| 15 1996 | 8% |
| 16 1997 | 6% |
| 17 1998 through 2002 | 10% |
| 18 2003 and thereafter | 20% |

19 However, the property tax replacement fund board established under
20 IC 6-1.1-21-10, in its sole discretion, may increase the percentage of
21 the credit provided in the schedule for any year, if the board feels that
22 the property tax replacement fund contains enough money for the
23 resulting increased distribution. If the board increases the percentage of
24 the credit provided in the schedule for any year, the percentage of the
25 credit for the immediately following year is the percentage provided in
26 the schedule for that particular year, unless as provided in this
27 subsection the board in its discretion increases the percentage of the
28 credit provided in the schedule for that particular year. However, the
29 percentage credit allowed in a particular county for a particular year
30 shall be increased if on January 1 of a year an ordinance adopted by a
31 county income tax council was in effect in the county which increased
32 the homestead credit. The amount of the increase equals the amount
33 designated in the ordinance.

34 (e) Before October 1 of each year, the assessor shall furnish to the
35 county auditor the amount of the assessed valuation of each homestead
36 for which a homestead credit has been properly filed under this chapter.

37 (f) The county auditor shall apply the credit equally to each
38 installment of taxes that the individual pays for the property.

39 (g) Notwithstanding the provisions of this chapter, a taxpayer other
40 than an individual is entitled to the credit provided by this chapter if:

- 41 (1) an individual uses the residence as the individual's principal
42 place of residence;
- 43 (2) the residence is located in Indiana;
- 44 (3) the individual has a beneficial interest in the taxpayer;
- 45 (4) the taxpayer either owns the residence or is buying it under a
46 contract, recorded in the county recorder's office, that provides
47 that the individual is to pay the property taxes on the residence;

1 and
2 (5) the residence consists of a single-family dwelling and the real
3 estate, not exceeding one (1) acre, that immediately surrounds that
4 dwelling."

5 Page 55, between lines 10, and 11, begin a new paragraph and insert:
6 "SECTION 34. IC 6-1.1-21-3, AS AMENDED BY
7 P.L.192-2002(ss), SECTION 40, IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The
9 department, with the assistance of the auditor of state and the
10 department of local government finance, shall determine an amount
11 equal to the eligible property tax replacement amount, which is the
12 estimated property tax replacement.

13 (b) The department of local government finance shall certify to the
14 department the amount of:

- 15 **(1) farmland credits provided under IC 6-1.1-20.6 that are**
- 16 **allowed by the county for the particular calendar year; and**
- 17 **(2) homestead credits provided under IC 6-1.1-20.9 which are**
- 18 **allowed by the county for the particular calendar year.**

19 (c) If there are one (1) or more taxing districts in the county that
20 contain all or part of an economic development district that meets the
21 requirements of section 5.5 of this chapter, the department of local
22 government finance shall estimate an additional distribution for the
23 county in the same report required under subsection (a). This additional
24 distribution equals the sum of the amounts determined under the
25 following STEPS for all taxing districts in the county that contain all or
26 part of an economic development district:

27 STEP ONE: Estimate that part of the sum of the amounts under
28 section 2(g)(1)(A) and 2(g)(2) of this chapter that is attributable
29 to the taxing district.

30 STEP TWO: Divide:

- 31 (A) that part of the estimated property tax replacement amount
- 32 attributable to the taxing district; by
- 33 (B) the STEP ONE sum.

34 STEP THREE: Multiply:

- 35 (A) the STEP TWO quotient; times
- 36 (B) the taxes levied in the taxing district that are allocated to a
37 special fund under IC 6-1.1-39-5.

38 (d) The sum of the amounts determined under subsections (a)
39 through (c) is the particular county's estimated distribution for the
40 calendar year.

41 SECTION 35. IC 6-1.1-21-4, AS AMENDED BY P.L.245-2003,
42 SECTION 19, AND AS AMENDED BY P.L.264-2003, SECTION 12,
43 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
44 [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Each year the department
45 shall allocate from the property tax replacement fund an amount equal
46 to the sum of:

- 1 (1) each county's total eligible property tax replacement amount
 2 for that year; plus
 3 (2) the total amount of homestead tax credits that are provided
 4 under IC 6-1.1-20.9 and allowed by each county for that year;
 5 plus
 6 (3) an amount for each county that has one (1) or more taxing
 7 districts that contain all or part of an economic development
 8 district that meets the requirements of section 5.5 of this chapter.
 9 This amount is the sum of the amounts determined under the
 10 following STEPS for all taxing districts in the county that contain
 11 all or part of an economic development district:
 12 STEP ONE: Determine that part of the sum of the amounts
 13 under section 2(g)(1)(A) and 2(g)(2) of this chapter that is
 14 attributable to the taxing district.
 15 STEP TWO: Divide:
 16 (A) that part of the subdivision (1) amount that is attributable
 17 to the taxing district; by
 18 (B) the STEP ONE sum.
 19 STEP THREE: Multiply:
 20 (A) the STEP TWO quotient; times
 21 (B) the taxes levied in the taxing district that are allocated to
 22 a special fund under IC 6-1.1-39-5; **plus**
 23 **(4) the total amount of farmland credits that are provided**
 24 **under IC 6-1.1-20.6 and allowed by each county for that year.**
 25 (b) Except as provided in subsection (e), between March 1 and
 26 August 31 of each year, the department shall distribute to each county
 27 treasurer from the property tax replacement fund one-half ($\frac{1}{2}$) of the
 28 estimated distribution for that year for the county. Between September
 29 1 and December 15 of that year, the department shall distribute to each
 30 county treasurer from the property tax replacement fund the remaining
 31 one-half ($\frac{1}{2}$) of each estimated distribution for that year. The amount
 32 of the distribution for each of these periods shall be according to a
 33 schedule determined by the property tax replacement fund board under
 34 section 10 of this chapter. The estimated distribution for each county
 35 may be adjusted from time to time by the department to reflect any
 36 changes in the total county tax levy upon which the estimated
 37 distribution is based.
 38 (c) On or before December 31 of each year or as soon thereafter as
 39 possible, the department shall make a final determination of the amount
 40 which should be distributed from the property tax replacement fund to
 41 each county for that calendar year. This determination shall be known
 42 as the final determination of distribution. The department shall distribute
 43 to the county treasurer or receive back from the county treasurer any
 44 deficit or excess, as the case may be, between the sum of the
 45 distributions made for that calendar year based on the estimated
 46 distribution and the final determination of distribution. The final

1 determination of distribution shall be based on the auditor's abstract filed
 2 with the auditor of state, adjusted for postabstract adjustments included
 3 in the December settlement sheet for the year, and such additional
 4 information as the department may require.

5 (d) All distributions provided for in this section shall be made on
 6 warrants issued by the auditor of state drawn on the treasurer of state.
 7 If the amounts allocated by the department from the property tax
 8 replacement fund exceed in the aggregate the balance of money in the
 9 fund, then the amount of the deficiency shall be transferred from the
 10 state general fund to the property tax replacement fund, and the auditor
 11 of state shall issue a warrant to the treasurer of state ordering the
 12 payment of that amount. However, any amount transferred under this
 13 section from the general fund to the property tax replacement fund
 14 shall, as soon as funds are available in the property tax replacement
 15 fund, be retransferred from the property tax replacement fund to the
 16 state general fund, and the auditor of state shall issue a warrant to the
 17 treasurer of state ordering the replacement of that amount.

18 (e) Except as provided in subsection (I), the department shall not
 19 distribute under subsection (b) and section 10 of this chapter the money
 20 attributable to the county's property reassessment fund if:

21 (1) by the date the distribution is scheduled to be made, ~~(1)~~ the
 22 county auditor has not sent a certified statement required to be
 23 sent by that date under IC 6-1.1-17-1 to the department of local
 24 government finance; ~~or~~

25 (2) *by the deadline under IC 36-2-9-20, the county auditor has not*
 26 *transmitted data as required under that section; or*

27 ~~(2)~~ **(3) the county assessor has not forwarded to the department**
 28 **of local government finance the duplicate copies of all**
 29 *approved exemption applications required to be forwarded by that*
 30 *date under IC 6-1.1-11-8(a).*

31 (f) Except as provided in subsection (I), if the elected township
 32 assessors in the county, the elected township assessors and the county
 33 assessor, or the county assessor has not transmitted to the department
 34 of local government finance by October 1 of the year in which the
 35 distribution is scheduled to be made the data for all townships in the
 36 county required to be transmitted under IC 6-1.1-4-25(b), the state
 37 board or the department shall not distribute under subsection (b) and
 38 section 10 of this chapter a part of the money attributable to the
 39 county's property reassessment fund. The portion not distributed is the
 40 amount that bears the same proportion to the total potential distribution
 41 as the number of townships in the county for which data was not
 42 transmitted by ~~August 1~~ *October 1* as described in this section bears to
 43 the total number of townships in the county.

44 (g) Money not distributed ~~under subsection (e)~~ *for the reasons stated*
 45 *in subsection (e)(1) and (e)(2)* shall be distributed to the county when:

46 (1) the county auditor sends to the department of local

1 government finance the certified statement required to be sent
2 under IC 6-1.1-17-1; *and*

3 *(2) the county assessor forwards to the department of local*
4 *government finance the approved exemption applications required*
5 *to be forwarded under IC 6-1.1-11-8(a);*

6 with respect to which the failure to send *or forward* resulted in the
7 withholding of the distribution under subsection (e).

8 (h) Money not distributed under subsection (f) shall be distributed
9 to the county when the elected township assessors in the county, the
10 elected township assessors and the county assessor, or the county
11 assessor transmits to the department of local government finance the
12 data required to be transmitted under IC 6-1.1-4-25(b) with respect to
13 which the failure to transmit resulted in the withholding of the
14 distribution under subsection (f).

15 (I) The restrictions on distributions under subsections (e) and (f) do
16 not apply if the department of local government finance determines that:

17 (1) the failure of:

18 *(A) a county auditor to send a certified statement; or*

19 *(B) a county assessor to forward copies of all approved*
20 *exemption applications;*

21 as described in subsection (e); or

22 (2) the failure of an official to transmit data as described in
23 subsection (f);

24 is justified by unusual circumstances."

25 Page 56, between lines 14 and 15, begin a new paragraph and insert:

26 "**(e) If in any year the sum of:**

27 **(1) the amount of the credit granted under this section;**

28 **and**

29 **(2) the amount of the homestead credit granted under**
30 **IC 6-1.1-20.9-2;**

31 **against the tax liability on a homestead exceeds two thousand**
32 **dollars (\$2,000), the aggregate total of the credits is reduced to**
33 **two thousand dollars (\$2,000). If the tax due is paid in**
34 **installments, the reduction in the credits shall be applied to each**
35 **installment in proportion to the relative amount of each**
36 **installment."**

37 Page 103, between lines 35 and 36, begin a new paragraph and
38 insert:

39 "SECTION 75. [EFFECTIVE UPON PASSAGE] **(a) The**
40 **definitions in IC 6-1.1-1 and IC 6-1.1-20.9, as added by this act,**
41 **and P.L.224-2003, SECTION 1 apply throughout this SECTION.**

42 **(b) IC 6-1.1-20.6, as added by this act, and IC 6-1.1-20.9-2,**
43 **IC 6-1.1-21-3, and IC 6-1.1-21-4, all as amended by this act, and**
44 **IC 6-1.1-21-5(e), as amended by this act, apply only to property**
45 **taxes first due and payable after December 31, 2004.**

1 (c) The department of local government finance shall prescribe
2 application forms and make them available to county auditors and
3 the public as soon as practicable after the passage of this act.

4 (d) There is appropriated to the property tax replacement board
5 (IC 6-1.1-21) twenty-three million three hundred thirty-three
6 thousand three hundred fifty dollars (\$23,333,350) from the
7 property tax replacement fund for its use for total operating
8 expense to distribute farmland credit replacement amounts for
9 farmland credits applied against tax liability imposed for property
10 taxes first due and payable in 2005, for the state fiscal year
11 beginning July 1, 2004, and ending June 30, 2005. Adjustments
12 may be made to this appropriation under IC 6-1.1-21-4, as
13 amended by this act. The appropriation made by this subsection is
14 supplemental to all other appropriations made to the property tax
15 replacement board in P.L.224-2003, SECTION 10. For purposes of
16 applying IC 6-1.1-20.6-26, as added by this act, to farmland credits
17 for property taxes first due and payable in calendar year 2005, the
18 amount appropriated for farmstead credits shall be treated as
19 seventy million dollars (\$70,000,000). The amount appropriated by
20 this SECTION constitutes the amount necessary to pay the first
21 two (2) distributions required under IC 6-1.1-21-10 for property
22 taxes first due and payable in calendar year 2005. The general
23 assembly will appropriate the remainder necessary for calendar
24 year 2005 as part of the budget bill applicable to the next
25 biennium beginning July 1, 2005.

26 (e) The department of local government finance may adopt
27 temporary rules in the manner provided in IC 4-22-2-37.1 for the
28 adoption of emergency rules to implement IC 6-1.1-20.6, as added
29 by this act, and this SECTION. A temporary rule adopted under
30 this SECTION expires on the earlier of the following:

- 31 (1) The date that another temporary rule is adopted under
32 this SECTION or a permanent rule is adopted under
33 IC 4-22-2 to supercede a previously adopted temporary rule.
34 (2) July 1, 2005."

35 Renumber all SECTIONS consecutively.

(Reference is to SB 1 as printed November 21, 2003.)

Senator HUME

