

SENATE BILL No. 581

DIGEST OF INTRODUCED BILL

Citations Affected: None (noncode).

Synopsis: Property tax credits. Allows the county fiscal body to apply a property tax credit over four years for a homestead that had an excessive tax increase in the last general reassessment. Specifies that the amount of the credit is a percentage of that increase.

Effective: Upon passage.

Kenley

January 20, 2005, read first time and referred to Committee on Tax and Fiscal Policy.

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First Regular Session 114th General Assembly (2005)

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 2004 Regular Session of the General Assembly.

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SENATE BILL No. 581



A BILL FOR AN ACT concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. [EFFECTIVE UPON PASSAGE] (a) **The following**
- 2 **definitions apply throughout this SECTION:**
- 3 (1) **"2002 liability" means the amount of property taxes**
- 4 **imposed on a homestead first due and payable in 2002.**
- 5 (2) **"2003 increase" means the amount by which the 2003**
- 6 **liability exceeds the 2002 liability.**
- 7 (3) **"2003 liability" means the amount of property taxes**
- 8 **imposed on a homestead first due and payable in 2003.**
- 9 (4) **"Fiscal body" has the meaning set forth in IC 36-1-2-6.**
- 10 (5) **"Homestead" has the meaning set forth in IC 6-1.1-20.9-1.**
- 11 (6) **"Liability" means liability for the taxes imposed on a**
- 12 **homestead under IC 6-1.1 determined after application of all**
- 13 **credits and deductions under IC 6-1.1 but does not include**
- 14 **any interest or penalty imposed under IC 6-1.1.**
- 15 (7) **"Qualifying homestead" means a homestead with respect**
- 16 **to which the 2003 increase:**
- 17 (A) **exceeds the 2002 liability; and**
- 18 (B) **is at least five hundred dollars (\$500).**



1 (b) If the county fiscal body adopts an ordinance before July 1,
2 2005, to authorize the application of the credit under this
3 SECTION, a person is entitled to a credit against the person's
4 liability with respect to the person's qualifying homestead located
5 in the county for property taxes first due and payable in each of the
6 years listed in subdivision (2) in the amount of the product of:

- 7 (1) the 2003 increase; multiplied by
8 (2) the percentage from the following table corresponding to
9 the year in which property taxes are first due and payable:

10 YEAR	PERCENTAGE
11 2005	80%
12 2006	60%
13 2007	40%
14 2008	20%

15 (c) A person is not required to file an application for the credit
16 under this SECTION. The county auditor shall:

- 17 (1) identify homesteads in the county eligible for the credit
18 under this SECTION; and
19 (2) apply the credit under this SECTION to the liability.

20 (d) The county auditor and county treasurer may apply the
21 credit under this SECTION for property taxes first due and
22 payable in 2005 by adjustment of the statement for the property
23 tax installment due November 10, 2005.

24 SECTION 2. An emergency is declared for this act.

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